

**F O R A N**

# **McIlvenna Bay Project**

**Developing a mine for the future in Canada's top mining  
jurisdiction**

Cumberland House Cree Nation Information Session

January 18, 2023

# Forward Looking Statements

This presentation contains "forward-looking information" (also referred to as "forward looking statements"), which relate to future events or future performance and reflect management's current expectations and assumptions. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "hopes", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such

words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Such forward-looking statements reflect management's current beliefs and are based on assumptions made by and information currently available to the Company. All statements, other than statements of historical fact, are forward-looking statements or information. Forward-looking statements or information in this presentation relate to, among other things: the

Pre-Feasibility Study and the anticipated capital and operating costs, sustaining costs, net present value, internal rate of return, payback period, process capacity, average annual metal production, average process recoveries, anticipated mining and processing methods, proposed PFS production schedule and metal production profile, anticipated construction period, anticipated mine life, expected recoveries and grades, anticipated production rates, infrastructure, social and environmental impact studies, future financial or operating performance of the Company, subsidiaries and its projects, estimation of mineral resources, exploration results, opportunities for exploration, development and expansion of the McIlvenna Bay Project, its potential mineralization, the future price of metals, the realization of mineral reserve estimates, costs and timing of future exploration, the timing of the development of new deposits, requirements for additional capital, foreign exchange risk, government regulation of mining and exploration operations, environmental risks, reclamation expenses, title disputes or claims, insurance coverage and regulatory matters. In addition, these statements involve assumptions made with regard to the Company's ability to develop the McIlvenna Bay Project and to achieve the results outlined in the PFS, and the ability to raise capital to fund construction and development of the McIlvenna Bay Project.

These forward-looking statements and information reflect the Company's current views with respect to future events and are necessarily based upon a number of assumptions that, while considered reasonable by the Company, are inherently subject to significant operational, business, economic and regulatory uncertainties and contingencies. These assumptions include: our mineral reserve and resource estimates and the assumptions upon which they are based, including geotechnical and metallurgical characteristics of rock confirming to sampled results and metallurgical performance; tonnage of ore to be mined and processed; ore grades and recoveries; assumptions and discount rates being appropriately applied to the PFS; success of the Company's projects, including the McIlvenna Bay Project; prices for zinc, copper, gold and silver remaining as estimated; currency exchange rates remaining as estimated; availability of funds for the Company's projects; capital decommissioning and reclamation estimates; mineral reserve and resource estimates and the assumptions upon which they are based; prices for energy inputs, labour, materials, supplies and services (including transportation); no labour-related disruptions; no unplanned delays or interruptions in scheduled construction and production; all necessary permits, licenses and regulatory approvals are received in a timely manner; and the ability to comply with environmental, health and safety laws. The foregoing list of assumptions is not exhaustive.

The Company cautions the reader that forward-looking statements and information include known and unknown risks, uncertainties and other factors that may cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements or information contained in this presentation and the Company has made assumptions and estimates based on or related to many of these factors. Such factors include, without limitation: fluctuations in zinc, copper, gold and silver prices; fluctuations in prices for energy inputs, labour, materials, supplies and services (including transportation); fluctuations in currency markets (such as the Canadian dollar versus the U.S. dollar); operational risks and hazards inherent with the business of mining (including environmental accidents and hazards, industrial accidents, equipment breakdown, unusual or unexpected geological or structure formations, cave-ins, flooding and severe weather); inadequate insurance, or the inability to obtain insurance, to cover these risks and hazards; our ability to obtain all necessary permits, licenses and regulatory approvals in a timely manner; changes in laws, regulations and government practices in Canada, including environmental, export and import laws and regulations; legal restrictions relating to mining; risks relating to expropriation; increased competition in the mining industry for equipment and qualified personnel; the availability of additional capital; title matters and the additional risks identified in our filings with Canadian securities regulators on SEDAR in Canada (available at [www.sedar.com](http://www.sedar.com)). Although the Company has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Investors are cautioned against undue reliance on forward-looking statements or information.

These forward looking statements are made as of the date hereof and, except as required by applicable securities regulations, the Company does not intend, and does not assume any obligation, to update the forward-looking information.

**Data Verification.** The "qualified persons", as such term is defined in NI 43-101, responsible for the preparation of the PFS have verified the data disclosed in this presentation, including sampling, analytical, and test data underlying the information contained in this presentation. Geological, mine engineering and metallurgical reviews included, among other things, reviewing mapping, core logs, and re-logging existing drill holes, review of geotechnical and hydrological studies, environmental and community factors, the development of the life of mine plan, capital and operating costs, transportation, taxation and royalties, and review of existing metallurgical test work. In the opinion of the qualified persons responsible for the preparation of the PFS, the data, assumptions, and parameters used to estimate mineral resources and mineral reserves, the metallurgical model, the economic analysis, and the preliminary feasibility study are sufficiently reliable for those purposes. The PFS, when filed, will contain more detailed information concerning individual responsibilities, associated quality assurance and quality control, and other data verification matters, and the key assumptions, parameters and methods used by the Company.

**Non-IFRS Measures.** This presentation refers to certain financial measures, such as pre-production capital costs, sustaining capital expenditure, closure costs, cash costs, payback period, undiscounted after tax cash flow, and net present value, and other financial metrics which are not measures recognized under IFRS and do not have a standardized meaning prescribed by IFRS. In the mining industry, these are common performance measures but may not be comparable to similar measures presented by other issuers. The Company believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Company's potential performance and ability to generate cash flow. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

**Cautionary Note for U.S. Investors Regarding Reserve and Resource Estimates.** Canadian public disclosure standards, including NI 43-101, differ significantly from the requirements of the SEC set forth in Industry Guide 7 ("Industry Guide 7"), and information concerning mineralization deposits, mineral reserve and resource information contained or referred to herein may not be comparable to similar information disclosed by U.S. companies in accordance with Industry Guide 7. In particular,, without limiting the generality of the foregoing, this press release uses terms "probable mineral reserves," "indicated mineral resources" and "inferred mineral resources". U.S. investors are advised that, while such terms are recognized and required by Canadian securities laws, Industry Guide 7 does not recognize them. The requirements of NI 43-101 for identification of "reserves" are not the same as those of Industry Guide 7, and reserves reported by the Company in compliance with NI 43-101 may not qualify as "reserves" under Industry Guide 7. Under Industry Guide 7, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that any part of a "indicated mineral resource" will ever be converted into a "reserve". U.S. investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of "inferred mineral resources" exist, are economically or legally mineable or will ever be upgraded to a higher category. Under Canadian securities laws, estimated "inferred mineral resources" may not form the basis of feasibility or pre-feasibility studies except in rare cases. Disclosure of "contained ounces" in a mineral resource is permitted disclosure under Canadian securities laws. However, Industry Guide 7 normally only permits issuers to report mineralization that does not constitute "reserves" by Industry Guide 7 standards as in place tonnage and grade, without reference to unit measures. In addition, the definition of "Probable Mineral Reserves" under CIM standards differ in certain respects from the standards of the United States Securities and Exchange Commission. "Mineral Resources" that are not "Mineral Reserves" do not have demonstrated economic viability. Accordingly, information concerning mineral deposits set forth herein may not be comparable with information made by public companies that report in accordance with Industry Guide 7.

The technical information contained in this presentation has been reviewed and approved by Denis Flood, P. Eng., Foran's VP Mining and Roger March, P.Geo., Foran's Senior Geoscientist, a Qualified Person within the meaning of the National Instrument NI-43-101 – Standards of Disclosure for Mineral Projects.

# Land Acknowledgement

***As we gather here today, we respectfully acknowledge that we are on Treaty 5 Territory, the traditional and ancestral land for many First Nations and the Homeland of the Métis.***

***We recognize and honour that Indigenous people have been caring for this land since time immemorial.***





- Foran Mining Corporation is a copper and zinc development company that is committed to responsible mining
- McIlvenna Bay Operating Ltd. (MBO) is a fully owned subsidiary of Foran Mining Corporation
- MBO is the proponent for the McIlvenna Bay Project

[www.foranmining.com](http://www.foranmining.com)

# Meeting Objectives

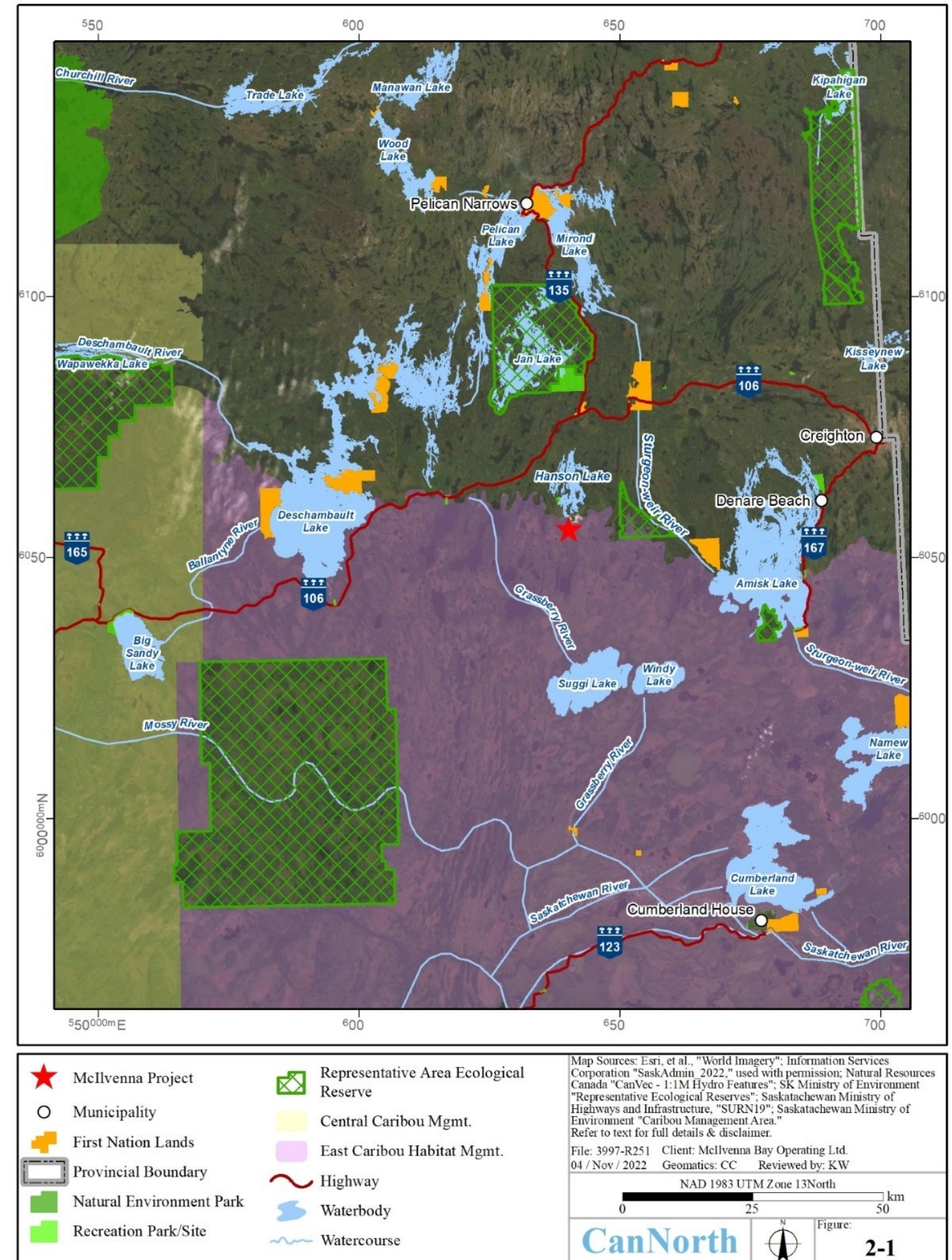
- Review key features of the McIlvenna Bay Project
- Summarize the potential effects of the McIlvenna Bay Project
- Answer any questions and identify any concerns





