



**ANNUAL INFORMATION FORM**  
of  
**NICKEL CREEK PLATINUM CORP.**  
(formerly Wellgreen Platinum Ltd.)

**FOR THE YEAR ENDED DECEMBER 31, 2018**

March 20, 2019

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## INTRODUCTORY NOTES

### DATE OF INFORMATION

All information contained in this annual information form (“AIF”) of Nickel Creek Platinum Corp. (“Nickel Creek Platinum” or the “Company”) is as of March 20, 2019, unless otherwise stated.

### NATURE OF DOCUMENT

This AIF provides important information about the Company. It describes, among other things, our history, our markets, our exploration and development projects, our mineral resources, sustainability, our regulatory environment, the risks we face in our business and the market for our shares.

Information on the Company’s website is not part of this AIF, nor is it incorporated by reference herein. The Company’s filings on SEDAR are also not part of this AIF, nor are they incorporated by reference herein.

### REPORTING CURRENCY AND FINANCIAL INFORMATION

Dollar amounts set forth in this AIF, except as otherwise indicated are stated in Canadian dollars. Any references to US\$ mean United States (US) dollars.

This AIF presents financial information in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board.

### CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

Certain statements contained in this AIF constitute “forward-looking statements” within the meaning of Canadian securities legislation. These forward-looking statements are made as of the date of this AIF and the Company does not undertake to update any forward-looking statement that may be made from time to time by the Company or on its behalf, except in accordance with applicable laws.

Forward-looking statements relate to future events or future performance and reflect management’s expectations or beliefs regarding future events. Except for statements of historical fact relating to the Company, the information contained herein constitutes forward-looking statements. This AIF contains forward-looking statements which reflect management’s expectations regarding Nickel Creek Platinum’s future growth, the Company’s near, medium and long-term goals and strategies to achieve those objectives and goals, as well as statements with respect to the Company’s beliefs, plans, objectives, expectations, anticipations, estimates and intentions. The words “may”, “will”, “continue”, “could”, “should”, “would”, “suspect”, “outlook”, “believes”, “plan”, “anticipates”, “estimate”, “expects”, “intends” and words and expressions of similar import are intended to identify forward-looking statements. In particular, statements regarding the use of proceeds from private equity financings (including the August 2017 Private Placement, as defined below), results of the Phase 1 Metallurgical Program (as defined below) and the Phase 2 Metallurgical Program (as defined below), results of the 2017 Drill Program, results of the 2018 and 2017 Resource Estimates, the future undertaking of any potential preliminary economic assessment (“PEA”) or pre-feasibility study, the Company’s future work plans at the Nickel Shāw Project (as defined below) and the advancement of project milestones at the Nickel Shāw Project, the supply of liquefied natural gas (“LNG”) to the Nickel Shāw Project, other future exploration (including, without limitation, drilling) and development activities or other development plans, including the potential construction of a mine at the

Nickel Shāw Project and estimated future financing requirements, as well as statements with respect to the estimation of mineral resources, the realization of mineral resource estimates, achievement of commercial production, the timing and amount of estimated future production, commodity prices and the potential for them to improve, costs of production, capital expenditures, success of mining operations, environmental risks, reclamation expenses, title disputes, tax disputes or claims and limitations on insurance coverage commodity prices, constitute forward-looking statements. Readers are cautioned that mineral resources that are not mineral reserves do not have demonstrated economic viability. These statements are not historical facts and only represent the Company's current beliefs as well as assumptions made by and information currently available to the Company concerning anticipated financial performance, business prospects, strategies, regulatory developments, development plans, exploration and development activities and commitments and future opportunities. Although management considers those assumptions to be reasonable based on information currently available to them, they may prove to be incorrect.

These statements are not guarantees of future performance and involve assumptions and risks and uncertainties that are difficult to predict. Therefore, actual results may differ materially from what is expressed, implied or forecasted in such forward-looking statements.

By their very nature, forward-looking statements involve several known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements of the Company to be materially different from any future results, performance, or achievements expressed or implied by such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements. The Company cautions that the list of risk factors contained in "Risk Factors" in this AIF that may affect future results is not exhaustive. When relying on any forward-looking statements in this AIF to make decisions with respect to the Company, investors and others should carefully consider the risk factors set out in this AIF and other uncertainties and potential events.

#### **CAUTIONARY NOTE TO INVESTORS REGARDING DEFINITION OF MINERAL RESOURCES**

This AIF uses the terms "Measured Mineral Resources", "Indicated Mineral Resources" and "Inferred Mineral Resources" in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") Definition Standards. Investors are advised that while such terms are and have been historically recognized and required by Canadian securities laws, only until recently, effective October 31, 2018, the United States Securities and Exchange Commission ("SEC") adopted amendments to recognize these terms. Such amendments are not required to be complied with until the first fiscal year beginning on or after January 1, 2021. The term "Inferred Mineral Resource" refers to a mineral resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling and for which geological evidence is sufficient to imply but not verify, geological and grade or quality continuity. These estimates are based on limited information and have a great amount of uncertainty as to their existence, and as to their economic and legal feasibility. It cannot be assumed that all or any part of an Inferred Mineral Resource will ever be upgraded to a higher category of resource, such as "Indicated Mineral Resources" or "Measured Mineral Resources", as a result of continued exploration. Under Canadian securities laws, estimates of an "Inferred Mineral Resource" may not form the basis of pre-feasibility or feasibility studies and can only be used in economic studies in the limited circumstances as described in National Instrument 43-101 – Standards of Disclosure for Mineral Projects ("NI 43-101"). Investors are cautioned not to assume that all or any part of "Measured Mineral Resources" or "Indicated Mineral Resources" will ever be converted into "Mineral Reserves" (the economically mineable part of an "Indicated Mineral Resources" or "Measured Mineral Resource"). Investors are cautioned not to assume

that all or any part of an Inferred Mineral Resource exists, or is economically or legally mineable. In addition, disclosure of contained ounces is permitted under Canadian regulations. However, except as to Reserves, the SEC currently only permits issuers to report mineralization as in place tonnage and grade without reference to unit measures.

#### GLOSSARY OF UNITS

<b>Unit</b>	<b>Abbreviation</b>
Centimetre	cm
Day	d
Gram	g
Hectare	ha
Kilometre	km
Kiloton	kt
Litre	L
Metre	m
Metric tonne	t
Tonnes per day	tpd
Million pounds	MIbs
Ounce	oz
Pound(s)	lb/lbs

#### GLOSSARY OF ELEMENTS

<b>Element</b>	<b>Abbreviation</b>
Chromium	Cr
Cobalt	Co
Copper	Cu
Gold	Au
Iridium	Ir
Nickel	Ni
Osmium	Os
Palladium	Pd
Platinum	Pt
Ruthenium	Ru

## CORPORATE STRUCTURE

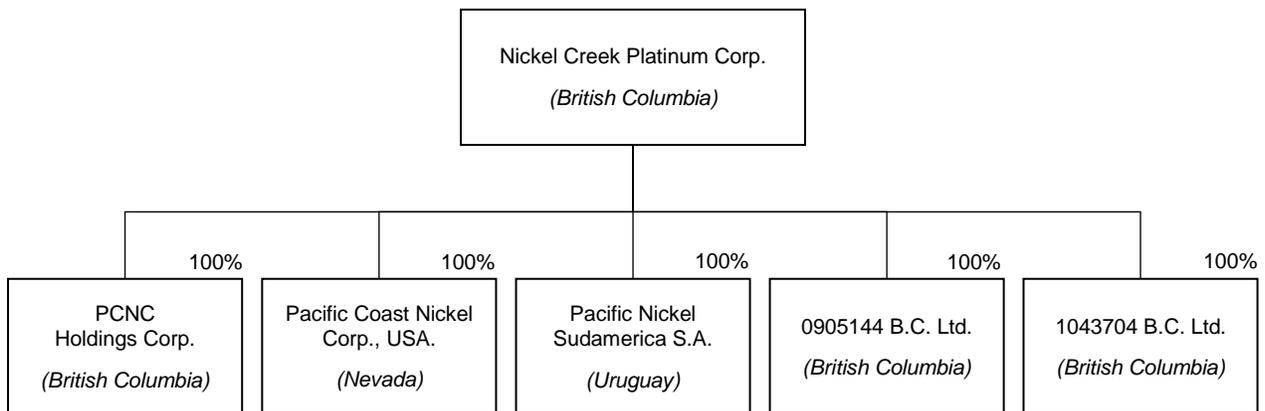
### NAME, ADDRESS AND INCORPORATION

Nickel Creek Platinum Corp. was incorporated under the Business Corporations Act (British Columbia) (the "BCBCA") on April 5, 2006 under the name "Fargo Capital Corp.", and changed its name to "Pacific Coast Nickel Corp." on July 10, 2007. The Company changed its name to "Prophecy Platinum Corp". on June 13, 2011. On December 19, 2013, the Company's name was changed to "Wellgreen Platinum Ltd." Effective January 8, 2018, the Company's name was changed to "Nickel Creek Platinum Corp."

The head and registered office of the Company is located at 2200 HSBC Building, 885 West Georgia Street, Vancouver, British Columbia, V6C 3E8.

### INTERCORPORATE RELATIONSHIPS

The Company is a reporting issuer in the provinces of British Columbia (principal reporting jurisdiction), Alberta, Manitoba and Ontario (the "Reporting Jurisdictions"). As at the date of this AIF, the following organization chart sets forth the Company's corporate structure. All of the Company's subsidiaries are wholly-owned.



The Company's only material subsidiary, 0905144 B.C. Ltd., holds the material mineral properties which contain its core Ni-Cu-Co-PGM Wellgreen deposit (the "Wellgreen deposit") as well as the Arch, Burwash, Musk and Quill claims. The legal entity 1043704 B.C. Ltd. holds the Formula claims.

## **NICKEL CREEK PLATINUM OVERVIEW**

Nickel Creek Platinum is a public company and its common shares (the “Shares”) are listed on the Toronto Stock Exchange (the “TSX”), trading under the symbol “NCP”, and on the OTCQX under the symbol “NCPCF”. Prior to December 4, 2014 the Shares traded on the TSX Venture Exchange.

The Company’s principal business activity is the exploration, evaluation and development of nickel and platinum group metals (“PGM”) mineral properties in North America. The Company’s flagship asset is its 100%-owned Ni-Cu-Co-PGM project (the “Nickel Shāw Project” or the “Project”; formerly known as the “Wellgreen Project”), located in southwestern Yukon, Canada. The Nickel Shāw Project contains the Company’s core Ni-Cu-Co-PGM Wellgreen deposit, as well as the Arch, Burwash, Formula, Musk and Quill claims. The Wellgreen deposit is a polymetallic deposit with mineralization that includes the significant co-occurrence of nickel, copper, cobalt, PGM and gold.

The Company has six (6) employees as at the date of this AIF. The Company also utilizes consultants and contractors as needed to carry on many of our activities.

### **PRINCIPAL PRODUCTS**

The Company is currently in the exploration and development stage and does not produce or sell mineral products. The principal focus is on nickel, copper, cobalt and PGMs, with nickel being the principal economic metal for the Nickel Shāw Project. Due to the corrosion-resistant properties of nickel, it is used primarily to make stainless steel, super alloys and nonferrous alloys. In addition, the technology shift to electric vehicles and energy storage is driving new demand for lithium-ion batteries, which are over 75% nickel. PGMs are rare precious metals with unique physical characteristics that are used in diverse industrial applications, the automotive industry and in jewelry. The six PGMs are platinum, palladium, rhodium, ruthenium, iridium and osmium. Platinum and palladium are the principal PGMs at the Nickel Shāw Project. The unique characteristics of PGMs include strong catalytic properties; excellent conductivity and ductility; high level of resistance to corrosion; strength and durability; and high melting points.

If the Company successfully develops the Nickel Shāw Project, it expects to produce and sell one or more metal concentrates.

### **MARKET AND MARKETING**

There is a worldwide market for base metal concentrates and PGMs. The Company expects that it would not have a dependence on any particular purchaser of base metal concentrates or PGMs that it may produce.

### **Competitive conditions**

The mineral exploration and mining industry is very competitive in all phases of activity. The Company competes with other mining companies, some of which have greater financial resources and technical facilities, for the acquisition of mineral tenements, claims, leases and other mineral interests for exploration and development projects. The Company also competes with other mining companies for investment capital with which to fund such projects and for the recruitment and retention of qualified executives, employees and consultants.

### **Specialized skills and knowledge**

All aspects of the Company's business require specialized skills and knowledge. Such skills and knowledge include the areas of geology, drilling, logistical planning and implementation of exploration programs, mine planning, development and operation and regulatory, finance and accounting functions. The Company relies upon its management, employees and various consultants for such expertise.

### **Cyclicity**

The mining business is subject to mineral price cycles. The markets for mineral concentrates are also affected by worldwide economic cycles. Base metals, such as nickel and copper, are affected by global economic conditions, and platinum and palladium markets are affected by demands of the automobile and jewellery industry. Fluctuations in supply and demand in various regions throughout the world are common.

The Company does not currently carry on production activities and the ability to fund ongoing exploration and development activity is affected by the availability of financing which, in turn, is affected by the strength of the economy and other general economic factors.

### **ECONOMIC DEPENDENCE**

Nickel Creek Platinum is dependent on the acquisition, exploration, development and operation of mineral properties. The Company is currently not dependent on any contract to sell products or services or to purchase the major part of the Company's requirements for goods, services or raw materials, or on any franchise or licence or other agreement to use a patent, formula, trade secret, process or trade name.

### **Bankruptcy and similar procedures**

There are no bankruptcies, receivership or similar proceedings against the Company, nor is the Company aware of any such pending or threatened proceedings. The Company has not commenced any bankruptcy, receivership or similar proceedings during its history.

### **Foreign operations**

The Company does not hold any interests in mineral resource properties located outside of Canada. See "Risk Factors".

### **ENVIRONMENTAL CONDITIONS**

All aspects of field operations are subject to national and local environmental regulations and generally require approval by appropriate regulatory authorities prior to commencement. These regulations pertain to exploration, construction and operating standards for the sites and include closure plan commitments regarding restoration requirements.

The Nickel Shāw Project is not permitted for mine construction and will require assessment by the Yukon Environmental and Socio-Economic Assessment Board ("YESAB") in advance of a Water License from the Yukon Water Board and a Quartz Mining License from the Mineral Resources Branch of the Yukon government. Prior to entering the YESAB process, environmental and socioeconomic baseline studies are required along with appropriate consultation and engagement with First Nations. These parallel processes could create delays to advancing the Nickel Shāw Project, as well as potentially create financial burdens; however, the Company entered into an Exploration Cooperation Agreement ("ECA") in August 2012 with

the Kluane First Nation (“KFN”) in the Yukon to support Nickel Creek Platinum’s exploration program and environmental studies associated with the development of the Nickel Shāw Project. The KFN and the government of the Yukon Territory have provided very good support for the Nickel Shāw Project.

### **Social and environmental policies**

The executive management team (“Management”) has implemented policies and procedures that provide a safe working environment for all employees, consultants, contractors and stakeholders as well as being designed to protect the environment. The Company recognizes that safety and environmental due diligence are significant components that enable long-term sustainability of operations and support the objective of projects being completed in a cost effective and timely manner with excellent quality control. In 2018, Nickel Creek Platinum did not have any fatal or long-term disability accidents, lost-time accidents, reportable safety incidents or significant environmental incidents.

## **THREE-YEAR HISTORY**

### **OVERVIEW**

During the past three years, Nickel Creek Platinum has been an exploration stage mining company principally engaged in the exploration and development of its Nickel Shāw Project.

### **NICKEL SHĀW PROJECT, YUKON**

The Nickel Shāw Project was acquired by the Company in June 2011 and has grown through claim staking. At December 31, 2018, the Company’s total land package was comprised of 711 mineral claims in seven groups totaling 13,279 ha and 91 mining leases totalling 1,371 ha. The claims were staked as early as 1952. Each claim is a Quartz Mining Claim with expiry dates that range from June 2019 to February 2036. The claims cover the Wellgreen deposit as well as the Arch, Burwash, Formula, Musk and Quill claims. The Nickel Shāw Project deposit and resource cone is located on thirty Quartz Mining Leases which all have an expiry date of December 5, 2020. The Arch, Burwash, and Quill claims are contiguous to the known Wellgreen deposit, whereas the Formula and Musk claims are separate. All mineral claims and mining leases are 100% held, directly or indirectly, by the Company.

In the Yukon, all work undertaken on the surface for hard rock mineral claims and leases is regulated under the Quartz Mining Act (“QMA”) through the Quartz Mining Land Use Regulation and is managed by the Mining Recorder’s Office. Renewal of a quartz claim requires \$100 of work be performed per claim per year or, where no work has been performed, the claimant may make a payment in lieu of work.

On June 26, 2017, the Company announced that due to changes in the 2017 mineral resource estimate (the “2017 Resource Estimate”), improved understanding of the geologic model, updated Phase 1 metallurgical results, work underway on relocation of the plant and tailings facilities, mine planning optimization and other factors that changed since the publication of the PEA on March 19, 2015 (the “2015 PEA”), the 2015 PEA for the Project had become outdated and should not be relied upon. On August 10, 2017, the Company filed a NI 43-101 technical report entitled, “2017 Mineral Resource Estimate on the Wellgreen Ni-Cu-PGM Project, Yukon Canada, June 26, 2017” (“2017 Technical Report”), prepared by Independent Mining Consultants, Inc. (“IMC”), with the participation and contribution of AGP Consultants Inc. (“AGP”) and GEMS Unlimited Consulting Ltd. (“GEMS”).

