NI 43-101 Technical Report

For

The Castriz Prospect (Corcel Project)

Located in A Coruña Province, Spain

Prepared For

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June 2022

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1 EXECUTIVE SUMMARY

1.1 Introduction and Project Overview

Eurobattery Minerals AB is a is a mining company focusing on the exploration and development of the minerals nickel, cobalt, and copper for the growing electric vehicle market in Europe. The company has ongoing projects in Finland, Spain, and Sweden. Eurobattery Minerals AB acquired the Corcel Project (A Coruña, Spain) in 2019 through its wholly-owned Spanish company Corcel Minerals SLU.

Eurobattery Minerals is a dual-listed company in Sweden (NGM Nordic SME: BAT), and Germany (Börse Stuttgart: EBM).

The purpose of this report is to present a mineral inventory estimate within the Castriz Prospect target area. This report has been prepared in accordance with the disclosure and reporting requirements set forth in the Canadian Securities Administrators' National Instrument 43-101 ("NI 43-101"), Companion Policy 43-101CP, and Form 43-101F1, as well as with the CIM Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council in May 2014, and the CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM MRMR Committee in November 2019.

1.2 Property Description and Location

The Corcel Project is located in the municipalities of Coristanco, Santa Comba, and Val do Dubra, in the A Coruña Province (Galicia Autonomous Region, northwest of Spain). It is situated approximately 52km south of A Coruña and 45Km northwest of Santiago de Compostela (Figure 1-1).

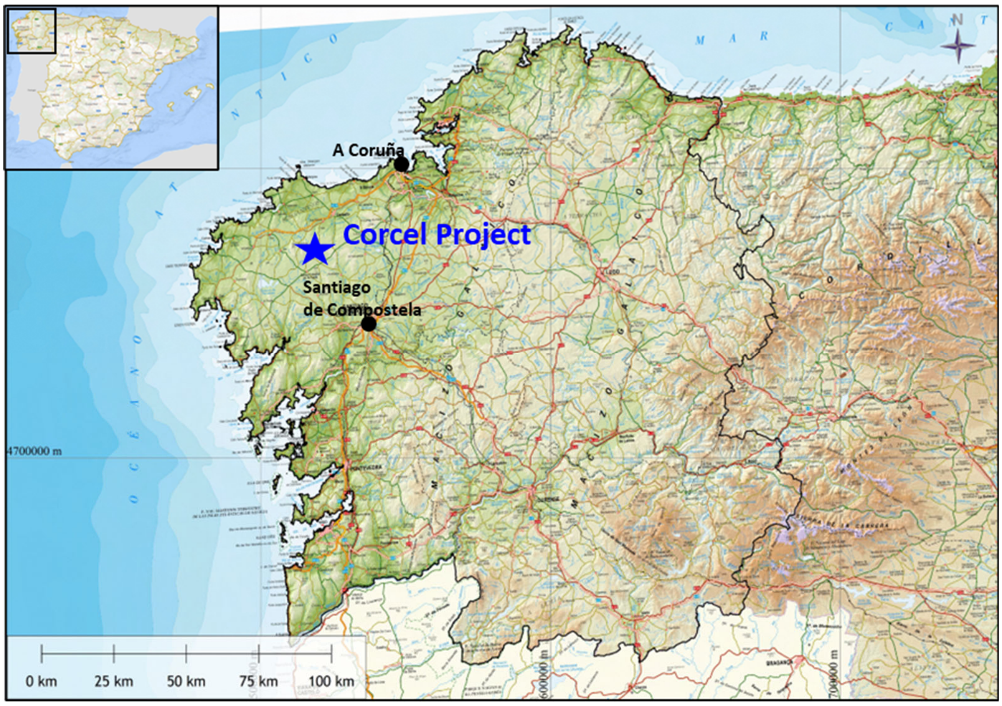

Figure 1-1 Corcel Project Geographic Location (Global Mapper, UTM ETRS89 Zone 29).

Corcel Project is composed of the mineral permits "Salgueiras" (PI), and "Segregación Carmen y Demasias", both pending administrative authorizations. "Corcel Minerals SLU acquired "Segregación Carmen y Demasías" in 2018 from Galicia Tin and Tungsten SL, which is a segregated portion of the mineral permit "Carmen" (CE) number 1807. The Castriz Prospect area is located on both mineral permits. Corcel Minerals does not hold surface rights in the Corcel Project area as is generally the case in Spain.

1.3 Project History

Initial exploration of the area was carried out by the Geological Survey of Spain (IGME) during the 1970s with the aim of studying the mining potential of the area in relation to Cu, Ni, Cr, and Ti (IGME, 1977). The geological studies highlighted a Ni anomaly in the Castriz area associated with ultramafic rocks. Further exploration in the area was carried out by ENADIMSA in 1982 and 1991 including detailed mapping, trenching, and exploration diamond drilling.

1.4 Geology and mineralization

The project area is located in the northwestern corner of the Iberian Massif of the European Variscan Belt within the Galicia-Trás-os-Montes Zone (GTOMZ), which includes Galicia and the north of Portugal. The GTOMZ is composed of a lower autochthonous zone, also called the Schistose Domain, consisting of a thick sedimentary sequence and an upper unit of allochthonous complexes formed of plutonic and metamorphic rocks with varying metamorphic grades.

The Corcel Project is located in one of the allochtonous complexes called the Órdenes Complex which is formed by several units of lenticular character, in particular, the Carballo-El Pino Unit (Díaz García, 1990). This unit consists of a lower sequence of mafic and ultramafic rocks, homogeneous and layered amphibolites, and an upper portion of schists, gneisses, and migmatites where gabbros and minor orthogneiss bodies are emplaced.

The Castriz Prospect is situated on a sequence of ultramafic rocks represented by alternations of peridotites and pyroxenites with associated pegmatoid metagabbros. The peridotites are composed of 50-70% olivine, which is heavily serpentinized, clinopyroxene (diopside), iron and titanium oxides, and minor orthopyroxene (broncite) and plagioclase. Secondary minerals are mainly represented by serpentine, chlorite, tremolite, carbonates, talc, and opaque minerals (Ni sulfides, pyrite, and magnetite). The pyroxenites are commonly amphibolitized. The metagabbros are coarse-grained and represent discontinuous NW-SE bands within the peridotite-piroxentie bodies.

Castriz mineralization is hosted in the peridotite and is represented by disseminated fine-grained pentlandite and minor chalcopyrite. Detailed petrographic studies identified strong hydrothermal alteration related with the mineralization.

1.5 Deposit Type

The understanding of the deposit type is in an early stage, but it appears to be hydrothermal-type mineralization related to the metamorphism, deformation, and fracture filling.

1.6 Exploration and Drilling

In early 2019, Corcel Minerals carried out an exploration program at the Castriz Prospect consisting of geological mapping, soil sampling, and geophysical survey campaigns over an area of approximately 4km2 of the Castriz mafic and ultramafic rocks. The results of the soil geochemistry confirmed the historical soil Ni-anomaly at Castriz, achieving a better definition of the anomaly and higher Ni values. Based on the results of the 2019 exploration program and the historical information, four target areas were defined at Castriz (Northern, Western, Central, and South Anomalies) for subsequent diamond drill hole planning.

To date, Corcel Minerals has completed two drilling programs at Castriz (Table 1-1). The first program was carried out in late 2019 and consisted of exploration diamond drilling of the north, western and central anomalies defined previously, with a total of 998.40 meters of drilling completed in four holes. Based on the good intersections of hole COR-003, the second exploration drilling campaign conducted in 2021 was focused on the western anomaly. A total of 1134 meters of drilling were completed in 7 diamond drill holes.

Table 1-1 Breakdown of diamond drilling for Castriz Prospect (Noble & Barrero, 2022).

	DH name	DH Collar Coordinates (ETRS89 Zone 29)			Azimut	Dip	Total Length	Number of samples	Avg sample length (m)
		X Coordinate	Y Coordinate	Elevation (m)					
2019	COR-001	518,487.68	4,774,406.80	389.77	267	-60	251.10	86	2.93
	COR-002	518,419.28	4,774,276.68	387.45	286	-60	251.00	84	2.95
	COR-003	518,065.03	4,773,759.07	380.83	258	-61	245.00	59	2.99
	COR-004	518,763.70	4,773,529.30	388.40	270	-60	251.30	85	2.96
						Total	**998.40**	**314**	

	DH name	DH Collar Coordinates (ETRS89 Zone 29)			Azimut	Dip	Total Length	Number of samples	Avg sample length (m)
		X Coordinate	Y Coordinate	Elevation (m)					
2021	COR-005	518,040.04	4,773,772.69	380.95	280	-45	218.20	160	0.99
	COR-006	517,995.81	4,773,785.72	380.10	280	-44	169.55	80	1.01
	COR-007	518,024.59	4,773,732.68	380.46	280	-43	175.85	89	1.00
	COR-008	517,981.87	4,773,738.75	379.62	280	-45	151.85	80	0.99
	COR-009	518,044.80	4,773,829.36	381.43	280	-45	141.25	130	1.01
	COR-010	517,996.35	4,773,837.23	380.17	280	-46	141.40	89	1.01
	COR-011	518,053.51	4,773,765.18	380.91	280	-55	135.90	118	1.00
						Total	**1134.00**	**746**	

1.7 Mineral Evaluation

The drilling is widely spaced and there has been insufficient exploration and engineering works to define this as a mineral resource, and it is uncertain if further exploration and engineering will result in the exploration target being delineated as a mineral resource. The nickel tonnage-grade distribution is tabulated in Table 1-2 above different nickel grades to illustrate the sensitivity of the tonnage to variable Ni grade. Effective date of this evaluation is May 2022.

Table 1-2 Nickel Tonnage-Grade Summary Using Above Multiple Nickel Grades (Noble & Barrero, 2022)

Minimum Nickel Grade	Tonnes	Ni (%)
0.1	6,914,560	0.21
0.11	6,805,641	0.22
0.12	6,763,658	0.22
0.13	6,620,029	0.22
0.14	6,161,278	0.23
0.15	5,818,333	0.23
0.16	5,595,580	0.23
0.17	5,395,908	0.24
0.18	5,039,080	0.24
0.19	4,484,043	0.25
0.2	3,910,056	0.25
0.21	3,263,960	0.26
0.22	2,533,633	0.28
0.23	1,929,495	0.29
0.24	1,461,663	0.31
0.25	1,170,973	0.33

1.8 Conclusions

The Castriz Prospect has been explored since the late 70s for nickel, copper, and cobalt. Since 2019, Corcel Minerals undertook limited exploration drilling to confirm geochemical soil anomalies and historical information. These data have been used to develop a block model of a nickel deposit which is open to the north, south, east, and depth. Although the drilling is widely spaced and covers a limited area, the prospects for upgrading to a mineral resource are promising.

Exploration has identified well-defined nickel soil anomalies (Central and South), that have been only partially tested by diamond drilling and may offer additional potential for other mineralized zones.

The following conclusions are made based on the review and validation of the drilling data:

- The drilling has been conducted competently using appropriate equipment and techniques.
- Drilling core handling, logging, and sampling procedures have been adequately recorded and managed. Core handling, core storage, and chain of custody are consistent with industry practice.
- The methods used to compile the geological and assay data are acceptable and meet industry standards.
- Samples have been assayed by ALS Global and SGS Laboratories; both accredited to ISO17025.

To date, no metallurgical studies have been undertaken to evaluate plant performance and concentrate characteristics.

1.9 Recommendations

- Metallurgical testing is recommended to evaluate recoveries, concentrate grades, and concentrations of deleterious elements in the concentrates that would be charged as penalties. Flotation testing is recommended as well as further mineralogical studies of the gangue and sulfide minerals.
- Step-out drilling is recommended to evaluate along strike geological and grade continuity with widely spaced drill holes, starting at 100m spacing to the north and south of the last drilled section. Once the geological and grade continuity are confirmed, a regular 50m drilling grid should be completed.
- Understanding of the geology of the deposit, mineralization styles, and mineralization controls should be upgraded to a higher level.
- Additional geotechnical and hydrological investigations are recommended to support further technical work in the project.
- Improvements to geologic technical procedures have been detailed in Section 26.

2 INTRODUCTION AND TERMS OF REFERENCE

2.1 Introduction and Terms of reference

The Corcel Project is located in the A Coruña Province (Spain), approximately 52km south of A Coruña and 45Km northwest of Santiago de Compostela. The Castriz Prospect is accessed through the paved road DP-2904 between the towns of Castriz and As Salgueiras in the Coristanco municipalty.

Mr. Alan C. Noble of Ore Reserves Engineering (ORE) was contacted by Corcel Minerals in November 2021 and was requested to prepare a resource estimate for Castriz Prospect (Corcel Project) This resource estimate was to be documented in an NI 43-101 compliant report.

Pursuant to accomplishing the mentioned task, Ms. Mónica Barrero Bouza traveled to the project in January 2022 and conducted a site visit over a period of one day. During the site visit, the following personal inspections were conducted:

1. Review of the overall project status and historical information with project personnel.
2. Review of the geological interpretation with project geologic personnel.
3. Review of the core of 2021 drill hole program.
4. Reviewed drilling methods with project geologic personnel.
5. Visited Castriz Prospect drilling area.
6. Visited the company facilities located at Coristanco (A Coruña) and reviewed procedures of sampling, sample preparation, and QAQC protocols.

Corcel Minerals has managed the site activities including exploration surveys and drilling, and project permitting procedures. ORE has prepared this Technical Report based on these inputs.

The above-listed professionals are independent Qualified Persons according to the definitions of NI 43-101 and have conducted this work as independent consulting engineers and geologists.

This report has been prepared in accordance with Form 43-101F1 Technical Report, the CIM Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council in May 2014, and the CIM Estimation of Mineral Resources & Mineral Reserves Best Practice Guidelines prepared by the CIM MRMR Committee in November 2019.

2.2 Scope of Work

The scope of work for the project included:

1. Site visit by Ms. Barrero
2. Preparation of a block model resource estimate for the Castriz Nickel target area.
3. Review the historical exploration information.
4. Review of the technical procedures and available project information.
5. Preparation of an updated NI 43-101 compliant report to document the above.

2.3 Units of measure

Currency units are in U.S. dollars (US $), and nickel prices are in US $/pound (US $/lb) nickel (454 g). Units of measure of quantities in this report are stated using SI Units including meters (m), kilometers (km), kilograms (Kg), metric tonnes (t), liters (l), etc., unless explicitly stated. Other abbreviations or acronyms have been explained when first applied to the full nomenclature in the text or as a footnote.

3 RELIANCE ON OTHER EXPERTS

The authors used their experience to determine if the information from previous reports was suitable for inclusion in this Technical Report. Except where noted, the authors have relied upon the information provided by Corcel Minerals as being accurate, reliable, and suitable for use in the report.

The authors have not been informed by Corcel Minerals that there are known litigations potentially affecting the project.

4 PROPERTY DESCRIPTION AND LOCATION

4.1 Property Location

The Corcel Project is located in the municipalities of Coristanco, Santa Comba, and Val do Dubra, in the A Coruña Province (Galicia Autonomous Region, northwest of Spain). It is situated approximately 52km south of A Coruña and 45Km northwest of Santiago de Compostela (Figure 4-1). The Castriz Prospect is accessed through the paved road DP-2904 between the towns of Castriz and As Salgueiras

The project lies within National Topographic Series Maps at 1:50 000 scale, MTN50 sheet 0069. The approximate coordinate locations of the project in the UTM ETRS 89[1] reference system are 516,385 to 528,980 East, and 4,777,000 to 4,766,700 North

[1] European Terrestrial Reference System 1989.

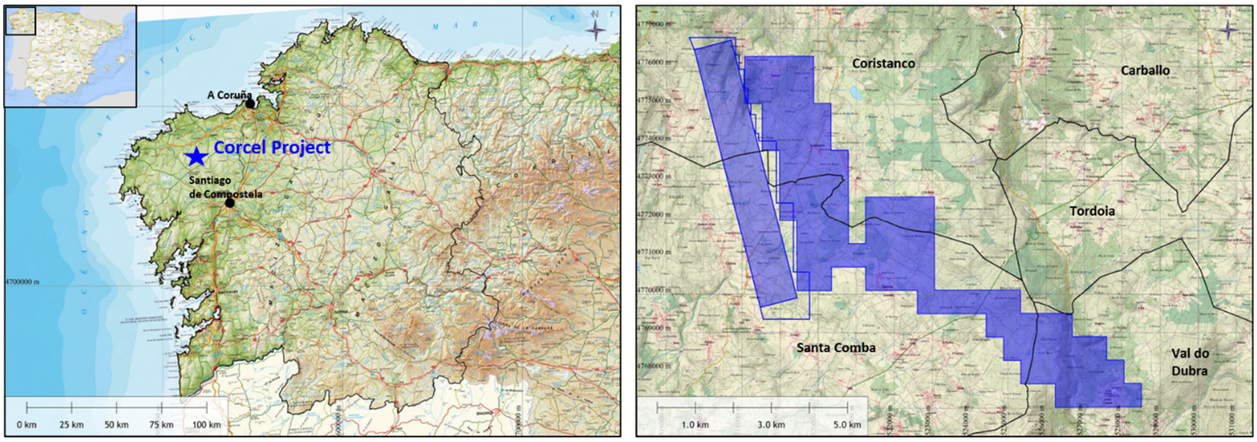

Figure 4-1 Corcel Project Location Map (Global Mapper, UTM ETRS89 Zone 29).