# McIlvenna Bay Project

- South of Hanson Lake, on Crown lands within Treaty 10 Territory
- Accessed by the existing Hanson Lake Haul Road
- Nearest Healthcare and Emergency Services are at Creighton/Flin Flon



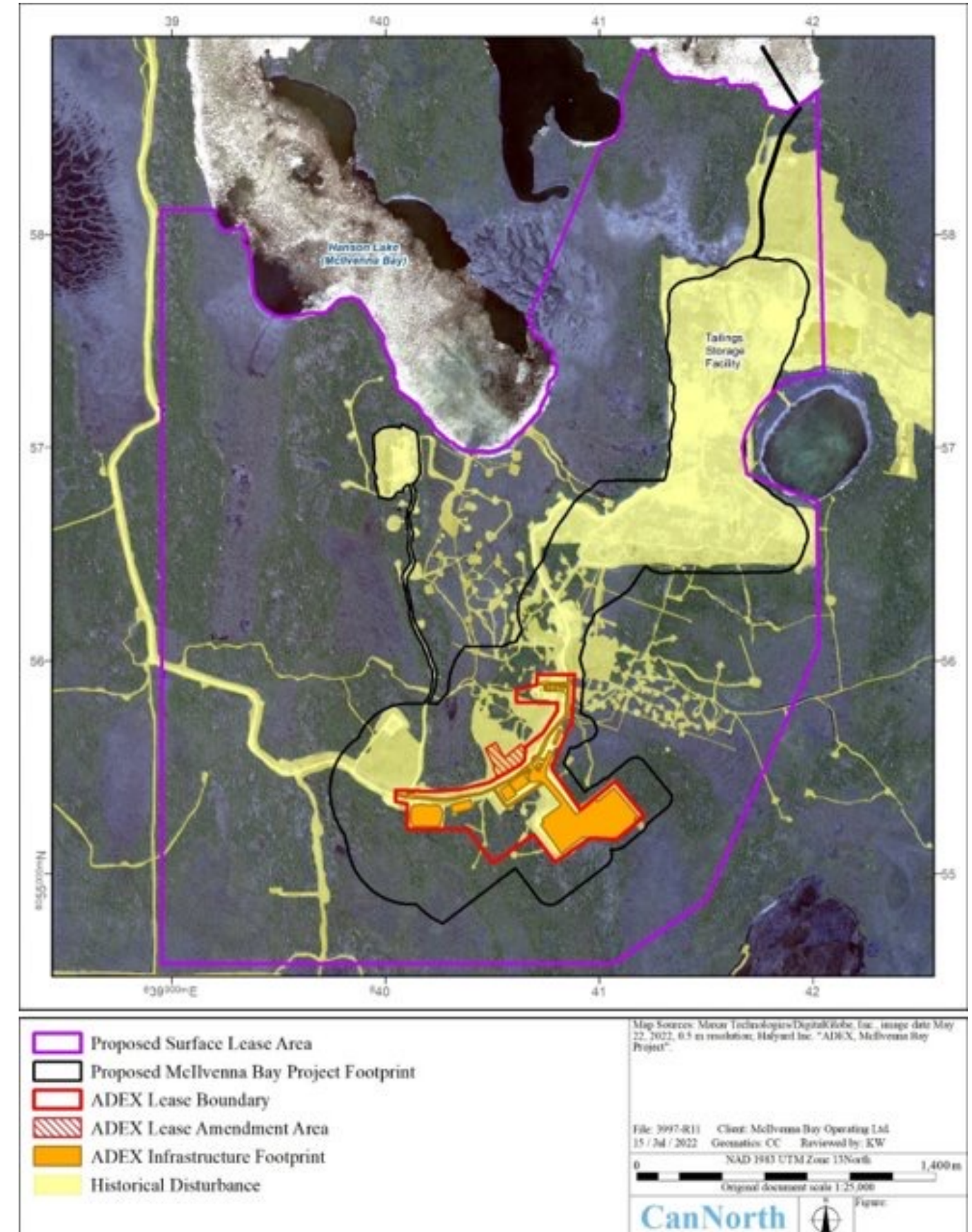
# McIlvenna Bay Project Summary

- A base and precious metals underground mine with associated surface mineral processing facility.
  - Underground mining and surface processing to produce copper, zinc, gold and silver
  - Nominal annual production of 4,200 tonnes per day
  - Surface buildings and works including support buildings, water supply, power supply, fuel supply, sewage works, water works, waste storage
  - Management of water on-site and discharge of treated effluent to Winn Bay of Hanson Lake
  - Management of tailings through a processing circuit that would produce two tailings streams:
    - a dry, non-acid generating tailings stream to be stacked on surface, and
    - a higher sulphur stream to be replaced underground as paste backfill
  - Management of ore and mine rock and decommissioning of waste rock on surface
- Ore concentrate is currently planned to be transported via road towards Flin Flon, Manitoba to a rail loading facility and distributed for smelting via rail.
- A final decision has not been made on the transportation route for ore concentrate.



# McIlvenna Bay Surface Development

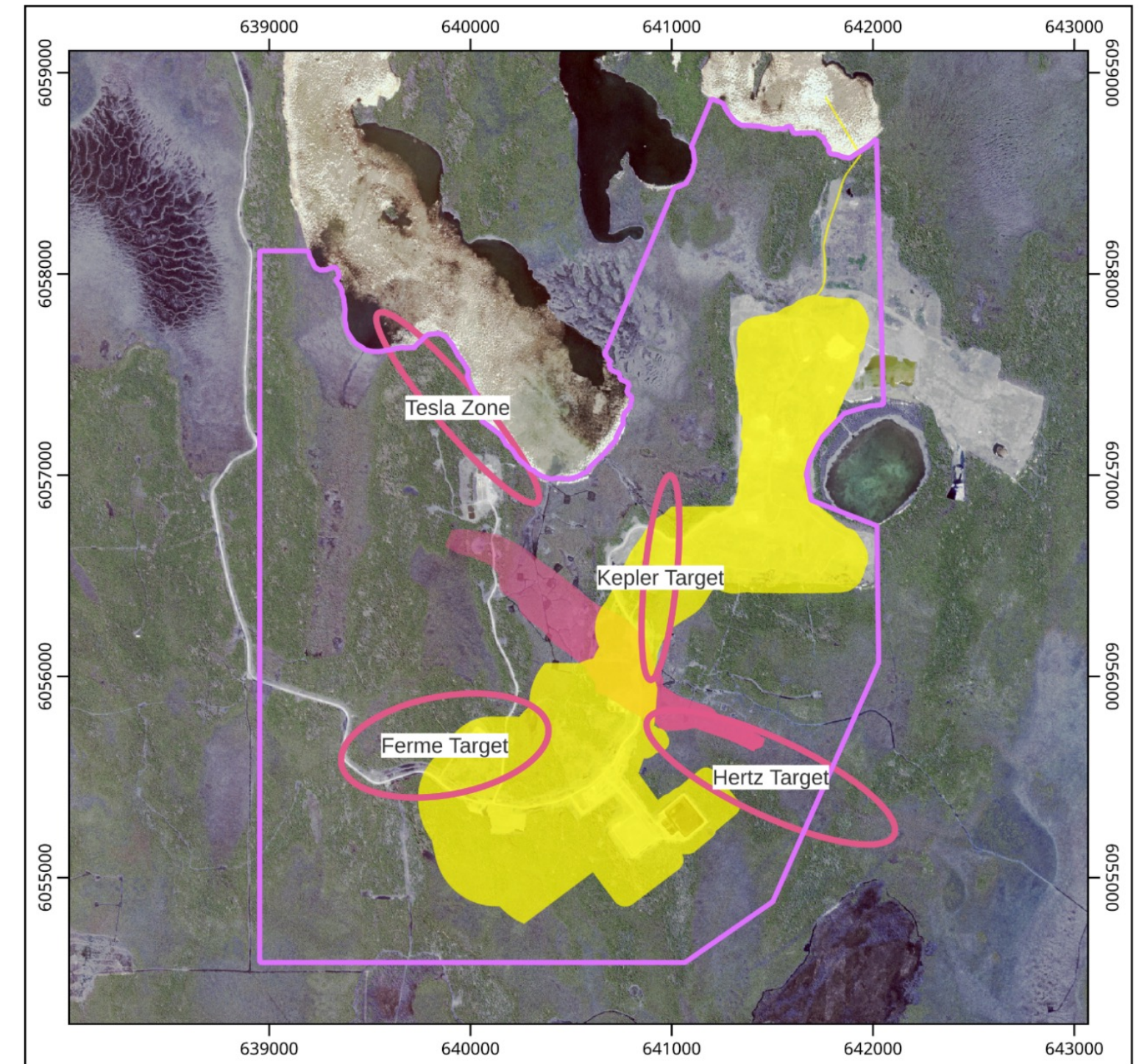
- The proposed McIlvenna Bay Project is located in an area of historical development
- The project development area (black line) is focused within this area of historical development
- The proposed surface lease area (purple line) is larger than the project development area (black line) and encompasses the area where additional surface development could occur over the life of mine