On July 10, 2018, the Company announced the results of its completed Phase 2 metallurgical testwork program ("Phase 2 Metallurgical Program") that commenced in September 2017 at XPS Expert Process Solutions ("XPS") in Sudbury, Ontario. The initial focus was on flowsheet optimization and batch scale testing to determine the viability of split nickel and copper concentrate production prior to advancing to Mini Pilot Plant ("MPP") steady state testing. The Phase 2 Metallurgical Program succeeded in its primary objective of separating bulk Cu/Ni concentrate into two separate saleable nickel and copper concentrates. On March 1, 2017, the Company announced the results of its Phase 1 Metallurgical Testwork program ("Phase 1 Metallurgical Program") that was initiated in April 2016 (see news release dated March 1, 2017). During the course of the Phase 1 Metallurgical Program, there were preliminary indications that separate saleable nickel and copper concentrates could be viable.

On September 25, 2018, the Company announced that it would not be completing its previously announced PEA on the Nickel Shāw Project and would revisit completing a PEA if and when financial market conditions improve and higher commodity prices are realized. During the course of the Phase 2 Metallurgical Program, the Company reported that it had identified a strong correlation between nickel recovery and total sulphide content (see news release dated July 10, 2018). Specifically, it was determined that the presence of sulphides (namely sulphur in pyrrhotite) was an important marker of nickel recovery, meaning that the areas of higher sulphur yielded higher recoveries, and areas of lower sulphur yielded lower recoveries, irrespective of nickel head grade. These findings were incorporated into a new nickel recovery formula and tested against recent and historical metallurgical testwork results.

Also on September 25, 2018, the Company announced the results of an updated mineral resource estimate (the "2018 Resource Estimate") for the Project. On November 9, 2018, the Company filed a NI 43-101 technical report entitled, "Nickel Creek Platinum Corp., Ni-Cu-PGM Project, 2018 NI 43-101 Resource Update, Yukon Canada with an effective date of September 25, 2018 ("Technical Report"), which replaced the 2017 Technical Report and was prepared by IMC, with the participation and contribution of AGP. The 2018 Resource Estimate did not include the approximate 2,720 metres of diamond drilling in 15 holes that were completed during the summer and fall of 2017 ("2017 Drill Program"). The Company also conducted a geophysics program during 2018 that used induced polarization/ resistivity survey to potentially identify drill targets.

By applying the nickel sulphur recovery formula discussed above, the Project's 2017 stated mineral resource tonnage was reduced using a nickel price of US\$8.25 per pound. Please see "Projects – Nickel Shāw Project – Mineral Resource Estimates – 2018 Resource Estimate" below for more information. Given this new understanding, combined with current and projected long term commodity prices and financial market conditions, the Company believed it would not be prudent to complete a PEA until the emergence of improved financial market conditions and a stronger commodity price environment, and notionally not until nickel prices settle in the range of at least US\$9.00 to US\$11.00 per pound. Any decision at that time will need to factor in all relevant considerations, including but not limited to commodity pricing, mine plan, capital and operating costs, metal recoveries and capital market conditions.

The Company is maintaining environmental baseline activities and considering optimization alternatives at the Nickel Shāw Project, while investigating other opportunities.

Please see "Projects – Nickel Shāw Project – Metallurgical Testing and Mineral Processing" below for more information.

During the fourth quarter of 2016, the Company filed for an assessment with the Haines Junction Designated Office of YESAB for a Class 4 Mining Land Use Approval Permit ("Class 4 Permit") to replace the Company's Class 1 and Class 3 Mining Land Use Permits. The Class 4 Permit was received during the

month of February 2018 and has an expiry date of February 8, 2028 and provides the Company flexibility in the type of drilling activities needed to advance the project.

## FINANCINGS

In the last three years, the Company completed the following equity financings:

On August 8, 2017, the Company completed a non-brokered private placement whereby the Company issued 25,120,056 units (the "August 2017 Units") priced at \$0.26 per August 2017 Unit, and 8,675,535 "flow-through" units (the "August 2017 FT Units") priced at \$0.3458 per August 2017 FT Unit, for aggregate gross proceeds of \$9.5 million (the "August 2017 Private Placement"). Each August 2017 Unit was comprised of one Share and one-half of one Share purchase warrant (each whole Share purchase warrant, an "August 2017 Warrant"). Each August 2017 FT Unit was comprised of one "flow-through" Share and one-half of one August 2017 Warrant. Each August 2017 Warrant is exercisable for one Share for a period of five years following closing of the August 2017 Private Placement at a price of \$0.35.

The Company's major shareholders, Electrum Strategic Opportunities Fund L.P. ("Electrum") and Resource Capital Fund VI L.P. ("RCF"), acquired 6,742,271 August 2017 Units and 8,675,535 August 2017 FT Units, respectively, in the August 2017 Private Placement. The remaining participants were Tocqueville Gold Fund and Drake Private Investments, acquiring 12,379,201 August 2017 Units and 5,998,584 August 2017 Units, respectively. The net proceeds of the August 2017 Private Placement have been, and will continue to be, applied towards the continuing development of the Nickel Shaw Project and for general corporate purposes.

On July 8, 2016, the Company completed a non-brokered private placement of 6,796,742 Shares (the "July 2016 Shares") at a price of \$0.30 per July 2016 Share for aggregate gross proceeds of \$2.0 million (the "July 2016 Private Placement").

During the first half of 2016, the Company completed a multi-tranche non-brokered private placement (the "March 2016 Private Placement") of 70,500,000 units (the "March 2016 Units"), at a price of \$0.20 per March 2016 Unit for aggregate gross proceeds of \$14.1 million and net proceeds of approximately \$13.7 million. The March 2016 Private Placement included a lead order of 50,000,000 March 2016 Units from Electrum pursuant to a unit purchase agreement between the Company and Electrum dated March 9, 2016 (the "Electrum Purchase Agreement"). Each March 2016 Unit was comprised of one Share and one Share purchase warrant (a "March 2016 Warrant"). Each March 2016 Warrant entitles the holder thereof to purchase one Share at a price of \$0.27 for a period of five (5) years following its date of issue. The terms of the Electrum Purchase Agreement gave Electrum the right to nominate two individuals for election to Nickel Creek Platinum's board of directors (the "Board"). Electrum was also granted the right to participate in future financings by the Company to maintain its equity interest.

## CORPORATE ACTIVITIES

On November 2, 2018, the Company announced that Mr. Gillyeard "Gil" Leathley rejoined the Board after having resigned on July 6, 2018 due to health reasons.

On August 14, 2017, the Company announced the appointment of Ms. Heather White as Chief Operating Officer ("COO") and on July 10, 2017, the Company announced the appointments of Mr. Graeme Jennings as Vice-President Corporate Development & Investor Relations and Mr. James Berry as Chief Geologist.

During 2016, the Company undertook the following significant changes to Management and its Board which allowed the Company to focus on de-risking the Nickel Shaw Project:

- On March 28, 2016, the Company announced the appointments of Mark Fields and Wayne Kirk to the Board. Mr. Fields is a nominee of RCF, which has the right to nominate one individual to the Board pursuant to the terms of the RCF Ancillary Rights Agreement.<sup>1</sup> Mr. Kirk is a nominee of Electrum, which has the right to nominate two individuals to the Board pursuant to the terms of the Electrum Purchase Agreement.
- On June 13, 2016, Diane R. Garrett joined the Company as President and Chief Executive Officer (“CEO”) and as a member of the Board.
- On June 13, 2016, Gil Leathley was appointed as an observer to the Board, and subsequently stood for election to the Board at the annual general meeting (“AGM”). Electrum nominated Mr. Leathley as its second nominee pursuant to the Electrum Purchase Agreement.
- On July 28, 2016, the Company announced the departure of its former Chief Financial Officer (“CFO”).
- On August 15, 2016, the Company announced the appointment of Joe Romagnolo as CFO.
- On September 13, 2016, the Company announced the departure of its former COO.

#### **SALE OF URSA MAJOR MINERALS INC.**

Effective February 8, 2017, the Company sold (the “Sale”) Ursa Major Minerals Inc. (“URSA”), formerly a 100% wholly-owned subsidiary, to a private company (the “Purchaser”). URSA had various ownership interests in non-core Ontario properties including Shakespeare, Shining Tree, Fox Mountain, Stumpy Bay, Porter Baldwin and Porter Option properties. The Purchaser assumed all assets and liabilities of URSA, including the mine reclamation provision for the Shakespeare property and all existing royalty agreements.

The Sale agreement provided that the Company would receive total cash and/or share consideration equivalent to \$200,000 from the Purchaser over the ensuing three years from date of the Sale. The Company received \$50,000 during 2018 and \$100,000 during 2017 and the remaining \$50,000 is due on December 31, 2019, and is payable in cash or, at the election of the Purchaser, share consideration if the Purchaser is a publicly listed company when the payments are due. In addition, the Company retains a 1.0% NSR royalty interest in the Shakespeare Property, and a 0.5% NSR royalty interest in the other properties.

#### Note

1. RCF has a right to participate in future financings by the Company to maintain its equity interest. RCF and Australind Limited both have the right to nominate one individual for election to the Board, pursuant to an ancillary rights agreement between the Company, RCF and Australind Limited dated November 4, 2015, entered into in connection with the Company’s November 2015 financing.

## PROJECTS

Management considers the Nickel Shāw Project to be the Company's only material property for the purposes of NI 43-101 and applicable securities laws.

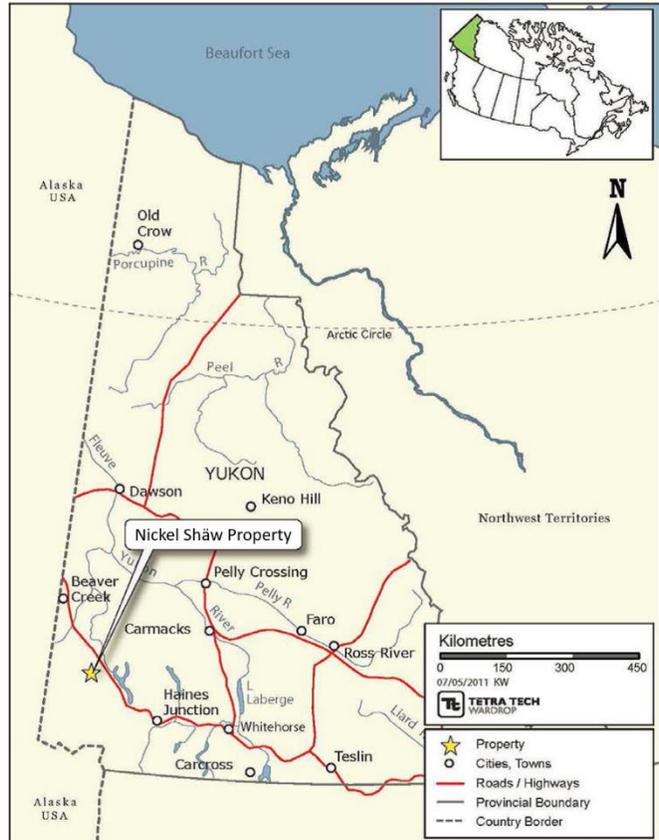
### NICKEL SHĀW PROJECT

The 100%-owned Nickel Shāw Project is located in the Yukon Territory, Canada. The project name was changed in January 2018 from the Wellgreen Project to the Nickel Shāw Project. As noted earlier, the Nickel Shāw Project contains its core Wellgreen deposit, as well as the Arch, Burwash, Formula, Musk and Quill claims.

The Nickel Shāw Project contains potentially economic values of nickel, copper, platinum, palladium, cobalt and gold.

The information below is based on the Technical Report (as defined earlier) and, where indicated, on the results of the Phase 2 Metallurgical Program disclosed by a news release on July 10, 2018 and updated in the new release dated September 25, 2018.

*Readers are cautioned that mineral resources are not mineral reserves and do not have demonstrated economic viability. Readers are also cautioned that inferred mineral resources are considered too speculative geologically to have economic considerations applied to them.*



### Property Physical Description

The Nickel Shāw Project is located approximately 317 km northwest of Whitehorse in southwestern Yukon, at an approximate latitude: 61°28'N and longitude: 139°32'W. The Nickel Shāw Project deposit is accessible by a 14 km gravel road from the paved all-weather Alaska Highway to the northeast. An all-weather airstrip is located approximately 28 km southeast of the Nickel Shāw Project at Burwash Landing. The airstrip is maintained by NAV CANADA and presently sees limited winter maintenance.

All-season, deep-sea ports are located in Haines, Alaska, approximately 400 km to the southeast, as well as Skagway, Alaska, which are currently utilized by Capstone Mining Corp. and G & T Resources Corp. for the transport of mining concentrate material on bulk container ships to smelters. Both ports are year-round ice-free ports and are accessible by high-quality paved highways.

Work on the Nickel Shāw Project can be conducted year-round. The regional climate is semi-arid, sub-arctic with relatively warm, dry summers and winters characterized by relatively dry, cold interior conditions, but tempered by west coast climate influences. The area lies in the rain shadow of the Saint

Elias Mountains, with average annual total precipitation for the Burwash Landing station of 27.97 cm (11 inches) of which 19.2 cm (7.6 inches) typically falls as rain in summer and the remainder as snow in winter.

The Nickel Shāw Project is located in the Kluane Ranges, which are a continuous chain of foothills situated along the eastern flank of the Saint Elias Mountains. The topography across the Nickel Shāw Project is typical of the interior Yukon with slopes of 250 to 300 m in length, and the highest peaks exceed an elevation of 1,800 m. The main mineralized zone on the Nickel Shāw Project lies between an elevation of 1,250 m and 1,700 m on a moderate to steep south-facing slope.

The Nickel Shāw Project lies within the KFN core area as defined under the Umbrella Final Agreement between the Government of Canada, Government of Yukon and the Council of Yukon First Nations. Effective August 1, 2012, the ECA was signed with KFN and regular ECA meetings are held between the Company and KFN.

The Wellgreen deposit and the Arch, Burwash and Quill claims are subject to a 1% net smelter return (“NSR”) royalty (the “Wellgreen NSR Royalty”) on future production. In addition, the Wellgreen NSR Royalty contains a provision for the Company to pay any Canadian withholding tax required to be remitted by holders of the Wellgreen NSR Royalty, and the Company has granted a security interest over the mineral claims and mining leases that are subject to the Wellgreen NSR Royalty.

### **Property History, Exploration and Drilling**

Prospectors W. Green, C. Aird and C. Hankins staked the first recorded mineral claims on the property in 1952. The prospectors optioned the Project to Hudson Bay Exploration and Development and it was subsequently optioned to Yukon Mining Corporation Limited, a subsidiary of Hudson Bay Mining and Smelting Co. Ltd (“HudBay”) that same year. The Project was then transferred again, to another subsidiary of HudBay, Hudson-Yukon Mining Co. Ltd. (“Hudson Yukon Mining”) in 1955. In 1969, Hudson Yukon Mining completed a feasibility study for a mining and milling operation at the Project. Underground mining operations were initiated in 1972 by Hudson Yukon Mining and ceased production in 1973.

The Nickel Shāw Project was optioned to a joint venture between All-North Resources Ltd. (“All-North”) and Chevron Minerals Ltd. (“Chevron Minerals”) in 1986 which acquired a 50% interest in the Nickel Shāw Project. In 1987, Galactic Resources Ltd. purchased the Hudson Yukon Mining interest and NSR royalty on the Nickel Shāw Project, and merged with All-North. In 1989, All-North purchased Chevron Minerals’ interest to acquire a 100% interest in the Nickel Shāw Project. Other joint ventures were formed on the Arch claims, which lie contiguous to, and west of the Nickel Creek Platinum claims.

In 1994, Northern Platinum Ltd. (“Northern Platinum”) acquired an 80% interest in the Nickel Shāw Project from All-North, with the remaining 20% purchased by Northern Platinum in 1999. Coronation Minerals Ltd. optioned the Nickel Shāw Project in 2005, but dropped the option in 2009. As a result, the Nickel Shāw Project was returned to Northern Platinum.

On September 22, 2010, Northern Platinum was acquired by Prophecy Resource Corp. (“Prophecy Resource”). In June 2011, Prophecy Resource spun out all of its North American nickel and platinum assets, including its entire 100% interest in the Nickel Shāw Project, to 0905144 B.C. Ltd., a 100% wholly-owned subsidiary of Pacific Coast Nickel Corp (“Pacific Coast Nickel”). As a result of the spin-out transaction, Pacific Coast Nickel acquired 100% ownership of the Nickel Shāw Project. Immediately upon completion of this spin-out transaction, Pacific Coast Nickel changed its name to Prophecy Platinum Corp. (“Prophecy

Platinum"). In December 2013, Prophecy Platinum changed its name to Wellgreen Platinum Ltd. and the name was changed in January 2018 to Nickel Creek Platinum Corp.

The resource estimate for the Nickel Shāw Project is based on results from 386 surface and underground drill holes (containing approximately 23,730 assays) completed on the Nickel Shāw Project from 1987 to 2016. Drill holes prior to 1987 were not used in the estimate of mineral resources included in the Technical Report. The Company sampled and assayed previously non-sampled core intervals and re-assayed all available sampled intervals from the 1987-1988 programs in 2013. A total of 3,087 samples were analyzed from 108 holes (8,462 metres). The existing half core was sawn so that ¼ core samples were sent for assay and the Company's preparation and assay protocols were applied. Missing intervals within the 2006 and 2007 programs were also resampled with ¼ core samples and assayed using the Company's preparation and assay protocols.