4.2 Regulatory Framework

The main regulatory framework in Spain for mining and exploration is determined by Spanish Mining Law (22/1973 of 21 July) and its regulations approved by Royal Decree 2857/1978, and Law 21/2013 on Environmental Assessment. Each of the 17 Spanish Autonomous Regions may enact additional mining rules provided the basic mining system governed by national provisions is respected. The permit-concession allowing mining activity depends on the type of mineral commodity or “mineral section”. The competent authorities governing mineral exploration and extraction are the General Directorate of Energy and Mines Policy (Ministry for the Ecological Transition) and the Departments of Industry, Environment, Culture, and Public Works of each of the 17 Autonomous Regions of Spain (MinPol and Partners, 2019).

Metals and industrial minerals belong to Section C. In the investigation (exploration) and extraction of section C resources, the law establishes three types of administrative concessions or mineral permits:

1. **Exploration Permit (PE):** Provides the right to carry out studies and preliminary reconnaissance works of regional scope, using all types of techniques except those which might alter the surface of the land. Permits are granted for one year which can be extended to one more.
2. **Investigation Permit (PI):** Provides the right to carry out all types of research required to define the existence of resources of section C so that later a mining concession can be obtained. The permit can last for a maximum of 3 years and can be extended for another 3 and exceptionally for additional periods.
3. **Mining (Exploitation) Concession (CE):** Provides the right to exploit resources of section C, except those which have been previously reserved by the State and applying all mining techniques available. The concession (Mining Permit) is granted for 30 years and can be extended up to a maximum of 75 years.

The described concessions do not grant the surface rights, these must be purchased or leased from the landowners.

The requirements to keep the mineral rights are to comply with the annually approved work plans, fulfill the established fees, and apply for the extensions and renewals on time.

4.3 Project Ownership

Eurobattery Minerals AB acquired the Corcel Project in 2019 through its wholly owned Spanish company Corcel Minerals SLU.

Corcel Project is composed of the mineral permits “Salgueiras” (PI), and “Segregación Carmen y Demasias”, both pending final administrative authorizations (Figure 4-2). Corcel Minerals SLU acquired “Segregación Carmen y Demasías” in 2018 from Galicia Tin and Tungsten SL, and it is a segregated portion of the mineral permit “Carmen” (CE) number 1807 (Figure 4-3).

The mineral permits “Salgueiras “, and “Segregación Carmen y Demasías” have a surface area of 22.6km^2 and 9.13km^2 respectively.

The Castriz Prospect area is located on both mineral permits (Figure 4-2). Access to the land of the Castriz Prospect is granted to Corcel Minerals via a private agreement with the landowners (Cooperativas Lácteas Unidas CLUN). Corcel Minerals does not hold surface rights in the Corcel Project area.

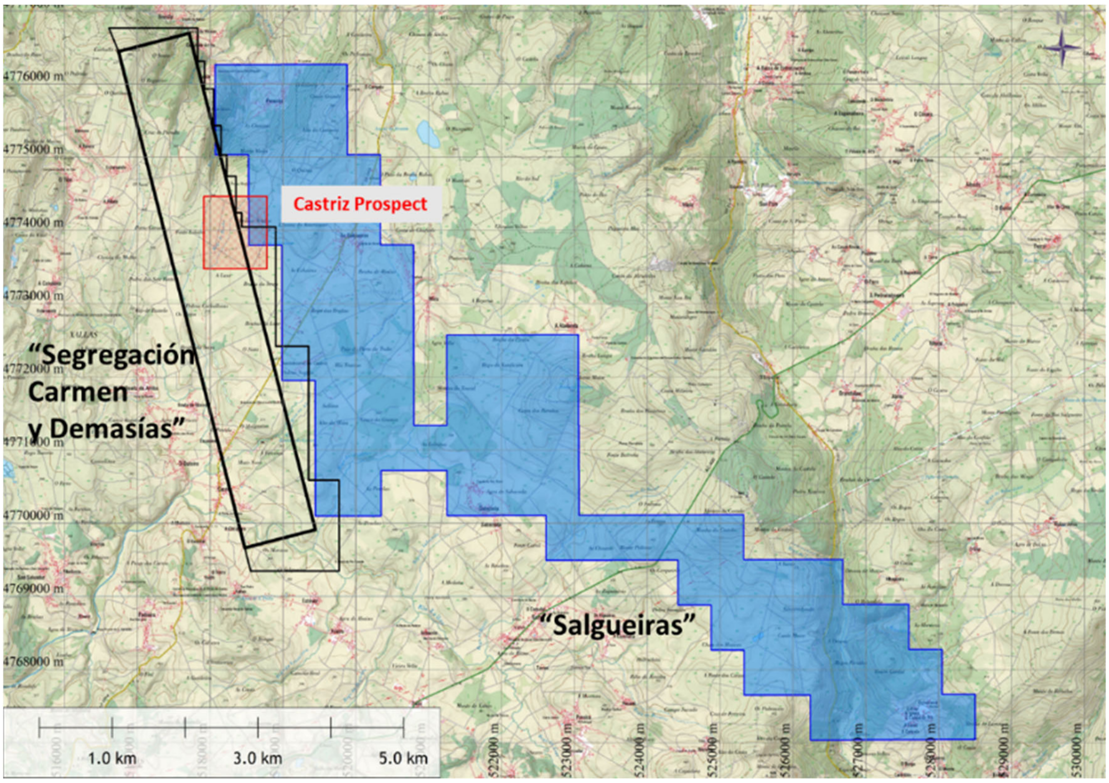

Figure 4-2 Corcel Project mineral rights map and location of the Castriz Prospect area (Global Mapper, UTM ETRS89 Zone 29).

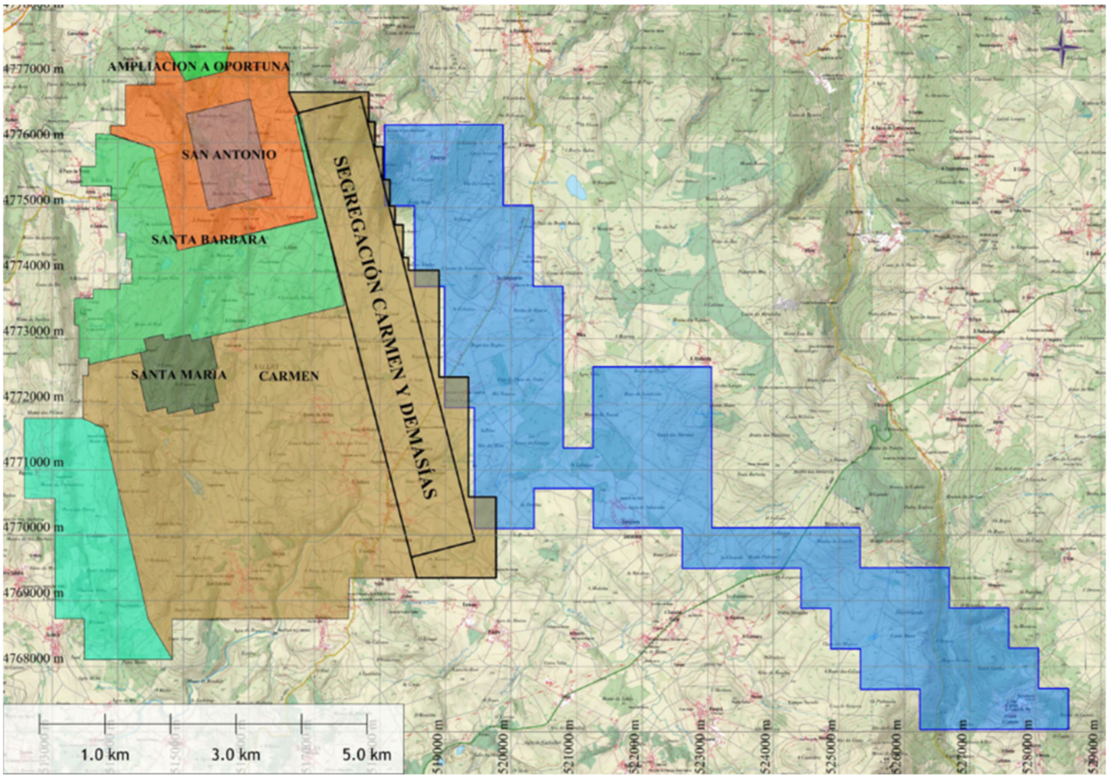

Figure 4-3 Map showing the adjacent permits and the portion of the mining permit "Carmen" acquired by Corcel Minerals in 2018 (Global Mapper, UTM ETRS89 Zone 29).

5 ACCESSIBILITY, CLIMATE, AND PHYSIOGRAPHY

The Castriz Prospect is located 1.5km west of As Salgueiras town (Coristanco, A Coruña) and it is easily accessible through unpaved roads in good condition.

The climate of the area is oceanic with mild wet winters and summers. Average year temperatures range from 2˚C and 22˚C. Exploration drilling activities can be conducted year-round in the area.

The Castriz area presents a flat relief dominated by grass-like vegetation. The area is agricultural, the main crops are wide eucalyptus plantations (Figure 5-1).

Figure 5-1 Aerial view of the Castriz Prospect (Corcel Minerals, 2021).

6 HISTORY

Initial exploration of the area was carried out by the Geological Survey of Spain (IGME) during the 1970s within the National Supply of Raw Materials Plan (PNAMPN[2]) with the aim of studying the mining potential of the area in relation to Cu, Ni, Cr, and Ti (IGME, 1977). The geological studies included geological mapping, stream sediment sampling, and further soil and rock sampling over the most interesting areas. The soil geochemistry campaign highlighted a Ni anomaly in the Castriz area associated with ultramafic rocks (Figure 6-1).

Subsequently, the exploration of the reserved area named "Carballo-Monte Castelo" was assigned to Adaro (ENADIMSA, 1982) in the early 1980s. Initial works were focused on the petrographic characterization and detailed mapping of the Monte Castelo Gabbros and Castriz ultramafic rocks. In addition, several trenches were done over Cu-Ni soil anomalies detected in the earlier studies (IGME, 1977), confirming the presence of heavily deformed and serpentinized peridotites with abundant magnetite and anomalous contents of Ni and Cu.

In 1991, additional studies were carried out by ADARO (ENADIMSA, 1992), including additional trenching, diamond drilling of two holes (R-4 and R-5), and further petrographic analysis of core samples (Figure 6-2). One of the holes (R4, 479.20m), located in the Castriz Prospect to the east of the current drilling area, intersected a 5m width pyrrhotite, pentlandite, and chalcopyrite mineralization with an average grade between 0.46% and 0.62% EqNi at 250m downhole length.

[2] PNAMPN: Plan Nacional de Abastecimiento de Materias Primas Minerales.

Drill core of hole R-4 is preserved at Peñarroya (Córdoba, Spain) where the IGME has a Mineral collection facility open to the public. Corcel Minerals re-logged the drill core, took core boxes photographs, and sampled several mineralized and unmineralized core intervals that were submitted to ALS Global for assaying. The hole intersected a thick sequence of serpentinites, peridotites, and pyroxenites with minor amphibolites and gabbro-type bands. The collar of hole R-4 has been located in the field and re-surveyed.

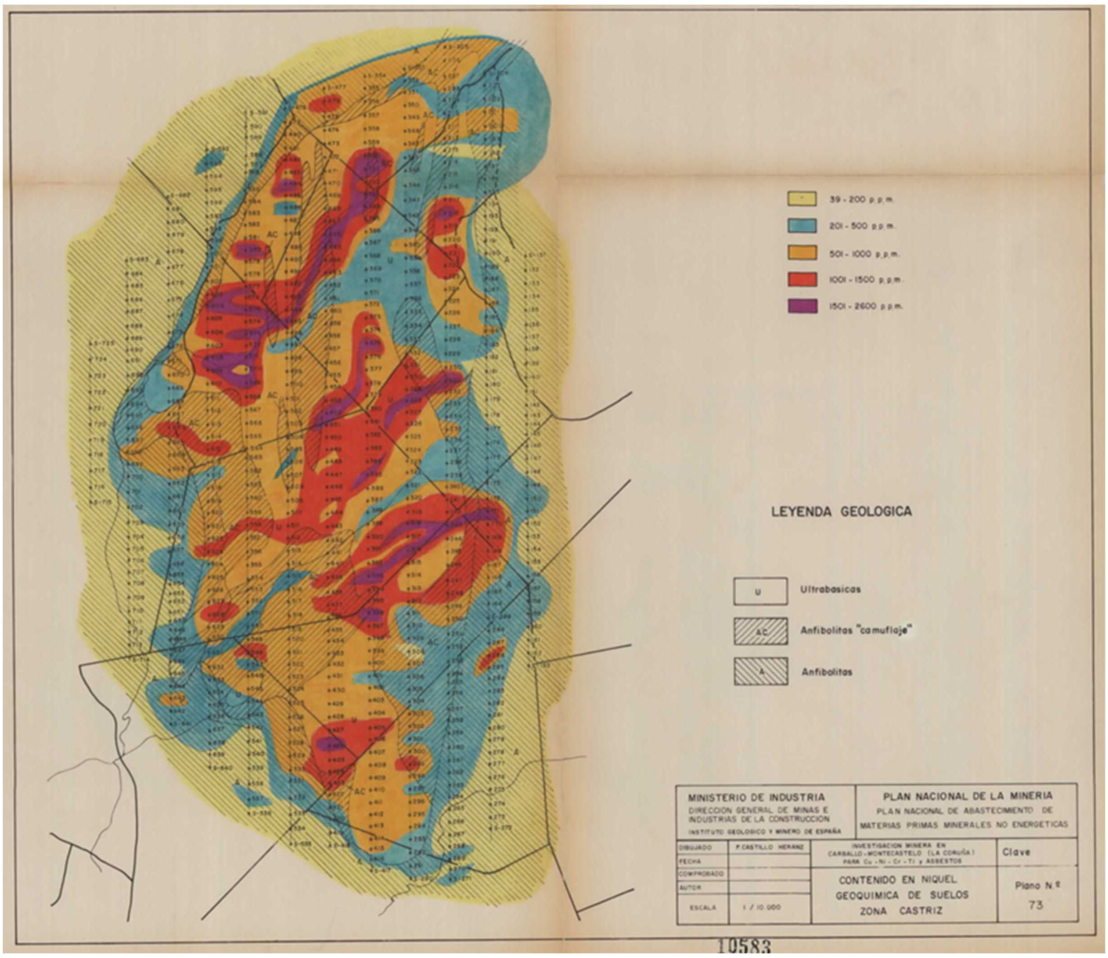

Figure 6-1 Soil geochemistry Ni anomaly in the Castriz area (IGME, 1977).