# McIlvenna Bay Complex

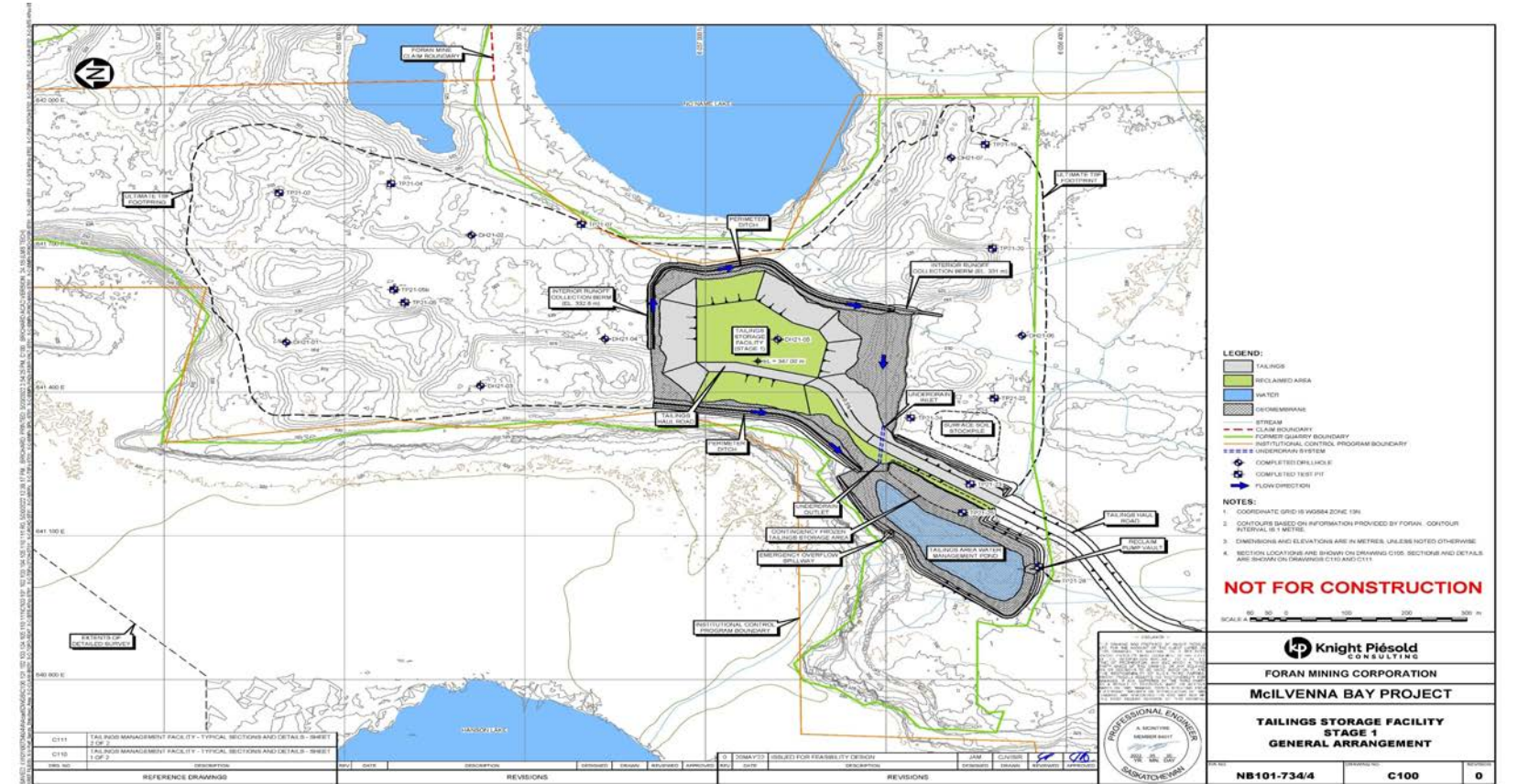
- The McIlvenna Bay deposit is a VHMS deposit that contains copper, zinc, and lower concentrations of silver and gold
- Additional zones and targets have been identified proximate to the current reserve that are part of the McIlvenna Bay complex
- These include the recently discovered Tesla zone



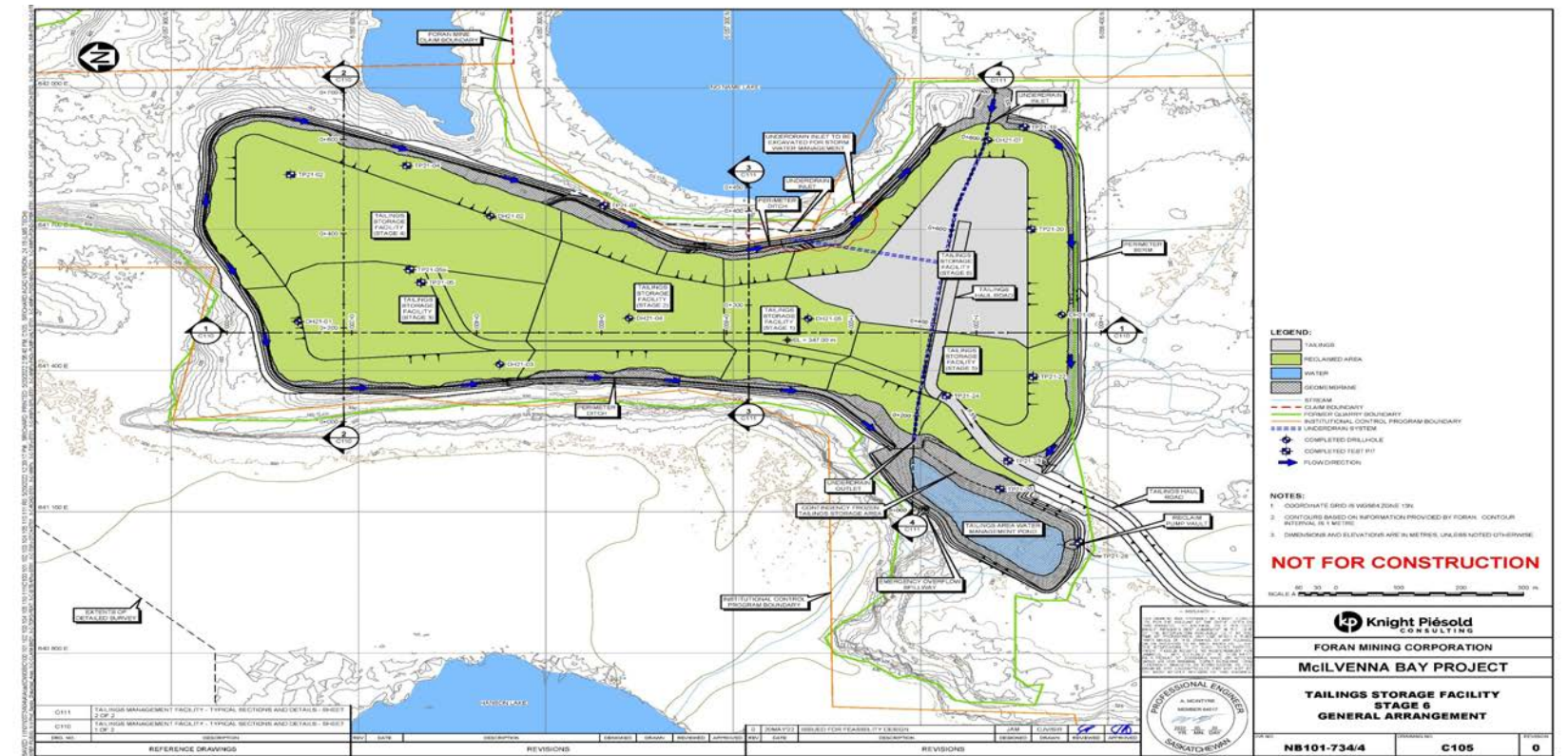


# Tailings Management

- Non-acid generating tailings will be stacked on surface over the life of mine in an engineered, lined tailings storage facility (TSF)
- The TSF will be constructed in a previously developed area
- The TSF will be constructed and revegetated in stages to minimize wind erosion
- Water will be collected from the TSF and treated during mine operations
- The TSF will be a permanent new landform