During the 2017 Drilling Program, the Company drilled an additional 15 diamond drill holes comprising a combination of infill and infill/metallurgical holes. Several holes did not reach the planned target depths due to poor ground conditions. These holes were determined to not make a material change and were not incorporated into the resource model described in the Technical Report.

### **Geology & Mineralization**

The Wellgreen deposit occurs within, and along the lower margin of, an Upper Triassic ultramafic-mafic body, within the Quill Creek Complex. This assemblage of mafic-ultramafic rocks is 20 km long and intrudes near the contact between the Station Creek and Hasen Creek formations. Surface mapping shows that the Quill Creek Complex is 9.5 km long and up to 1 km wide. The Quill Creek Complex includes the Wellgreen deposit, Quill and Burwash targets.

Mineralization within the Wellgreen deposit has been delineated into six zones of massive and disseminated mineralization known respectively as the Far East Zone, East Zone, Central Zone, West Zone, Far West Zone, and North Arm Zone.

The mineralization at the Nickel Shāw Project is similar to mafic-ultramafic-associated nickel deposits such as those found in Noril'sk, Russia; Raglan, Northern Quebec; Northmet, Minnesota; and Sudbury, Ontario.

The main zone of mineralization has a strike length of 1.7 km and thickness ranges from 20 m on the western end to almost 300 m at the eastern end. Drilling intercepts have indicated the mineralization ranges in depth from several metres at the west of the deposit to over 500 m at the eastern side. Discontinuous massive and semi-massive sulphide zones are significantly thinner (cm to a few m), are located near the footwall contact and transition into disseminated sulfide zones above.

The main sulphide minerals associated with potentially economic mineralization at the Nickel Shāw Project include pentlandite (nickel), chalcopyrite (copper), and cobaltite (cobalt). The PGMs platinum, palladium, rhodium, iridium, ruthenium, and osmium, along with gold, are included in sperrylite, merenskyite, sudburyite, and other lesser known minerals that are often associated with magnetite, pyrrhotite, chalcopyrite, and pentlandite.

### **Sampling & Analysis**

The sampling methodology adopted by Nickel Creek Platinum between 2011 and 2013 and continuing to the present is as follows:

After 2011, the drill contractor delivered the drill core to the core shack where the boxes were photographed and run markers were checked for accuracy. The geologist or technician collected rock quality designation ("RQD") and recovery data, and the geologist logged the core. Prior to 2013 all recovery, RQD, and geology data was hand-written onto paper forms that were then entered into spreadsheets. From 2013 onwards, all of this data is captured digitally in an Access database.

Ideally there is only one geologist logging each individual hole for consistency. Most of the samples vary in length from 0.5 m to 3.5 m with 96% of the intervals falling in this range.

After 2013, the sample interval was written on a lab-provided tag that was then stapled onto the box. The tag displays the sample number and interval. Previously, the sample was marked on the box with the footage and sample number in permanent marker. Processed boxes of core are taken to the core cutting facility for cutting by a technician. The saw uses fresh water for cooling that is not recycled. The core is cut and the technician places the samples in clean plastic bags with a sample tag. The sample number is written on the outside of the sample bag and the bag is then sealed using a heavy-duty zip tie rendering it impermeable to outside contamination.

Starting in 2012 through 2017, the core was sawn twice:

- entire core was sawn in half
- one of the core halves was sawn again to generate two, quarter samples

The half core is used or maintained for possible future metallurgical sampling, while one quarter is left in the box and the other quarter is sent to the lab for assay.

All samples collected in 2011 and 2012, including field-inserted certified reference materials and blanks, were sent to ALS Global in Vancouver, BC, for assaying. Since 2013, all samples are sent to Bureau Veritas (formerly ACME Laboratories) in Vancouver, BC, for analysis. Both labs have ISO/IEC 17025:2005 and ISO 9001:2000 certification, and are independent of Nickel Creek Platinum.

The samples are assayed for nickel, copper, platinum, palladium, cobalt and gold. The following is a brief description of the sample preparation:

- samples are sorted into numerical order and then dried
- once dried, the material is crushed using a jaw crusher
- the sample is then split to get a 250 g sample for pulverizing
- the total 250 g of split sample is pulverized to 85% passing 75 microns ( $\mu\text{m}$ )
- gold, platinum, and palladium are assayed by fire assay fusion of 30 g with an ICP-ES finish; the resulting values are reported in parts per million
- copper, nickel, and cobalt are assayed by four-acid "near total" digestion ICP-ES and are reported in percent

For the 2015-2017 calendar years, the primary assay lab has been Bureau Veritas Labs ("BV") in Vancouver (using the BV preparation facility in Whitehorse) and the check lab is AGAT Laboratories. AGAT is ISO 9001:2015 certified. Bags of  $\frac{1}{4}$  core are shipped to BV in lots of 50 to 100 samples. For every batch of samples, BV sends a second pulp to AGAT as a check assay as directed by the Company's geology staff.

Blanks and duplicates are inserted into the sample shipments as per the Company's QA/QC procedures. Third party certified reference material is inserted every 20 samples. Coarse blanks and pulp blanks are also inserted within the samples. Field duplicates are also taken by sampling the other quarter of the core sample. These techniques are used to monitor the assay lab's performance.

The same QA/QC protocols are used when drilling Reverse Circulation (“RC”). RC samples are collected at the rig with a rotary splitter. Water is added to all RC sampling to facilitate sample collection.

The sample shipments are transferred from the site to BV preparation facility in Whitehorse by a 3rd party transport service. The transmittal list from the mine is confirmed by the lab upon arrival in Whitehorse.

Since 2011, rice bags full of samples were temporarily stored in the core shack located in the lower camp and shipped approximately once per week to Whitehorse.

The Company completes specific gravity measurements with one sample from each core box prior to sawing the core. Core boxes hold approximately 5 m of core. Samples are solid pieces of core between 10 and 20 cm long. The sample is weighed directly from the core box for the “in air” weight and suspended in water for the wet weight. Both weights are recorded in the database and the relative specific gravity is calculated from those values. Samples are air-dried and not oven dried before testing. There is no provision for sealing the sample in wax or vacuum bags to prevent water from entering the samples.

### **Data Verification**

The database verification for the Nickel Shāw Project utilized the following approach:

- Drilling completed by Nickel Creek Platinum between 2011 and 2016 was confirmed using QA/QC procedures with check assays, blank insertions, duplicates, and certified reference material.
- Alternative sample methods utilized by Nickel Creek Platinum were checked against one another including: RC to Diamond Drilling and ¼ versus ½ core sampling.
- Once the reliability of the Nickel Creek Platinum drilling was established, it was used as the basis to compare with the other historic data sets on a nearest neighbour basis.

John Marek of IMC acted as the Qualified Person (“QP”) as defined under NI 43-101 for the data verification and determination of mineral resources. As a result of the data verification work, Mr. Marek determined that the selected database was reliable for the determination of mineral resources. The selected data is from the drilling completed between 1987 and 2016 inclusive of the re-assay of core during 2013 that was originally drilled during 1987 and 1988.

The following checks were performed on the data drilled between 2011 and 2016 at the Nickel Shāw Project by IMC.

- collar survey check and confirmation of the drill holes;
- spot check of certificates of assay versus the electronic database;
- statistical analysis of the inserted standard reference material;
- statistical analysis of the inserted blank;
- statistical analysis of the field duplicates; and
- statistical analysis of the check assays samples.

Drill hole collars at Nickel Creek Platinum have not been routinely monumented after completion of each hole; occasional collars and monuments do exist for verification. Drill pads are prevalent all over the mountain and pads do exist where drill collars are plotted on topographic maps. During the site visit by the QP and Nickel Creek Platinum team members, they hiked to 5 drill holes and their collar coordinates were spot checked by GPS or by recording the collar ID and back calculating the location against the GPS estimate.

## **Metallurgical Testing and Mineral Processing**

On March 1, 2017, the Company announced the results of the Phase 1 Metallurgical Program which achieved the production of a quality, saleable bulk Ni-Cu-PGM concentrate at 11.9% Ni-Cu grade for the Peridotite domain and at 14.3% Ni-Cu grade for the Clinopyroxenite domain. The completed testwork demonstrated that the geometallurgical domains are, and as such they will be referred to as: (i) Peridotite, which makes up the largest part of the resource, and (ii) Clinopyroxenite, which makes up a smaller part of the resource. Testing also indicated that separate saleable nickel and copper concentrates could be viable, which was confirmed during the Phase 2 Metallurgical Program.

The Company commenced its Phase 2 Metallurgical Program in September 2017 with an initial focus on flowsheet optimization and large batch scale testing to determine the viability of split concentrate production ("Phase 2A") prior to advancing to MPP steady state testing ("Phase 2B").

On July 10, 2018, the Company announced the results of its completed Phase 2 Metallurgical Program and succeeded in its primary objective of separating bulk Cu/Ni concentrate into two separate saleable nickel and copper concentrates.

### **The following are the key highlights from the Phase 2 Metallurgical Program:**

- The new total nickel and copper recovery models based on sulphur indicate that resource tonnage with lower total sulphur have lower nickel recovery even at similar Ni grades. The models were confirmed based on current and historic testwork (please refer to the September 25, 2018 dated news release entitled "Nickel Creek Provides Update on Nickel Shāw Project" for additional background information).
- The MPP program produced a bulk Cu/Ni concentrate with grades of 6.1% Ni and 3.1% Cu (total 9.1% Ni+Cu) at recoveries of: R% Ni = 53.3%, R% Cu = 59.6%, R% Co = 57.0%, R% Pt = 47.9%, R% Pd = 53.9% and R% Au = 74.4%.
- Separate Ni/Cu concentrate grades based upon the observed metal split factors from the Cu/Ni separation locked cycle test and adjusted for process scaleup include:
  - Cu concentrate grading 18.0% containing 1.1% Ni, 4.7 g/t Pt+Pd+Au.
  - Ni concentrate grading 6.7% containing 1.3% Cu, 0.36% Co, and 8.4 g/t Pt+Pd+Au.
- Magnesium oxide (MgO), which at high levels is a common smelter penalty charge, measured 5.6% in the bulk CuNi concentrate, confirming that it and other potential deleterious elements, inclusive of arsenic, are below penalty threshold levels as advised by nickel smelters.
- Batch scale variability from samples across the Life of Mine of the deposit has indicated a high correlation between nickel recovery and ore total sulphide content.

Please refer to the July 10, 2018 dated news release entitled "Nickel Creek Succeeds at Separating Nickel and Copper Concentrates for Nickel Shāw Project" for additional detailed background and information.

The Phase 2 Metallurgical Program was led by XPS and was overseen by Heather White, P. Eng., COO of Nickel Creek Platinum and Gordon Marrs, P.Eng. of XPS who is a QP as defined by NI 43-101.

## **Mineral Resource Estimates**

The mineral resource for the Nickel Shāw Project was developed using a computer-based block model of the deposit. The block model was assembled based on the drill hole data base and interpreted geology by

Chief Geologist James Berry after review and verification of that information by IMC. Mineral resources were estimated using the block model and the Lerchs-Grossman open pit software to establish the component of the deposit with reasonable prospects of economic extraction. John Marek, of IMC, acted as the QP for the development of the block model and the estimation of mineral resources. The Lerchs-Grossman pit algorithm was used to provide some assurance that the mineral resource has “reasonable prospects of economic extraction” as required by CIM best practices. The economic assumptions that were used for that pit are also summarized later in text.

Model Location

The Nickel Shāw Project block model was assembled using the project coordinate system of: UTM North American Datum 1983, Zone 7. The model blocks are 10 x 10 x 10 m cubes. Table 1 below summarizes the size and location of the block model.

**Table 1: Nickel Shāw Project Model Size and Location**

Outside Edges of the Model				
	Coordinates (metres)		Number of Blocks	Block Size
East	576,325	579,505	318	10 m
North	6,814,700	6,816,800	230	10 m
Elevation	600	1,960	136	10 m

Future work should consider alternative block sizes if the process plant production rate is well established.

Data Base

As noted earlier, historic assay information prior to 1987 has not been used for the estimation of mineral resources. Table 2 summarizes the amount of drilling and raw assay information within the block model volume that was used to estimate this statement of mineral resources.

**Table 2: Assay Information Used to Develop the Block Model**

1987 and Newer Drilling Used in the Model	
386	Drill holes
24,341	Sample Intervals
62,799	Meters of Drilling
Number of Assays Used for Modeling	
23,732	Ni
23,732	Cu
23,635	Co
23,730	Pt
23,730	Pd
23,650	Au
20,622	Ag
20,622	Mg (by ICP)

19,266	Sulfur (by ICP)
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### Bench Height for Composting

A bench height analysis was completed to measure the potential change in metal production due to alternative mining bench heights. As higher bench heights and larger blocks are utilized, additional dilution would be incorporated into the feed to the process plant. Based on the tests performed by IMC, there is little change in contained metal between 7.5 metre and 10 metre bench heights. A bench height (composite length) of 12 metres begins to show losses of metal in the range of 3% in the cut-off range of 0.10% to 0.25% nickel. As a result, the 10 metre bench height and composite length was selected.

### Statistical Evaluation

Basic statistics and variography were completed to establish the best method for block grade estimation. All statistics and analysis applied to the drilling and re-assay completed from 1987 through 2016. Variograms were developed for each metal in each rock type as a guide to the search radius for block grade estimation. In addition to the variograms on grade, a series of 0.35% Ni indicator variograms were run for nickel to set the parameters for the indicator estimate of that grade range.

### Block Model Assembly Procedures

The Nickel Shāw Project block model was assembled with conventional methodology using Inverse Distance squared (1/D2) for all economic metals; Mg was assigned by 1/D3. Nickel used an indicator boundary rather than a rock type boundary. All other metals utilized some combination of rock type boundaries for estimation.

The indicator process for nickel did allow some mineralization to be estimated in the metasedimentary rocks and volcanoclastics; however, the amount of that material was specifically limited to be only one block width into either rock type. The mineralization on sediment or volcanoclastic contact is of minor tonnage and does not penetrate those units any substantial distance. The mineralized blocks in sediment or volcanoclastics combined, amount to less than 0.33% of the total number of grade assigned blocks in the model.

Block grades of economic metals were assigned by 1/D2 methods. Tests were completed comparing ordinary kriging with the 1/D2 method which indicated that ordinary kriging would tend to smooth the grade distribution more than 1/D2. The grades of the economic metals are generally highest near the intrusive – sediment contact. As one moves southward, the metal grades begin to reduce. It is important that the relatively high-grade values near the contact not be smeared to the south as that would overestimate mineable tonnage above cut-off. As a result, the estimation methods maintained relatively tight search radii perpendicular to the contact and selected the 1/D2 method so that the block grades would look like the local composite grades.

The economic mineralization is generally conformal to the intrusive-sediment contact. The higher-grade values tend to be proximal to the contact. To model that occurrence, a series of sub-domains were established that allow the search orientations to be parallel and perpendicular to the intrusive-sediment contact. The domains were selected on plan and section to reflect the changes in strike and dip of the intrusive sediment contact. There were 19 sub-domains established to reflect the variability in the contact. Those domains were not hard boundaries for grade estimation, but reflected a local change in search orientation. Magnesium does not follow the same trend, because the magnesium grade is indicative of the host rock chemistry rather than the sulfide mineralization.

The following rock types were estimated: Clinopyroxenite, Mineralized Gabbro, Peridotite, Massive Sulfide, and the few boundary blocks of sediments and volcanoclastics.

### Mineral Resource Classification

Mineral resource classification categories of Measured, Indicated and Inferred were determined based on the number of drill holes, number of composites, and the average distance of composites to the estimated block (see Table 3 below). Classification was completed by reference to the definitions within NI 43-101 and the CIM Definition Standards. The classification codes were based on the estimation parameters for nickel and this is appropriate because all economic metals were estimated with nearly the same number of composites.

**Table 3: Mineral Resource Classification**

Categories	Classification Parameters
<b>Measured</b>	10 composites were used Average distance of the searched samples was $\leq 45$ m (1/2 of range)
<b>Indicated</b>	At least 4 composites were used (minimum 2 drill holes) Average distance of the searched samples was $\leq 70$ m (78% of range)
<b>Inferred</b>	Any remaining block with a nickel grade out to the search distance Max searches are: 75m x 120m x 75m and 75m x 90m x 75m

### 2018 Resource Estimate

Mineral resources for the Wellgreen deposit was developed based on the block model described earlier. A computer-generated pit geometry for the resource was developed by AGP using the Lerchs-Grossman algorithm. John Marek, of IMC, checked the results using the floating cone algorithm and confirmed the resource pit has reasonable prospects of economic extraction.

A mineral resource is a concentration or occurrence of diamonds, natural solid inorganic material, or natural solid fossilized organic material, including base and precious metals, coal, and industrial minerals in or on the earth's crust in such form and quantity, and of such a grade or quality, that it has reasonable prospects for economic extraction. The location, quantity, grade, geologic characteristics, and continuity of a mineral resource are known, estimated, or interpreted from specific geological evidence and knowledge.