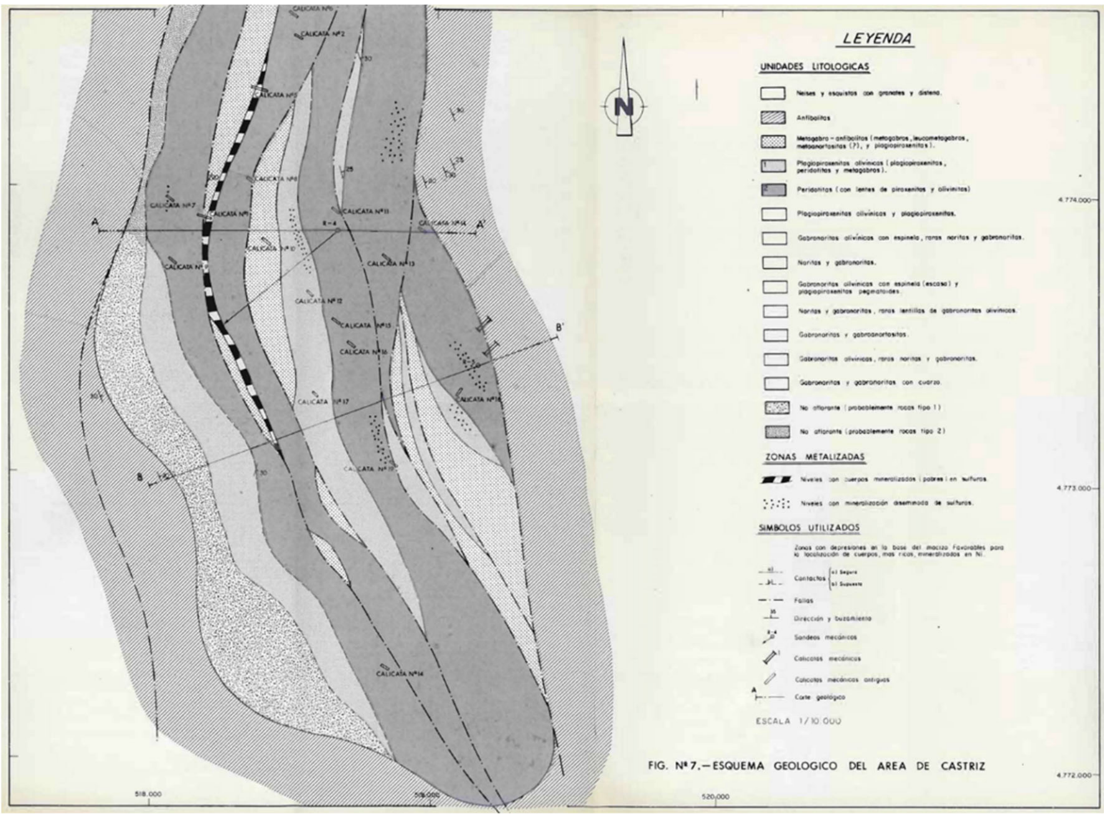

Figure 6-2 Geological map and location of the trenches and drill hole R-4 (ENADIMSA, 1992).

7 GEOLOGY AND MINERALIZATION

7.1 Regional Geology

The project area is located in the northwestern corner of the Iberian Massif of the European Variscan Belt within the Galicia-Trás-os-Montes Zone (GTOMZ), which includes the Galicia region and north of Portugal. The GTOMZ is composed of a lower autochthonous zone, also called the Schistose Domain, consisting of a thick sedimentary sequence and an upper unit of allochthonous complexes formed by plutonic and metamorphic rocks with varying metamorphic grades. In Galicia, there are three allochthonous complexes, Cabo Ortegal, Órdenes, and Malpica-Tui (Gómez Barreiro, 2007).

The Corcel Project is situated in the Órdenes Complex (Figure 7-1**Error! Reference source not found.**), which is formed by several units of lenticular character. The project area is located within the Carballo-El Pino Unit (Díaz García, 1990), consisting of a lower sequence of mafic and ultramafic rocks, homogeneous and layered amphibolites, and an upper portion of schists, gneisses, and migmatites where gabbros and minor orthogneiss bodies are emplaced. The Monte Castelo Gabbro, the most extensive of the gabbro bodies in the area, is located to the east of the project area.

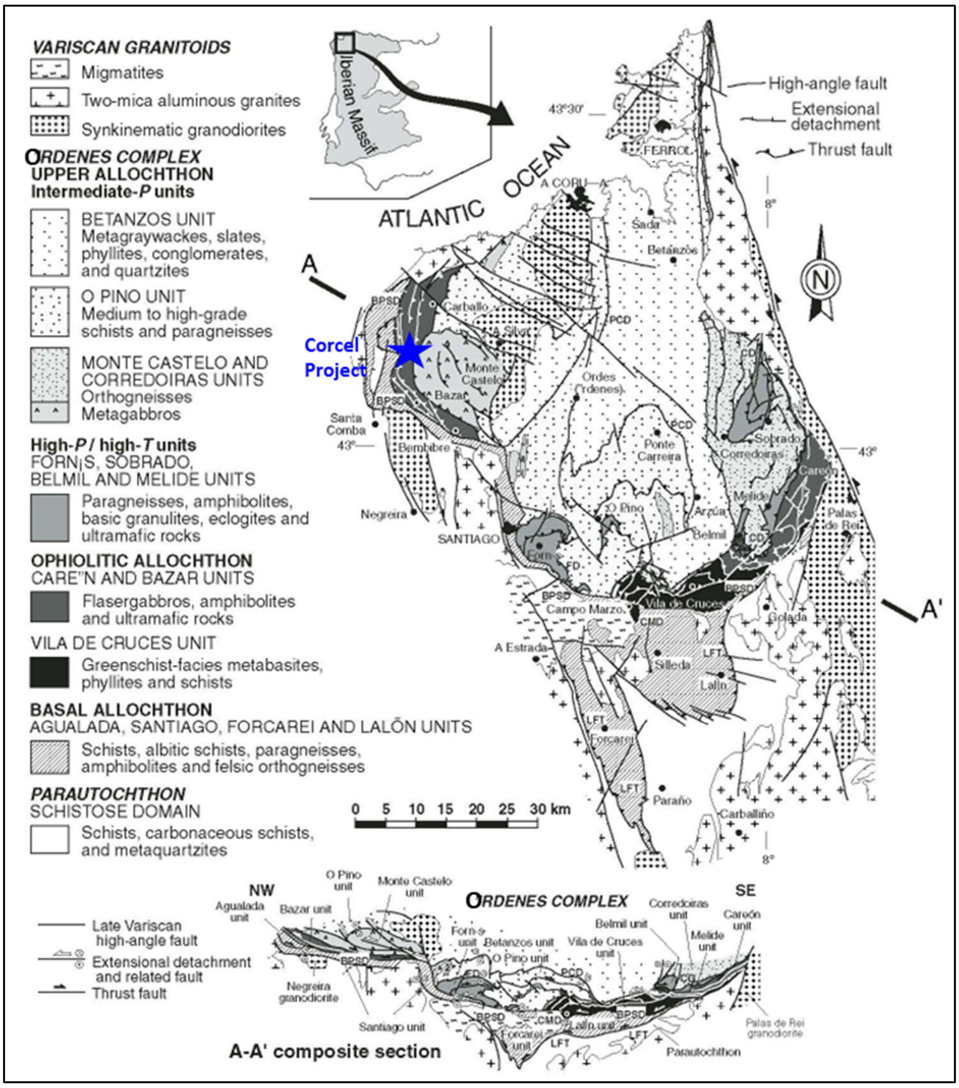

Figure 7-1 Geological map and cross section of the Órdenes Complex showing the allochthonous units (Gómez Barreiro, 2007).

7.2 Local Geology

The Corcel Project lies in the Spanish Geological Series Maps at 1:50 000 scale "Santa Comba" number 69 (IGME, 1981), covering the center and western part of the A Coruña province. The geological formations of this zone belong to the Órdenes Complex unit.

7.2.1 Rock types

The geological map of the project is shown in Figure 7-2, where the half-east part of the area is occupied by the Monte Castelo gabbro body.

The Monte Castelo gabbro is medium to coarse-grained and dark green in color. The rocks are deformed and display pervasive foliation.

The west side of the gabbro is in contact with an "arc-shaped" band of mafic and ultramafic rocks represented by a continuous amphibolite band with decreasing width towards the southeast and gently dipping towards the east. The contact between the mafic and ultramafic rocks and the metamorphic metasedimentary series to the west is faulted with associated migmatization, brecciation, and increasing deformation towards the south. The metasedimentary sequence outcrops in the NW corner of the "Carmen" permit and are affected by an intense steeply dipping foliation.

The amphibolites are the main mafic rock in the area. They are dark green and relatively homogeneous, medium to fine-grained, and are mainly composed of hornblende, plagioclase with various degrees of saussuritization, and secondary epidote.

The ultramafic rocks are represented by alternations of peridotites and pyroxenites with associated pegmatoid metagabbros. The peridotites are composed of 50-70% olivine, which is heavily serpentinized, clinopyroxene (diopside), iron and titanium oxides, and minor orthopyroxene (broncite) and plagioclase. Secondary minerals are mainly represented by serpentine, chlorite, tremolite, carbonates, talc, and opaque minerals (Ni sulfides, pyrite, and magnetite). The pyroxenites are commonly amphibolitized. The metagabbros are coarse-grained and represent discontinuous NW-SE bands within the peridotite-piroxentie bodies.

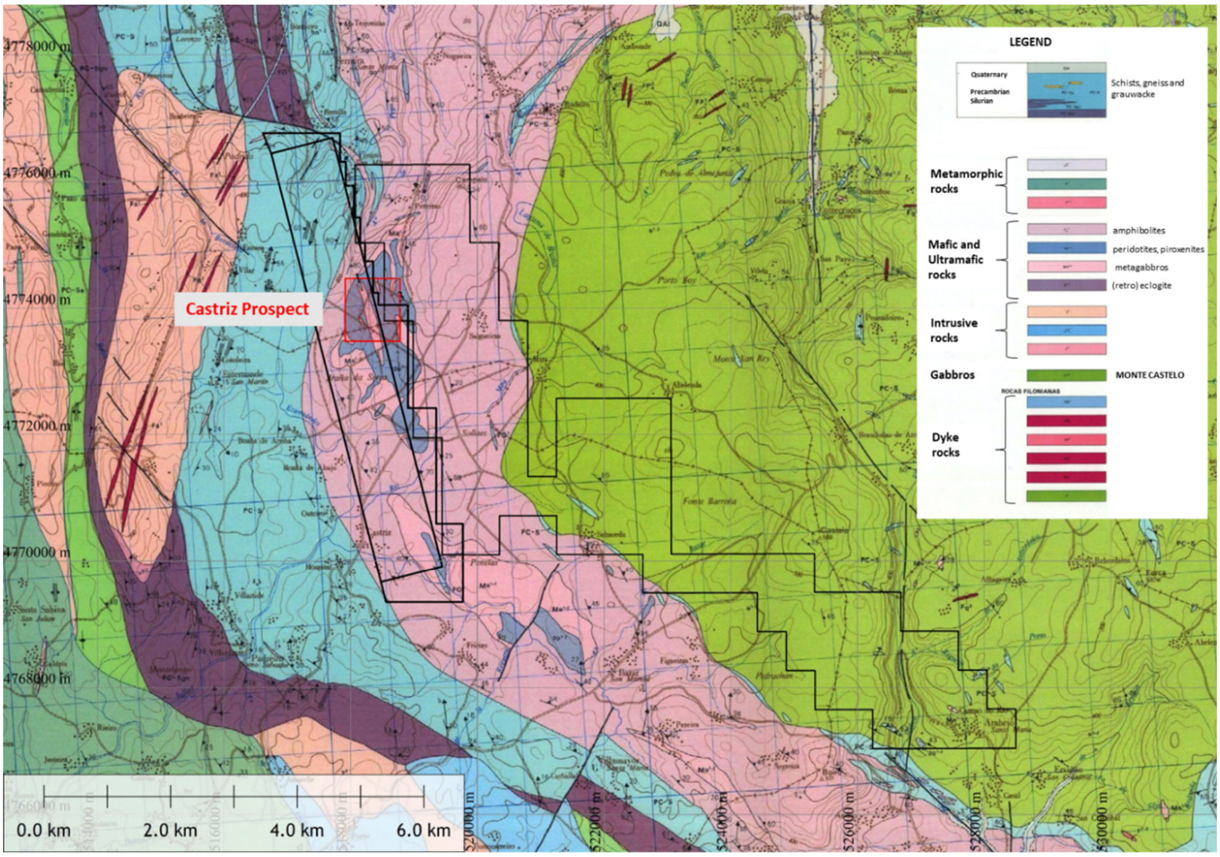

Figure 7-2 Local geological map of the project area with the mineral tenure limits and the location of the Castriz Prospect. (modified from Mapa Geológico de España E. 1:50.000 Nº69, SANTA COMBA, Noble & Barrero, 2022).

The Castriz Prospect area is seated in the ultramafic rocks, however, due to the vegetation coverage and the almost flat relief, outcrops of the ultramafic rocks are very limited (Figure 7-3). The local geology has been inferred from the drill core and trenching information. The Castriz mineralized zone is hosted in ultramafic rocks, mainly peridotites, with occasional discontinuous bands of barren gabbros. The footwall of the mineralized peridotite to the west is a N15°E trending fault zone ("Falla Principal") dipping 47° to the east. This fault represents the west contact of the ultramafic rocks with the amphibolites and is represented by a fault breccia which can have up to 5m thickness. The mineralization is open to the north and to the south, and the east contact of the mineralization is gradational to low-grade mineralization.

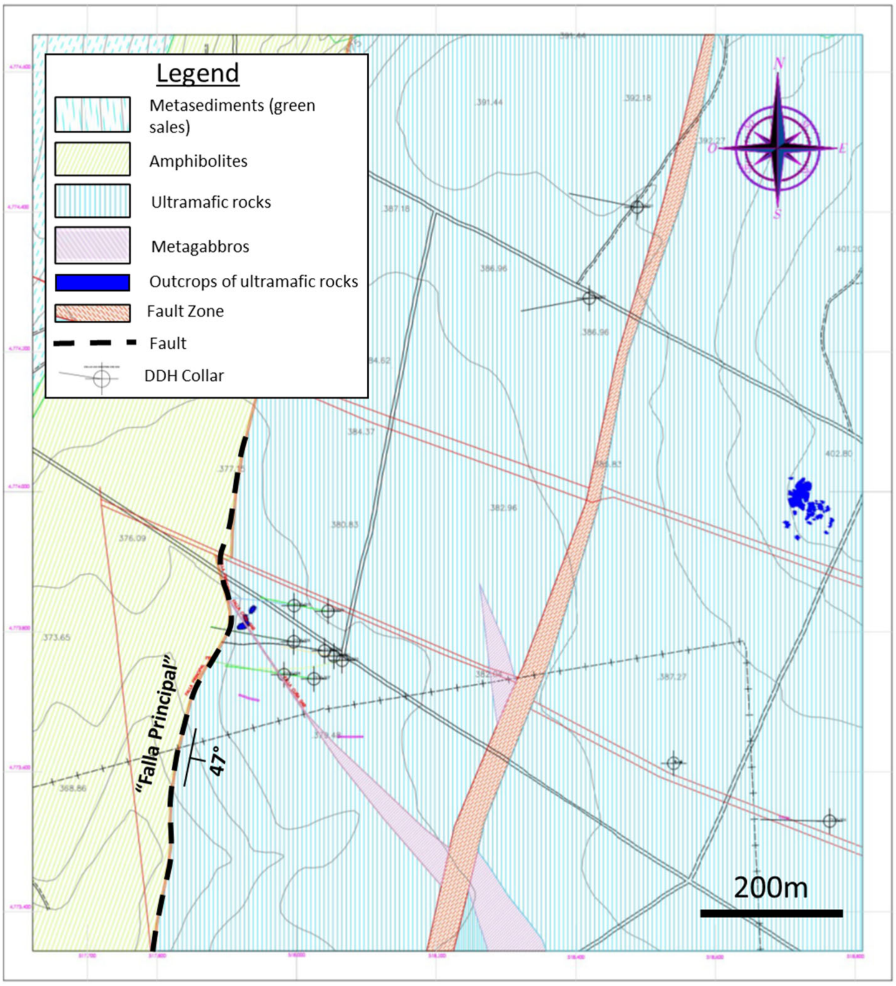

Figure 7-3 Geological map of the Castriz Prospect (geological interpretation, Casillas Castañón, 2022).

7.2.2 Structure

The project area is affected by at least two deformation phases. Deformation phase one has caused an intense mylonitic foliation that is more intense or pervasive in the surrounding rocks than in the ultramafic bodies. Phase two is responsible for N10˚-20˚E trending folding with steeply dipping axial planes affecting the primary foliation. The intrusion of the mafic and ultramafic rocks is interpreted as being pre- or syn-phase one.

Late fracturing is represented by N140˚N, N20˚N, and N-S trending fault sets with no described displacement (IGME, 1981).

The main fault zone detected on drill core has been named “Falla Principal” by the project geologists. The fault, up to 5m width, is identified on core as a group of sub-parallel fault planes with associated crushed and foliated peridotite with a N-S trend and 45˚-50˚ dip to the east. It represents the footwall of the mineralization and the contact with the underlying barren amphibolites; it is interpreted as representing a hard-boundary for the mineralization (Figure 7-4).