Stage 1 TSF

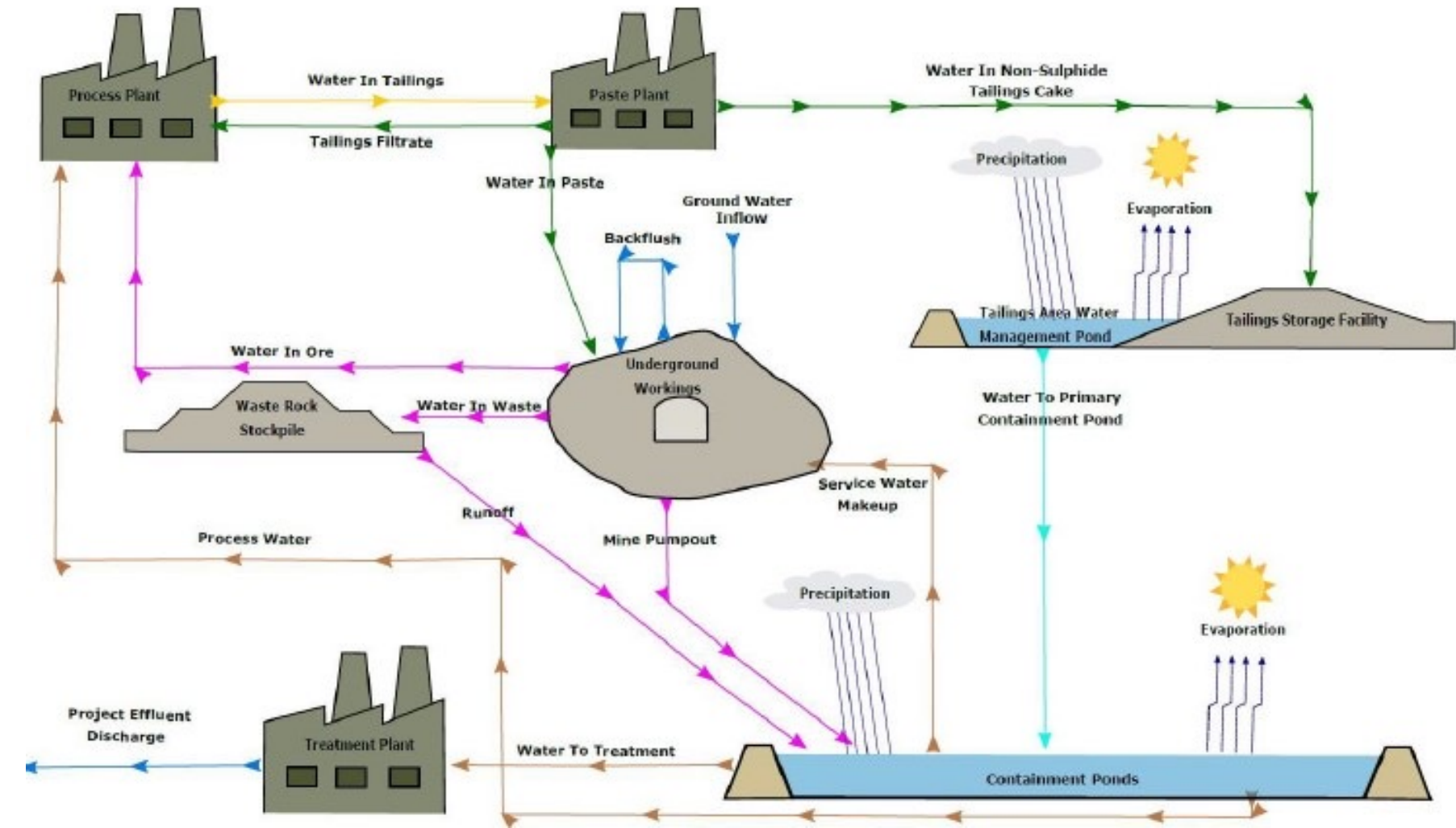


Stage 6 TSF



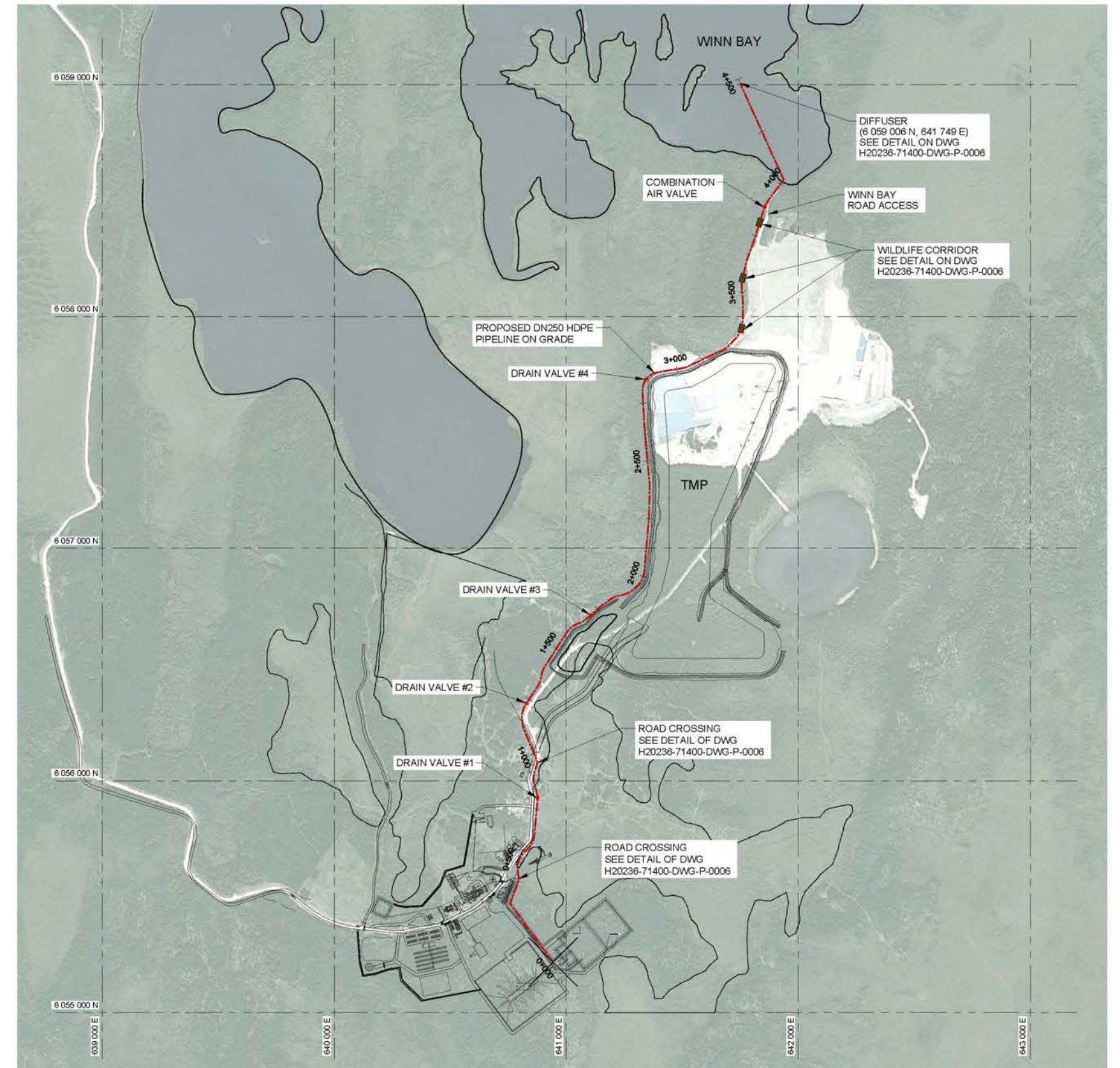
# Water Management

- Water that becomes contaminated by mining and processing operations (effluent) will be collected and treated prior to release to the environment. Water will be collected during operations from:
  - Underground workings
  - Lined waste rock stockpile
  - Lined TSF
- Water is planned to be recycled and reused to reduce the use of freshwater and release of treated effluent to the environment
  - Tailings filtrate will be recycled and reused
- The largest source of water is expected to be the water pumped out from underground
- Conditions that could increase the amount of water on site (mine inflow or high precipitation) have been considered



# Treated Effluent Discharge

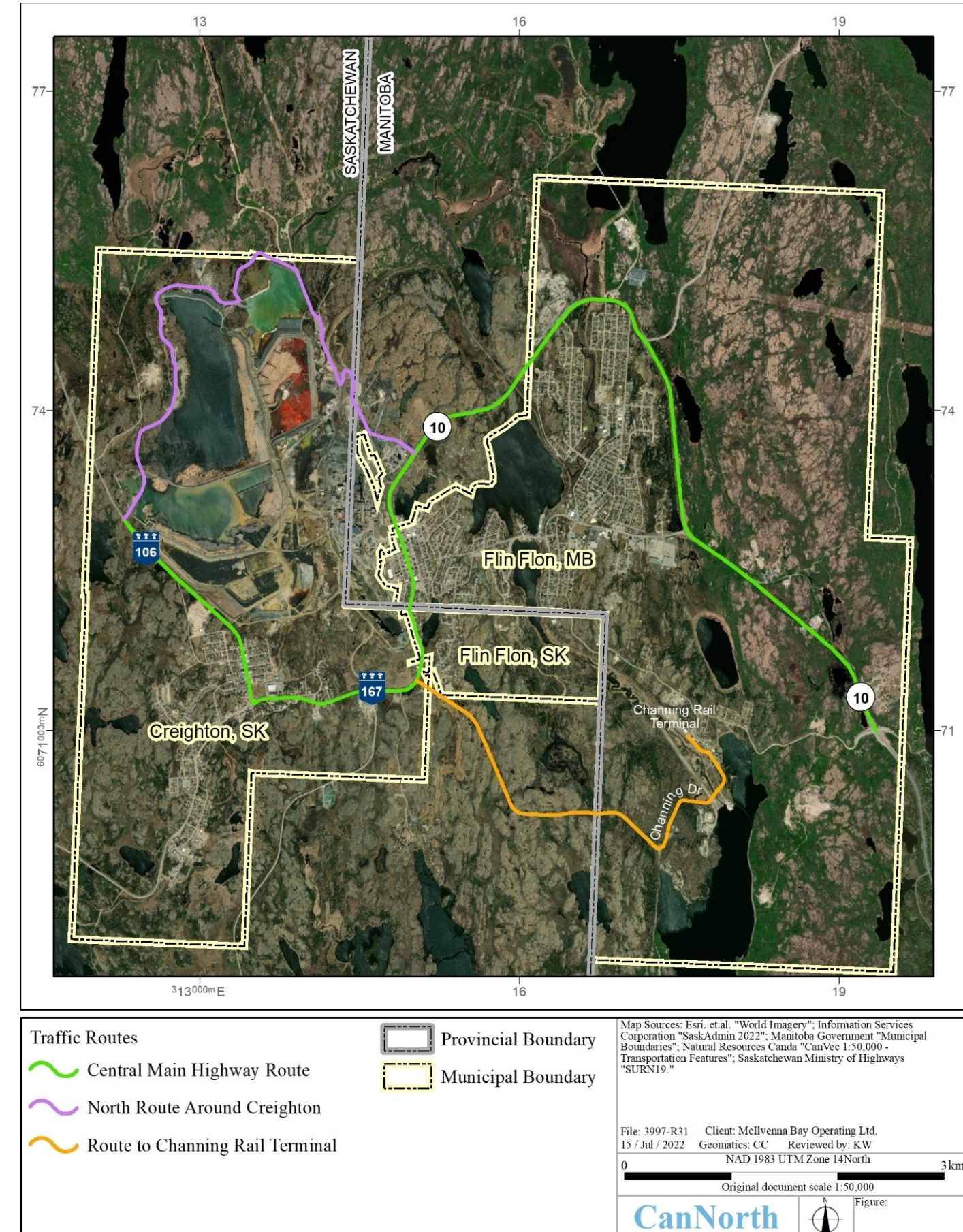
- Effluent collected in the containment pond will be treated and released to Winn Bay of Hanson Lake at approximately 3 m depth
- The location of the diffuser within Winn Bay was modified during project design based on feedback from the Peter Ballantyne Cree Nation
- The effluent treatment plant will include multi-step treatment to address several constituents that are likely to be elevated in the effluent
- The study of the best available technology that is economically achievable for the treatment process is being collaboratively completed with the Peter Ballantyne Cree Nation