The phrase 'reasonable prospects for economic extraction' implies a judgement by the QP in respect to the technical and economic factors likely to influence the prospects of economic extraction. A mineral resource is an inventory of mineralization that, under realistically assumed and justifiable technical and economic conditions, might become economically extractable. These assumptions must be presented explicitly in both public and technical reports.

The current process approach to the Nickel Shaw Project envisions a large scale process facility aimed at producing approximately 45,000 tpd, with two options for concentrate production: bulk concentrate and split concentrate. The procedure applied to the block model was to calculate the net value after processing for each block of the model for both bulk concentrate and split concentrates. The process option that provided the greater benefit for processing of that block was applied.

Table 4 summarizes the resulting mineral resources. As noted earlier, Inferred mineral resources are considered too speculative geologically to have economic considerations applied to them that would enable

them to be realized, or that they will convert to mineral reserves. Currently there is no mineral reserve at the Nickel Shāw Project.

The metal price assumptions in Table 4 were based on the consensus long-term metal price forecasts by various banks and commodity trading firms. Mining, smelting, refining and transportation costs were derived through internal work necessary for the resource estimation.

**Table 4: Nickel Shāw Project Mineral Resources September 2018**

<i>Prices, US\$</i> →		\$8.25	\$3.00	\$24.00	\$1,200	\$900	\$1,300	Contained Metal							
		/lb	/lb	/lb	/oz	/oz	/oz	Ni	Cu	Co	Pt	Pd	Au		
								Mlbs	Mlbs	Mlbs	Koz	Koz	Koz		
Class	Ktonnes	Ni %	Cu%	Co%	Pt g/t	Pd g/t	Au g/t	Mg %	Sulfur %						
<b>Measured</b>	93,300	0.25	0.17	0.015	0.262	0.244	0.054	15.7	0.85	514	350	31	786	732	162
<b>Indicated</b>	230,100	0.27	0.15	0.015	0.249	0.259	0.043	16.8	0.74	1,370	761	76	1,842	1,916	318
<b>Total M+I</b>	<b>323,400</b>	<b>0.26</b>	<b>0.16</b>	<b>0.015</b>	<b>0.253</b>	<b>0.255</b>	<b>0.046</b>	<b>16.5</b>	<b>0.77</b>	<b>1,884</b>	<b>1,111</b>	<b>107</b>	<b>2,628</b>	<b>2,648</b>	<b>480</b>
Inferred	108,100	0.29	0.15	0.016	0.256	0.279	0.040	16.2	0.72	691	357	38	890	970	139

Notes:

1. All metal prices and summarized cost are denominated in US\$.
2. Average grade calculations on Table 4 are impacted by rounding.
3. Tonnages are reported in units of 1,000 metric tonnes (Ktonnes).
4. Contained Base Metals are reported in units of 1,000,000 lbs (Mlbs).
5. Contained Precious Metals are reported in units of 1,000 troy ounces (Koz).
6. Average Strip ratio: 2:97 to 1
7. Metal Prices for Resource Determination in US\$: Nickel: \$8.25/lb; Copper: \$3.00/lb; Cobalt: \$24.00/lb; Platinum: \$1,200/troy oz; Palladium: \$900/troy oz; Gold: \$1,300/troy oz.
8. Net of smelting cut off grades range from \$11.51 to \$11.74 (bulk vs. split).
9. Mining costs vary by bench, separately for ore and waste.
10. Average mining costs within the resource pit: \$1.48/tonne of total tonne moved.
11. The average calculated process recoveries for the combined bulk and split concentrates Ni: 48.0%; Cu: 62.2%; Co: 60.0%; Pt: 47.8%; Pd: 54.0%; and Au: 47.1%.
12. Smelting, transport costs and losses in terms of cost per unit in concentrate: Ni: \$3.26/lb; Cu: \$1.14/lb; Co: \$15.68/lb; Pt: \$579/troy oz; Pd: \$435/troy oz; and Au: \$1,179/troy oz.
13. Overall slope angles vary from 33 to 44 degrees depending on the geotechnical domain.

**Mining Methods**

Conventional open pit mining was selected as the mining method to examine the reasonable prospects of economic extraction for the Nickel Shāw Project and was based on the size of the resource, tenor, distribution of the grade, and proximity to topography.

Geotechnical

In support of the 2018 Resource Estimate contained in the Technical Report, AGP completed a compilation, review, and preliminary assessment of available and recently collected geotechnical data and information for the Project. A gap analysis was also completed by AGP with the aim to provide guidance and recommendations for the further field studies (geotechnical drilling, outcrop mapping, field index testing), laboratory testing, and geotechnical and hydrogeological design work. Data compiled and reviewed to the date of the Technical Report includes exploration and geotechnical drilling logs, core photographs, RQD, rock mass conditions classification data, laboratory test data, geotechnical mapping data, preliminary LG pit shells, geologic models, and relevant background reports.

Data was reviewed and analyzed to develop a 3D approximation of the character and variability of the rock mass conditions in the vicinity of the proposed slopes. From these models, it was noted by AGP that only a limited amount of drilling data for the bulk of the proposed north slope high-wall (south facing) was available. As well, it was recognized that there is an apparent variability of rock quality, even as lithology remains constant over large areas. The orientation and extent of major structures and jointing are also largely unknown and may have significant impact on achievable slope angles at later stages of project development. A number of faults and/or fault systems have been mapped and intersected by drill holes and are interpreted to exist within the resource pit extents. The current level of knowledge regarding these faults and their geotechnical conditions is low. Additional work to collect and refine structural information is required as the project advances.

Hydrogeological conditions are not well known for the site; however, it is understood that the lower levels of the underground workings located within the future east-central portion of the proposed pit are flooded below the portal elevation (approximate elevation 1280 m), suggesting pit slopes will be at least partially saturated.

Based on the review, AGP recommended the overall slopes summarized in Table 5

**Table 5: Slope Parameters**

Categories	Rock Type
33°	Peridotite
35°	Clinopyroxenite
35°	Mineralized Gabbro/Massive Sulfides
44°	Sediments
44°	Station Creek Volcanics
44°	Maple Creek Gabbro

### Mining Costs

For the development of the resource pit constraining shell, representative mining costs had to be developed. Local vendors were contacted for mine equipment costing, tires, explosives, and other consumables. The large-scale nature of the project meant that 200-ton class trucks and their respective loaders were considered.

The mine costing scenario featured 22 m<sup>3</sup> diesel hydraulic shovels as primary loaders together with the 200-ton haul trucks on 10 m benches. Drilling would be performed by track mounted diesel drills capable of single pass drilling on the planned 10 m bench. A standard suite of support and ancillary equipment was also considered. Truck productivities were estimated based on high level ore and waste haul profiles at different potential resource pit levels. This was done in an effort to consider the topography present at the location and significant downhill haulage component possible for both ore and waste.

This information was placed in AGP's operating cost model to determine a realistic mining cost representative of the deposit for resource determination. This approach could be considered as somewhat more rigorous than what is normally accomplished for resource pit shells, however it adds to the confidence required for "reasonable prospects of economic extraction".

## **Contemplated Exploration and Development Activities**

Until commodity prices increase and the financial markets improve, the Company is maintaining environmental baseline activities, considering optimization alternatives and investigating other opportunities. There are no current plans for exploration or development activities at the Nickel Shāw Project.

## **RISK FACTORS**

The following risk factors, as well as risks not currently known to Nickel Creek Platinum, could materially adversely impact the Company's future business, operations and financial condition and could cause them to differ materially from the estimates described in the forward-looking statements relating to Nickel Creek Platinum. Before making an investment decision, consideration should be made of the principal risks and uncertainties described below.

### **RISKS RELATED TO THE COMPANY'S BUSINESS**

#### **Exploration and development risks**

The exploration for and development of minerals involves significant risks, which even a combination of careful evaluation, experience and knowledge may not eliminate. These risks include:

- the development of mineral properties involves a high degree of risk and few properties that are explored are ultimately developed into producing mines;
- there can be no assurance that the estimates of quantities and qualities of minerals disclosed are accurate or will be economically recoverable;
- with all mining operations there is uncertainty and, therefore, risk associated with operating parameters and costs resulting from the scaling up of extraction methods tested in pilot conditions;
- mineral exploration is speculative in nature and there can be no assurance that any minerals discovered will result in an increase in the resource base;
- there is no certainty that the expenditures made by Nickel Creek Platinum towards the search for, evaluation of, and development into commercial production of, mineral deposits will be successful;
- there is no certainty as to if or when the Company will recommence exploration and development activities (including, without limitation, completion of a PEA) on the Nickel Shāw Project.

Major expenses are typically required to locate and establish Mineral Reserves, to develop metallurgical processes and to construct mining and processing facilities at a site. It is difficult to ensure that the exploration or development programs planned by the Company will result in a profitable commercial mining operation.

#### **First Nations**

The Nickel Shāw Project falls within the core area of the KFN as defined by their Tri-lateral settlement agreement with the federal government of Canada and the Yukon government. The area encompassing the Nickel Shāw Project and access road has also been subject to the assertion of rights and interests by other First Nations groups. Governments in Canada must consult with First Nations with respect to grants of mineral rights and the issuance of or amendment to project authorizations. Consultation regarding rights or claimed rights of First Nations may require accommodations, including undertakings with respect to employment and other matters. This may impact the Company's ability to acquire, within a reasonable

time frame, on acceptable terms, or at all, the necessary licenses or permits in these jurisdictions, and may affect the timetable and costs of development of mineral properties. In addition, even in situations in which the government has satisfied its duty to consult with affected First Nations and the Company has complied with its related obligations, if any, such First Nations may occupy the mineral properties in question, block access to such properties or engage in other activities that impair the Company's ability to develop mineral properties and continue to conduct operations. Additionally, while one First Nations group may be amenable to the Company's plans, there may be one or more additional First Nations groups that are not. The Company has had a good history of interaction with KFN and has signed an ECA with the KFN.

### **Operational hazards and risks**

The Company's operations will be subject to all of the hazards and risks normally encountered in the exploration, development and production of minerals. These risks include:

- unusual and unexpected geological formations;
- rock falls;
- seismic activity;
- flooding and other conditions involved in the extraction of material, any of which could result in damage to, or destruction of, mines and other producing facilities, damage to life or property, environmental damage and possible legal liability;
- environmental pollution, and consequent liability that could have a material adverse impact on our business, operations and financial performance;
- lack of skilled labour and labour unrest;
- mechanical equipment and facility performance problems; and
- periodic disruptions due to inclement or hazardous weather conditions.

### **Substantial expenditures**

Substantial expenditures are required to establish ore reserves through drilling, to develop metallurgical processes to extract the metal from the ore and, in the case of new properties, to develop the mining and processing facilities and infrastructure at any site chosen for mining. Although substantial benefits may be derived from the discovery of a major mineralized deposit, no assurance can be given that minerals will be discovered in sufficient quantities and qualities to justify commercial operations or that funds required for development can be obtained on a timely basis.

The economics of developing mineral properties is affected by many factors including:

- the cost of operations;
- variations in the grade of ore mined;
- fluctuations in metal markets;
- costs of processing equipment; and
- such other factors as government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection.

The remoteness of and restrictions on access to properties in which we have an interest could result in increased infrastructure costs which would adversely impact the Company's financial prospects. There are also physical risks to the exploration personnel working in the terrain in which our properties are located, including those resulting from occasional poor climate conditions.

### **Long-term commercial success**

The Company's long-term success depends on the ability to find, acquire, develop and commercially produce nickel, platinum and other base and precious metals. No assurance can be given that the Company will be able to locate satisfactory properties for acquisition or participation. Moreover, if such acquisitions or participations are identified, the Company may determine that current markets, terms of acquisition and participation or pricing conditions make such acquisitions or participations uneconomic. The commercial viability of a mineral deposit is dependent upon many factors which are beyond the Company's control, including the attributes of the deposit, commodity prices, government policies and regulation and environmental protection. Fluctuations in the market prices of minerals may render reserves and deposits containing relatively lower grades of mineralization uneconomic.

### **No history of mineral production**

The Company has no history of commercially producing metals from mineral exploration properties and there can be no assurance that the Company will be successful in establishing profitable mining operations.

None of the Company's properties is under development or production. The future development of any properties found to be economically feasible will require obtaining licenses and permits and the financing, construction and operation of mines, processing plants and related infrastructure. Thus, Nickel Creek Platinum is subject to all of the risks associated with establishing new mining operations and business enterprises, including, but not limited to:

- the timing and cost of the construction of mining and processing facilities;
- the availability and costs of skilled labour and mining equipment;
- the availability and cost of appropriate smelting and/or refining arrangements;
- the need to obtain necessary environmental and other governmental approvals and permits and the timing of those approvals and permits; and
- the availability of funds to finance construction and development activities.

It is common in new mining operations to experience unexpected problems and delays during development, construction and mine start-up. In addition, delays in the commencement of commercial mineral production often occur. Accordingly, there are no assurances that the Company's activities will result in profitable mining operations or that we will successfully establish mining operations or profitably produce nickel or other metals at any of our properties.

### **Title risks**

Title to mineral properties, as well as the location of boundaries on the grounds may be disputed. Moreover, additional amounts may be required to be paid to surface right owners in connection with any mining development. At all such properties where there are current or planned exploration activities, the Company believes we have either contractual, statutory, or common law rights to make such use of the surface as is reasonably necessary in connection with those activities.

Title insurance generally is not available for mineral claims or mining leases in Canada, and the Company's ability to ensure that it has obtained secure mineral claims or mining leases to individual mineral properties or mining concessions may be severely constrained. The Company has not conducted surveys of all the properties in which it holds direct or indirect interests; therefore, the precise area and location of such properties may be in doubt. In addition, the Company's mineral properties have had several previous owners, and third parties may have valid claims underlying our interests therein. Accordingly, the

properties may be subject to prior unregistered liens, agreements, royalties, transfers or claims, including First Nations land claims, and title may be affected by, among other things, undetected defects. In addition, the Company may be unable to operate the properties as permitted or to enforce its rights with respect to the properties. An impairment to or defect in the title of the Company's properties could have a material adverse impact on the Company's business, financial condition or results of operation.

### **Mineral reserves/mineral resources**

The properties in which the Company holds an interest are in the early exploration stage only and do not contain a known body of commercial minerals. Mineral resources and mineral reserves are, in the large part, estimates and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized.

Resource estimates have been determined based upon assumed metal prices and operating costs. Future production could differ dramatically from resource and reserve estimates because, among other reasons:

- mineralization or formations could be different from those predicted by drilling, sampling and similar examinations;
- calculation errors could be made in estimating mineral resources and mineral reserves;
- increases in operating mining costs and processing costs could adversely affect mineral resources and mineral reserves;
- the grade of the mineral resources and mineral reserves may vary significantly from time to time and there is no assurance that any level of metals may be recovered from the ore; and
- declines in the market price of the metals may render the mining of some or all the mineral reserves uneconomic.

Estimated mineral resources and mineral reserves may require downward revisions based on changes in metal prices, further exploration, evaluation or development activity, increased production costs or actual production experience. This could materially and adversely affect estimates of the tonnage or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource and mineral reserve estimates. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that minerals recovered in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

Any reduction in estimated mineral resources or mineral reserves as a result could require material write-downs in investment in the affected mining property and increased amortization, reclamation and closure charges, which could have a material and adverse impact on future cash flows, earnings, results of operations and financial condition.

The mineral resource estimates contained in this AIF have been determined and valued based on assumed future prices, cut-off grades and operating costs that may prove to be inaccurate. Extended declines in market prices for nickel, PGMs or other metals may render portions of the Company's mineralization uneconomic and result in reduced reported mineralization. Any material reductions in mineralization estimates, or the ability to extract this mineralization, could have a material adverse impact on the results of operations or financial condition.

### **Capital costs, operating costs, production and economic returns**

Actual capital costs, operating costs, production and economic returns may differ significantly from those the Company may have anticipated and there are no assurances that any future development activities will

result in profitable mining operations. The capital costs required to develop or take the Company's projects into production may be significantly higher than anticipated.

None of the mineral properties has sufficient operating history upon which the Company can base estimates of future operating costs. Decisions about the development of these and other mineral properties will ultimately be based upon feasibility studies. Feasibility studies derive estimates of cash operating costs based upon, among other things:

- anticipated tonnage, grades and metallurgical characteristics of the ore to be mined and processed;
- anticipated recovery rates of metals from the ore;
- cash operating costs of comparable facilities and equipment; and
- anticipated climatic conditions.

Cash operating costs, production and economic returns, and other estimates contained in studies or estimates prepared by or for the Company, may differ significantly from, and be substantially less than, actual operating costs.

### **Property interests**

The agreements pursuant to which Nickel Creek Platinum holds rights to certain properties provide that the Company must make a series of cash payments over certain time periods or make minimum exploration expenditures. If the Company fails to make such payments or expenditures in a timely manner, the Company may lose interest in those projects.

### **Availability of supplies**

As with other mining companies, certain raw materials, supplies and other critical resources used in connection with operations may be obtained from a sole or limited group of suppliers. Due to an increase in activity in the global mining sector, there has been an increase in global demand for such resources. A decrease in the supplier's inventory could cause unanticipated cost increases, an inability to obtain adequate supplies and delays in delivery times, thereby impacting operating costs, capital expenditures and production schedules.