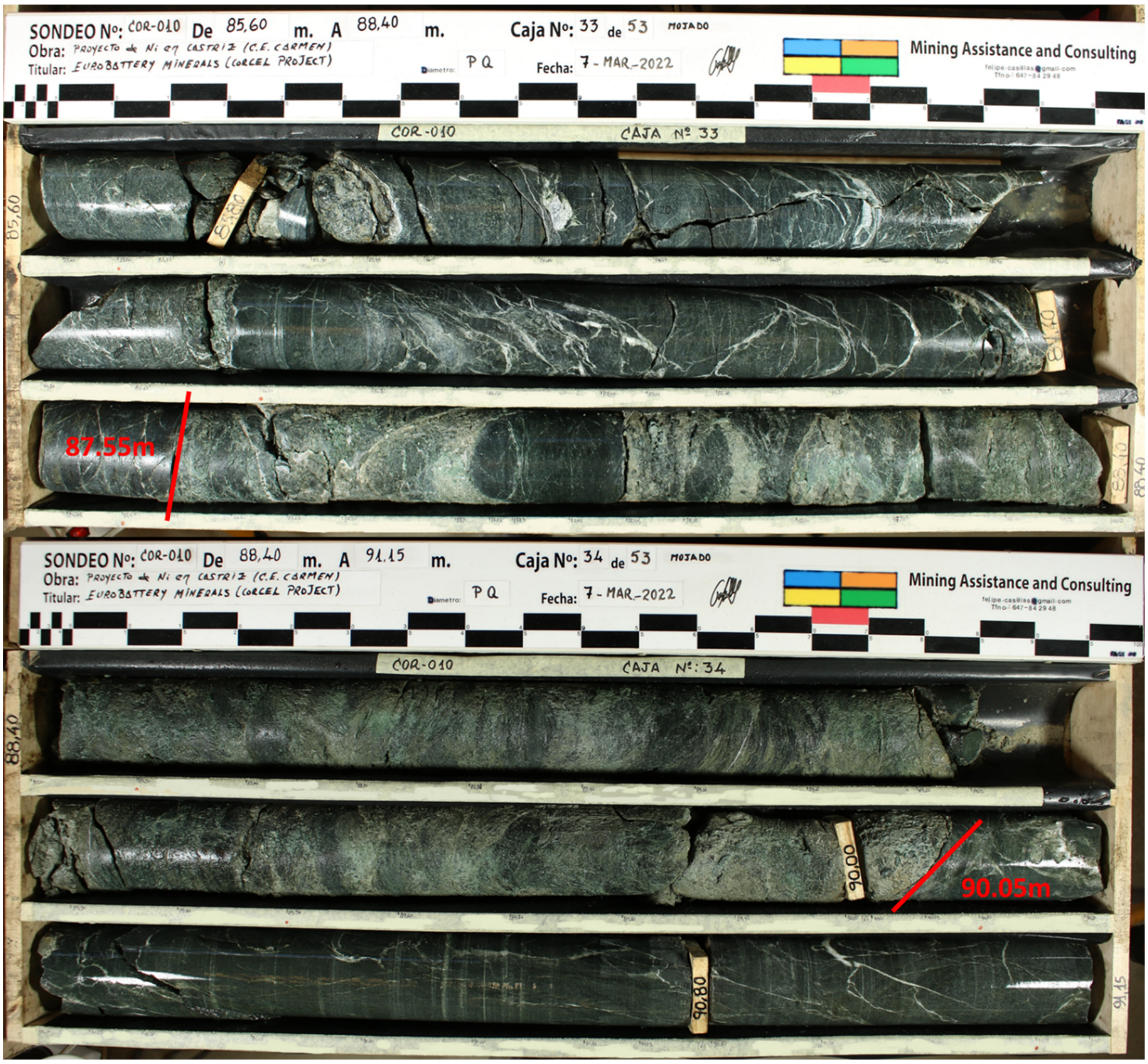

Figure 7-4 The fault zone (“Falla Principal”) intersected by hole COR-010 between 87.55 and 90.05m downhole lengths (Corcel Minerals, 2022)

7.2.3 Mineralization

The Castriz mineralization is hosted in the peridotite, and consists of disseminated fine-grained pentlandite and minor chalcopyrite. The mineral assemblage of the host rock is comprised of serpentine, serpentinized olivine, and variable amounts of orthopyroxene, clinopyroxene, amphibole, and chlorite, with minor plagioclase, carbonates, chromite, and iron oxides.

Corcel Minerals undertook a detailed petrographic investigation and SEM[3] analysis of 13 samples selected from mineralized and non-mineralized sections of hole COR-005 (Casillas Castañón, 2022). The key findings of the study indicate that the original rock or protolith is a peridotite (this can be locally classified as dunite due to the increase in the amount of olivine), affected by strong hydrothermal alteration probably associated with metamorphism and deformation.

Mónica Barrero Bouza had access to the core thin sections and performed a review and validation of the gangue mineralogy under a transmitted-light microscope.

At the scale of the above thin sections, two events can be identified; the first hydrothermal event is associated with a strong amphibolitization, serpentinization, chloritization of the rock, and precipitation of Fe-oxides. The presence of carbonates is thought to be related to this stage. The second event is represented by an extensive chloritization associated with the fracturing and foliation of the rock. The sulfide minerals relate to this episode and can be identified in intergranular spaces and filling fissures (Figure 7-5).

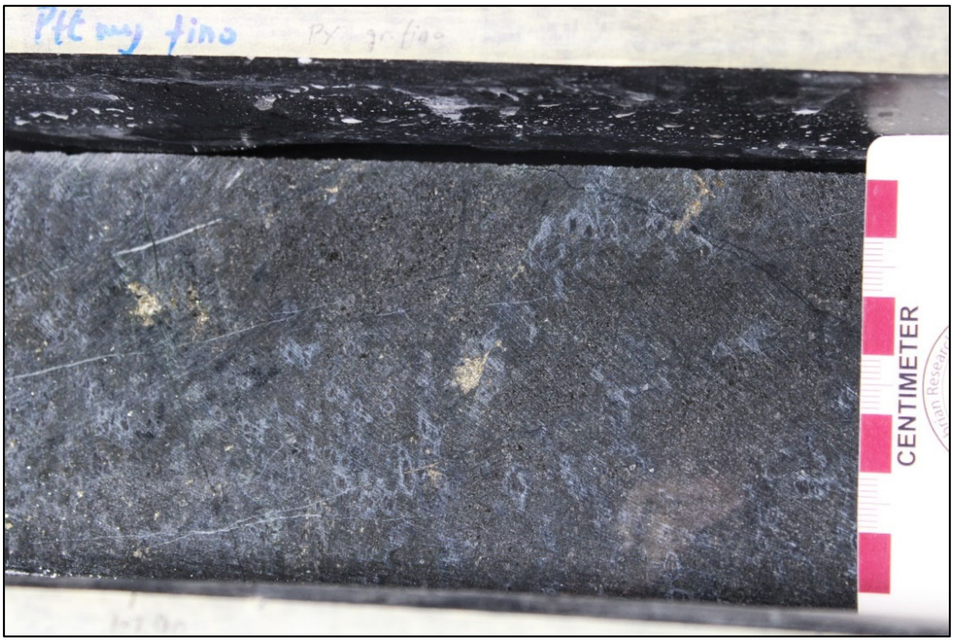

Figure 7-5 Example of pentlandite mineralization of hole COR-005, 107.90m depth (Barrero, 2022)

Figure 7-6 shows an image of a thin section of the mineralized rock intersected by hole COR-005 where the rock displays strong serpentinization with fractured olivine being replaced by serpentine and intergranular textures of the opaque minerals.

[3] SEM: Scanning Electron Microscope

The main sulfide minerals present, in order of abundance, are pentlandite, chalcopyrite, pyrrhotite, and pyrite (Figure 7-7). The predominant Ni-sulfide is pentlandite, although millerite and violarite have also been detected in trace amounts. Electron Microprobe Analysis (EMPA) data indicates that low concentrations of nickel are present in the mafic silicates, Fe-oxides, and chromite, and that most of the Ni is concentrated in the pentlandite (SGS, 2020).

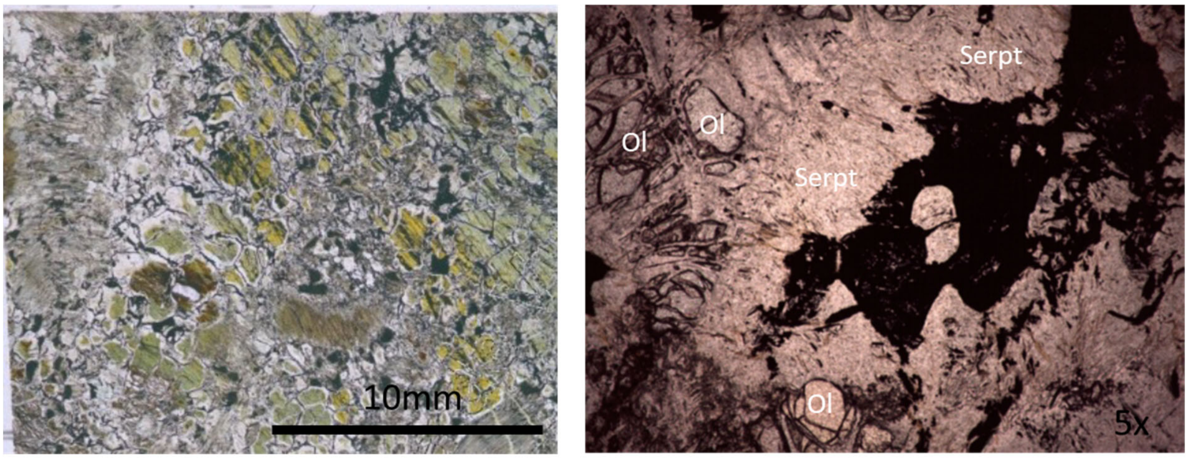

Figure 7-6 Right: low magnification view of sample thin section; left: photomicrograph in plane-polarized light (Casillas Castañón, 2022).

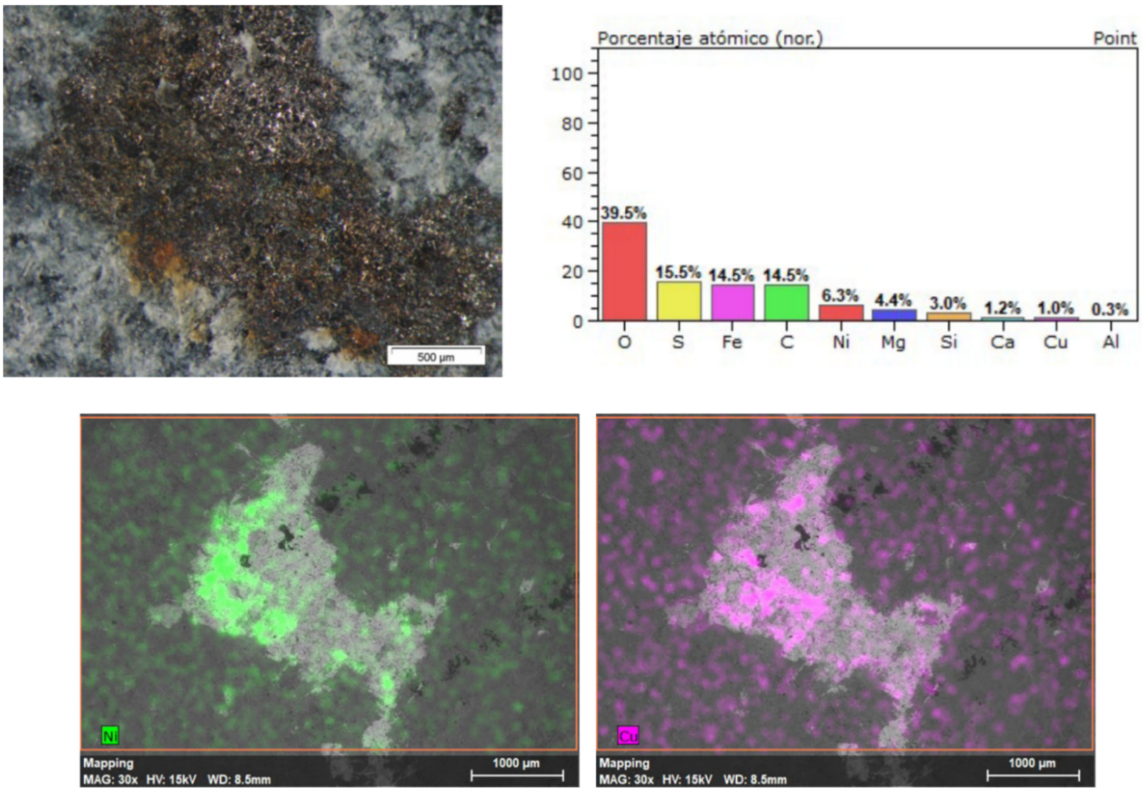

Figure 7-7 Sample 21DD50007-1: SEM images of the mineralization and element distribution in the sample (Casillas Castañón, 2022)

8 DEPOSIT TYPE

The understanding of the deposit type is in an early stage, but it appears to be hydrothermal-type mineralization related to the metamorphism, deformation, and fracture filling.

9 EXPLORATION

In early 2019, Corcel Minerals carried out an exploration program at the Castriz Prospect consisting of geological mapping, soil sampling, and geophysical survey campaigns over an area of approximately 4km2 of the Castriz mafic and ultramafic rocks.

The soil sampling program was carried out along 23 ENE trending profiles at 100m spacing. A total of 2,004 soil samples were collected, 1,532 of which were submitted to ALS Global for multi-element geochemical analysis. The results of the soil geochemistry confirmed the historical soil Ni-anomaly at Castriz, achieving a better definition of the anomaly and higher Ni values. The available sample data including the ALS Global assay data have been reviewed by the authors of this report.

Magnetic and ground-penetrating radar (GPR) surveys were performed along eleven N80°E trending lines at 200m spacing at Castriz. The surveys were undertaken to identify magnetic zones in close association with the mineralization and to gain knowledge about the structure of the underlying rocks. The GPR system used a 6m length dipole-dipole array with a transmitting power of 10MW and a frequency of 50MHz. Maximum Total Magnetic Intensity (TMI) readings range between 43,000nT to 51,000nT. The mentioned surveys have been performed by Corcel Minerals, but this data has not been reviewed by the authors of this report.

Based on the results of the 2019 exploration program and the historical information, four target areas were defined at Castriz (Northern, Western, Central, and South Anomalies) for subsequent diamond drill hole planning (Figure 9-1).

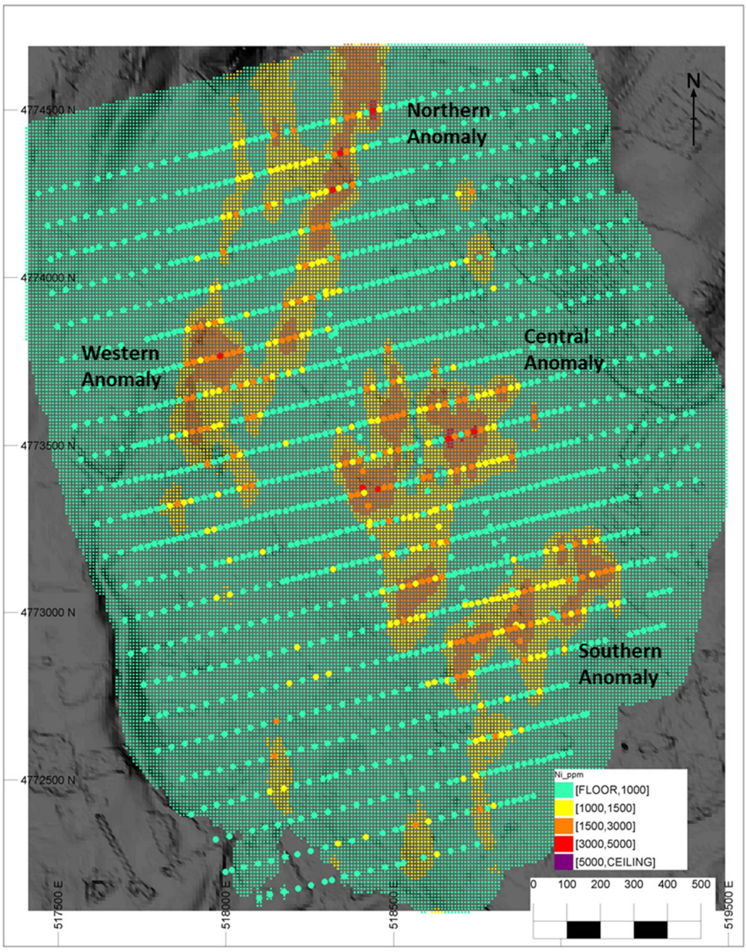

Figure 9-1 Plan map showing the location and Ni grade of the soil samples and Ni soil anomaly (Studio RM, UTM ETRS89 Zone 29; Noble & Barrero, 2022).