# Traffic and Transportation

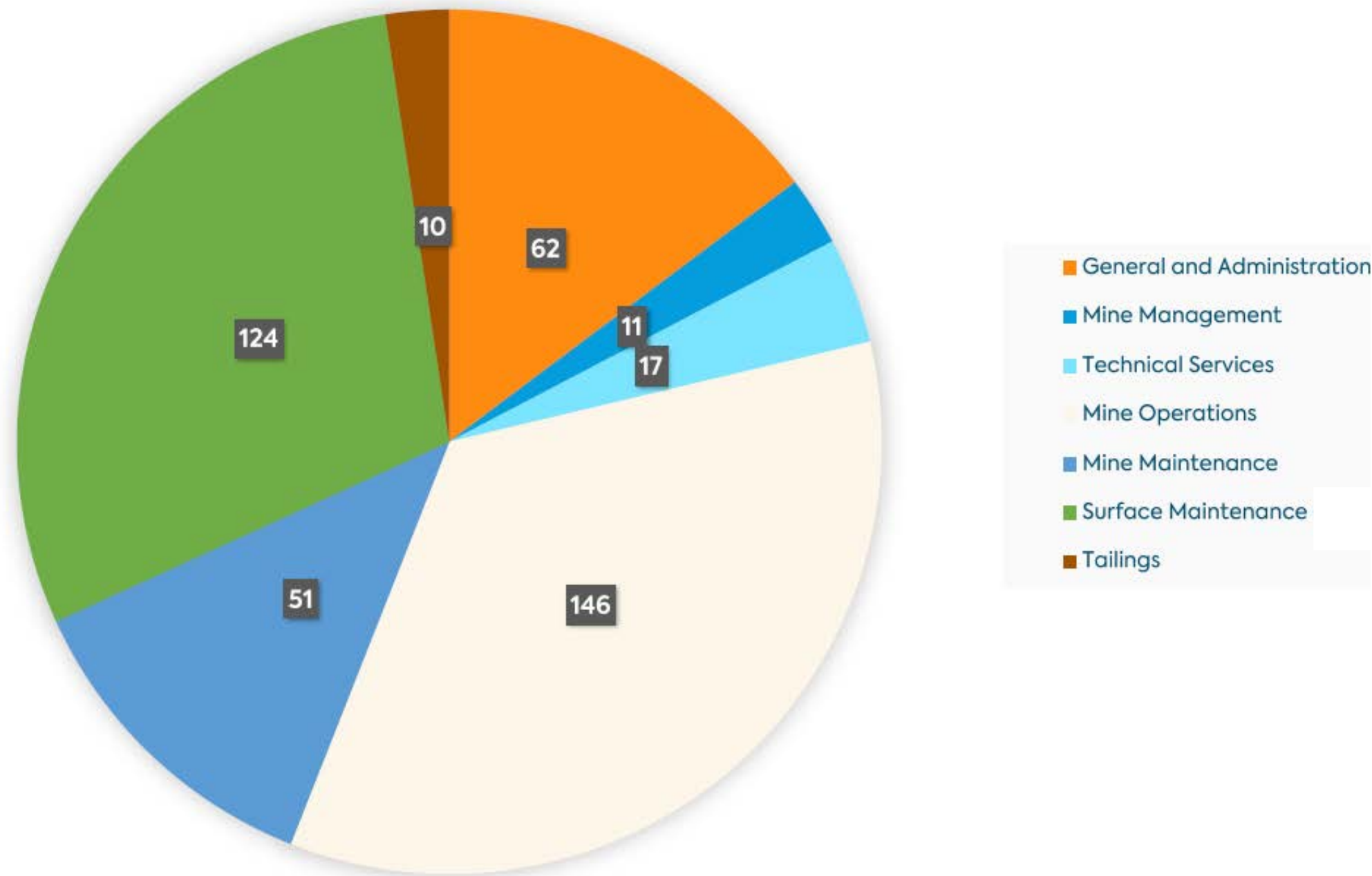
- Traffic on Highway 106 is estimated to increase by 11% (4% to 12%)
- A final routing or destination for ore concentrate has not been selected
- MBO will complete a detailed assessment of the final ore concentrate routing once selected





# Employment and Accommodation of Workforce

Employment During Operations



- Up to 800 jobs during construction, mostly contractors
- Up to 480 jobs during operation, mostly employees
- Preference to Resident's of Saskatchewan's North (RSN)
  - Some positions will be targeted for CHCN members
- MBO will offer internal training and development opportunities for full-time employment positions
- Most jobs will work two weeks in/ two weeks out and stay at an on-site camp during their work shift
- Coordinated transport of employees from pick-up points is planned with hubs to be determined



# Regulatory and EIA Process Update

- The McIlvenna Bay Project requires several approvals and permits from the Government of Saskatchewan to proceed
  - An environmental impact assessment (EIA) process must be completed.
  - Leases to occupy crown land and mine the deposit and permits to build and operate works
- Through the EIA process, we have met regularly with CHCN leadership and their representatives to share technical information and completed one community information session to share information on the Project. Two additional community information sessions are possible:
  - One prior to submission of the final EIS (now to February 2022)
  - One when the final EIS is public
- The draft EIS was made available to CHCN and its consultants on November 10, 2022 for additional review
  - MBO intends to receive comments from the Government of Saskatchewan and rightsholders and revise the EIS to address these comments.

# How is the EIA conducted?



- The Project
- Design features to reduce effects
- Current conditions for the environment and people

- Valued components
- Indicators to measure change
- Potential effects
- Study areas
- Methods

- Characterize predicted effects

- Additional design features
- Management practices

- Monitoring
- Follow up measures





# Valued Components

- A broad and comprehensive list of aspects of the environment and people was developed
- CHCN leadership also helped to identify the priority areas and species to evaluate for the EIA including Suggi Lake, Windy Lake, Hobbs Lake, the Saskatchewan River Delta, the Saskatchewan River near Cumberland House, woodland caribou, moose and muskrat, wetlands and peatlands, certain fish species, and the alvars ecosystem.

## AIR AND NOISE

- Air quality
- Noise and vibration
- Greenhouse gas emissions

## WATER

- Groundwater quantity and quality
- Surface water quantity and quality
- Fish and habitat

## LAND

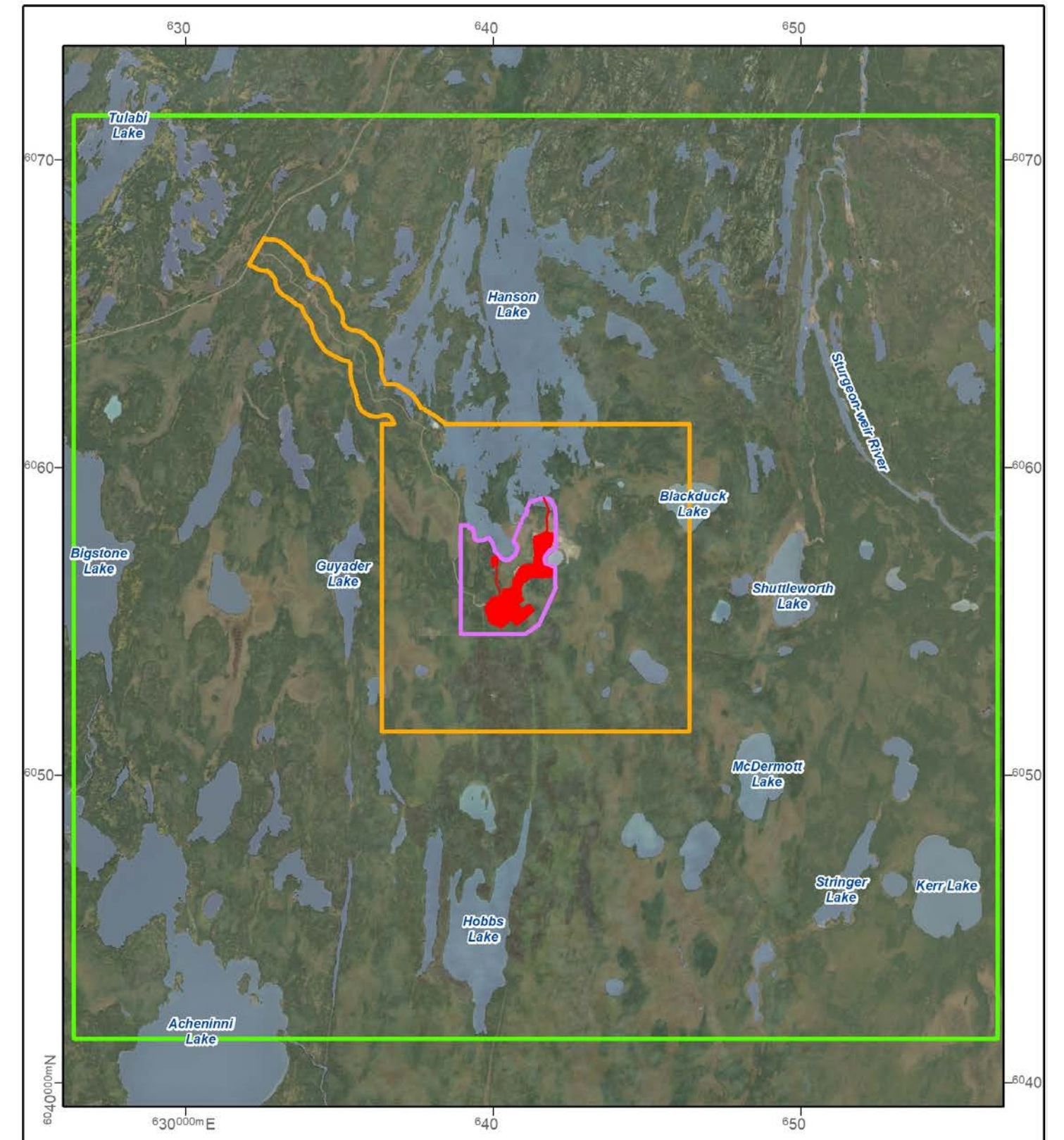
- Soil health
- Vegetation and unique ecological habitat
- Wildlife and habitat
- Woodland caribou and habitat

## PEOPLE

- Traditional land and resource use
- Non-traditional land and resource use
- Human health
- Worker safety
- Heritage resources
- Economic wellbeing
- Community wellbeing