### **Lack of infrastructure**

The completion of the development of the Company's projects is subject to various requirements, including the availability and timing of acceptable arrangements for electricity or other sources of power, water and transportation facilities. The lack of availability on acceptable terms or the delay in the availability of any one or more of these items could prevent or delay the development of the Company's exploration projects. If adequate infrastructure is not available in a timely manner, there can be no assurance that: (i) the development of projects will be completed on a timely basis, if at all; (ii) resulting operations will achieve the anticipated production volume; or (iii) the ongoing operating costs associated with the development of the Company's projects will not be higher than anticipated.

### **Personnel recruitment, retention and human error**

The success of the Company's operations and development projects depend in part on the ability to attract and retain geologists, engineers, metallurgists and other personnel with specialized skill and knowledge in the geographic areas in which the Company operates. The number of persons skilled in acquisition, exploration, development and operation of mining properties is limited and competition for such persons is intense. As the Company's business and development activity grows, Nickel Creek Platinum will require

additional key financial, administrative, and operating personnel. There can be no assurance that the Company will be successful in attracting, training and retaining qualified personnel as competition for persons with these skill sets increases. If the Company is unable to attract and retain sufficiently trained, skilled or experienced personnel, the business may suffer and the Company may experience significantly higher staff or contractor costs, which may have a material adverse impact on the Company's business, financial condition or future operations.

Despite efforts to attract and retain qualified personnel and qualified consultants to manage the Company's interests, even when those efforts are successful, people are fallible and mistakes could result in significant uninsured losses to the Company. These could include, but are not limited to, loss or forfeiture of mineral claims or other assets for non-payment of fees or taxes, erroneous or incomplete filings or non-fulfillment of other obligations, significant tax liabilities in connection with any tax planning effort the Company may undertake or mistakes in interpretation and implementation of tax laws and practices, and legal claims for mistakes by Company personnel.

## **FINANCIAL RISKS**

### **Substantial capital requirements**

Management anticipates that the Company will make substantial capital expenditures for the acquisition, exploration, evaluation and development of properties in excess of its currently available financial resources. As the Company is in the exploration stage, no revenue is generated from our mineral properties to undertake or complete future exploration work, including drilling programs. There can be no assurance that debt or equity financing will be available or sufficient to meet these requirements or for other corporate purposes or, if debt or equity financing is available, that it will be on terms acceptable to the Company. Moreover, future activities may require the Company to alter its capitalization significantly. The Company's inability to access sufficient capital would have a material adverse impact on the Company's financial condition, results of operations or prospects. Failure to obtain such financing on a timely basis could cause the Company to forfeit its interest in certain properties, miss certain acquisition opportunities and reduce or terminate operations.

### **History of net losses**

The Company has a history of net losses and has not generated any revenue to date from the exploration activities on its properties, and there is no assurance that any of the properties that the Company has or may acquire pursuant to acquisitions or otherwise will generate earnings, operate profitably or provide a return on investment in the future. The Company has not determined that production activity is warranted on any of its mineral properties.

### **Ability to continue as a going concern**

The Company has limited financial resources and a history of negative operating cash flow. The ability of the Company to continue as a going concern is dependent upon, among other things, obtaining the necessary financing to continue to fund operating expenses and to develop and profitably produce metals or, alternatively, disposing of our interests on a profitable basis. Any unexpected costs, problems or delays, including, but not limited to costs, problems or delays associated with regulatory, local community or tax re-assessment matters, or arising from other risks discussed herein, could severely impact the ability of the Company to continue operating, exploration, evaluation and development activities. Should the Company be unable to continue as a going concern, realization of assets and settlement of liabilities, other than in the

normal course of business, may be at amounts materially different than reflected in the Company's financial statements.

### **Potential volatility of share price**

In recent years, the securities markets in Canada have experienced a high level of price and volume volatility, and the market price of securities of many junior companies have experienced wide fluctuations in price. The market price of the Shares may be volatile and could be subject to wide fluctuations due to many factors, including but not limited to: actual or anticipated fluctuations in the results of operations; changes in estimates of future results of operations by Management or securities analysts; and general industry changes. In addition, the financial markets have in the recent past experienced significant price and value fluctuations that have particularly affected the market prices of equity securities of many issuers and that sometimes have been unrelated to the operating performance of these companies. Broad market fluctuations, as well as economic conditions generally and in the mining industry specifically, may adversely impact the market price of the Shares.

### **Non-Canadian investors**

Nickel Creek Platinum is a public Canadian corporation, with the principal place of business and assets being in Canada. Substantially all of the Company's assets are located in Canada. Consequently, it may be difficult for U.S. or foreign investors to effect service of process within their local jurisdiction upon Nickel Creek Platinum or its directors or officers or such experts who are residents of Canada, or to realize in their local jurisdiction upon judgements of local courts (including, but not limited to, judgements predicated upon civil liabilities under the United States securities laws). Investors should not assume that Canadian courts: (i) would enforce judgements of foreign courts obtained in actions against Nickel Creek Platinum or its directors, officers or experts (including, but not limited to, judgements predicated upon the civil liability provisions of the U.S. federal securities laws or the securities or "blue sky" laws of any state within the United States); or (ii) would enforce, in original actions, liabilities against Nickel Creek Platinum or its directors, officers or experts predicated upon foreign securities laws (including, but not limited to, the U.S. federal securities laws or any state securities or "blue sky" laws). In addition, the protections afforded by Canadian securities laws may not be available to foreign investors.

### **Currency fluctuations**

The Company maintains substantially all of its cash and cash equivalents in Canadian dollars and does not plan to engage in currency hedging activities.

### **Volatility of mineral prices**

Metal prices are affected by numerous factors beyond the Company's control, such as industrial demand, inflation and expectations with respect to the rate of inflation, the strength of the US dollar and other currencies, interest rates, forward sales by producers, production and cost levels, changes in investment trends, global and regional levels of supply and demand, metal stock levels maintained by producers, inventory carrying costs, availability, demand and costs of metal substitutes, international economic and political conditions, reduced demand resulting from obsolescence of technologies and increased production due to new mine developments and improved mining and production levels. Nickel, copper and PGM prices are sometimes subject to rapid short-term changes because of speculative activities. If these prices were to decline significantly or for an extended period of time, the Company might be unable to continue operations, develop properties or fulfill its obligations under agreements with partners or

under its permits and licenses. Thus, the Company might lose interest in, or be forced to sell, some of its properties. In the event of a sustained, significant drop in nickel, copper and PGM prices, the Company may be required to re-evaluate its assets, resulting in reduced estimates of mineral resources and mineral reserves and in material write-downs of its investment in mining properties and increased amortization, reclamation and closure charges. Furthermore, since nickel, PGM and copper prices are established in US dollars, a significant increase in the value of the Canadian dollar relative to the US dollar coupled with stable or declining nickel and copper prices could adversely impact the Company's results with respect to development of and eventual sale of these metals.

### **Reduced demand for nickel and PGMs**

Demand for nickel could be reduced if consumers of stainless steel decide to purchase stainless steels with lower nickel content or no nickel content. Demand for palladium and platinum could be reduced if manufacturers in the automotive, electronics and dental industries find substitutes for palladium or platinum. The development of a substitute alloy or synthetic material which has catalytic characteristics similar to PGMs could result in a decrease in demand for palladium and platinum. Furthermore, if the automotive industry were to develop automobiles that do not require catalytic converters, such as pure electric vehicles, it could significantly reduce the demand for palladium and platinum. High prices for palladium or platinum may create an incentive for the development of substitutes. Any such developments could have a material adverse impact on Nickel Creek Platinum.

### **Global financial conditions**

Global financial conditions continue to be volatile. Many industries, including the mining industry, are impacted by volatile market conditions. Global financial conditions remain subject to sudden and rapid destabilizations in response to future economic shocks, as government authorities may have limited resources to respond to future crises. A continued or worsened slowdown in the financial markets or other economic conditions, including but not limited to, consumer spending, employment rates, business conditions, inflation, fuel and energy costs, consumer debt levels, lack of available credit, the state of the financial markets, interest rates and tax rates, may adversely impact the growth and profitability of the Company. Future economic shocks may be precipitated by a number of causes, including changes in the price of oil and other commodities, the volatility of metal prices, geopolitical instability, terrorism, the devaluation and volatility of global stock markets, and natural disasters. Any sudden or rapid destabilization of global economic conditions could impact the Company's ability to obtain equity or debt financing in the future on terms favourable to Nickel Creek Platinum or at all. This may have a material adverse impact on the Company's business, financial condition or future operations.

### **Dividends**

To date, the Company has not paid any dividends on its outstanding Shares. Any decision to pay dividends will be made by the Board on the basis of earnings, financial requirements and other conditions.

### **Dilution**

The number of Shares the Company is authorized to issue is unlimited. The Company, in its sole discretion, may issue additional Shares from time to time, and the interests of the shareholders of the Company may be diluted thereby.

## **REGULATORY RISKS**

### **Government approvals and compliance**

The Company's activities are subject to government approvals, various laws governing prospecting, development, land resumptions, production taxes, labour standards and occupational health, mine safety, toxic substances and other matters, including issues affecting local First Nations populations. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules, which can be substantial, as a result of the need to comply with applicable laws, regulations and permits. Although we believe the activities of the Company are carried out in accordance with all applicable rules and regulations, amendments to current laws and regulations governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Company and may result in increased capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in the development of new mining properties.

### **Mineral claims, mining leases, licenses and permitting**

The Company's mineral claims, mining leases, licenses and permits are subject to periodic renewal. Past renewals are not a guarantee of future renewals. Further, the mining licenses and permits issued in respect of projects may be subject to conditions which, if not satisfied, may lead to the revocation of such licenses. In the event of revocation, the value of investments in such projects may decline. While the Company anticipates that renewals will be given when sought, there is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith. The Company's business objectives may also be impeded by the costs of holding and/or renewing the mineral claims, licenses and permits. In addition, the duration and success of efforts to obtain and renew mineral claims, licenses and permits are contingent upon many variables not within the Company's control.

The Company's current and anticipated future operations, including further exploration, evaluation and development activities and commencement of production on properties, require licenses and permits from various governmental authorities. The Company cannot be certain that all licenses and permits that may be required for operations will be obtained on reasonable terms or at all. Delays or a failure to obtain such licenses and permits, or a failure to comply with the terms of any such licenses and permits that the Company has obtained, could have a material adverse impact on Nickel Creek Platinum.

### **Anti-bribery legislation**

The Company's activities are subject to a number of laws that prohibit various forms of corruption, including local laws, that prohibit both commercial and official bribery and anti-bribery laws that have a global reach such as the *Corruption of Foreign Public Officials Act*. The increasing number and severity of enforcement actions in recent years present particular risks with respect to the Company's business activities, to the degree that any employee or other person acting on the Company's behalf might offer, authorize, or make an improper payment to a government official, party official, candidate for political office, or political party, an employee of a state-owned or state-controlled enterprise, or an employee of a public international organization.

## ENVIRONMENTAL RISKS

All phases of the mining business present environmental risks and hazards that are subject to environmental regulation pursuant to a variety of international conventions and state and municipal laws and regulations. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with mining operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned and reclaimed to the satisfaction of applicable regulatory authorities. Compliance with such legislation can require significant expenditures and a breach may result in the imposition of fines and penalties, some of which may be material. Environmental legislation is evolving in a manner expected to result in stricter standards and enforcement, larger fines and liability and potentially increased capital expenditures and operating costs. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and directors, officers and employees. The cost of compliance with changes in governmental regulations has a potential to reduce the profitability of operations.

The Company believes it is in substantial compliance with all material environmental laws and regulations which currently apply to its activities. The Company cannot give any assurance that, notwithstanding its precautions and limited history of activities, breaches of environmental laws (whether inadvertent or not) or environmental pollution will not result in additional costs or curtailment of planned activities and investments, which could have a material and adverse impact on future cash flows, earnings, results of operations and financial condition. Failure to comply with applicable laws, regulations, and permitting requirements may result in enforcement actions thereunder, including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Companies engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed for violations of applicable environmental laws or regulations.

The Yukon Government has previously asserted that the Company must carry out reclamation activities in relation to historical liabilities at a mill site formerly operated by HudBay. In August 2010, the Company advised the Yukon Government that it was not legally responsible or liable for historic liabilities at the mill site. As of November 1, 2013, the Yukon Government agreed that the historic mill site no longer formed a part of the Nickel Shāw Project surface lease and subsequently an amended lease excluding the mill site was issued to the Company. Furthermore, during 2012, Access Engineering Ltd. submitted a design of the reclamation requirements related to the tailings impoundment area to the Yukon Government, which was updated in September 2015. In addition, Tetra Tech EBA Inc. submitted a proposal regarding expenditures associated with investigating the downstream effects created by HudBay's tailings impoundment area and determination of rehabilitation options. Since that time, discussions involving HudBay and the Yukon Government have continued regarding delineation of responsibility related to these historic liabilities and the Company has assisted in the process by providing environmental data from its monitoring stations. A final determination of responsibility and liability as well as an investigation of the historic liabilities and design of a reclamation plan will be necessary before any fiscal determination can be made of the historic liabilities and accordingly the same cannot reasonably be determined at this time. A portion of the financial cost for such reclamation plan may be incurred by the Company pursuant to certain contractual agreements between Nickel Creek Platinum, HudBay and Yukon Government.

## INDUSTRY RISKS

### **Speculative nature of mineral development activities**

Resource exploration and development is a speculative business, characterized by a number of significant risks including, among other things, unprofitable efforts resulting not only from the failure to discover mineral deposits but from finding mineral deposits which, though present, are insufficient in quantity and quality to return a profit from production.

The marketability of minerals acquired or discovered by the Company may be affected by numerous factors which are beyond its control and which cannot be accurately predicted, such as:

- market fluctuations;
- the proximity and capacity of milling facilities;
- mineral markets;
- processing equipment; and
- government regulations, including regulations relating to royalties, allowable production, importing and exporting of minerals and environmental protection, the combination of which may result in the Company not receiving an adequate return of investment capital.

Estimates of mineral resources, mineral reserves, mineral deposits and production costs can also be affected by such factors as:

- environmental permitting regulations and requirements;
- weather;
- environmental factors;
- unforeseen technical difficulties;
- unusual or unexpected geological formations; and
- work interruptions.

In addition, the grade of ore ultimately mined may differ from that indicated by drilling results.

Short term factors relating to mineral reserves, such as the need for orderly development of ore bodies or the processing of new or different grades, may also have an adverse impact on mining operations and on the results of operations. Material changes in ore reserves, grades, stripping ratios or recovery rates may impact the economic viability of any project.

The Company's mineral properties are only in the exploration and evaluation stage and are without known bodies of commercial ore. Few properties which are explored are ultimately developed into producing mines. Major expenses may be required to establish ore reserves, develop metallurgical processes and construct mining and processing facilities at a particular site. There is no assurance that mineral exploration activities will result in any discoveries of any commercial bodies of ore.

### **Competition**

The mining industry is highly competitive and Nickel Creek Platinum competes with companies for the acquisition, exploration, production and development of nickel, copper, PGMs and other precious and base metals, and for capital to finance such activities, and such companies may have similar or greater financial, technical and personnel resources available to them.

## **OTHER RISKS**

### **Reliance on key employees**

The Company manages its business with a number of key personnel, including key contractors. The loss of key personnel may have a material adverse impact on the Company's business or future operations. In addition, as the business develops and expands, the Company believes that future success will depend greatly on its continued ability to attract and retain highly-skilled and qualified personnel and contractors. In assessing the risk of an investment in the Shares, potential investors should realize that they are relying on the experience, judgement, discretion, integrity and good faith of Management and the Board. The Company cannot be certain that key personnel will continue to be employed or that the Company will be able to attract and retain qualified personnel and contractors in the future. Failure to retain or attract key personnel could have a material adverse impact on the Company's business or future operations. We do not maintain "key man" insurance policies in respect of our key personnel.

### **Conflicts of interest**

Certain directors and officers will be engaged in, and will continue to engage in, other business activities on their own behalf and on behalf of other companies (including mineral resource companies) and, as a result of these and other activities, such directors and officers may become subject to conflicts of interest. The BCBCA provides that if a director has a material interest in a contract or proposed contract or agreement that is material to the issuer, the director must disclose his interest in such contract or agreement and must refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with the BCBCA. To the extent that conflicts of interest arise, such conflicts will be resolved in accordance with the provisions of the BCBCA.

### **Uninsured risks**

The mineral exploration and mining industry is subject to significant risks that could result in damage to, or destruction of, mineral properties or producing facilities, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability. The insurance policies of the Company and its subsidiaries do not provide coverage for all losses related to their business and the occurrence of losses, liabilities or damage not covered by such insurance policies could have a material and adverse impact on the Company's profitability, results of operations and financial condition.

### **Litigation and regulatory proceedings**

The Company may be subject to civil claims (including class action claims) based on allegations of negligence, breach of statutory duty, public nuisance or private nuisance or otherwise in connection with operations, or investigations relating thereto. While the Company is presently unable to quantify any potential liability under any of the above heads of damage, such liability may be material and may have a material adverse impact on our ability to continue operations. In addition, the Company may be subject to actions or related investigations by governmental or regulatory authorities in connection with business activities, including, but not limited to, current and historic activities at the Nickel Shāw Project or other properties. Such actions may include prosecution for breach of relevant legislation or failure to comply with the terms of licenses and permits and may result in liability for pollution, other fines or penalties, revocations of consents, permits, approvals or licenses or similar actions, which could be material and may impact the results of our operations. The Company's insurance coverage may not be adequate to cover any

or all the potential losses, liabilities and damages that could result from the civil and/or regulatory actions referred to above.