10 DRILLING

To date, Corcel Minerals has completed two drilling programs at Castriz (Table 10-1). The first program was carried out in late 2019 and consisted of exploration diamond drilling of the north, western and central anomalies defined previously, with a total of 998.40 meters of drilling completed in four holes. Based on the good intersections of hole COR-003, the second exploration drilling campaign conducted in 2021 was focused on the western anomaly. A total of 1134 meters of drilling were completed in 7 diamond drill holes. Both drilling campaigns were performed by the Spanish drilling contractor GEONOR (Figure 10-1).

Table 10-1 Breakdown of diamond drilling for Castriz Prospect (Noble & Barrero, 2022).

	DH name	DH Collar Coordinates (ETRS89 Zone 29)			Azimut	Dip	Total Length	Number of samples	Avg sample length (m)
		X Coordinate	Y Coordinate	Elevation (m)					
2019	COR-001	518,487.68	4,774,406.80	389.77	267	-60	251.10	86	2.93
	COR-002	518,419.28	4,774,276.68	387.45	286	-60	251.00	84	2.95
	COR-003	518,065.03	4,773,759.07	380.83	258	-61	245.00	59	2.99
	COR-004	518,763.70	4,773,529.30	388.40	270	-60	251.30	85	2.96
					Total		**998.40**	**314**	

	DH name	DH Collar Coordinates (ETRS89 Zone 29)			Azimut	Dip	Total Length	Number of samples	Avg sample length (m)
		X Coordinate	Y Coordinate	Elevation (m)					
2021	COR-005	518,040.04	4,773,772.69	380.95	280	-45	218.20	160	0.99
	COR-006	517,995.81	4,773,785.72	380.10	280	-44	169.55	80	1.01
	COR-007	518,024.59	4,773,732.68	380.46	280	-43	175.85	89	1.00
	COR-008	517,981.87	4,773,738.75	379.62	280	-45	151.85	80	0.99
	COR-009	518,044.80	4,773,829.36	381.43	280	-45	141.25	130	1.01
	COR-010	517,996.35	4,773,837.23	380.17	280	-46	141.40	89	1.01
	COR-011	518,053.51	4,773,765.18	380.91	280	-55	135.90	118	1.00
					Total		**1134.00**	**746**	

Figure 10-1 Hole COR-009 being drilled at Castriz (Corcel Minerals, 2021).

Hole locations are shown in plan view in Figure 10-2, collar locations and drilling azimuths were validated by Corcel's personnel using GPS (Leica GS15 GNSS) with a ±3cm precision. Only hole COR-005 was surveyed by an external surveyor (KOTA 360) with a similar survey tool and comparable accuracy. In the field, the hole collars have been preserved with concrete around the outer tube and a concrete lid. All the holes have the hole ID and collar coordinates for easy identification (Figure 10-3).

Figure 10-2 Plan map of the drill hole locations (Global Mapper, PNOA_MA_OF_ETRS89_HU29_h50_0069, IGN; Noble & Barrero, 2022).

Figure 10-3 Hole COR-003 collar location in the field (Barrero, 2022.

In 2019, downhole surveying was completed by the drilling contractor using a MagCruiser™ in holes COR-002 and COR-003, and a GyroLogic ™ in holes COR-001 and COR-004. Both survey tools are manufactured by Stockholm Precision Tools AB. Downhole surveying of 2021 drill holes was performed by Corcel Minerals personnel using a MAXIBOR II (Reflex), except for hole COR-005, which was surveyed by GEONOR using the GyroLogic ™ tool. Calibration certificates of the down-hole survey equipment were verified and are up to date. The survey data of holes COR-002 and COR-003 along the mineralized zone had to be excluded because of the magnetic nature of the rock.

Downhole survey equipment should not be magnetic-based, the MagCruiser™ or any other equipment that uses magnetometers must not be used; the GyroLogic ™ and Maxibor II tools are considered adequate.

Diamond drilling was managed by Corcel personnel, who closely monitored the drilling operation verifying the length and recovery of every drilling run and controlling on-site how the core was extracted and placed into wooden core boxes. Every run depth was marked by placing a wooden block at the end of each run. Every core box was labeled using a permanent marker with the hole number, box number, and starting and ending depths of the core at the rig site. Corcel's personnel was responsible for the transport and delivery of the core boxes from the drilling site to the secured core shed facility at Coristanco. A photographic record of each core box was performed at the core shed (Figure 10-4).

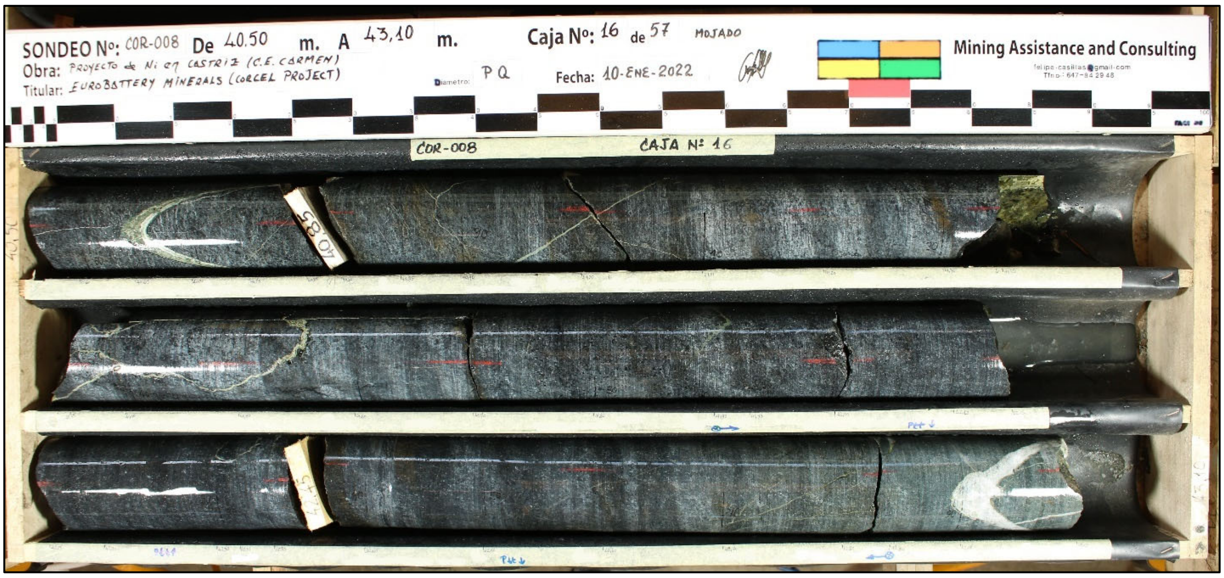

Figure 10-4 Example of the photographic record of the core boxes performed (Corcel Minerals, 2022).

Geological logging of the core was performed in paper forms, recording the geological and structural features of the rock and mineralization estimations. Definition and coding of the different lithological intervals was performed and transferred to electronic format using MS Excel; lithology code description is provided in Table 10-2. No geotechnical logging has been performed to date.

Table 10-2 Lithological codes used for geological logging (Corcel Minerals, 2022).

Date	Lithology Code	Description
2019	AMP	Amphibolites
	FZ	Fault zone
	SRP	Serpentinite
	OB	Overburden
	AMP/SRP	Alternance of amphibolites and magnetite-rich serpentinites
	DYKE	Mafic dyke
	SRP/PYR	magnetite rich serpentinites (black) and pyroxenes
	PYR	Diseminated sulfides
	SRP(FZ)	Fault zone
	SRP/AMP	Massive green amphibolite

Date	Lithology Code	Description
2021	REC	Highly weathered
	F ZF	Fault Zone
	PDT	Peridotite
	VA	Plagioclase vein
	PIX	piroxenite
	APP	Alternate peridotite and piroxenite
	ANF1	1st phase peridotite
	ANF2	2nd phase peridotite
	ANF3	3rd phase peridotite-hydrothermal
	ANF0	Gabbroic amphibolite?
	GAB	Gabbro
	AA0G	Alternating gabbros and amphibolite
	FPAL	Main Fault
	APA0	Piroxenite and gabbroic amphibolite

Corcel's geologists performed sampling of the drill core at the core shed facility, where samples intervals were marked with red labels, and the sample recovery was calculated and recorded.

The significant drill hole intervals of the Corcel minerals drilling Campaigns are shown in Table 10-3: The intervals were defined using the Studio RM routine COMPSE which composites drillhole data by optimizing the composite interval using ore and waste criteria. A value of 2,000ppm Ni was used as the minimum grade value that is considered to be "ore".

Considering the orientation and dip of the mineralization relative to the drillhole, the interval length is estimated on average at 70% of the true thickness.

Table 10-3 Significant Intervals of the Corcel Minerals drill holes (Noble & Barrero, 2022).

Drill hole ID	From (m)	To (m)	Downhole Length (m)	Ni_ppm	Cu_ppm	Co_ppm
COR-001	113.5	119.5	6.00	2,565	323	130
COR-001	146.5	170.5	24.00	2,043	59	115
COR-001	182.5	206.85	24.35	3,382	1,037	146
COR-002	14.5	39	24.50	3,036	1,167	141
COR-002	66	78	12.00	2,228	772	133
COR-002	96	114	18.00	2,302	430	130
COR-002	168	174	6.00	2,665	1,515	112
COR-003	6	12	6.00	2,015	227	147
COR-003	48	102	54.00	2,837	395	114
COR-003	117	147	30.00	3,372	448	122
COR-004	9.8	25.3	15.50	2,301	489	131
COR-004	202.3	248.3	46.00	2,195	112	107
COR-005	85.2	122.8	37.60	2,534	344	115
COR-006	0.8	26.1	25.30	3,860	1,207	149
COR-006	35.9	42.7	6.80	2,084	114	115
COR-006	57.4	78.4	21.00	2,437	257	109
COR-007	34	39.9	5.90	2,197	308	126
COR-007	56	93.1	37.10	3,359	623	138
COR-007	99.1	113.4	14.30	2,579	258	113
COR-008	26.1	63.2	37.10	2,706	507	125
COR-008	74.2	80	5.80	2,147	70	113
COR-009	108.4	130.1	21.70	3,353	525	119
COR-010	23.95	85.7	61.75	2,636	335	125
COR-011	50.1	134.7	84.60	2,561	316	113

11 SAMPLE PREPARATION, ASSAYING, AND SECURITY.

Drilling, sampling, assaying, and security procedures employed by Corcel Minerals are described and documented in this section and are considered to have been performed to industry standards.

11.1 Sample Storage and Security and Sample Handling

Security of Corcel Minerals samples relies on the principle that sample collection and transport, sample handling, and sample preparation are completed by company personnel and using company vehicles. Sample security depends upon the fact that the samples were always attended or locked at the sample dispatch facility in Coristanco.

Core boxes collected at drill hole sites were transported and delivered to the logging shed for logging purposes. Diamond drilling was conducted using PQ and HQ core diameters. In 2019, the drill core was continuously sampled using an average sample length of 3m but making allowance for changes in lithology. In 2021, the drill core was continuously sampled only in the mineralized zone with an average sample length of 1m, only selected intervals of the non-mineralized zone were sampled for assaying.

Once the logging has been performed, the drill core samples are split into two halves using commercial diamond saws on-site by an experienced worker under the supervision of the site geologist; one half of the core is placed in a plastic bag along with a sample tag, and the other half is placed back into the core box (Figure 11-1). Control samples are inserted into the batch of core samples by the project geologist (blanks and duplicates) for QC purposes. Sampled core boxes were photographed afterward for internal record.

Sample batches of both drilling campaigns were submitted to ALS Global Laboratories for sample preparation and multi-element assaying.

Figure 11-1 Corcel's logging and sampling procedures (Corcel Minerals, 2022).

The samples were received by ALS and processed according to the requested submitted work order in which a sample list, sample preparation, and analytical procedures were described in detail.

11.2 Sample Preparation and Analytical Methods

The ALS Global sample preparation flowchart, including crushing, splitting, and pulverizing steps, is shown in Figure 11-2. ALS Laboratories (ALS Mineria, Seville, Spain) is the primary laboratory. ALS Certificate of analysis in Excel and protected pdf format, including ALS QC data, were provided by Corcel Minerals. The analytical work was performed by ALS Loughrea (Galway, Ireland), including four acid digestion with ICP-MS finish and determination of the concentration of 48 elements for all the samples (Figure 11-3); four acid digestion quantitatively dissolves nearly all the minerals, including silicates, and is considered an appropriate assay method for the rocks under study. ALS has the QMs framework either certified to ISO 9001:2015 or accredited to ISO17025:2017 in all its locations. LIMS allows ALS Inspection to track the real-time progress of samples through laboratories and to have complete confidence in the accuracy of the results produced.

After preparation and assaying, both pulps and coarse rejects of the submitted samples were shipped back from ALS to Corcel Minerals and are currently stored at the company facility (Coristanco).

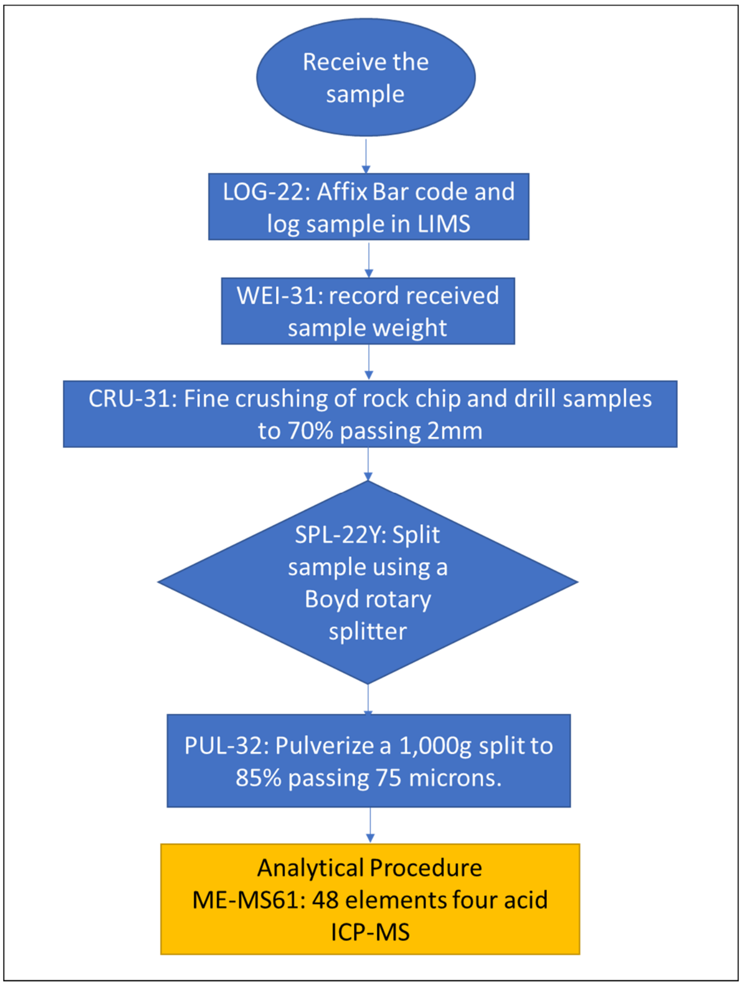

Figure 11-2 ALS Global sample preparation flowchart and analytical method (Corcel Minerals, 2022).

ANALYTES & RANGES (ppm)							
Ag	0.01-100	Cu	0.2-10,000	Na	0.01%-10%	Sr	0.2-10,000
Al	0.01%-50%	Fe	0.01%-50%	Nb	0.1-500	Ta	0.05-500
As	0.2-10,000	Ga	0.05-10,000	Ni	0.2-10,000	Te	0.05-500
Ba	10-10,000	Ge	0.05-500	P	10-10,000	Th	0.01-10,000
Be	0.05-1,000	Hf	0.1-500	Pb	0.5-10,000	Ti	0.005%-10%
Bi	0.01-10,000	In	0.005-500	Rb	0.1-10,000	Tl	0.02-10,000
Ca	0.01%-50%	K	0.01%-10%	Re	0.002-50	U	0.1-10,000
Cd	0.02-1,000	La	0.5-10,000	S	0.01%-10%	V	1-10,000
Ce	0.01-500	Li	0.2-10,000	Sb	0.05-10,000	W	0.1-10,000
Co	0.1-10,000	Mg	0.01%-50%	Sc	0.1-10,000	Y	0.1-500
Cr	1-10,000	Mn	5-100,000	Se	1-1,000	Zn	2-10,000
Cs	0.05-500	Mo	0.05-10,000	Sn	0.2-500	Zr	0.5-500
Dy	0.05-1,000	Gd	0.05-1,000	Nd	0.1-1,000	Tb	0.01-1,000
Er	0.03-1,000	Ho	0.01-1,000	Pr	0.03-1,000	Tm	0.01-1,000
Eu	0.03-1,000	Lu	0.01-1,000	Sm	0.03-1,000	Yb	0.03-1,000

Figure 11-3 Analytes and ranges of the ME-MS61 ALS analytical method (ALS Geochemistry Services, https://www.alsglobal.com/).