# Air Quality

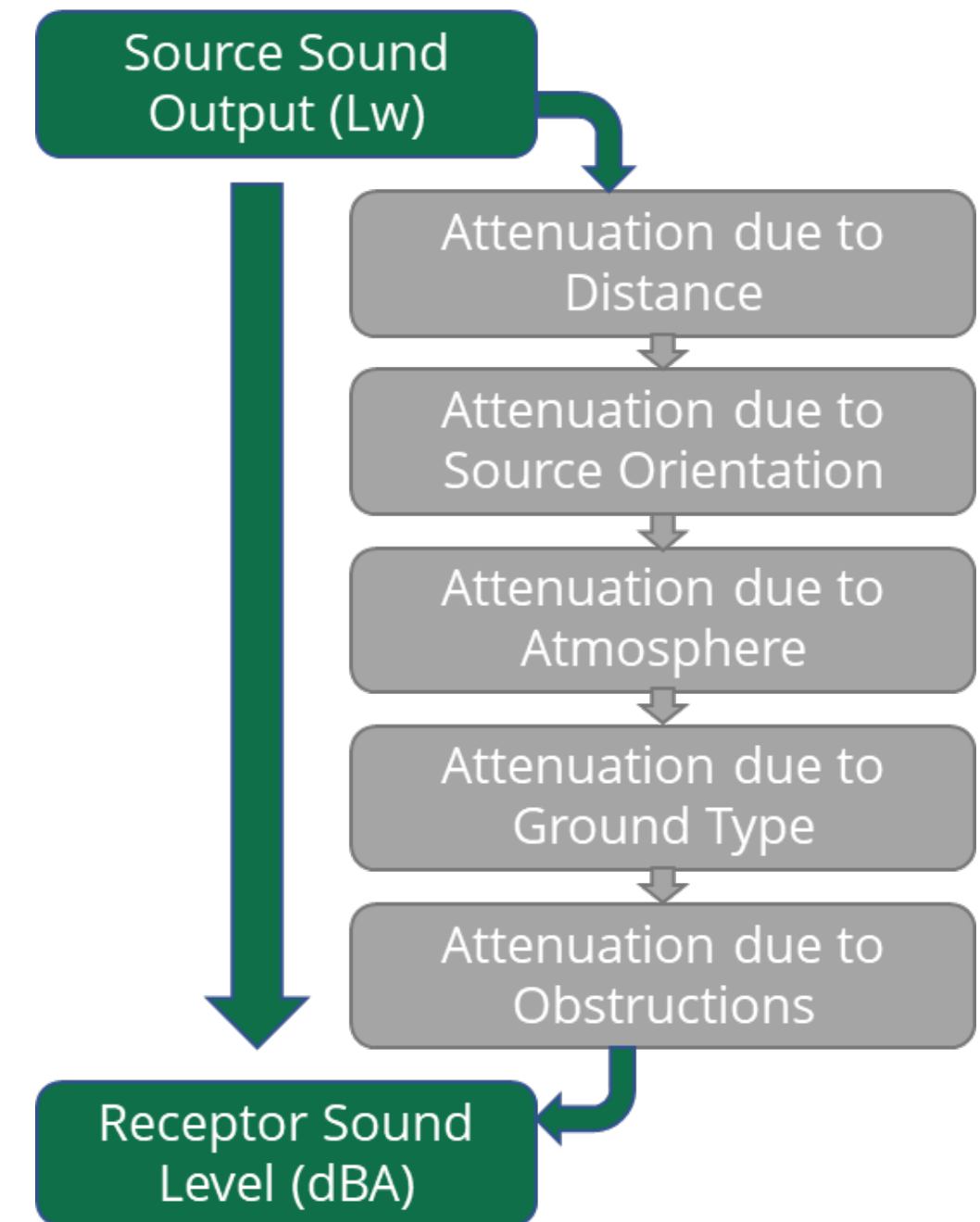
- Changes in air quality could affect water, land, and people
- A model was used to predict changes within 30 km of the site and along Highway 106. The model predicted that:
  - Dust, nitrogen oxides, and sulphur dioxide would be higher than air quality standards and health-based guidelines for a small amount of time in the year on the surface lease boundary and within 10 km of the site
  - Dust and gaseous pollutants would be lower than health-based guidelines at locations where humans could be including Hanson Lake Cabins, Bad Carrot Lake, Limestone Lake, and Hobbs Lake
  - Dust deposited in surface water, soil, and vegetation would not result in measurable changes
    - Risk to alvars habitat from dust deposition and changes in air quality was determined to be negligible
    - Influence on surface water quality in Bad Carrot Lake, Hobbs Lake, and Suggi Lake from deposition of particulates in air was determined to not be different from baseline
- MBO intends to
  - Monitor air quality through the life of the Project
  - Progressively recover and revegetate the TSF





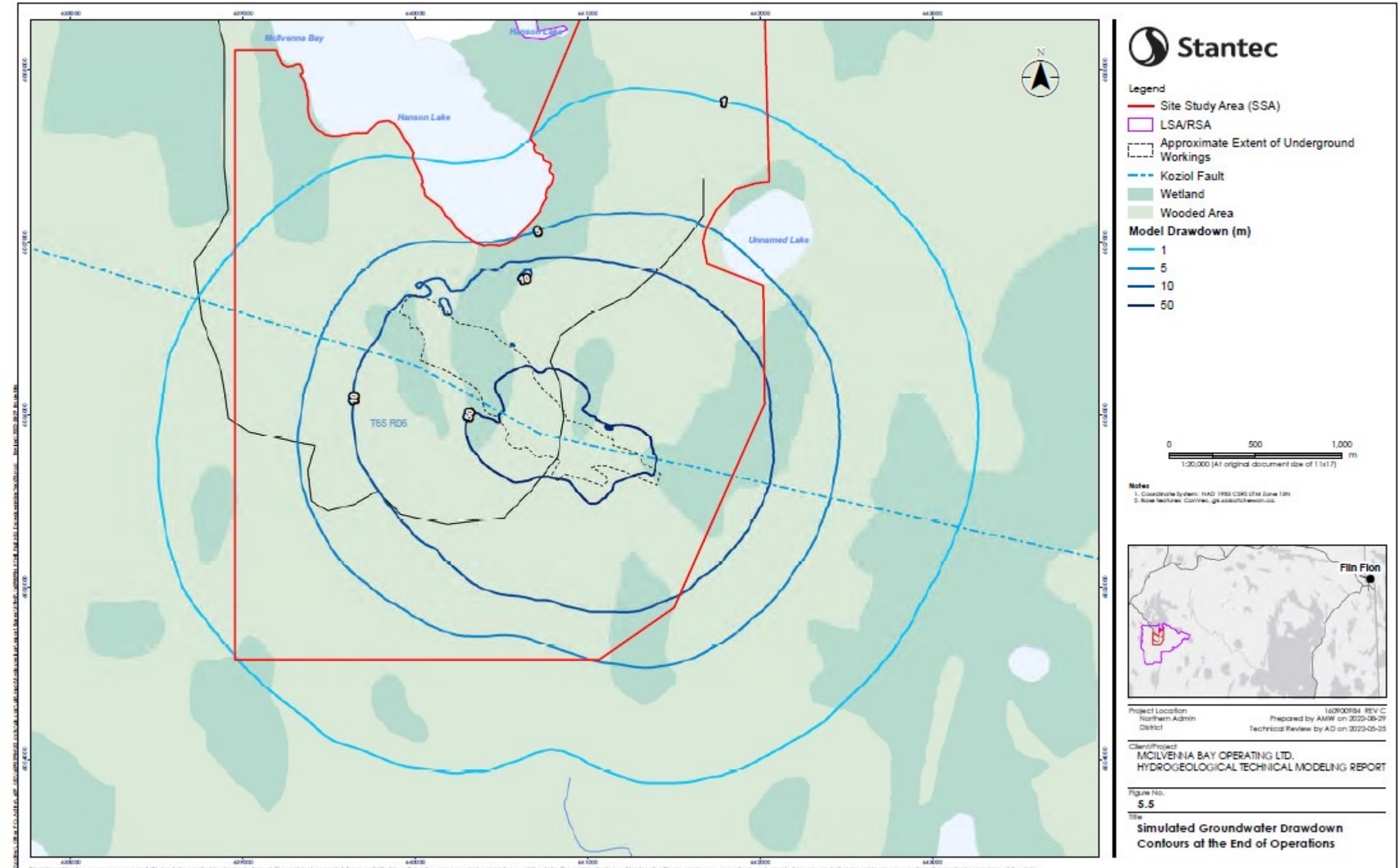
# Noise

- Changes in noise could affect human health and disturb wildlife
- A model was used to predict changes within 30 km of the site and along Highway 106. The model predicted that:
  - The sound level increase at human exposure locations would be barely perceptible to imperceptible at 2 to 3 dBA
  - The sound level increase associated with traffic on Highway 106 during the daytime would be barely perceptible at 3 dBA but would increase at night to 4 to 6 dBA and be perceptible
  - Perceptible changes in noise (to 10 dBA) would occur at night within 1.5 km of the site
- MBO intends to
  - Reduce traffic at night to the extent practical
  - Use BEVs
  - Use noise-reducing features on equipment where practical



# Mine Dewatering

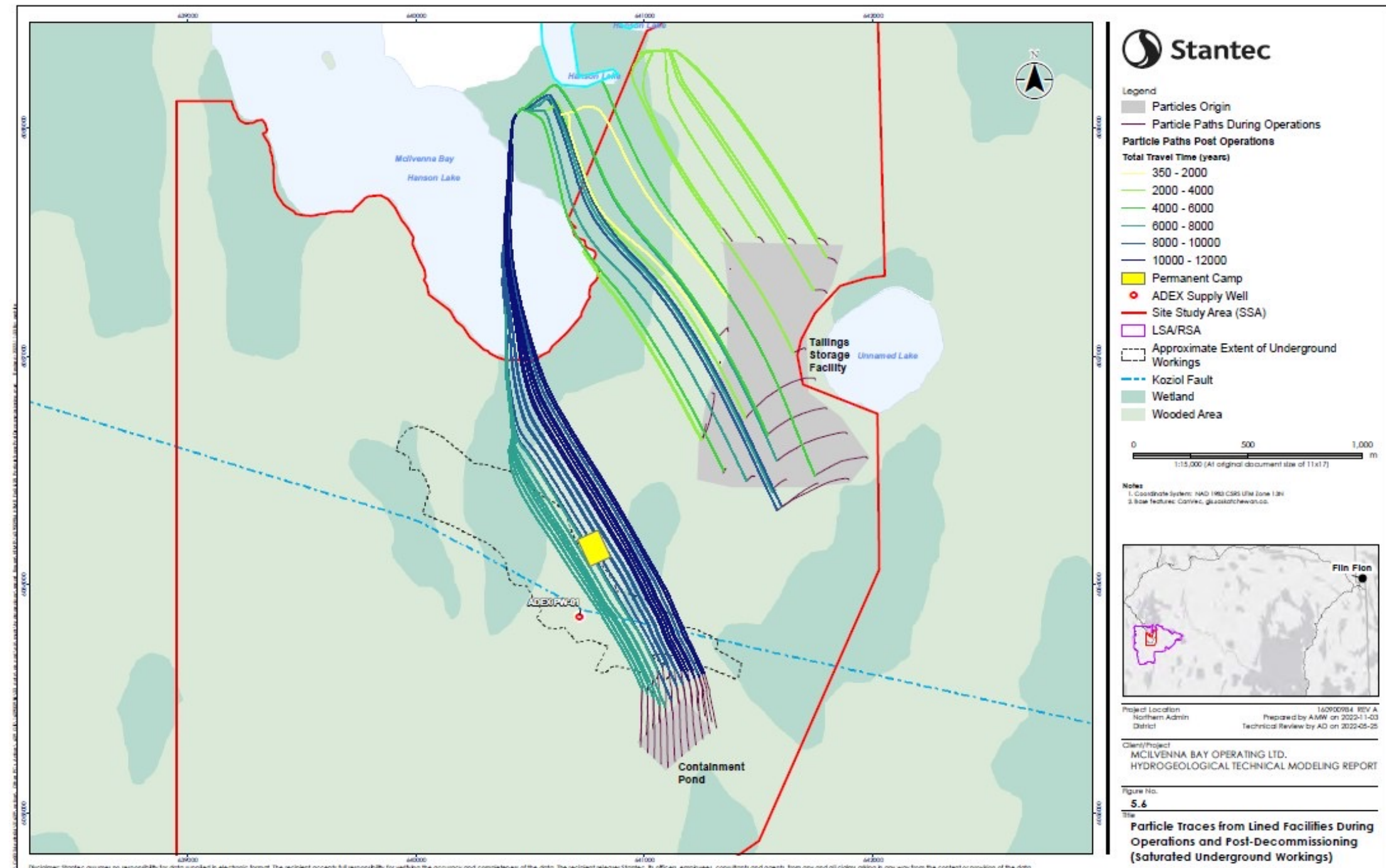
- The dewatering of the underground workings could change groundwater levels
- A model was used to predict the change in groundwater levels. The model predicted that:
  - The groundwater table would be lower by up to 1 m for 1-2 km and more than 10 m lower within 800 m during operations
  - The groundwater table would recover after decommissioning
- MBO intends to:
  - Use grouting to reduce the quantity of water required to be removed from the mine
  - Monitor groundwater levels through the life of the Project