### **Flow-Through private placements**

Historically, the Company has entered into “flow-through” private placements (“FT Placements”) to fund exploration activities, with the most recent FT Placements being in August 2017 and 2014 (two FT Placements). Canadian tax rules require the Company to have spent flow-through funds on “Canadian exploration expenses” (as defined in the Income Tax Act (Canada)) by the end of the calendar year following the year in which they were raised. The Company indemnified the subscribers of flow-through shares from any tax consequences should the Company, notwithstanding its plans, fail to meet its commitments under the flow-through subscription agreements.

The Company may also be subject to interest on flow-through proceeds (“Part XII.6 tax”) renounced under the look-back rules in respect of prior years, and penalties, in accordance with regulations in the Income Tax Act (Canada), if it is determined that flow-through proceeds were not properly or timely spent on Canadian exploration expenses.

### **Additional risks**

The Company’s business and operations are subject to a number of additional risks and hazards including:

- environmental hazards;
- discharge of pollutants or hazardous chemicals;
- industrial accidents;
- failure of processing and mining equipment;
- labour disputes;
- supply problems and delays;
- changes in regulatory environment;
- encountering unusual or unexpected geologic formations or other geological or grade problems;
- encountering unanticipated ground or water conditions;
- cave-ins, pit wall failures, flooding, rock bursts and fire;
- periodic interruptions due to inclement or hazardous weather conditions;
- uncertainties relating to the interpretation of drill results;
- inherent uncertainty of production and cost estimates and the potential for unexpected costs and expenses;
- results of initial feasibility, pre-feasibility and feasibility studies, and the possibility that future exploration or development results will not be consistent with our expectations;
- the potential for delays in exploration or the completion of feasibility studies; and
- other acts of God or unfavourable operating conditions.

Such risks could result in damage to, or destruction of, mineral properties or processing facilities, personal injury or death, loss of key employees, environmental damage, delays in mining, monetary losses and possible legal liability. Satisfying such liabilities may be very costly and could have a material adverse impact on the Company’s business, financial condition or results of operations.

## **DIVIDENDS AND DISTRIBUTIONS**

The Company has no fixed dividend policy and the Company has not declared any dividends on its Shares since its incorporation. The Company anticipates that all available funds will be used for exploration,

evaluation and development programs on its mineral properties as well as for the acquisition of additional mineral properties. The payment of dividends in the future will depend, among other things, upon the Company's earnings, capital requirements and operating and financial condition. Generally, dividends can only be paid if a corporation has retained earnings. There can be no assurance that the Company will generate sufficient earnings to allow it to pay dividends.

## LEGAL PROCEEDINGS

There are no material legal proceedings which we are or were a party to or to which our properties are or were subject, either during the financial year ended December 31, 2018 or as of the date of this AIF, nor are we aware that any material proceedings are contemplated.

During the financial year ended December 31, 2018, and as of the date of this AIF, the Company has not had any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority, or by a court or regulatory body. The Company has also never been involved in a settlement agreement before a court relating to securities legislation or with a securities regulatory authority.

For further information, see Note 21 in the Company's audited consolidated financial statements for the year ended December 31, 2018.

## INVESTOR INFORMATION

### SHARE CAPITAL

The Company's authorized share capital consists of:

- Common shares; and
- Preferred shares

### Common shares

The Company can issue an unlimited number of Shares with no nominal or par value. As of the date of this AIF, the Company had 236,569,139 Shares outstanding. All the issued Shares are fully paid and non-assessable.

The following is a summary of the principal attributes of our Shares:

#### Voting rights

Only holders of Shares have full voting rights in Nickel Creek Platinum. If you hold Shares, you are entitled to vote on all matters that are to be voted on at any shareholder meeting, other than meetings that are only for holders of another class or series of shares. Each Share you own represents one vote. There are no cumulative voting rights, and directors do not stand for re-election at staggered intervals.

#### Dividends and profits

Holders of Shares are entitled to share pro rata in any profits of Nickel Creek Platinum to the extent that such profits are distributed either through the declaration of dividends by the Board or otherwise distributed to the holders of Shares. There are no indentures or agreements limiting the payment of dividends.

#### Rights on dissolution

In the event of the liquidation, dissolution or winding up of Nickel Creek Platinum, the holders of Shares will be entitled to receive, on a pro rata basis, all of the assets that remain after payment of all liabilities.

#### Pre-emptive, conversion and other rights

Except for certain agreements under which purchasers of Company securities have rights to participate in future securities offerings (see "Three Year History – Financings"), shareholders have no pre-emptive, redemption, purchase or conversion rights attaching to their Shares, and when fully paid, will not be liable to further call or assessment. No other class of shares may be created without the approval of the shareholders. There are no provisions discriminating against any existing or prospective shareholder as a result of such shareholder owning a substantial number of Shares. In addition, non-residents of Canada who hold Shares have the same rights as shareholders who are residents of Canada.

#### **Preferred shares**

The Company can issue an unlimited number of preferred shares with no nominal or par value. As of the date of this AIF, the Company did not have any preferred shares outstanding.

The following is a summary of the special rights and restrictions attached to the preferred shares:

#### Voting rights

The Company's preferred shares are non-voting.

#### Dividends and profits

Preferred shares shall be entitled to a preference over the Shares and over any other shares of the Company ranking junior to the preferred shares with respect to the priority in the payment of dividends. The preferred shares of each series shall rank on parity with preferred shares of every other series with respect to accumulated dividends.

Holders of preferred shares shall be entitled to receive, and the Company shall pay thereon, if determined by the Board, as and when declared by the Board out of the monies of the Company properly applicable to the payment of dividends, dividends in the amounts and upon the conditions that shall have been agreed upon by the Board at the time of issuance and sale of each such share. More specifically, the directors of the Company shall be entitled, upon agreeing to sell a preferred share, to contract as to the rate of dividend which will be paid on the share, if any, how often the dividends are to be paid, whether they are to be accumulative and whether the rate is fixed for the life of the share or shall be subject to declaration by the Board each year.

#### Pre-emptive, conversion and other rights

Holders of preferred shares shall be, if the directors so provide, entitled to exchange them for Shares in the capital of the Company; provided that when the directors agree to the issuance of any such preferred shares, the directors specify that they are so exchangeable, in which case they shall be entitled to specify the terms, conditions and rates during which and upon which the holders of these preferred shares subject to such specifications shall be entitled to exercise these conversion privileges, and provided further that the aggregate number of preferred shares exchangeable into Shares shall not exceed 19.9% of the outstanding Shares as of the applicable issuance date.

### Rights on dissolution

Preferred shares shall be entitled to a preference over the Shares and over any other shares of the Company ranking junior to the preferred shares, with respect to the distribution of assets in the event of liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary. The preferred shares of each series shall rank on a parity with preferred shares of every other series with respect to return of capital.

In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, the holders of the preferred shares shall be entitled to receive, before any distribution of any part of the property and assets of the Company among the holders of any other shares, an amount equal to one hundred percent (100%) of the amount paid thereon and any dividends declared thereon and unpaid, and no more.

### Issuable in series

The directors of the Company may issue the preferred shares in one or more series. In addition, the directors may, by resolution, alter the Notice of Articles to fix the number of shares in and to determine the designation, rights, privileges, restrictions and conditions of the shares of each series; the directors may also, by resolution, alter the Notice of Articles to create, define and attach special rights and restrictions to the shares of each series, subject to the special rights and restrictions attached to the preferred shares.

### Amendments to rights, privileges, restrictions and conditions of preferred shares

The rights, privileges, restrictions and conditions attaching to the preferred shares as a class will be able to be repealed, altered, modified, amended or amplified, or otherwise varied, only with the sanction of the holders of the preferred shares given in such manner as may then be required by law, subject to a minimum requirement that such approval be given by resolution in writing executed by all holders of preferred shares entitled to vote on that resolution or passed by the affirmative vote of at least 66 $\frac{2}{3}$ % of the votes cast at a meeting of holders of preferred shares duly called for such purpose.

### **Security-based compensation and convertible securities**

#### Security-based compensation

The Company has a share-based compensation plan dated December 17, 2013 (the "Share-Based Compensation Plan"), as most recently amended at the Annual General Meeting of the Shareholders held on June 29, 2017, under which the Company is authorized to grant stock options ("Options"), deferred share units ("DSUs"), bonus shares and/or stock appreciation rights ("SARs") and tandem SARs (collectively "Awards") to employees, directors, officers and consultants enabling them to acquire Shares of the Company. The aggregate number of Shares issuable pursuant to the exercise of Awards granted under the Share-Based Compensation Plan, plus the aggregate number of Shares issuable pursuant to the exercise of outstanding stock options that were previously granted under the Company's 2012 stock option plan, cannot exceed 15% of the number of Shares of the Company that are issued and outstanding at the time of the Award grant. Under the Share-Based Compensation Plan, the terms of Awards are determined by the Compensation Committee of the Company, provided, however, that no Awards can be exercised later than the tenth (10th) anniversary date of grant.

#### Options

On May 7, 2018, the Company granted 6,153,000 Options to employees, directors, officers and other personnel of Nickel Creek Platinum at an exercise price of \$0.26, with an expiry date of May 7, 2023. As of the date of this AIF, 5,465,400 Options remain unexercised and outstanding.

### DSUs

As of the date of this AIF, there are 1,393,235 DSUs outstanding.

### SARs

During 2018, the Company did not grant SARs, while a total of 537,350 SARs were forfeited /expired.

As of the date of this AIF, there are 6,762,723 SARs outstanding with exercise prices ranging from \$0.28 to \$0.61, and expiry dates ranging from June 5, 2019 to August 15, 2022.

As of the date of this AIF, the Company can issue up to 21,480,034 further Awards under the Share-Based Compensation Plan.

### Warrants

In addition to the outstanding Options, DSUs and SARs noted above, as of the date of this AIF, there are 87,397,795 share purchase warrants outstanding to acquire Shares of the Company at exercise prices ranging from \$0.27 to \$0.35, and expiry dates ranging from March 24, 2021 to August 8, 2022.

### **ESCROWED SECURITIES**

The principal and interest balance of the loans receivable (that were advanced to certain former employees in connection with their purchase of securities in a 2013 private placement at the Company) at December 31, 2018 amounted to \$nil (December 31, 2017 – \$nil). During 2017, such former employees repaid the balance of their outstanding loan principal and interest amounting to \$134,299. Accordingly, the Company discharged and released a total of 212,500 Shares and 212,500 share purchase warrants to those former employees.

### **MATERIAL CONTRACTS**

Other than those contracts made in the ordinary course of business, the Company has not entered into any material contracts during the most recently completed financial year that remain in effect.

### **MARKET FOR NICKEL CREEK PLATINUM SECURITIES**

The Company's Shares are listed and traded on the TSX under the symbol "NCP", and on the OTC-QX under the symbol "NCPCF".

### **TRANSFER AGENT AND REGISTRAR**

The Company's registrar and transfer agent for the Company's Shares is Computershare Investor Services Inc. at 510 Burrard Street, 2nd Floor, Vancouver, British Columbia, V6C 3B9.

## TRADING ACTIVITY

The following table sets forth the trading information for the Shares on the TSX during the 12-month period ended December 31, 2018:

2018	High (\$)	Low (\$)	Volume
January	0.35	0.275	2,325,000
February	0.325	0.26	1,042,000
March	0.345	0.275	2,478,000
April	0.29	0.24	705,500
May	0.28	0.22	689,000
June	0.27	0.18	920,600
July	0.235	0.16	1,499,300
August	0.18	0.145	958,300
September	0.18	0.09	6,604,800
October	0.12	0.09	3,658,000
November	0.12	0.065	3,991,500
December	0.095	0.07	1,772,100

## GOVERNANCE

### DIRECTORS AND OFFICERS

The term of office of each of the directors of the Company will expire at the next annual meeting of the Shareholders. At December 31, 2018, the names and municipality of residence for all of the directors and executive officers of the Company and their respective principal occupations within the five preceding years are as follows:

Name and Residence <sup>(1)</sup>	Position with Nickel Creek Platinum	Principal Occupation	Director or Officer Since	Shares Beneficially Owned, Controlled or Directed <sup>(1)</sup>
<b>Michele S. Darling</b> <sup>(3)(4)</sup> Niagara, Ontario, Canada	Director	Director and Consultant in Various Industries	2015	200,000 Shares 183,500 Options 268,905 DSUs 229,410 SARs
<b>Mark Fields</b> <sup>(2)(4)(5)</sup> Vancouver, BC, Canada	Director	Consultant to the Mining Industry	2016	66,500 Shares 183,500 Options 306,003 DSUs 229,410 SARs
<b>Diane R. Garrett</b> Kerrville, Texas, USA	President, Chief Executive Officer, Director	President and Chief Executive Officer of Nickel Creek Platinum	2016	2,000,000 Shares 2,326,900 Options 3,056,240 SARs
<b>Wayne Kirk</b> <sup>(2)(3)</sup> Orcas, Washington, USA	Director	Director in the Mining Industry	2016	83,333 Shares 183,500 Options 147,951 DSUs 229,410 SARs
<b>Gillyeard Leathley</b> <sup>(5)(6)</sup> Vancouver, BC, Canada	Director	Consultant to the Mining Industry	2016	30,000 Shares 183,500 Options 125,669 DSUs 229,410 SARs

Name and Residence <sup>(1)</sup>	Position with Nickel Creek Platinum	Principal Occupation	Director or Officer Since	Shares Beneficially Owned, Controlled or Directed <sup>(1)</sup>
<b>Myron Manternach</b> <sup>(3) (4)</sup> Philadelphia, Pennsylvania, USA	Chairman	Consultant to the Mining Industry	2012	250,000 Shares 284,500 Options 214,338 DSUs 779,835 SARs
<b>Michel (Mike) Sylvestre</b> <sup>(2) (5)</sup> Port Hope, Ontario, Canada	Director	Regional Vice-President, Americas', Kinross Gold Corporation (mining company)	2012	226,667 Shares 183,500 Options 330,369 DSUs 504,410 SARs
<b>Joe Romagnolo</b> Toronto, Ontario, Canada	Senior Vice President and Chief Financial Officer	Senior Vice President and Chief Financial Officer of Nickel Creek Platinum	2016	75,000 Shares 705,900 Options 674,260 SARs
<b>Heather White</b> Sudbury, Ontario, Canada	Vice President and Chief Operating Officer	Vice President and Chief Operating Officer of Nickel Creek Platinum	2017	762,400 Options 282,285 SARs
<b>Graeme Jennings</b> <sup>(7)</sup> Toronto, Ontario, Canada	Vice President, Corporate Development and Investor Relations	Vice President, Corporate Development and Investor Relations of Nickel Creek Platinum	2017	45,000 Shares 564,700 Options 272,280 SARs

Notes:

1. This information has been furnished by the director or officer.
2. Member of the Audit Committee.
3. Member of the Corporate Governance and Nominating Committee.
4. Member of the Compensation Committee.
5. Member of the Technical, Environmental, Health and Safety Committee.
6. Mr. Gillyeard Leathley rejoined the Board on November 1, 2018 after having resigned on July 6, 2018 due to health reasons.
7. Effective March 15, 2019, Mr. Jennings is no longer employed by the Company.

The directors and senior officers of the Company, as at December 31, 2018, beneficially owned, directly or indirectly, and had control of or direction over an aggregate of 2,976,500 Shares of the Company, representing approximately 1.3% of the issued and outstanding Shares of the Company.

The following section provides further details regarding the background and experience of each of the seven directors:

- **Michele S. Darling** – Ms. Darling has over 30 years of global business experience with particular expertise in Human Resources Management and Corporate Governance. She is the President of Michele Darling and Associates Inc., a management consulting business that provides human resources and strategic planning consulting services to Canadian and American businesses. Prior to establishing her consulting practice, Ms. Darling was the Executive Vice President, Corporate Governance and Human Resources, with Prudential Financial, Inc. from 1996 to 2002. She played a very significant role in the transformation of Prudential Financial Inc. from a mutual company into a public company, and was honoured as Human Resources Executive of the Year in 2000. From 1991 to 1996, she was the Executive Vice President, Human Resources at Canadian Imperial Bank of Commerce, having joined the bank in corporate banking. Ms. Darling also held various Human Resources positions during her ten years with The Oshawa Group Limited. Ms. Darling joined the Board of Stornoway Diamond Corporation in June 2018. Ms. Darling was a Director with Osisko Mining Corporation from 2012 – 2014. Ms. Darling is currently a member of the Board of Advisors of The Denihan Hospitality Group (New York). She is also a member of the board of directors of Trillium Health Partners, and is Chair Emeritus of Trillium Health Partners Foundation. She is the Benefactor of The Darling Home for Kids, and was previously a Governor

of The Shaw Festival Theatre. Ms. Darling holds a Bachelor of Arts (Honours) degree from the University of Sydney and obtained her Master's degree in Education from the University of Toronto. Ms. Darling is a certified Human Resources Professional, and she is also a graduate of the directors' education program offered by the Institute of Corporate Directors (ICD) in partnership with the Rotman School of Management, University of Toronto.