Check assays were used to compare specimen analysis and measured values for consistency between laboratories. A selection of 2019 campaign pulps processed at ALS laboratory was resubmitted to a second laboratory for identical analysis. SGS Laboratories were selected as the second laboratory; preparation was not performed at the second laboratory. Analytical method ICM40B[4] four-acid digestion (DIG40B) with ICP-OES and ICP-MS of 49 elements was performed at SGS - Ankara Laboratory in 2022 SGS-Ankara is accredited to ISO/IEC 17025.

11.3 Quality Assurance and Quality Control

Sample labeling practice at Corcel is manual. The sample labels are handwritten based on a sample- list once the control samples are inserted, a numerical sample ID is assigned to each sample. An automatic labelling system is recommended (QR or bar code labelling) to avoid possible labeling and transcription errors.

In 2019, QAQC procedures included only the insertion of blank samples with a frequency of insertion of 1 in 20 (5%). Blank material selected was provided by ALS ("Gravas del Gadalquivir").

In 2021, QAQC included the random insertion of blank samples and a CRM (Certified Reference Material), with a frequency of 1 in 20 (5%) and quarter core split samples.

ALS Global is the primary laboratory. SGS was selected as the second lab for 2019 pulp check assays.

Blank material used in 2021 comes from two sources, the Santa Comba granite quarry and a limestone from the Corullón area.

4 https://www.sgs-caspian.com/en/mining/analytical-services/geochemistry/digestion-and-fusion/multi-acid-4acid-digestions

The CRM used (GMB907-11) was purchased from Geostats PtyLtd (Australia)

Additional discussion about the results of the QC of the Corcel drilling data is provided in Section 12.

11.4 Density Determinations

During the 2019 drilling campaign, Corcel Minerals performed density determinations on core samples of 15-20 cm length using the water immersion method, consisting in weighing the wet core samples in air, weighing the core samples after drying in air, and then weighing the core sample submerged in water. Density measurements were completed using raw core samples; samples were not dried, coated, or sealed in plastic covering prior to immersion. Although the water immersion method is considered an adequate method for density determinations, the results of the density determinations of 2019 are not considered reliable due to the lack of precision of the scales in the density station.

For the 2021 drilling campaign, a group of samples of the submitted sample batches was selected for specific gravity (SG) determinations of pulverized material. The SG determinations were performed by ALS using the method OA-GRA08b with a pycnometer and a solvent (methanol); the results are included in the laboratory assay certificates. The SG determinations of pulps using the pycnometer are considered adequate at this stage because the rock porosity appears to be minimal. Future density measurements should consider the use of a method that considers the porosity of the rock.

Additional discussion of the SG values and density formula based on the sample assay data is provided in Section 14.

12 DATA VERIFICATION

Monica Barrero Bouza, Qualified Person for the purpose of NI 43-101, Standards of Disclosure for Mineral Projects, reviewed and observed various data collection procedures and is of the opinion that they meet current industry standards and requirements. The Corcel Minerals technical staff are very competent, and all data collection procedures are being carried out to the highest standards.

A visit to the core shed facility was conducted during January 2022 site visit. Sample preparation and sampling procedures were reviewed at the 2021 core logging and sampling. All observed procedures appear to meet industry standards.

12.1 Drill Hole Assays and Geologic Data

The drill hole database was provided by Corcel Minerals in electronic format, and it was validated against the documentation provided by the Company (geological drill logs, collar surveys, laboratory certificates, down-hole survey reports). A number of minor errors were corrected in the electronic data. The entire electronic assay database has been verified against the laboratory certificates; no errors were found. The drill hole database is regarded as reliable for resource estimation, should the drilling be increased to define sufficient tonnage for a resource.

The QAQC procedures for drilling included close monitoring of the drilling operation by the on-site geologist with written daily reports of every drilling shift, including details of the length and recovery of every drilling run. Sampling QAQC procedures during 2019 included only the insertion of blank material.

Insertion of standard, quarter core splits, and check assays in a second laboratory were implemented during 2022 for the 2021 drilling program.

12.2 QC Data Results

12.2.1 Standards or Certified Reference Material (CRMs)

CRM or Standards are used to estimate the assay accuracy at the primary laboratory, together with the check assays. It is recommended that at least three different CRMs should be used for the most economically important elements covering the expected range of economic grades. The grade of the CRM used for the 2021 campaign is not considered adequate because it is a very high-grade Ni-Cu material above the average grade of the deposit and outside the analytical range of the assay method used. A low-grade standard is recommended with a grade close to the cutoff of the deposit and a medium-grade standard close to the average grade of the deposit.

12.2.2 Results of Blank Samples

A total of 69 blank samples were compiled from the sample database. A blank is a material that has no measurable or negligible concentration of the selected analyte and is used to monitor contamination during the sample preparation procedure.

The breakdown of the assay results of the different types of blank material is shown in Table 12-1. The blank samples used are coarse material that was crushed and bagged on-site (around 4kg). Although reference assays are not available for the blanks, all assays are very low grade and consistent.

Table 12-1 Assay results of the blank material (Noble & Barrero, 2022).

			Ni_ppm			
Date	**Blank Type**	**Count**	**Min**	**Max**	**Average**	**Std Dev**
2019	BLANK	15	1.3	2.5	1.75	0.307
2021	Blank-Corullon	15	0.1	0.4	0.17	0.088
	Blank-Sta Comba	39	2.3	2.9	2.54	0.144
	All	69	0.1	2.9	1.85	0.963

12.2.3 Results of Quarter-Core Check samples

The quarter core check samples are "twin samples" resulting from a second split of the remaining half-core samples. A total of 52 quarter core samples were compiled from the sample database. These samples were submitted to the primary laboratory with a different sample number and in the same sample batch as the original sample. These samples are used to assess sampling variance and mineralization homogeneity. They are not strictly duplicates.

The results of half core splits (initial sample) compared with quarter core splits are presented in Table 12-2 and graphically in Figure 12-1. These pairs show no statistically significant bias between the pairs, either on an overall basis or within grade ranges.

Table 12-2 Comparison of half and quarter core splits Ni assay results (Noble & Barrero, 2022).

Grade Range		Number	1/2 core Ni_ppm		1/4 core Ni_ppm		Difference			Relative	
Min	Max	Pairs	Average	Std Dev	Average	Std Dev	Average	Std Dev	t-test[1]	Difference	Ratio(X/Y)
0	1500	12	1126	318	1144	321	-19	45	17.31%	-1.7%	0.983
1500	5000	40	1978	405	1999	403	-21	132	33.02%	-1.0%	0.990
0	5000	52	1781	528	1802	528	-20	117	22.02%	-1.1%	0.989

[1]A t-test value less than 5% indicates that the difference is statistically significant from zero.

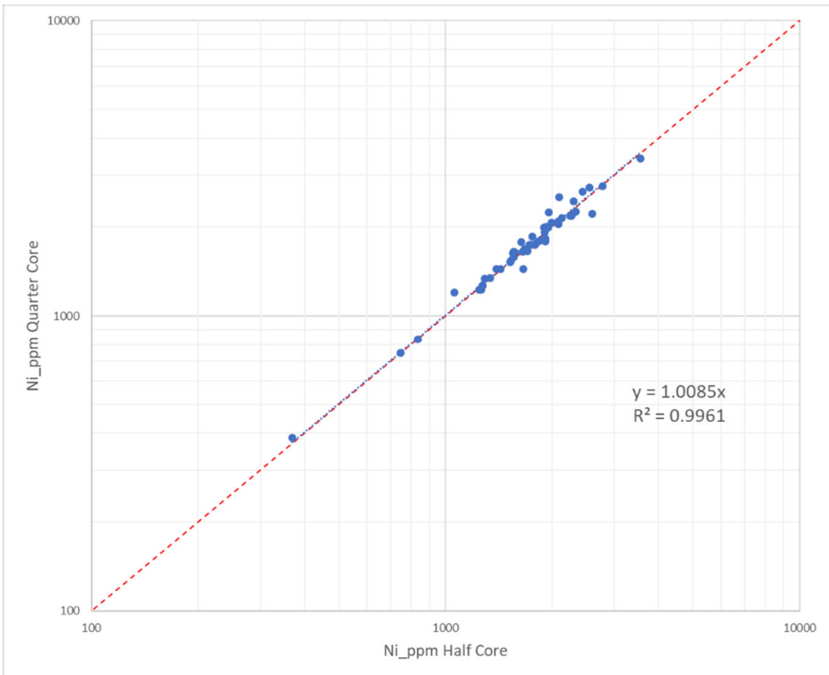

Figure 12-1 Logarithmic plot comparing the nickel assays of half and quarter core splits (Noble & Barrero, 2022).

12.2.4 Results of External Check Assays

Check assays or external pulp duplicates are pulps submitted to the primary laboratory that are resubmitted to a second laboratory. These assays are used to estimate the assay accuracy of the primary lab. Check samples are not considered duplicates because they usually show a relative bias between laboratories.

A total of 20 pulps of the 2019 drilling campaign (with a total of 314 samples) were resubmitted to and assayed by SGS in 2022 using the same assay method (four-acid digestion and ICP). The results by grade range are presented in Table 12-3 and graphically in Figure 12-2. The difference is statistically significant below 1000ppm Ni and for the range between 1500 and 3000ppm, but relative differences are small and do not have practical significance for grade estimation. The results of the check assays are considered acceptable and are within acceptable tolerances.

Table 12-3 Summary of External Sample Results (Noble & Barrero, 2022)..

Grade Range		Number	External SGS ppm Ni		Primary Lab ALS ppm Ni		Difference			Relative
Minimum	Maximum	Pairs	Average	Std Dev	Average	Std Dev	Average	Std Dev	t-test[1]	Difference
0	1000	4	656	284	615	297	-41	16	4%	-6.3%
1000	1500	4	1369	121	1393	104	24	79	61%	1.7%
1500	3000	8	2138	461	2213	486	75	69	2%	3.5%
3000	10000	4	5197	1579	5245	1506	48	152	59%	0.9%
0	10000	20	2299	1737	2336	1749	36	91	9%	1.6%

[1]A t-test value less than 5% indicates that the difference is statistically significant from zero.

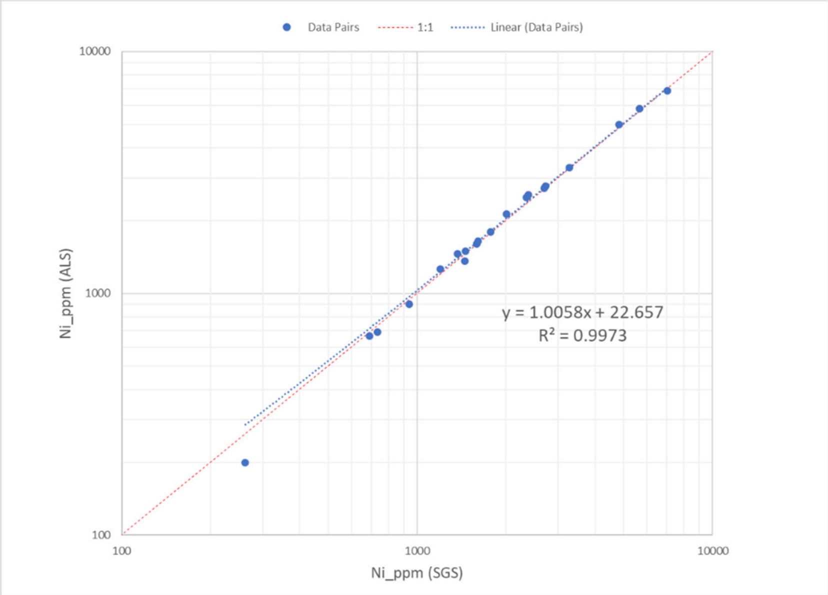

Figure 12-2 Logarithmic plot comparing the nickel assays of SGS and ALS laboratories (Noble & Barrero, 2022).

12.3 Topographic Data

The Digital Terrain Model (DTM02) of the project topography was downloaded from the National Geographical Institute (IGN) website[5] in ASCII format, which corresponds to a grid spacing of 2m of the topographic map sheet number 0069 (1:50 000 scale). No topographic survey has been performed by Corcel Minerals to date.

13 MINERAL PROCESSING AND TESTING

Metallurgical test work has not been undertaken to date at Castriz.

Seven samples of approximately 2.5Kg of the 2019 drill core remaining samples were submitted to SGS (Canada) in 2020 for QEMSCAN (Quantitative Evaluation of Minerals by Scanning Electron Microscopy) and EMPA (Electron MicroProbe Analysis) for mineral abundance and nickel contributors' determination, and preliminary indicative data for liberation and grade recovery curves (SGS, 2020).

[5] http://centrodedescargas.cnig.es/CentroDescargas/index.jsp

The findings of the SGS report are based on what is mineralogically possible under ideal separation conditions and should not be considered as a prediction of recovery performance.

The main conclusions of the report are listed below:

- The samples are mainly comprised of serpentine, with moderate amounts of variable concentrations of orthopyroxene, clinopyroxene, amphibole, and chlorite. The head nickel grades range from 0.2% to 0.6% Ni, where copper is lower and ranges from 0.1% to 0.2% Cu
- Pentlandite is the predominant Ni-sulfide mineral, but millerite and violarite were also detected in trace amounts.
- There are low concentrations of nickel in the mafic silicates, Fe-oxides, and chromite. Refractory nickel accounts for less than 14% (averaged of the seven samples).
- The liberation of both the Ni-sulfides and Cu-sulfides is overall poor at the grind target of the study (P80 of 212 microns).

14 MINERAL EVALUATION

This estimate was prepared by Alan C. Noble, P.E. of Ore Reserves Engineering, Lakewood, CO, USA, and by Monica Barrero Bouza, EurGeol. Mr. Noble is a qualified person for resource estimation based on having received a B.S. Degree in Mining Engineering from the Colorado School of Mines, registration as a Professional Engineer in the State of Colorado, USA, and over 50 years of experience with resource estimation on over 156 mineral deposits throughout the world. Mr. Noble is independent of Corcel Minerals, using all the tests of NI 43-101. Ms. Barrero Bouza is a qualified person based on having received a BS Degree in Geology from the University of Oviedo (Spain), registered member of the Official Association of Professional Geologist of Spain (ICOG), registered Eurogeologist, and 25 years of diverse experience in the geology of precious and base metal projects. Ms. Barrero Bouza is independent of Corcel Minerals, using all the tests of NI 43-101.

14.1 Mineral Block Model

The mineral model for the mineralized zone of Castriz was created as a three-dimensional block model using Datamine Studio RM software. The model block size is 5x5x5 meters, which is consistent with the mining bench height and the estimated selective mining unit of a smaller open-pit operation. The horizontal extent of the model is defined to cover the potential Castriz deposit. Block model size and location parameters are shown in Table 14-1.

Table 14-1 Block Model Size and Location Parameters (Noble & Barrero, 2022).

	Minimum (ETRS89 meters)	Maximum (ETRS89 meters)	Cell Size (meters)	Number Cells	Model Size (meters)
Easting (X)	517,600	519,000	5	280	1,400
Northing (Y)	4,773,300	4,773,860	2	280	560
Elevation (Z)	100	600	5	100	500

Grades were estimated using inverse-distance-power estimation for nickel, calcium, and magnesium. Copper and cobalt were not estimated as they appear to be subeconomic. Density was estimated from calcium grade using a calcium-grade estimation formula. In addition to the inverse distance (IDP) estimates, values were estimated for all the elements using Nearest-Neighbor-Assignment (NN) for additional validation of the IDP estimates. Other variables include the Datamine search volume code, the number of samples used for estimation, and the composite grid-spacing parameter.

No variograms had been created or modeled due to the small number of samples available.