# Groundwater Quality

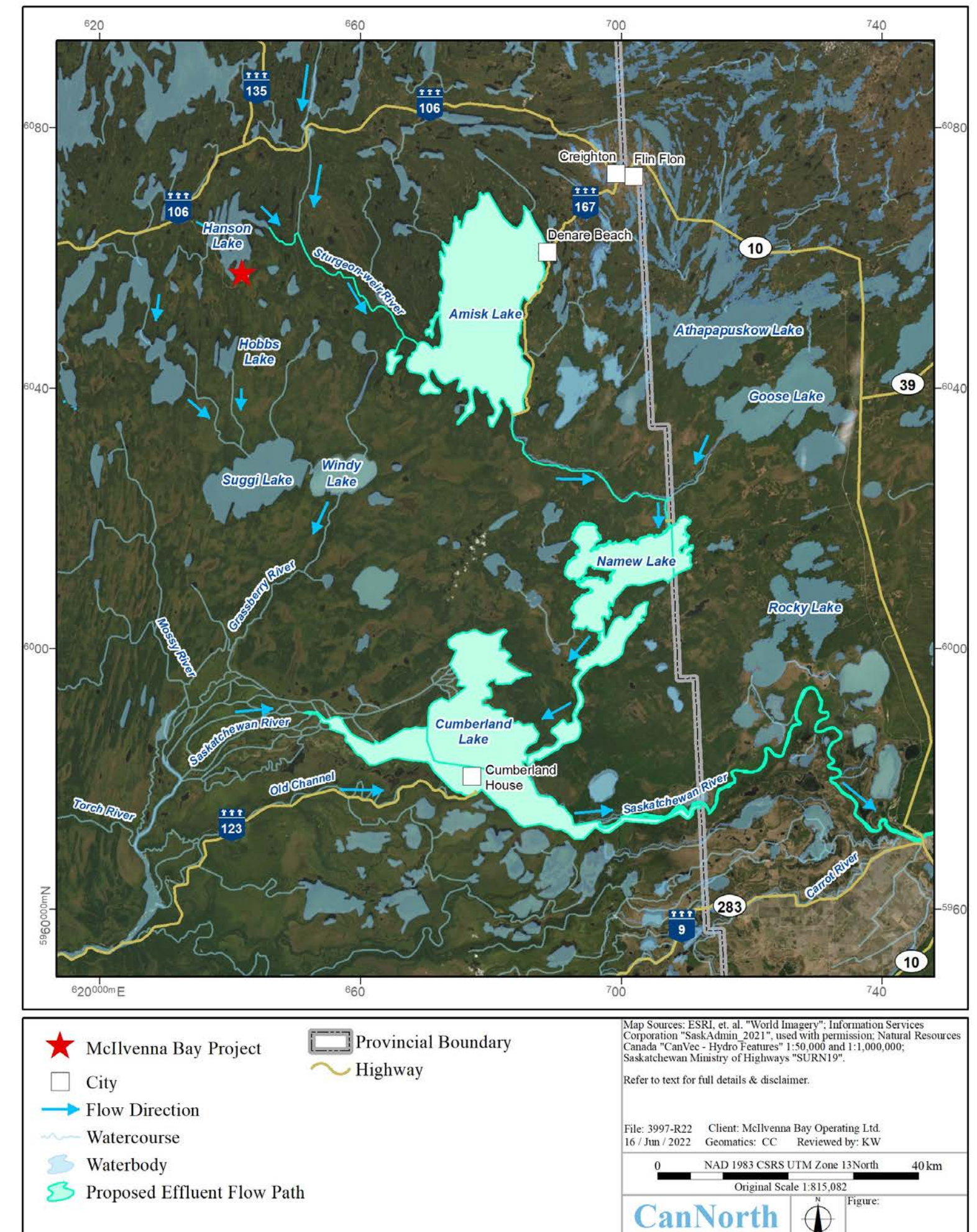
- Mine waste facilities underground and on surface could change groundwater quality
- A model was used to predict change in groundwater quality. The model predicted that:
  - In 2,609 years seepage from the cemented tailings paste could reach Hanson Lake but would have levels of selenium that are unmeasurable and lower than guidelines
  - In 476 years TSF seepage could reach the wetlands adjacent to Winn Bay but quality would be lower than guidelines
  - In 6,094 years containment pond seepage could reach Hanson Lake but quality would be lower than guidelines
- MBO intends to monitor groundwater quality over the lifetime of the Project





# Treated Effluent Release

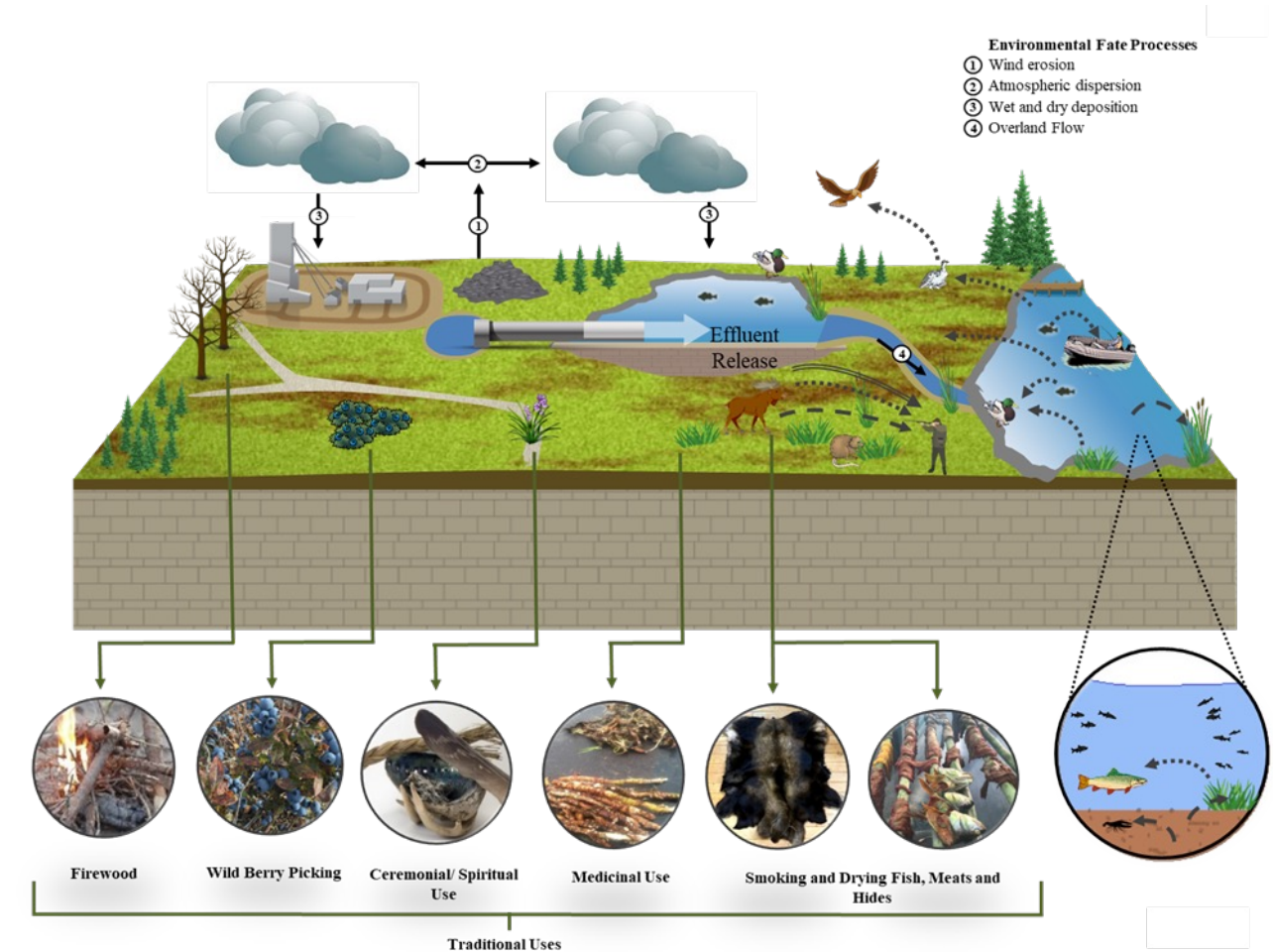
- The release of treated effluent into Winn Bay could affect surface water, fish, plants, wildlife, woodland caribou, and people
- A hydrological model was used to predict changes in water levels within Hanson Lake. The model predicted that:
  - water levels within Hanson Lake would remain within natural ranges
- A contaminant dispersion and transport model was used to predict changes in surface water and sediment quality. The model predicted that:
  - surface water and sediment quality would be lower than guidelines in Hanson Lake and there would be no noticeable changes downstream
  - water in Hanson Lake and downstream in the Sturgeon Weir River, Amisk Lake and at Cumberland House will remain safe to drink
  - cumulative effect on water quality and selenium in fish tissue in the SK River Delta from the effluent release was found to not be different from SK River quality





