



**NORTHISLE**  
COPPER AND GOLD INC.

TSX-V: NCX



FEBRUARY 2021

# 2021 PEA

***BUILDING CANADA'S LEADING SUSTAINABLE MINERAL  
RESOURCE COMPANY FOR THE FUTURE***

## Cautionary Disclaimer Regarding Forward-Looking Statements and Information

Certain of the statements and information in this press release constitute “forward-looking statements” within the meaning of the United States Private Securities Litigation Reform Act of 1995 and “forward-looking information” within the meaning of applicable Canadian securities laws. Forward-looking statements and information generally express predictions, expectations, beliefs, plans, projections, or assumptions of future events or performance and do not constitute historical fact. Forward-looking statements and information tend to include words such as “may,” “expects,” “anticipates,” “believes,” “targets,” “forecasts,” “schedules,” “goals,” “budgets,” or similar terminology. Forward-looking statements and information herein include, but are not limited to, statements with respect to the completion of the Proposed Arrangement and the expected structure thereof; anticipated shareholder, court and regulatory approvals; and the expected timing of closing of the Arrangement. All forward-looking statements and information are based on NorthIsle’s or its consultants’ current beliefs as well as various assumptions made by and information currently available to them. These assumptions include, without limitation that shareholder and court approvals to the Proposed Arrangement will be obtained in a timely manner, and that regulatory approvals will be available on acceptable terms. Although management considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect. Forward-looking statements and information are inherently subject to significant business, economic, and competitive uncertainties and contingencies and are subject to important risk factors and uncertainties, both known and unknown, that are beyond NorthIsle’s ability to control or predict. Actual results and future events could differ materially from those anticipated in forward-looking statements and information. Examples of potential risks are set forth in NorthIsle’s annual report most recently filed with the U.S. Securities and Exchange Commission and the Canadian Securities Administrators as of the date of this press release. Accordingly, readers should not place undue reliance on forward-looking statements or information. NorthIsle expressly disclaims any intention or obligation to update or revise any forward-looking statements and information whether as a result of new information, future events or otherwise, except as otherwise required by applicable securities legislation.

*John McClintock, P Eng. is the **Qualified Person** responsible for the technical content of this presentation*

# The Time is NOW for Northisle

## 2021 PEA Highlights Robust Copper-Gold Project<sup>1</sup>

- ▶ **Superior economics with significant exposure to Cu, Au, Mo + Re**
  - Long mine life of 22 years with average annual production of 177mlbs CuEq. over the first 6 years, including 112mlbs of copper, 112koz of gold and 2.7mlbs of molybdenum
  - Average annual after-tax free cash flow of C\$321 million during the first 6 years and C\$224 million over the life of the operation
  - First quartile AISC of C\$0.77/lbCu (net of byproducts) and C\$2.01/lbCuEq over first 6 years
  - Attractive economics with C\$1.1 billion After-tax NPV (8%) and 19% After-tax IRR
  - Short payback of 3.9 years driven by modest capex of C\$1.4 billion due to excellent infrastructure from historical mining and other industrial activity
- ▶ **Committed to sustainable development**
  - Northisle will pursue a collaborative approach to consultation with First Nations and local communities

## Exceptional Leadership

- ▶ **Sam Lee, President & CEO: +\$100 billion of M&A and equity transactions over 20 years**
- ▶ **Dale Corman, Chairman: Former CEO of Western Silver and Gold - \$1.2 billion merger with Glamis**
- ▶ **Jack McClintock, VP Exploration: 1998 PDAC prospector of the year award, Spence deposit, Chile**
- ▶ **Kevin O’Kane, Director: ~40yrs of mining experience with BHP and SSR including 12yrs as Chief Mining Eng. at Island Copper Mine**

## Premier Mining Jurisdiction

- ▶ **British Columbia ranks within the top quartile of the best mining jurisdiction in the world**
  - Five copper-gold mines already in production with similar grade profiles to North Island Project
  - The Fraser Institute ranks British Columbia within the top quartile of best jurisdictions to invest in
  - Well established permitting process