For grade estimation, the Datamine search expansion feature was used to expand an initial search ellipse until the desired number of composites were located inside the search ellipse. The primary objective of the search ellipse expansion was to keep the search as localized as possible, subject to finding sufficient samples for reliable grade estimation. The final search ellipse expansion was set to provide estimates in areas with widely spaced drilling.

14.1.1 Drill Hole Sample Database

Drill-hole data were provided by Corcel personnel as csv files containing assays, lithologies, collar locations, and down-hole surveys for all drilling in the prospect area.

Corcel drilling at Castriz comprises only drill holes drilled from surface, all of them are core drill holes. Drilling used for this estimate includes eight drill holes, COR-003 that was drilled in 2019 and the 2021 drilling. Holes COR-001, COR-002, and COR-004 are excluded.

14.1.2 Bulk Density and Block Model Density

Bulk density is estimated using a formula correlating density and calcium grade. The data used for the correlation were calcium assays and specific gravity measurements (pycnometer) that were done on 45 drill core samples performed by ALS laboratories. The correlation found between calcium grades and SG is considered good (Figure 14-1). The density formula based on calcium grade for Castriz is:

$$Density = 2.7048 + [0.3487 * (0.1118 * Ca\_\%)]$$

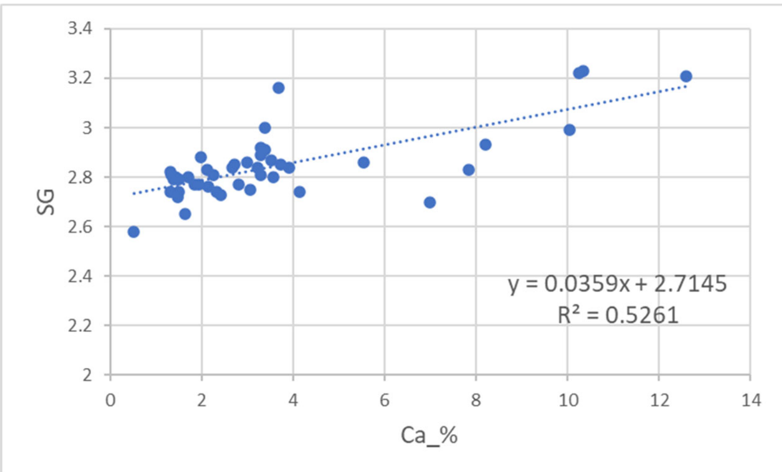

Figure 14-1 Correlation between Specific Gravity and Calcium Grade, 2021 data (Noble & Barrero, 2022).

The formula defined above for bulk density estimation and the IDP calcium estimates are used for the calculation of block model density.

14.1.3 Mineralized Zone

A 3D wireframe of the Mineralized Zone (MinZ) was modeled based on digitized WNW-ESE vertical sections with an approximate spacing of 50m. The NE trending fault “Falla Principal”, which represents the footwall of the MinZ, was modeled based on drill hole data (Figure 14-2).

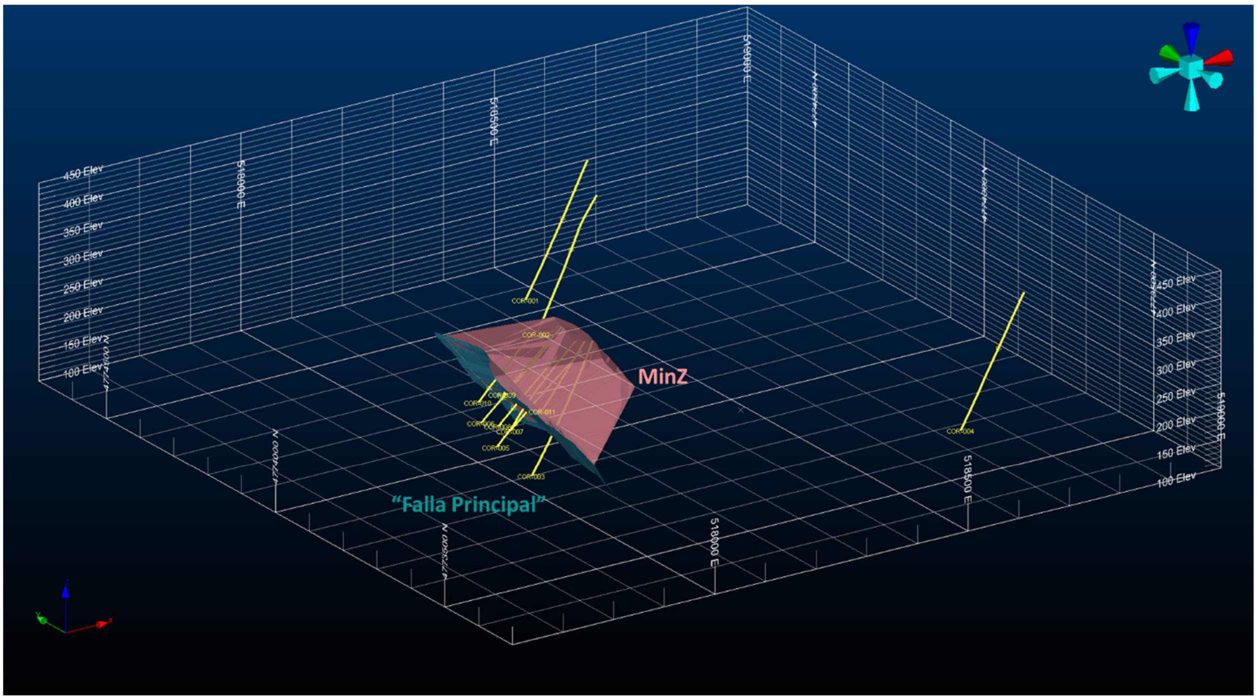

Figure 14-2 3D view of the modeled Mineralized Zone (MinZ), (Noble& Barrero, 2022).

14.1.4 Compositing

Drill hole assays were composited to 5-m composites using the standard Datamine downhole compositing routine, COMPDH. Intervals inside the mineralized zone wireframe were assigned a code “MinZ”.

Composites were computed with the compositing routine set to compute nominal 5-m composites that started and ended on DOMAIN boundaries. The resulting composites are as close to 5-m long as possible while using all assays within the defined zone intervals. Assays were composited using length-weighted averages.

14.1.5 Nickel Grade Distribution, Search Parameters, and Nickel Estimation

The distribution of composited nickel grades, shown in Figure 14-3 as lognormal cumulative probability and lognormal histogram plots, indicates that nickel grade is composed of several overlapped lognormal populations—nickel grades of composited data average 2202 ppm Ni.

A set of three grade sub-populations were fitted to the raw data using least square fitting on both the cumulative probability plot and on the histogram plot. The resulting distribution fit included the following component populations:

1. A low-grade population, that is essentially unmineralized, averaging 779ppm Ni and containing about 2% of the total samples.

2. A mid-grade population averaging 2007 ppm Ni containing about 88% of the total samples. This distribution includes the bulk of the ore-grade mineralization.

4. A high-grade distribution that averages 4264 ppm Ni containing 10% of the total samples.

The problem of the large overlap between grade areas indicates soft boundaries between grade-zones but is problematic for estimation; this was resolved using composites with overlapping grade ranges between areas for the interpolation to prevent polygonal edge effects on the boundaries of the grade zones and to account for smearing at grade-zone boundaries.

Low-grade, mid-grade, and high-grade nickel zones with overlapping ranges were defined in the composites. A nearest-neighbor (NN) model was created to define preliminary grade zones in the model, then the final nickel grade zones were assigned to the model using the grade-range parameters. An isotropic search in the XY plane was oriented with a N10˚E and dipping 50˚ to the east based on a general assessment of the continuity of grades. Grade ranges for composited data and model grade-zones, and search parameters are shown in Table 14-2.

Nickel grade model was estimated using nearest-neighbor (NN) and inverse-distance-power (IDP) with grade zone control. A power of 3.8 was used for low-grade and high-grade zones, and 2.5 for the mid-grade.

The IDP model was optimized relative to the NN model and by maintaining the average nickel grade of the IDP model as close as possible to the average grade of the NN model to ensure that the overall estimates are unbiased.

After estimation, a block model nickel grade of zero was assigned when block model grade values were absent.

Probability Fit Nickel MinZ -5m Composites

	Population	Default	Barren	Low Grade	High Grade	Total
Fraction		0.00%	2.13%	88.11%	9.8%	100.0%
Mean	2201.7	0.0	779.4	2007.5	4263.9	2201.7
Beta		0.00	0.05	0.29	0.27	
Median		0.0	778.5	1926.9	4114.1	
Log Mean		-4.4952	6.6573	7.5637	8.3222	

Sum of Errors	SSQ	Weight		
%CFREQ	0.0028774	0		
%HISTO	0.003684	0		
Z-Fit	9.31E-02	1	Hist/Z-fit	0.039587059
FIT	9.31E-02			

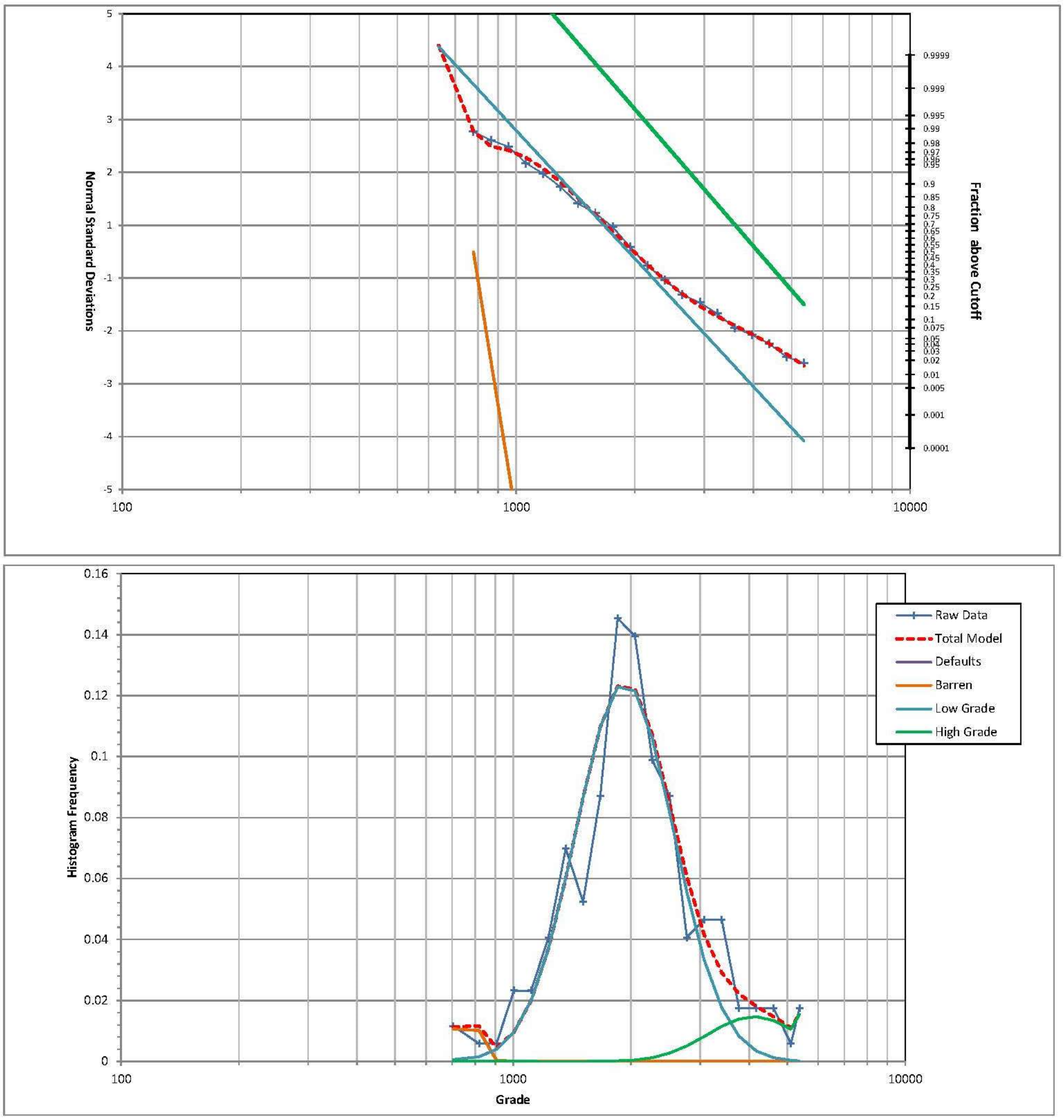

Figure 14-3 Probability Fit Nickel Castriz MinZ, (Noble & Barrero, 2022).

Table 14-2 Nickel grade ranges for composites and block model, and search ellipse parameters (Noble & Barrero, 2022)

Zone Code	Ni GradeZone Description	Composite Grade Ranges (Ni_ppm)	Block Model grade Ranges (Ni_ppm)
11	Low grade Zone	<1,500	<1,000
12	Mid grade Zone	1,000-3,200	1,000-3,000
13	High Grade Zone	>=2,000	>3,000

	Search Ellipse Dimensions			Search Ellipse Rotations		
	X	Y	Z	Z	X'	Z'
Ni Grade Zones	100	100	25	80	50	0
Ni NN Estimation	100	100	25	80	50	0
Ni IDP Estimation	75	75	25	80	50	0

Horizontal and vertical sections of the final nickel block model are shown in Figure 14-4 and Figure 14-5.

For density calculation purposes, calcium has also been estimated using NN and IDP and the same search parameters as nickel.

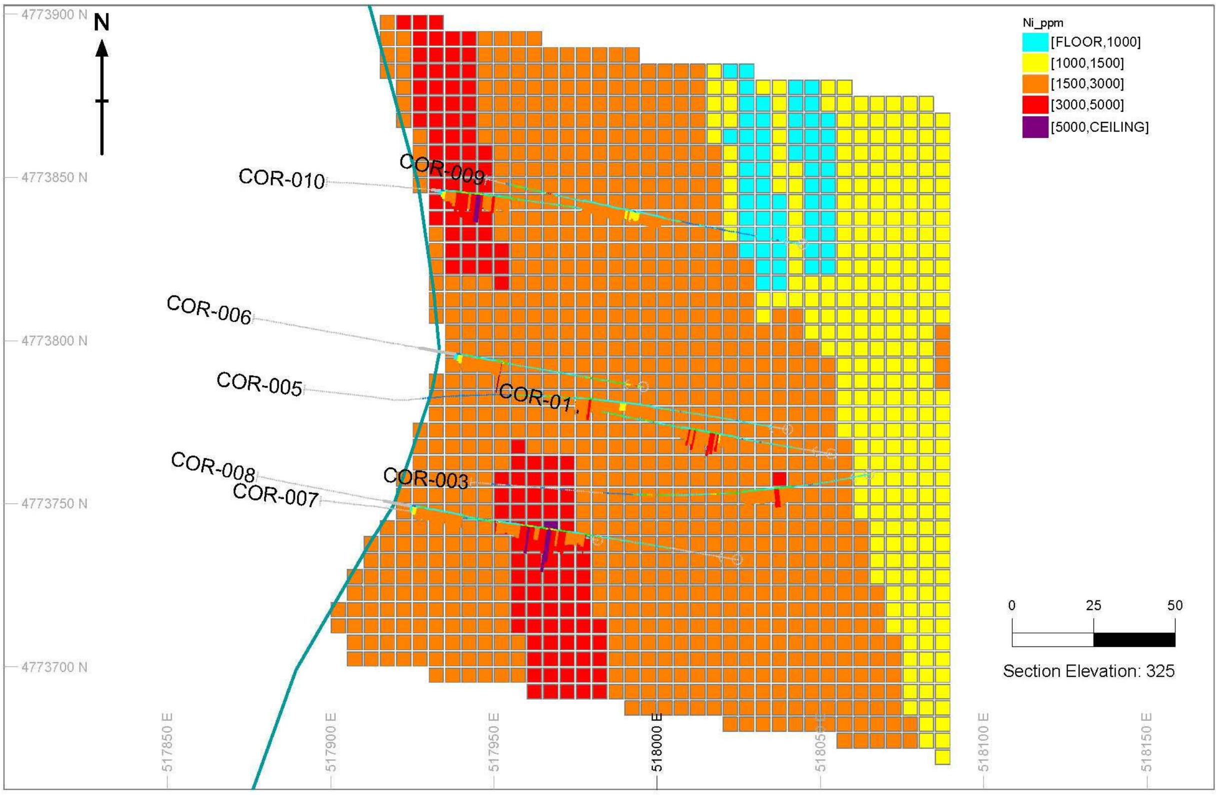

Figure 14-4 Horizontal Section at 325m elevation (50m width) showing the nickel block model (Ni_IDP>0) (Noble & Barrero, 2022).

