

Our Ref: 31233\_Joma\_Mineral\_Resource\_Statement\_July\_2021\_FINAL.docx

29 July, 2021

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**RE: Mineral Resource Statement for the Joma VMS Project, Norway**

## 1 INTRODUCTION

SRK Consulting (Sweden) AB (“SRK”) is an associate company of the international group holding company, SRK Consulting (Global) Limited (the “SRK Group”). SRK has been requested by Bluelake Mineral (“Bluelake”, hereinafter also referred to as the “Company” or the “Client”), through their Norwegian subsidiary, Joma Gruver AS (“Joma Gruver”), to undertake a Mineral Resource estimate (“MRE”) for the Joma copper (Cu) zinc (Zn) volcanic massive sulphide (“VMS”) deposit (the “Project”), located in Norway.

The MRE technical report is currently being developed, and a preliminary economic study (“PEA”) is due to commence shortly, however as an interim step SRK has provided the Mineral Resource Statement to assist with the Company’s internal discussions, business strategy, and to support the public declaration of the Mineral Resource Statement.

## 1.1 Mineral Resource Statement

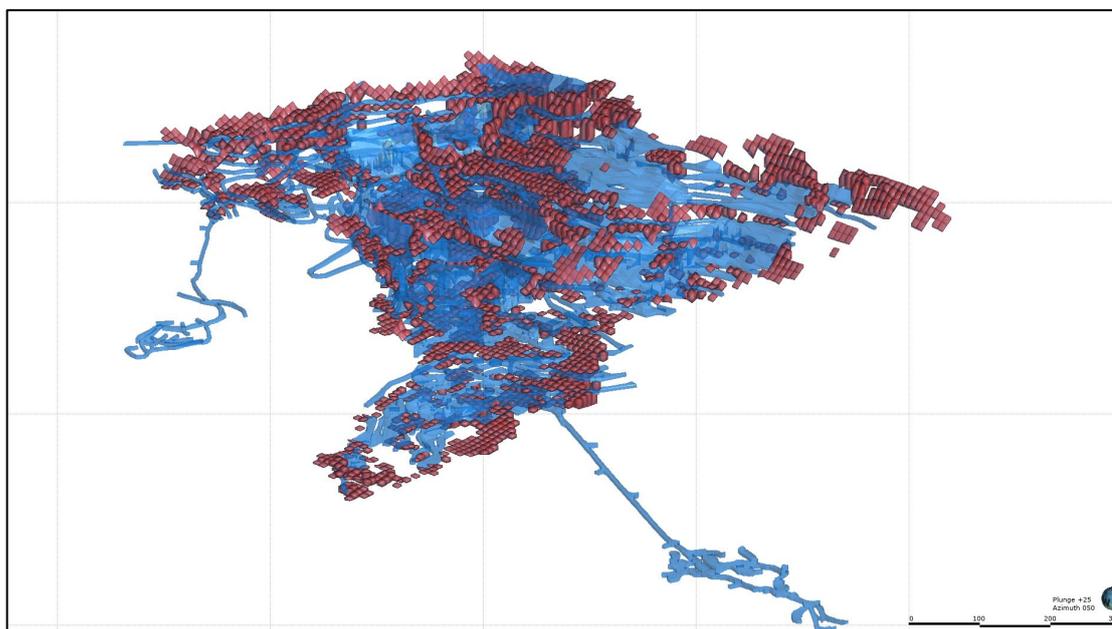
The SRK 2021 Mineral Resource Statement for the Joma Cu and Zn VMS deposit is presented in Table 1-2. The MRE is reported and classified in accordance with the CIM Definition Standards for Mineral Resources and Mineral Reserves (May 2014) and NI43-101 Standards of Disclosure for Mineral Projects (May 2016). In order to determine the quantities of material offering “...reasonable prospects for eventual economic extraction”, according to CIM requirements, by underground mining methods, SRK has used reasonable mining and processing assumptions to develop reporting cut-off net-smelter return (‘NSR’) values. These are based on discussion with BlueLake and benchmarked against other similar projects, where appropriate. Historical production records were used to provide the processing parameters. The parameters associated with the NSR calculation are provided in Table 1-1. The metal prices for Mineral Resource reporting are based on 2021 long-term consensus market forecast data, which includes a 30% premium, and therefore includes a certain degree of optimism, and supports the “reasonable” and “eventual” reporting components for Mineral Resources. In conjunction with this, SRK also ran a mineable stope optimiser (“MSO”) using the minim stope dimensions of 10m x 10m x 3m in order to define potential realistic mining targets to be generated. The resultant MSO shapes were used to constrain the reporting of the Mineral Resource. Furthermore, SRK notes that the majority of the defined MSO stopes occur within 50m of the depletion survey for the mine as shown in Figure 1-1. SRK notes that before the material included in the Mineral Resources can be included in any kind of mine planning exercise, or other such technical study, additional work, such as infill drilling or geotechnical assessments are recommended.