## Exploration Upside

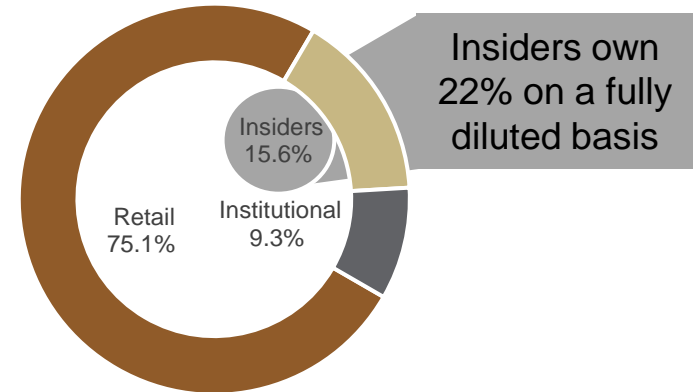
- ▶ **District play with over 50 km of strike and numerous exploration targets including**
  - Pemberton Hills target: potential for Reservoir-type deposit
  - Red Dog, NW Expo and Goodspeed targets provide opportunity for additional tonnage near existing resources
  - In-fill and step-out at Hushamu to increase resource quality and option for additional scale

# Corporate Snapshot

## CAPITAL STRUCTURE

Shares Outstanding	146,419,194
Market Capitalization (C\$0.31 – Feb 3, 2021)	C\$45 million
Options (C\$0.05 – C\$0.28)	13,125,000
Warrants	-
Fully Diluted	159,544,194
Cash	C\$3.4 million
Debt	-

## SHAREHOLDER DISTRIBUTION



## ANALYST COVERAGE



Michael Gray

## SHARE PRICE



**NCX**  
TSXV

# Strong Leadership

Proven Mine Finders, Developers and Financiers

## **Sam Lee** *President & CEO*

Advised on +\$100 billion of M&A and equity transactions over 20 years including several large porphyry projects

## **Dale Corman** *Chairman*

### **Peñasquito Deposit**

Discovery through to Feasibility  
Sold to Glamis Gold for \$1.2 billion

## **Kevin O’Kane** *Director*

### **Spence, Cerro Colorado & Minera Escondida (BHP)**

Former Chief Mining Engineer at the Island Copper Mine (12 years)

## **Jack McClintock** *VP Exploration*

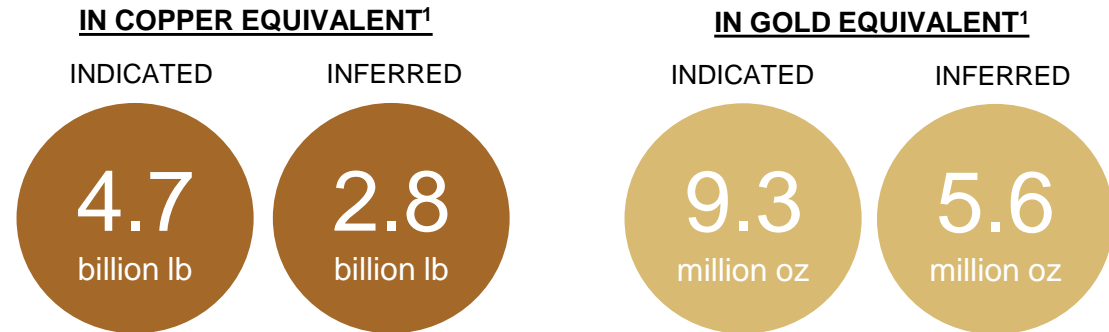
### **Discovered Spence Deposit (BHP)**

Production: ~230ktCupa  
Current Resource: 1.35bt @ 0.49%CuEq<sup>1</sup>  
Discovery Cost: C\$5 million

# North Island Overview

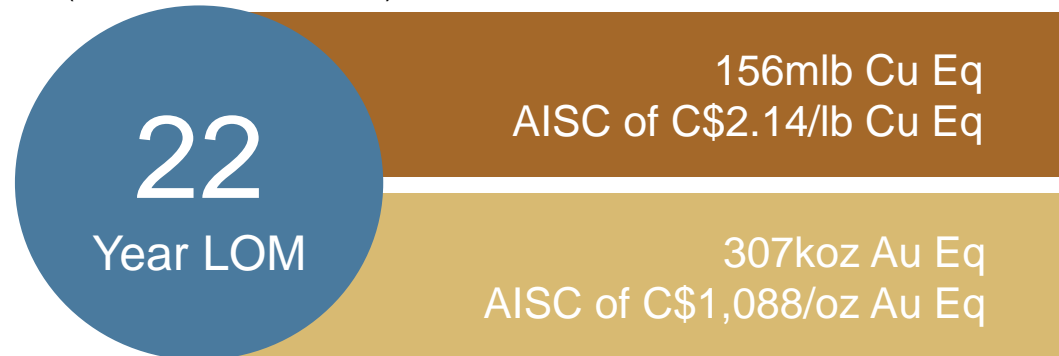
- Owner of 50km of copper gold porphyry trend on northern Vancouver Island
- Access to pre-existing BHP infrastructure in a mining-friendly community
- 2021 PEA highlights robust operation at 100% North Island Project
  - ✓ Straight forward mining
  - ✓ Right sized
  - ✓ Manageable
- 100% owned Pemberton Hills target
- Sound capital structure with no warrants outstanding
- District scale land position