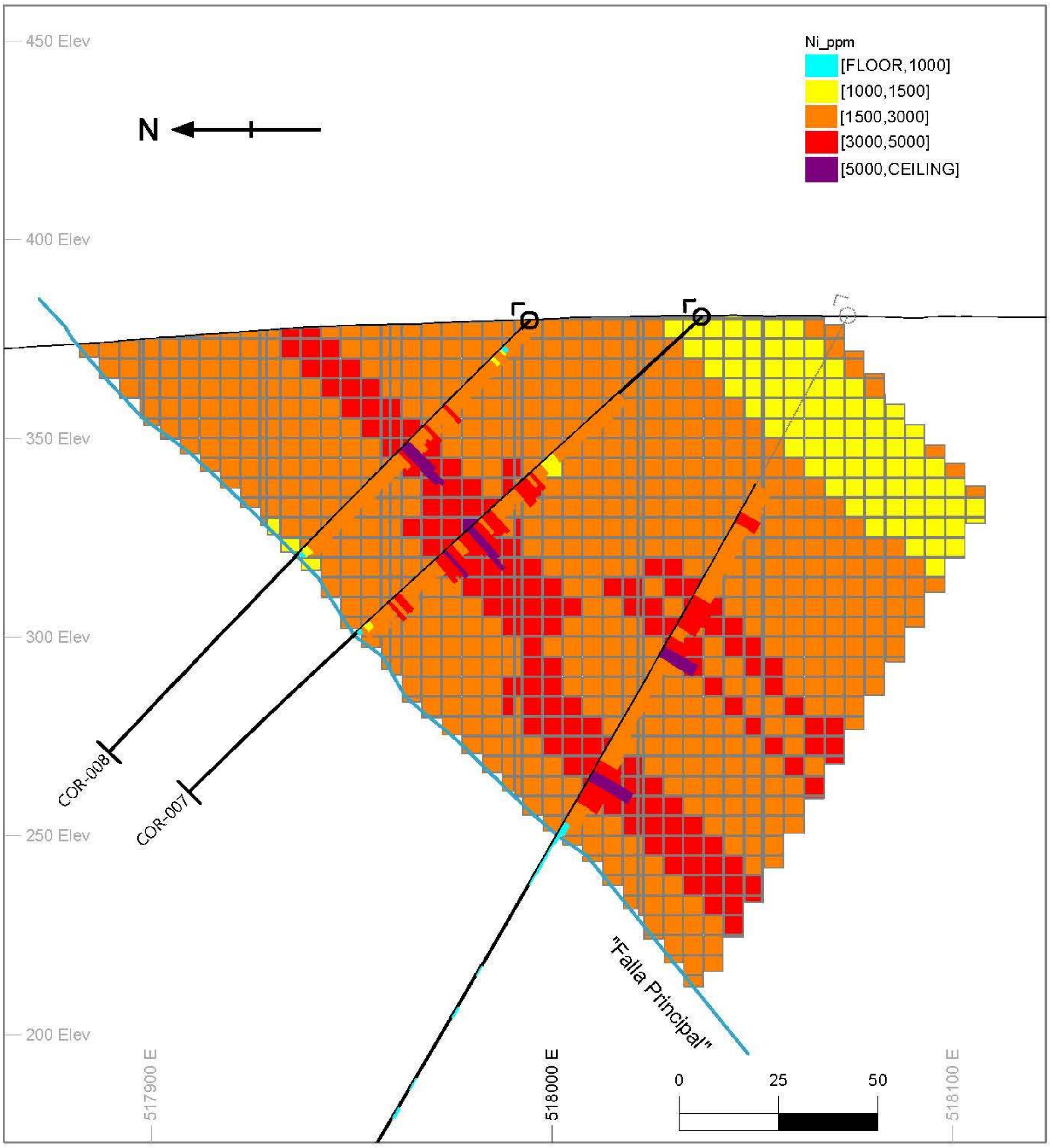

Figure 14-5 Vertical Section looking NE showing the nickel block model (Ni_IDP>0) (Noble & Barrero, 2022).

14.1.6 Nickel Tonnage-Grade Summary

The drilling is widely spaced and there has been insufficient exploration and engineering works to define this as a mineral resource, and it is uncertain if further exploration and engineering will result in the exploration target being delineated as a mineral resource. The nickel tonnage-grade distribution is tabulated in Table 14-3 above different nickel grades to illustrate the sensitivity of the tonnage to variable Ni grade. Effective date of the evaluation is May 2022.

Table 14-3 Nickel Tonnage-Grade Summary Using Above Multiple Nickel Grades (Noble & Barrero, 2022)

Minimum Nickel Grade	Tonnes	Ni (%)
0.1	6,914,560	0.21
0.11	6,805,641	0.22
0.12	6,763,658	0.22
0.13	6,620,029	0.22
0.14	6,161,278	0.23
0.15	5,818,333	0.23
0.16	5,595,580	0.23
0.17	5,395,908	0.24
0.18	5,039,080	0.24
0.19	4,484,043	0.25
0.2	3,910,056	0.25
0.21	3,263,960	0.26
0.22	2,533,633	0.28
0.23	1,929,495	0.29
0.24	1,461,663	0.31
0.25	1,170,973	0.33

23 ADJACENT PROPERTIES

There are no properties adjacent to the project area that contain a similar style of mineralization. The Varilongo Mine (Santa Comba Tungsten Project), located 4.5Km southwest of the Castriz Prospect, is the only nearby operating mine (Figure 23-1). The tungsten project was acquired by Rafaella Resources Limited (ASX:RFR) in 2019.

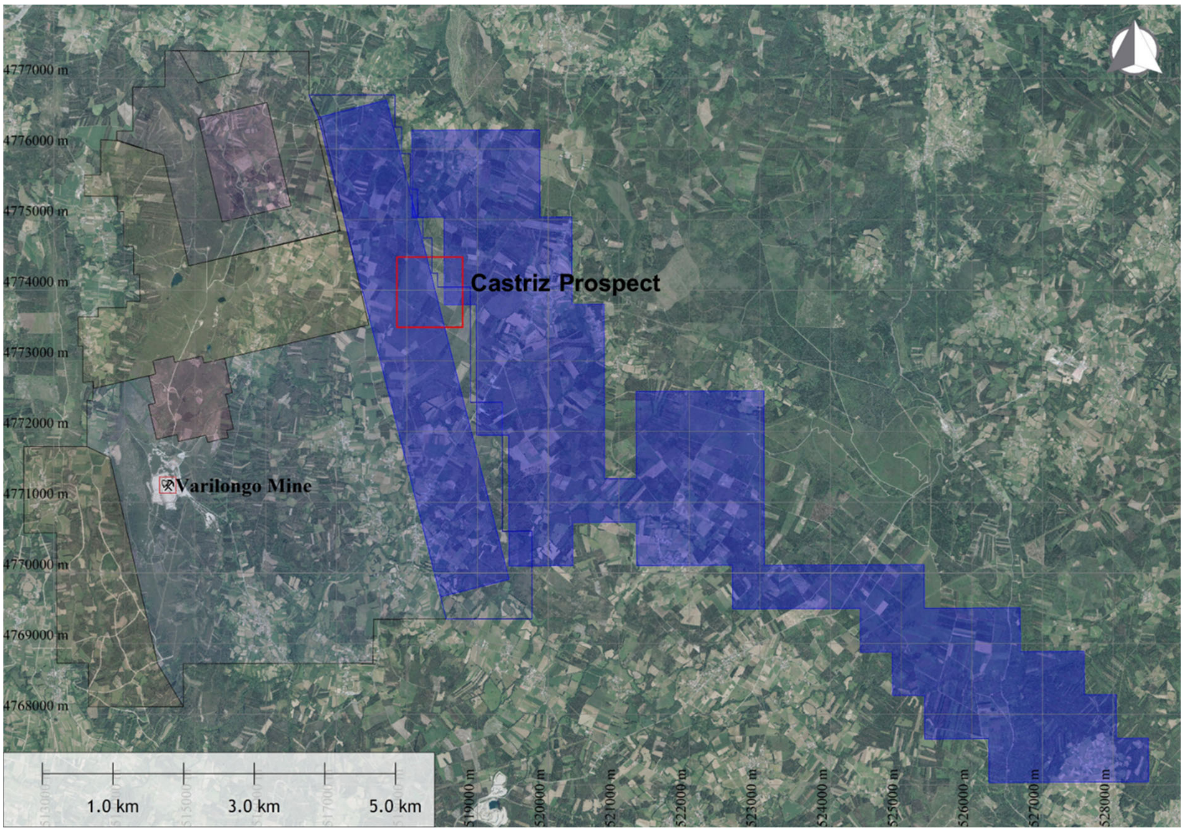

Figure 23-1 Plan map with the location of the adjacent properties and mineral tenures (Global Mapper, UTM ETRS89 Zone 29).

25 INTERPRETATION AND CONCLUSIONS

The Castriz Prospect has been explored since the late 70s for nickel, copper, and cobalt. Since 2019, Corcel Minerals undertook limited exploration drilling to confirm geochemical soil anomalies and historical information. These data have been used to develop a block model of a nickel deposit which is open to the north, south, east, and depth. Although the drilling is widely spaced and covers a limited area, the prospects for upgrading to a mineral resource are promising.

Exploration has identified well-defined nickel soil anomalies (Central and South), that have been only partially tested by diamond drilling and may offer additional potential for other mineralized zones.

The following conclusions are made based on the review and validation of the drilling data:

- The drilling has been conducted competently using appropriate equipment and techniques.
- Drilling core handling, logging, and sampling procedures have been adequately recorded and managed. Core handling, core storage, and chain of custody are consistent with industry practice.
- The methods used to compile the geological and assay data are acceptable and meet industry standards.

- Samples have been assayed by ALS Global and SGS Laboratories; both accredited to ISO17025.

To date, no metallurgical studies have been undertaken to evaluate plant performance and concentrate characteristics.

25.1 Opportunities

The current Castriz target area is small, but is open along strike and downdip with good potential to define additional nickel mineralization and upgrade to a mineral resource.

Several of the nickel soil anomalies are essentially untested by drilling and there is an opportunity to define nickel resources in those areas.

The nickel market is expecting higher demand due to increased use in green energy, particularly batteries. This increased demand may support current or higher prices in the future.

Metallurgical performance is unknown. Results on the higher side of industry norms will have a positive impact on the project.

Confirmation of geological and grade continuity, achievement of good metallurgical performance, and higher commodity prices could upgrade mineralization to mineral resources through both lower cutoff grades and potentially larger pit limits.

25.2 Uncertainties

The block model covers a very limited area of the prospect; there is a risk that the mineralization may not extend far enough to define a mineral resource.

No metallurgical studies have been undertaken to date. Metallurgical performance has a significant impact on operating and capital costs, and on the project's environmental footprint.

Mining and processing costs have been rising globally and may affect future profitability.

Nickel prices are currently high compared to historical averages. Economic viability of mining projects is extremely sensitive to commodity prices.

The Social License to Operate is a number one issue for miners throughout the world. The permitting process for mining operations throughout the world and in Spain can be complex and drawn out over time. Approval of permits may be affected by many unknown and uncertain factors.

26 RECOMMENDATIONS

Representative metallurgical testing is needed to evaluate recoveries, concentrate grades, and concentrations of deleterious elements in the concentrates that would be charged as penalties. Samples must reflect the full range of characteristics expected throughout the deposit. Flotation testing is recommended as well as further mineralogical studies of the gangue and sulfide minerals.

Step-out drilling is recommended to evaluate along strike geological and grade continuity with widely spaced drill holes, starting at 100m spacing to the north and south of the last drilled section. Once the geological and grade continuity are confirmed, a regular 50m drilling grid should be completed.

Understanding of the geology of the deposit, mineralization styles, and mineralization controls should be upgraded to a higher level.

Additional basic geotechnical and hydrological investigations are required to support further technical work in the project. Borehole televiewer survey of drilled holes in strategic locations might be used to characterize highly fractured zones and fault zones.

Recommendations related to geologic technical procedures:

- Basic geotechnical logging of all rock types is recommended, including weathered, mineralized and unmineralized rock. The rock mass quality parameters of the weathered and fresh intact rock, fault zones and fractured intervals need to be defined.
- Continuous sampling and assaying should be performed in and outside the mineralized zone, including weathered material (topsoil not included).
- Future density measurements should be done with whole rock samples that are individually assayed. Use these additional data to improve the correlation between density and assays.
- Downhole survey equipment should not use magnetic-based technology.
- Use a database management system with control and validation tools to safely store drill hole, sample, and QAQC data.
- An automatic sample labeling method is strongly recommended.
- QAQC protocols need to be upgraded with the inclusion of the appropriate control samples with a recommended frequency of insertion of 1 in 20:
    - Blank material reference assay values need to be obtained. The use of both coarse and pulp blank control samples is recommended.
    - CRMs with appropriate grades and similar mineralogies should be used. Grade ranges of approximately 0.15% Ni, 0.25% Ni, and 0.5% Ni are recommended.
    - True coarse and pulp duplicates need to be included as control samples.
    - Check assay batches to the second laboratory should include control samples (blanks and CRMs as a minimum).

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I, Alan C Noble, do hereby certify that:

I am a self-employed Mining Engineer working as Ore Reserves Engineering at 12254 Applewood Knolls Drive, Lakewood, Colorado 80215 and have carried out this assignment as overall author/reviewer.

1. This certificate applies to the report titled "NI 43-101 Technical Report for the Castriz Prospect Located in A Coruña Province, Spain", and dated June, 2022 for Corcel Minerals, S.L.
2. I graduated from the Colorado School of Mines in Golden, Colorado with a Bachelor of Science Degree in Mineral Engineering in 1970.
3. I am a Registered Professional Engineer in the State of Colorado, USA, PE26122
4. I have practiced my profession as a mining engineer continuously since 1970, for a total of 52 years. During that time, I worked on mineral resource estimates and mine planning for over 156 mineral deposits.
5. I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, registration as a professional engineer, and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.
6. I am responsible for the overall review and content of the report.
7. I have not visited the property.
8. I have had no prior involvement with the property that is the subject of the Technical Report.
9. I am independent of the client, Corcel Minerals, S.L., applying all of the tests of Section 1.5 of NI 43-101.
10. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with the instrument and form.
11. At the effective date of the Technical Report, to the best of my information, knowledge and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated the 10th day of June 2022.

"Signed and Sealed, Alan C. Noble, P.E."

Alan C. Noble, P.E. 26122

CERTIFICATE OF AUTHOR

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Email: monicabbouza@gmail.com

I, Monica Barrero Bouza, do hereby certify that:

I am a self-employed Geologist working as independent consulting geologist at Rio San Pedro 7, 4ºD, Oviedo, 33001 (Asturias, Spain) and have carried out this assignment as author/reviewer.

1. This certificate applies to the Technical Report titled "NI 43-101 Technical Report For The Castriz Prospect (Corcel Project), located in the La Coruña province of the Galicia Autonomous Region in north-western Spain (the "Technical Report"), and dated June, 2022 for Corcel Minerals S.L.
2. I graduated from the Department of Geology of the University of Oviedo (Spain) with a Bachelor of Science Degree in Geology in 1996.
3. I am a registered Eurogeologist and registered member of the Official Association of Professional Geologist of Spain (ICOG), EurGeol 1328.
4. I have practiced my profession as a geologist continuously since 1997, for a total of 25 years. My relevant experience includes exploration and mining geology, mineral resource estimation, hydrogeology, rock mechanics and ground instrumentation. I have participated in projects in precious and base metals.
5. I have read the definition of "Qualified Person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, registration as a Eurogeologist, and past relevant work experience, I fulfill the requirements to be a "Qualified Person" for the purposes of NI 43-101.
6. I am responsible for the site visit, compilation and evaluation of the geologic data, and mineral evaluation.
7. I last visited the property that is the subject of this Technical Report on the 17th of January 2022.
8. I have had no prior involvement with the property that is the subject of the Technical Report.
9. I am independent of the client, Corcel Minerals S.L., applying all of the tests of Section 1.5 of NI 43-101.
10. I have read NI 43-101 and Form 43-101F1, the Technical Report has been prepared in compliance with the instrument and form.
11. At the effective date of the Technical Report, to the best of my information, knowledge and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated the 10th day of June 2022.

"Signed and Sealed, Monica Barrero Bouza, EurGeol."

Monica Barrero Bouza, EurGeol 1328