- **Mark Fields** – Mr. Fields has over 30 years of experience in increasingly senior positions in the mineral exploration and mining industry with major and junior companies and currently operates his consulting practice, MC Fields Ventures Inc. Mr. Fields has and continues to serve on boards of publicly held companies involved in mineral exploration and development and on March 15, 2017, Mr. Fields was appointed as the Interim President and CEO of Discovery Harbour Resources Corp. He was involved in the acquisition and development of the Diavik diamond mine for the Rio Tinto Group through the 1990s. Mr. Fields was Vice President of La Teko Resources Ltd. when it negotiated a friendly take-over by Kinross Gold Corporation. As Executive Vice President of Pine Valley Mining Corporation, he was a key member of the executive team which brought the Willow Creek metallurgical coal mine into commercial production, for which he received the E.A. Scholz Award for excellence in mine development. Mr. Fields was President and CEO of Geodex Minerals from 2009 through 2014 and negotiated the joint venture and sale of the Sisson tungsten-molybdenum project to Northcliff Resources followed by the re-organization of Geodex Minerals. Mr. Fields holds a B.Sc. in Geology from the University of British Columbia and a B.Comm. (Honours) from Queen's University. He is an accredited P.Geos with the Association of Professional Engineers and Geoscientists of BC and also for the Northwest Territories and Nunavut. RCF nominated Mr. Fields pursuant to the Ancillary Rights Agreement.
- **Diane R. Garrett** – Ms. Garrett has over 25 years of experience in the mining industry and an exceptional track record for developing projects, building companies and creating considerable value for shareholders. Most recently, Ms. Garrett was President, Chief Executive Officer and Director of Romarco Minerals Inc. ("Romarco"), a Toronto Stock Exchange listed company which was acquired by OceanaGold Corp. in 2015 for a final transaction value of over \$550 million. As CEO of Romarco, Ms. Garrett restructured the company and built and led the team that developed a world class mining project from exploration through to final feasibility, permitting and into construction, starting in 2002 with no assets and a market capitalization of less than \$20 million. Ms. Garrett is also Chairman of the Board of Revival Gold, a North American growth-focused gold exploration and development company; and a Director of NovaGold Resources Inc., which in equal partnership with Barrick Gold U.S. Inc. is advancing the Donlin Gold project – a large high-grade open pit gold deposit. Ms. Garrett has extensive experience in executive management and advanced academic credentials in the mining and petroleum industries, including a Masters degree in Mineral Economics and a Ph.D. in Engineering (with her doctoral dissertation focused primarily on Platinum Group Metals) from the University of Texas at Austin.
- **Wayne Kirk** – Mr. Kirk has over 35 years of experience as a corporate attorney, including nine years' experience as Vice President, General Counsel and Corporate Secretary of Homestake Mining Company, and over 14 years of experience as a board member of publicly held companies. Currently, he serves on boards of several privately and publicly held companies involved in mineral exploration and development around the world. Mr. Kirk holds a B.A. in Economics (Distinction) from the University of California (Berkeley) and a LL. B (magna cum laude) degree from Harvard University and has been a member of the California Bar since 1969. Mr. Kirk is a nominee of Electrum. Electrum nominated Mr. Kirk pursuant to the terms of the Electrum Purchase Agreement.

- **Gillyeard Leathley** – Mr. Leathley trained as a Mine Surveyor and Industrial Engineer attending the Royal College of Science & Technology in Glasgow, Scotland. He has more than 55 years of experience in all aspects of the mining industry. He retired in 2000 from the position of Senior Vice President and Chief Operating Officer of Homestake Mining Company. Subsequent to this he provided consulting services to various mining companies. From 2009 until 2012 he was Senior Vice President and COO of NovaGold Resources Inc. and was a director until 2018. From February 2013 until June 2015 he was Chief Operating Officer of Sunward Resources Ltd. He has held positions as a director of various mining companies. Mr. Leathley is a nominee of Electrum. Electrum nominated Mr. Leathley pursuant to the terms of the Electrum Purchase Agreement.
- **Myron G. Manternach (Chairman)** – Mr. Manternach has over 20 years of experience in corporate finance, mergers and acquisitions, and investment management. Mr. Manternach worked as an investment banker at JPMorgan Chase & Co. and as an analyst and manager of institutional investment funds with extensive experience in natural resources and emerging markets debt and equity. Most recently he was Executive Vice President, Finance and Corporate Development at Lithium Americas Corp., and Managing Director and Senior Portfolio Manager of Ambac Assurance Corp., a subsidiary of Ambac Financial Group. He has been a director of Nickel Creek Platinum Ltd. since July 2012 and was previously a director of Lithium Americas Corp. prior to its merger with Western Lithium Corp. Mr. Manternach holds a B.Sc. degree in Electrical Engineering with distinction from Iowa State University and an MBA from the Wharton School of the University of Pennsylvania.
- **Michel (Mike) Sylvestre** – Mr. Sylvestre is currently the Regional Vice-President, Americas' for Kinross Gold Corporation. For most of his career, Mr. Sylvestre worked with Inco Ltd. where he held senior management positions domestically and internationally. Most notably, he was the Chief Executive Officer of Vale Inco, New Caledonia, President of Vale Inco, Manitoba Operations and the Vice President of Operations PT Inco, Indonesia. Mr. Sylvestre was also previously the President and Chief Executive Officer of Castle Resources Inc. and the Interim Chief Executive Officer of Claude Resources Inc. as well as its Chairman of the Board. Mr. Sylvestre brings over 40 years of mining experience to Nickel Creek Platinum. Mr. Sylvestre holds a M.Sc. and a B.Sc. in Mining Engineering from McGill University and Queen's University, respectively. He is a member of the Professional Engineers of Ontario and the Canadian Institute of Mining. Mr. Sylvestre is also a graduate of the directors' education program offered by the Institute of Corporate Directors in partnership with the Rotman School of Management, University of Toronto.

#### **CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES AND SANCTIONS**

Other than as described below, to the knowledge of the Company, no director or officer of the Company, or a shareholder holding a sufficient number of securities of Nickel Creek Platinum to affect material control of the Company, is or was a director or executive officer of another company (including Nickel Creek Platinum) in the past 10 years that:

- was subject to a cease trade or similar order, or an order denying that company any exemption under securities legislation that was in effect for more than 30 consecutive days, while the director or executive officer held that role with the company;
- was involved in an event while the director or executive officer was acting in that capacity that resulted in the company being subject to one of the above orders after the director or executive officer no longer held that role with the company; or
- while acting in that capacity, or within a year of acting in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted

any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold the assets of that company.

Mr. Kirk was a director of Great Basin Gold Ltd (“GBG”) until he resigned such directorship in January 2012. In September 2012, GBG filed for creditor protection under the Companies’ Creditors Arrangement Act in Canada. GBG’s principal South African subsidiary, Southgold Exploration (Pty) Ltd., also filed for protection under the South African Companies Act business rescue procedures. GBG’s subsidiary Rodeo Creek Gold Inc., and certain of its affiliates, entered US Bankruptcy Code Chapter 11 restructuring proceedings in Nevada in February 2013. GBG subsequently delisted its securities from the TSX, Johannesburg Stock Exchange and NYSE MKT.

None of them in the past 10 years:

- became bankrupt;
- made a proposal under any legislation relating to bankruptcy or insolvency;
- has been subject to or launched any proceedings, arrangement or compromise with any creditors; or
- had a receiver, receiver manager or trustee appointed to hold any of their assets.

None of them has ever been subject to:

- penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

## INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other than as described below, Management is not aware of any material interest, direct or indirect, of any insider of the Company, or any associate or affiliate of any such person, in any transaction during the Company’s three last completed financial years, or during the current financial year that has materially affected or is reasonably expected to materially impact the Company.

Members of Management, the Board, Electrum and RCF, (Electrum and RCF each holds over 10% of the Company’s issued and outstanding Shares), participated in the August 2017 Private Placement, July 2016 Private Placement and March 2016 Private Placements. The following table sets out the number of securities purchased by each such individual:

Name	Position / Relationship	August 2017 Units Purchased (#)	July 2016 Shares Purchased (#)	March 2016 Units Purchased (#)
<b>Michele Darling</b>	Director	Nil	200,000	Nil
<b>Mark Fields</b>	Director	Nil	66,500	Nil
<b>Diane R. Garrett</b>	President, Chief Executive Officer and Director	Nil	1,000,000	Nil
<b>Wayne Kirk</b>	Director	Nil	83,333	Nil

Name	Position / Relationship	August 2017 Units Purchased (#)	July 2016 Shares Purchased (#)	March 2016 Units Purchased (#)
Gillyeard Leathley	Director	Nil	30,000	Nil
Myron Manternach	Director	Nil	230,000	Nil
Michel (Mike) Sylvestre	Director	Nil	166,667	Nil
Electrum	>10% shareholder	6,742,271	4,359,333	50,000,000
RCF	>10% shareholder	8,675,535	588,806	6,107,464

## INTERESTS OF EXPERTS

### QUALIFIED PERSONS

The Technical Report was prepared under the direct supervision of John Marek, P. E., President of IMC, Gordon Zurowski, P. Eng. of AGP, Andy Holloway, CEng., P. Eng. of AGP and Gordon Marrs, P. Eng. of XPS. The Phase 2 Metallurgical Program was overseen by Gordon Marrs of XPS and Heather White, P. Eng., COO of Nickel Creek Platinum.

All technical and scientific information discussed in this AIF, including mineral resource estimates for our Nickel Shaw Project, has been reviewed and approved by James Berry, Chief Geologist of the Company, who is a "Qualified Person" as defined in NI 43-101.

PricewaterhouseCoopers LLP ("PwC") is the independent registered chartered accountant of the Company and is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

Each of the aforementioned firms or persons hold, as either a registered or beneficial holder, less than one percent of the outstanding securities of the Company or of any associate or affiliate of the Company. None of the aforementioned firms or persons received any direct or indirect interest in any securities of the Company or of any associate or affiliate of the Company in connection with the preparation and review of the Technical Report or this AIF.

None of the aforementioned firms or persons, nor any directors, officers or employees of such firms or persons, are currently expected to be elected, appointed or employed as a director, officer or employee of the Company or of any associate or affiliate of the Company.

### LEGAL COUNSEL

The Company's external legal counsel is Cassels Brock & Blackwell LLP, located at Suite 2200, HSBC Building, 885 West Georgia Street, Vancouver, British Columbia V6C 3E8.

## AUDIT COMMITTEE INFORMATION

The Company's Audit Committee is principally responsible for:

- recommending to the Board the external auditor to be nominated for election by the shareholders at each AGM and negotiating the compensation of such external auditor;
- overseeing the work of the external auditor;
- reviewing the Company's annual and interim financial statements, MD&A and news releases regarding earnings before they are reviewed and approved by the Board and publicly disseminated; and
- reviewing the Company's financial reporting procedures and internal controls to ensure adequate procedures are in place for the Company's public disclosure of financial information extracted or derived from the Company's financial statements.

### AUDIT COMMITTEE CHARTER

The complete text of the Audit Committee's charter is attached as Appendix "A" to this AIF.

### COMPOSITION OF THE AUDIT COMMITTEE

The Company's Audit Committee is made up of the following three directors, all of whom are financially literate and independent, as defined by National Instrument 52-110 – Audit Committees ("NI 52-110"):

- Mark Fields (chair);
- Wayne Kirk; and
- Michel (Mike) Sylvestre.

### RELEVANT EDUCATION AND EXPERIENCE

The Audit Committee is responsible for reviewing Nickel Creek Platinum's financial reporting procedures, internal controls and the performance of the financial management and external auditors of Nickel Creek Platinum. The Audit Committee also reviews the unaudited quarterly and annual audited financial statements and makes recommendations to the Board.

Mark Fields has over 30 years of experience in increasingly senior positions in the mineral exploration and mining industry with major and junior companies, including positions as President and CEO, and currently operates his consulting practice, MC Fields Ventures Inc. He has and continues to serve on boards of publicly held companies involved in mineral exploration and development, including serving as Chair and a member of the audit committees. Mr. Fields holds a B.Sc. in Geology from the University of British Columbia and a B.Comm. (Honours) from Queen's University. He is an accredited P.Geos with the Association of Professional Engineers and Geoscientists of British Columbia and also for the Northwest Territories and Nunavut.

Wayne Kirk has over 35 years of experience as a corporate attorney, including nine years of experience as Vice President, General Counsel and Corporate Secretary of Homestake Mining Company, and over 14 years of experience as a board member of publicly held companies, including service as a member of the audit committees of such companies. Currently, he serves on boards of several privately and publicly held companies involved in mineral exploration and development around the world, including service as a member of the audit committees. Mr. Kirk holds a B.A. in Economics (Distinction) from the University of

California (Berkeley) and a LL.B (magna cum laude) degree from Harvard University and has been a member of the California Bar since 1969.

Michel (Mike) Sylvestre has been with Kinross Gold Corporation for over four years and is currently their Regional Vice-President, Americas'. For most of his career, Mr. Sylvestre worked with Inco Ltd. where he held senior management positions domestically and internationally. Most notably, he was the Chief Executive Officer of Vale Inco, New Caledonia, President of Vale Inco, Manitoba Operations and the Vice President of Operations PT Inco, Indonesia. Mr. Sylvestre was also previously the President and Chief Executive Officer of Castle Resources Inc. and the Interim Chief Executive Officer of Claude Resources Inc. as well as its Chairman of the Board. Mr. Sylvestre brings over 40 years of mining experience to Nickel Creek Platinum. Mr. Sylvestre holds a M.Sc. and a B.Sc. in Mining Engineering from McGill University and Queen's University, respectively. He is a member of the Professional Engineers of Ontario and the Canadian Institute of Mining. Mr. Sylvestre is also a graduate of the directors' education program offered by the Institute of Corporate Directors (ICD) in partnership with the Rotman School of Management, University of Toronto.

#### **AUDIT COMMITTEE OVERSIGHT**

At no time since the commencement of the Company's most recently completed financial year was a recommendation of the Audit Committee to nominate or compensate an external auditor not adopted by the Board.

#### **RELIANCE ON CERTAIN EXEMPTIONS**

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions in section 2.4 (De Minimis Non-audit Services), section 3.2 (Initial Public Offerings), section 3.4 (Events Outside Control of Member) or section 3.5 (Death, Disability or Resignation of Audit Committee Member) of NI 52-110, or an exemption from NI 52-110, in whole or in part, granted under Part 8 (Exemptions).

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemption in subsection 3.3(2) (Controlled Companies), section 3.6 (Temporary Exemption for Limited and Exceptional Circumstances) or the exemption in section 3.8 (Acquisition of Financial Literacy) of NI 52-110.

#### **PRE-APPROVAL POLICIES AND PROCEDURES**

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services; however, the Audit Committee approves all non-audit services in advance.

#### EXTERNAL AUDITOR SERVICE FEES (BY CATEGORY)

The following table sets forth the fees paid by the Company to PwC for services rendered during the financial years ended December 31, 2018 and December 31, 2017:

	2018 PwC	2017 PwC
Audit fees <sup>(1)</sup>	\$79,500	\$80,000
Audit-related fees <sup>(2)</sup>	Nil	Nil
Tax fees <sup>(3)</sup>	2,685	Nil
All other fees	Nil	1,800
<b>Total</b>	<b>\$82,185</b>	<b>\$81,800</b>

- (1) The aggregate audit fees billed by the Company's auditor (or accrued).
- (2) The aggregate fees billed (or accrued) for assurance and related services that are reasonably related to the performance of the audit or review of the Company's financial statements which are not included under the heading "Audit Fees", including for quarterly reviews.
- (3) The aggregate fees billed (or accrued) for professional services provided by the auditor rendered for tax compliance, tax advice and tax planning.

#### ADDITIONAL INFORMATION

Additional information including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and options to purchase Shares and securities authorized for issuance under equity compensation plans is contained in the management information circular dated May 17, 2018 for the AGM, held on June 28, 2018, which is available on SEDAR at [www.sedar.com](http://www.sedar.com). Additional financial information is contained in the Company's annual comparative financial statements and MD&A as at and for the years ended December 31, 2018 and December 31, 2017, which are available on SEDAR at [www.sedar.com](http://www.sedar.com). Additional information relating to the Company may be found on SEDAR at [www.sedar.com](http://www.sedar.com). and on our website at [www.nickelcreekplatinum.com](http://www.nickelcreekplatinum.com).

## **APPENDIX A**

### **AUDIT COMMITTEE CHARTER**

#### **1. PURPOSE**

The main purpose of the Audit Committee (the “Committee”) of the Board of Directors (the “Board”) of Nickel Creek Platinum Corp. (“Nickel Creek Platinum” or the “Company”) is to assist the Board in fulfilling its statutory responsibilities in relation to internal control and financial reporting, and to carry out certain oversight functions on behalf of the Board, including the oversight of:

- (a) the integrity of the Company’s financial statements and other financial information provided by the Company to securities regulators, governmental bodies and the public to ensure that the Company’s financial disclosures are complete, accurate, in accordance with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations by the International Financial Reporting Interpretations Committee (“IFRIC”), and fairly present the financial position and risks of the Company;
- (b) assessing the independence, qualifications and performance of the Company’s independent auditor (the “Auditor”), appointing and replacing the Auditor, overseeing the audit and non-audit services provided by the Auditor, and approving the compensation of the Auditor;
- (c) Senior Management (as defined below) responsibility for assessing and reporting on the effectiveness of internal controls;
- (d) financial matters and management of financial risks;
- (e) the prevention and detection of fraudulent activities; and
- (f) investigation of complaints and submissions regarding accounting or auditing matters and unethical or illegal behaviour.