# Treated Effluent Release

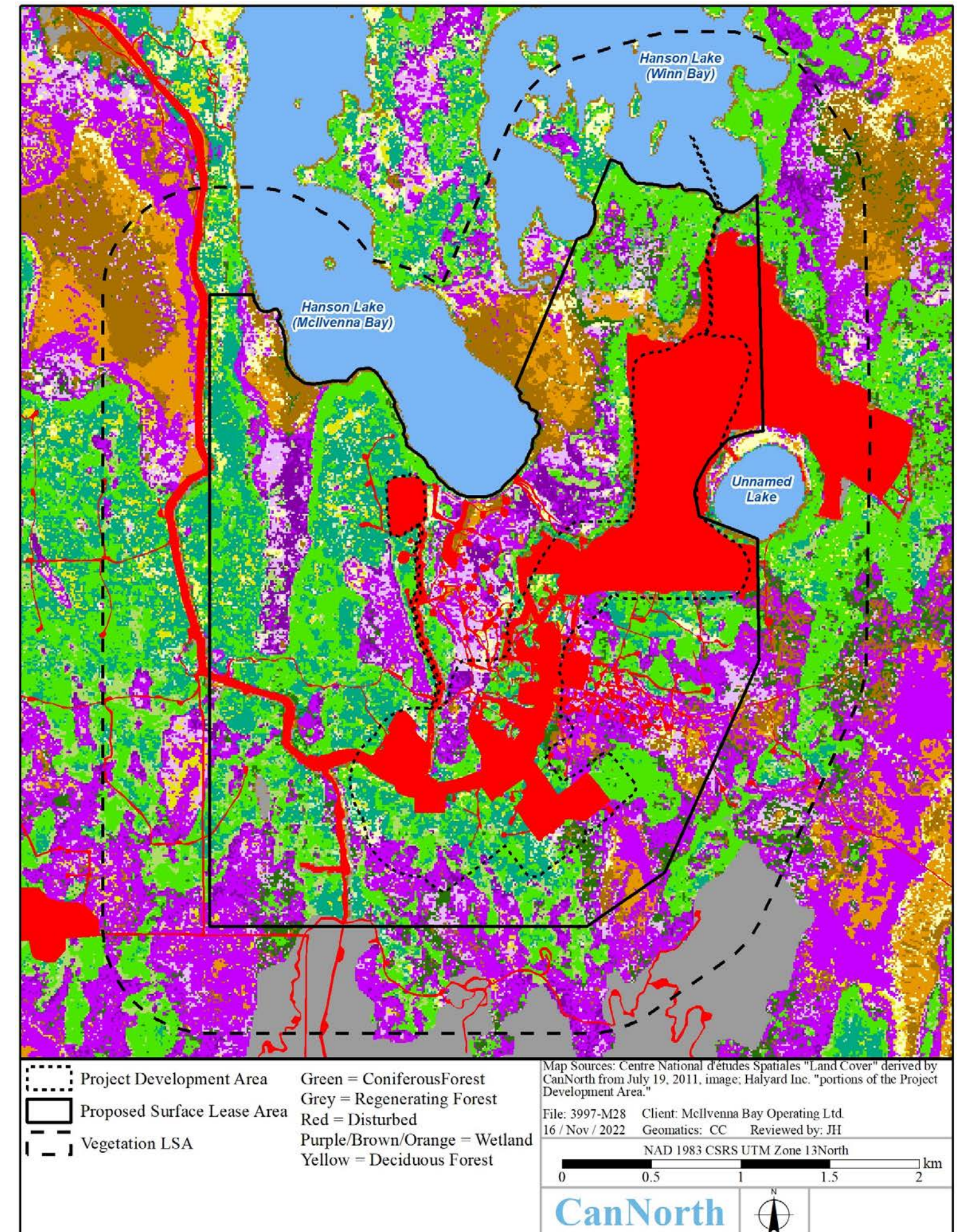
- A human health and ecological risk assessment was used to predict change in the health of fish, plants, wildlife and humans. The model predicted that:
  - There will be no negative changes to the health of fish, plants, wildlife and humans
  - The fish, plants, and animals around Hanson Lake and downstream in the Sturgeon Weir River and Amisk Lake will remain safe to eat
- The location of the treated effluent diffuser avoids sensitive or unique fish habitat and maximizes mixing
- MBO intends to:
  - Locate the treated effluent pipeline and diffuser to avoid sensitive or unique fish habitat and maximize mixing
  - Follow provincial permits and advice from Fisheries and Oceans Canada to install the diffuser
  - Treat effluent to ensure people and the environment remain protected
  - Monitor the treated effluent and the surrounding environment through the lifetime of the Project





# Vegetation

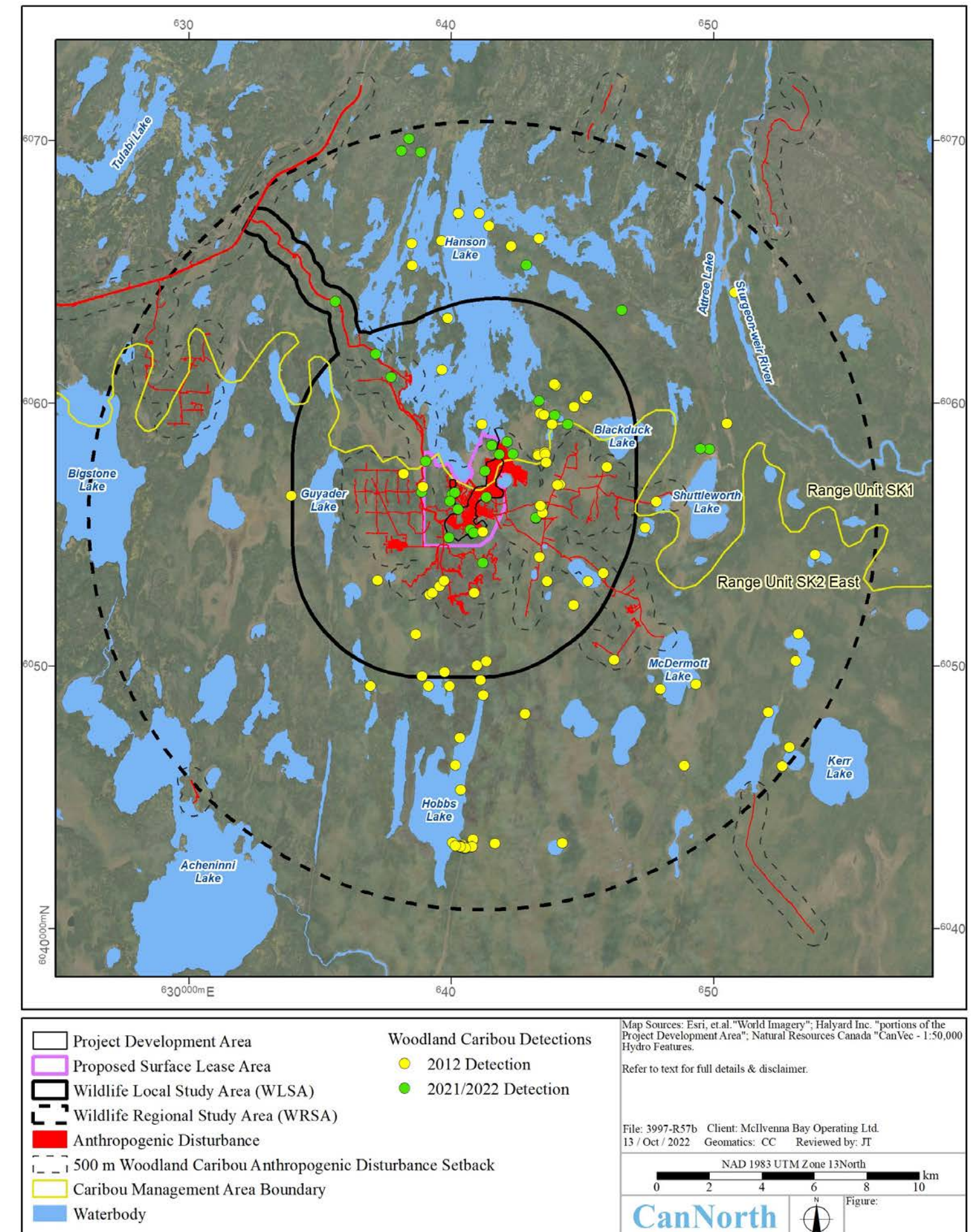
- Building and operating the mine could create loss or change of vegetation
- The waste rock stockpile and TSF will be new permanent landforms
- The loss of habitat was calculated based on the project development area and proposed surface lease area
- The calculation showed that 63% of the project development area is already developed
- The loss of undisturbed habitat is small but measurable, and reversible in the long term (80 years)
- The restoration of previously developed areas at decommissioning will increase reclaimed habitat
- MBO intends to:
  - Complete progressive reclamation of the TSF
  - Develop a preliminary decommissioning and reclamation plan and maintain a liability for decommission tomorrow scenario





# Wildlife and Woodland Caribou

- Building and operating the mine could create loss or change of woodland caribou habitat and wildlife habitat and wildlife movement and mortality
- The waste rock stockpile and TSF will be new permanent landforms
- The loss of habitat was calculated based on the project development area and proposed surface lease area
- A woodland caribou mitigation plan was developed
- The calculation showed that 85% of the project development area is considered functionally lost for woodland caribou
- The loss of undisturbed habitat is small but measurable, and reversible in the long term (80 years)
- MBO intends to:
  - Implement a woodland caribou mitigation plan
  - Complete progressive reclamation of the TSF
  - Develop a preliminary decommissioning and reclamation plan and maintain a liability for decommission tomorrow scenario





# Land and Resource Use

- The building and operation of a mine and residence of employees at an on-site camp may result in the loss and alteration of Crown land available and accessible for land and resource use
- CHCN is completing a study of traditional land and resource use in the area
- MBO intends to:
  - Work with CHCN to complete the traditional land and resource use study and understand how it can be used to inform future decisions and management systems
  - Limit hunting and trapping within the proposed surface lease area
  - Implement a catch and release fishing policy for on-site workers
  - Accompany land and resource users through the site for safety reasons
  - Complete a country foods study in collaboration with CHCN
  - Continue dialogue with land and resource users to identify opportunities to mitigate effects





# People

- Employees will have access to disposable income and may need to live on site during their shifts; effects to family dynamics and mental health may occur along with increased drug and alcohol use, risk of violence, and pressure on community services
- Increased traffic levels on Highway 106 may result in increased risk of accidents and changes to road conditions
- Presence of workers on site may increase risk of injury or accidents, which may increase the number of calls that emergency service providers receive
- MBO intends to:
  - Have a first aid room, nurse/medic, fire truck, and safety office on site
  - Enforce a drug and alcohol policy and offer an Employee Assistance Program with counselling services (financial planning and mental health)
  - Offer mental health awareness training to all employees and information on challenges that workers and families may encounter related to working away from home
  - Work with CHCN to develop culturally sensitive human resource plans







F O R A N

**FOR ADDITIONAL INFORMATION**

Jason Linklater  
Community and Government Lead  
[jlinklater@foranmining.com](mailto:jlinklater@foranmining.com)

---

100 – 318 Wellman Lane  
Saskatoon, Sk, Canada  
S7T 0J1

---

Tel: 306.960.1557  
[www.foranmining.com](http://www.foranmining.com)