The Joma in situ Mineral Resources Statement, as declared for the Joma Project, as at 29 July 2021, as depleted to reflect the current understanding of mining, and limited to material falling within the defined MSO shapes, amounts to:

- No Measured Mineral Resources;
- Indicated Mineral Resources of some 5.6 Mt with a mean Cu and Zn grade of 1.04% and 1.67% respectively.
- Inferred Mineral Resources of some 0.3 Mt with a mean Cu and Zn grade of 0.9% and 1.3% respectively.

**Table 1-1: Mineral Resource reporting: technical and economic assumptions for Joma**

Input Summary	Units	Copper Circuit	Zinc circuit
<b>Metal Price</b>			
Cu	USD/t	8,600	
Zn	USD/t	2,800	
<b>Processing</b>			
Cu Recovery	%	87	76
Zn Recovery	%	5	0
<b>Operating Costs</b>			
Mining Cost In-Situ	(USD/t <sub>rock</sub> )	31.8	
Processing, G&A	(USD/t <sub>ore</sub> )	14.5	
Cu Payable	%	95.8	
Zn Payable	%	84.6	
<b>Mineral Resource NSR Reporting Cut-Off (after rounding)</b>			
In situ	USD/t <sub>ore</sub>	50	



**Figure 1-1: North east view of the MSO shapes (red) in relation to the depletion survey (blue). The MSO shapes are used to constrain the reporting of the Mineral Resources.**

**Table 1-2: SRK Mineral Resource Statement for the Joma Project, Norway, as of 29 July 2021**

Classification	Tonnes (Mt)	Cu %	Zn %	NSR (USD/t <sub>ore</sub> )	Contained Metal: Cu (Kt)	Contained Metal: Zn (Kt)
Measured Mineral Resources	-	-	-	-	-	-
Indicated Mineral Resources	5.6	1.04	1.67	94.63	58.41	94.11
Inferred Mineral Resources	0.3	0.9	1.3	82.4	3	4.3

In reporting the Mineral Resource Statements, SRK notes the following:

- Mineral Resources have an effective date of 29 July 2021, and have been depleted to reflect the current understanding of the mining completed up to the date of the mine closure (1998);
- Three primary lenses of mineralisation were interpreted and modelled, alongside six smaller lenses. The majority of the smaller lenses are interpreted to be separate to the larger mineralisation volumes. The larger lenses are interpreted to coalesce and bifurcate. For reporting the Mineral Resource, SRK has combined all of the modelled domains across the entire deposit;
- Mineral Resources are reported as in situ and undiluted. The Mineral Resources are reported within mineable stope optimiser shapes, generated using a net smelter return of 50 USD/t<sub>ore</sub>, with a minimum stope shape of 10mX x 10mY x 3mZ using a Cu and Zn price of 8,600 and 2,600 USD/t respectively. Given these parameters, SRK considers there to be reasonable prospects for eventual economic extraction, and as such, fulfil the requirements for reporting a Mineral Resource;
- Mineral Resources are not Ore Reserves and do not have demonstrated economic viability, nor have any mining modifying factors been applied;
- The reported Mineral Resources have an effective date of 29 July 2021. The Competent Person for the declaration of Mineral Resources is Dr Lucy Roberts, MAusIMM(CP), of SRK Consulting (UK) Ltd. The Mineral Resource estimate was authored by a team of consultants from SRK;
- As of 29 July 2021, SRK has not yet completed a site visit. The site visits have been delayed due to the ongoing travel restrictions caused by the ongoing COVID pandemic. SRK plans to complete a site visit to the Joma project in August or September 2021. In order to verify the historical data, prior to the site visit, SRK has reviewed the digital database, reviewing a re-sampling programme of historical core, reviewing core photographs, and reviewing of available quality control and quality assurance data, from both the historical drilling campaigns and the 2021 re-sampling, and
- Tonnages are reported in metric units, with metal grades in percent (%). Tonnages and grades are rounded appropriately. Rounding, as required by reporting guidelines, may result in apparent summation differences between tonnes, grade and contained metal content. Where these occur, SRK does not consider these to be material.

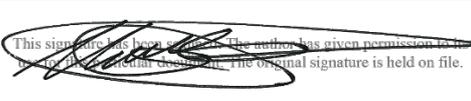
**For and on behalf of SRK Consulting (UK) Limited**

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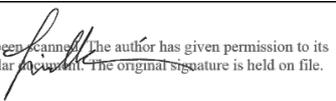
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