The Committee provides an avenue for communication between the Auditor, the Company’s executive officers and other senior managers (“Senior Management”) and the Board, and has the authority to communicate directly with the Auditor. The Committee shall have a clear understanding with the Auditor that they must maintain an open and transparent relationship with the Committee. The Auditor is ultimately accountable to the Committee and the Board, as representatives of the Company’s shareholders.

#### **2. COMPOSITION**

The Committee shall be comprised of three directors. Each Committee member shall:

- (a) satisfy the laws governing the Company;
- (b) be “independent” in accordance with Sections 1.4 and 1.5 of National Instrument 52-110 Audit Committees (“NI 52-110”), which are reproduced in Schedule “A” to this charter; and
- (c) be “financially literate” in accordance with the definition set out in Section 1.6 of NI 52-110, which definition is reproduced in Schedule “A” to this charter.

For purposes of subparagraph (b) above, the position of non-executive Chair of the Board is considered to be an executive officer of the Company.

Committee members and the chair of the Committee (the "Committee Chair") shall be appointed annually by the Board at the first Board meeting that is held after every annual general meeting of the Company's shareholders. The Board may remove a Committee member at any time in its sole discretion by a resolution of the Board.

If a Committee member simultaneously serves on the audit committees of more than three public companies, the Committee shall seek the Board's determination as to whether such simultaneous service would impair the ability of such member to effectively serve on the Committee and ensure that such determination is disclosed.

### 3. MEETINGS

The Committee shall meet at least once per financial quarter and as many additional times as the Committee deems necessary to carry out its duties effectively.

The Committee shall meet:

- (a) within 45 days following the end of each of the first three financial quarters to review and discuss the unaudited financial results for the preceding quarter and the related management's discussion and analysis ("MD&A") prior to their filing with the applicable securities regulatory authorities; and
- (b) within 90 days following the end of the Company's fiscal year end to review and discuss the audited financial results for the year and related MD&A prior to their filing with the applicable securities regulatory authorities.

As part of its job to foster open communication, the Committee shall meet at least once each financial quarter with Senior Management and the Auditor in separate executive sessions to discuss any matters that the Committee or each of these groups believe should be discussed privately.

A majority of the members of the Committee shall constitute a quorum for any Committee meeting. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present or by unanimous written consent of the Committee members.

The Committee Chair shall preside at each Committee meeting. In the event the Committee Chair is unable to attend or chair a Committee meeting, the Committee will appoint a chair for that meeting from the other Committee members.

The Corporate Secretary of the Company, or such individual as appointed by the Committee, shall act as secretary for a Committee meeting (the "Committee Secretary") and, upon receiving a request to convene a Committee meeting from any Committee member, shall arrange for such meeting to be held.

The Committee Chair, in consultation with the other Committee members, shall set the agenda of items to be addressed at each Committee meeting. The Committee Secretary shall ensure that the agenda and any supporting materials for each upcoming Committee meeting are circulated to each Committee member in advance of such meeting.

The Committee may invite such officers, directors and employees of the Company, the Auditor, and other advisors as it may see fit from time to time to attend at one or more Committee meetings and assist in the discussion and consideration of any matter. For purposes of performing their duties, members of the Committee shall, upon request, have immediate and full access to all corporate information and shall be permitted to discuss such information and any other matters relating to the duties and responsibilities of the Committee with officers, directors and employees of the Company, with the Auditor, and with other advisors subject to appropriate confidentiality agreements being in place.

Unless otherwise provided herein or as directed by the Board, proceedings of the Committee shall be conducted in accordance with the rules applicable to meetings of the Board.

#### **4. DUTIES AND RESPONSIBILITIES**

Subject to the powers and duties of the Board and the Articles of the Company, in order to carry out its oversight responsibilities, the Committee shall:

##### **4.1 Financial Reporting Process**

- (a) Review with Senior Management and the Auditor any items of concern, any proposed changes in the selection or application of accounting principles and policies and the reasons for the change, any identified risks and uncertainties, and any issues requiring the judgement of Senior Management, to the extent that the foregoing may be material to financial reporting.
- (b) Consider any matter required to be communicated to the Committee by the Auditor under generally accepted auditing standards, applicable law and listing standards, including the Auditor's report to the Committee (and the response of Senior Management thereto) on:
  - (i) accounting policies and practices used by the Company;
  - (ii) alternative accounting treatments of financial information that have been discussed with Senior Management, including the ramifications of the use of such alternative treatments and disclosures and the treatment preferred by the Auditor; and
  - (iii) any other material written communications between the Auditor and Senior Management.
- (c) Discuss with the Auditor their views about the quality, not just the acceptability, of accounting principles and policies used by the Company, including estimates and judgements made by Senior Management and their selection of accounting principles.
- (d) Discuss with Senior Management and the Auditor:
  - (i) any accounting adjustments that were noted or proposed (immaterial or otherwise) by the Auditor but were not reflected in the financial statements;
  - (ii) any material correcting adjustments that were identified by the Auditor in accordance with generally accepted accounting principles or applicable law;
  - (iii) any communication reflecting a difference of opinion between the audit team and the Auditor's national office on material auditing or accounting issues raised by the engagement; and

- (iv) any “management” or “internal control” letter issued, or proposed to be issued, by the Auditor to the Company.
- (e) Discuss with Senior Management and the Auditor any significant financial reporting issues considered during the fiscal period and the method of resolution, and resolve disagreements between Senior Management and the Auditor regarding financial reporting.
- (f) Review with Senior Management and the Auditor:
  - (i) any off-balance sheet financing mechanisms being used by the Company and their effect on the Company’s financial statements; and
  - (ii) the effect of regulatory and accounting initiatives on the Company’s financial statements, including the potential impact of proposed initiatives.
- (g) Review with Senior Management and the Auditor and legal counsel, if necessary, any litigation, claim or other contingency, including tax assessments, that could have a material effect on the financial position or operating results of the Company, and the manner in which these matters have been disclosed or reflected in the financial statements.
- (h) Review with the Auditor any audit problems or difficulties experienced by the Auditor in performing the audit, including any restrictions or limitations imposed by Senior Management, and the response of Senior Management, and resolve any disagreements between Senior Management and the Auditor regarding these matters.
- (i) Review the results of the Auditor’s work, including findings and recommendations, Senior Management’s response, and any resulting changes in accounting practices or policies and the impact such changes may have on the financial statements.
- (j) Review and discuss with Senior Management the audited annual financial statements and related MD&A and make recommendations to the Board with respect to approval thereof before their release to the public.
- (k) Review and discuss with Senior Management and the Auditor all interim unaudited financial statements and related interim MD&A.
- (l) Approve interim unaudited financial statements and related interim MD&A prior to their filing and dissemination.
- (m) In connection with Sections 4.1 and 5.1 of National Instrument 52-109 Certification of Disclosure in Issuers’ Annual and Interim Filings (“NI 52-109”), obtain confirmation from the Chief Executive Officer (“CEO”) and the Chief Financial Officer (“CFO”) (and considering the Auditor’s comments, if any, thereon) to their knowledge:
  - (i) that the audited financial statements, together with any financial information included in the annual MD&A and annual information form, fairly present in all material respects the Company’s financial condition, cash flow and results of operation, as of the date and for the periods presented in such filings; and

- (ii) that the interim financial statements, together with any financial information included in the interim MD&A, fairly present in all material respects the Company's financial condition, cash flow and results of operation, as of the date and for the periods presented in such filings.
- (n) Review news releases to be issued in connection with the audited annual financial statements and related MD&A and the interim unaudited financial statements and related interim MD&A, before being disseminated to the public, paying particular attention to any use of "pro-forma" or "adjusted" non-GAAP, information.
- (o) Review any news release containing earnings guidance or financial information based upon the Company's financial statements prior to the release of such statements.
- (p) Review the appointment of the CFO and have the CFO report to the Committee on the qualifications of new key financial personnel involved in the financial reporting process.

#### **4.2 Internal Controls**

- (a) Consider and review with Senior Management and the Auditor, the adequacy and effectiveness of internal controls over accounting and financial reporting within the Company and any proposed significant changes in them.
- (b) Consider and discuss any Auditor's comments on the Company's internal controls, together with Senior Management responses thereto.
- (c) Discuss, as appropriate, with Senior Management and the Auditor, any major issues as to the adequacy of the Company's internal controls and any special audit steps in light of material internal control deficiencies.
- (d) Review annually the disclosure controls and procedures.
- (e) Receive confirmation from the CEO and the CFO of the effectiveness of disclosure controls and procedures, and whether there are any significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information or any fraud, whether or not material, that involves Senior Management or other employees who have a significant role in the Company's internal control over financial reporting. In addition, receive confirmation from the CEO and the CFO that they are prepared to sign the annual and quarterly certificates required by Sections 4.1 and 5.1 of NI 52-109, as amended from time to time.

#### **4.3 The Auditor**

##### Qualifications and Selection

- (a) Subject to the requirements of applicable law, be solely responsible to select, retain, compensate, oversee, evaluate and, where appropriate, replace the Auditor. The Committee shall be entitled to adequate funding from the Company for the purpose of compensating the Auditor for authorized services.
- (b) Instruct the Auditor that:

- (i) they are ultimately accountable to the Board and the Committee, as representatives of shareholders; and
  - (ii) they must report directly to the Committee.
- (c) Ensure that the Auditor have direct and open communication with the Committee and that the Auditor meet with the Committee once each financial quarter without the presence of Senior Management to discuss any matters that the Committee or the Auditor believe should be discussed privately.
- (d) Evaluate the Auditor's qualifications, performance, and independence. As part of that evaluation:
- (i) at least annually, request and review a formal report by the Auditor describing: the firm's internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the firm, or by any inquiry or investigation by governmental or professional authorities, within the preceding five years, respecting one or more independent audits carried out by the firm, and any steps taken to deal with any such issues;
  - (ii) annually review and confirm with Senior Management and the Auditor the independence of the Auditor, including all relationships between the Auditor and the Company, including the amount of fees received by the Auditors for the audit services, the extent of non-audit services and fees therefor, the extent to which the compensation of the audit partners of the Auditor is based upon selling non-audit services, the timing and process for implementing the rotation of the lead audit partner, reviewing partner and other partners providing audit services for the Company, and whether there should be a regular rotation of the audit firm itself; and
  - (iii) annually review and evaluate senior members of the audit team of the Auditor, including their expertise and qualifications. In making this evaluation, the Committee should consider the opinions of Senior Management.

Conclusions on the independence of the Auditor should be reported by the Committee to the Board.

- (e) Approve and review, and verify compliance with, the Company's policies for hiring of employees and former employees of the Auditor and former auditors. Such policies shall include, at minimum, a one-year hiring "cooling off" period.

#### Other Matters

- (f) Meet with the Auditor to review and approve the annual audit plan of the Company's financial statements prior to the annual audit being undertaken by the Auditor, including reviewing the year-to-year co-ordination of the audit plan and the planning, staffing and extent of the scope of the annual audit. This review should include an explanation from the Auditor of the factors considered by the Auditor in determining their audit scope, including major risk factors. The Auditor shall report to the Committee all significant changes to the approved audit plan.
- (g) Review and pre-approve all audit and non-audit services and engagement fees and terms in accordance with applicable law, including those provided to the Company's subsidiaries by the Auditor or any other person in its capacity as independent auditor of such subsidiary. Between scheduled Committee meetings, the Committee Chair, on behalf of the Committee, is authorized to

pre-approve any audit or non-audit services and engagement fees and terms up to \$50,000. At the next Committee meeting, the Committee Chair shall report to the Committee any such pre-approval given.

- (h) Establish and adopt procedures for such matters.

#### **4.4 Compliance**

- (a) Monitor compliance by the Company with all payments and remittances required to be made in accordance with applicable law, where the failure to make such payments could render the Company's directors personally liable.
- (b) Receive regular updates from Senior Management regarding compliance with laws and regulations and the process in place to monitor such compliance, excluding, however, legal compliance matters subject to the oversight of the Corporate Governance and Nominating Committee of the Board. Review the findings of any examination by regulatory authorities and any observations by the Auditor relating to such matters.
- (c) Establish and oversee the procedures in the Company's Whistleblower Policy to address:
  - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting or auditing matters or unethical or illegal behaviour; and
  - (ii) confidential, anonymous submissions by employees of concerns regarding questionable accounting and auditing matters or unethical or illegal behaviour.
- (d) Ensure that political and charitable donations conform with policies and budgets approved by the Board.
- (e) Monitor management of hedging, debt and credit, make recommendations to the Board respecting policies for management of such risks, and review the Company's compliance therewith.
- (f) Approve the review and approval process for the expenses submitted for reimbursement by the CEO.
- (g) Oversee Senior Management's mitigation of material risks within the Committee's mandate and as otherwise assigned to it by the Board.

#### **4.5 Financial Oversight**

- (a) Assist the Board in its consideration and ongoing oversight of matters pertaining to:
  - (i) capital structure and funding including finance and cash flow planning;
  - (ii) capital management planning and initiatives;
  - (iii) property and corporate acquisitions and divestitures including proposals which may have a material impact on the Company's capital position;
  - (iv) the Company's annual budget;
  - (v) the Company's insurance program;

- (vi) directors' and officers' liability insurance and indemnity agreements; and
- (vii) matters the Board may refer to the committee from time to time in connection with the Company's capital position.

**4.6 Other**

- (a) Perform such other duties as may be assigned to the Committee by the Board.
- (b) Annually review and assess the adequacy of its charter and recommend any proposed changes to the Corporate Governance and Nominating Committee.
- (c) Review its own performance annually, and provide the results of such evaluation to the Board for its review.

**5. AUTHORITY**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to:

- (a) select, retain, terminate, set and approve the fees and other retention terms of special or independent counsel, accountants or other experts, as it deems appropriate; and
- (b) obtain appropriate funding to pay, or approve the payment of, such approved fees, without seeking approval of the Board or Senior Management.

**6. ACCOUNTABILITY**

The Committee Chair shall make periodic reports to the Board, as requested by the Board, on matters that are within the Committee's area of responsibility.

The Committee shall maintain minutes of its meetings with the Company's Corporate Secretary and shall provide an oral report to the Board at the next Board meeting that is held after a Committee meeting.

## SCHEDULE "A"

### DEFINITIONS FROM NATIONAL INSTRUMENT 52-110 AUDIT COMMITTEES

#### Section 1.4 Meaning of Independence

- 1) An audit committee member is independent if he or she has no direct or indirect material relationship with the issuer.
- 2) For the purposes of subsection 1), a "material relationship" is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgement.
- 3) Despite subsection 2), the following individuals are considered to have a material relationship with an issuer:
  - a) an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
  - b) an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
  - c) an individual who:
    - i) is a partner of a firm that is the issuer's internal or external auditor,
    - ii) is an employee of that firm, or
    - iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
  - d) an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
    - i) is a partner of a firm that is the issuer's internal or external auditor,
    - ii) is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
    - iii) was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
  - e) an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and
  - f) an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer during any 12 month period within the last three years.
- 4) Despite subsection 3), an individual will not be considered to have a material relationship with the issuer solely because
  - a) he or she had a relationship identified in subsection 3) if that relationship ended before March 30, 2004; or
  - b) he or she had a relationship identified in subsection 3) by virtue of subsection 8) if that relationship ended before June 30, 2005.
- 5) For the purposes of clauses 3)c) and 3)d), a partner does not include a fixed income partner whose interest in the firm that is the internal or external auditor is limited to the receipt of fixed amounts of compensation (including deferred compensation) for prior service with that firm if the compensation is not contingent in any way on continued service.
- 6) For the purposes of clause 3)f), direct compensation does not include:
  - a) remuneration for acting as a member of the board of directors or of any board committee of the issuer, and

- b) the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.
- 7) Despite subsection 3), an individual will not be considered to have a material relationship with the issuer solely because the individual or his or her immediate family member
  - a) has previously acted as an interim chief executive officer of the issuer, or
  - b) acts, or has previously acted, as a chair or vice-chair of the board of directors or of any board committee of the issuer on a part-time basis.
- 8) For the purpose of Section 1.4, an issuer includes a subsidiary entity of the issuer and a parent of the issuer.

### **Section 1.5 Additional Independence Requirements**

- 1) Despite any determination made under Section 1.4, an individual who
  - a) accepts, directly or indirectly, any consulting, advisory or other compensatory fee from the issuer or any subsidiary entity of the issuer, other than as remuneration for acting in his or her capacity as a member of the board of directors or any board committee, or as a part-time chair or vice-chair of the board or any board committee; or
  - b) is an affiliated entity of the issuer or any of its subsidiary entities, is considered to have a material relationship with the issuer.
- 2) For the purposes of subsection 1), the indirect acceptance by an individual of any consulting, advisory or other compensatory fee includes acceptance of a fee by
  - a) an individual's spouse, minor child or stepchild, or a child or stepchild who shares the individual's home; or
  - b) an entity in which such individual is a partner, member, an officer such as a managing director occupying a comparable position or executive officer, or occupies a similar position (except limited partners, non-managing members and those occupying similar positions who, in each case, have no active role in providing services to the entity) and which provides accounting, consulting, legal, investment banking or financial advisory services to the issuer or any subsidiary entity of the issuer.
- 3) For the purposes of subsection 1), compensatory fees do not include the receipt of fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the issuer if the compensation is not contingent in any way on continued service.

### **Section 1.6 Meaning of Financial Literacy**

For the purposes of this Instrument, an individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the issuer's financial statements.