## NORTH ISLAND PROJECT RESOURCE



## NORTH ISLAND PROJECT ANNUAL PRODUCTION PROFILE

(BASED ON 2021 PEA<sup>2</sup>)

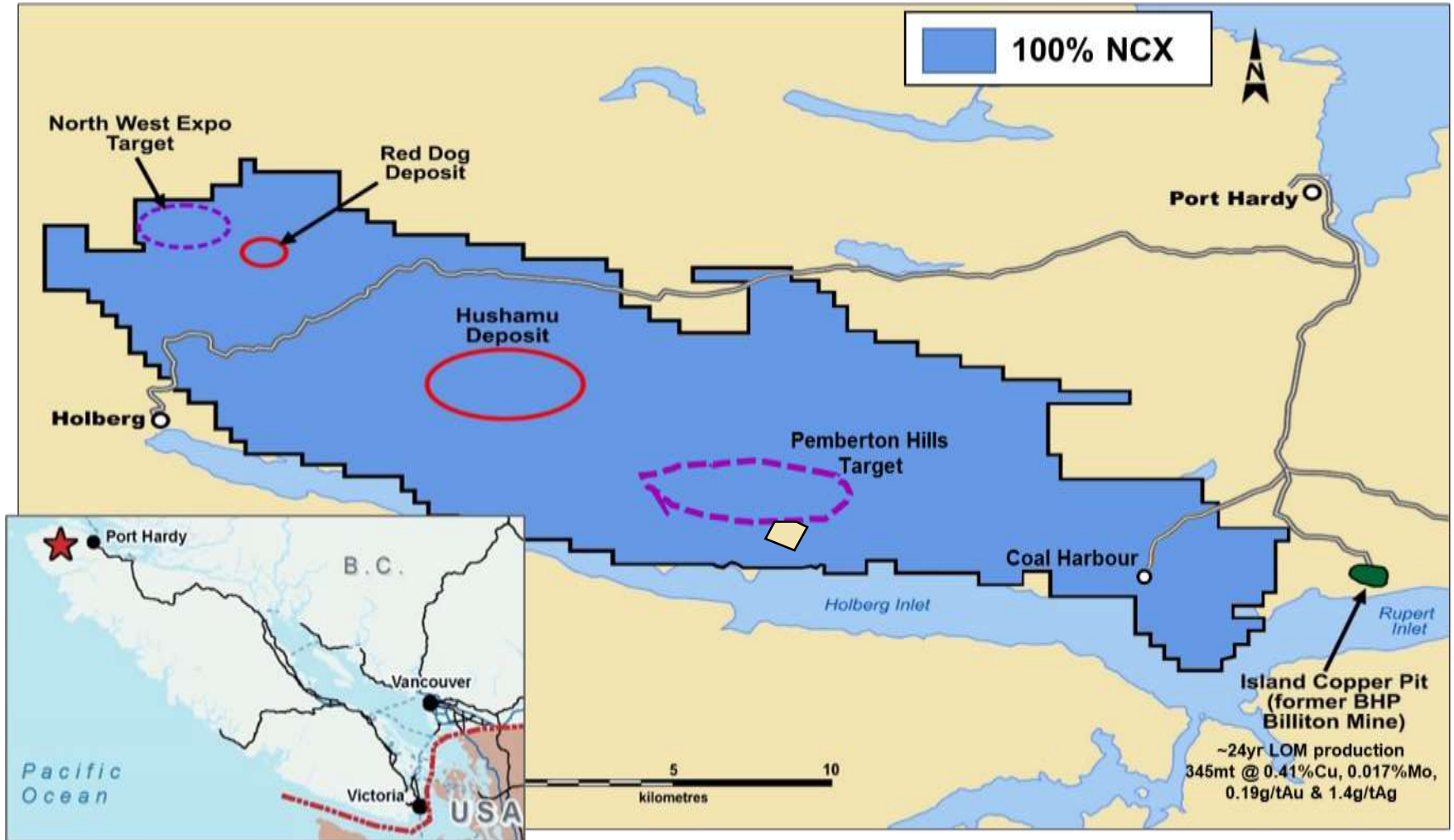


1. Cu & Au Eq calculated using US\$3.25/lb Cu, US\$1650/oz Au, US\$10.00/lb Mo and US\$1,256/kg Re and not adjusted for mining and metallurgical recoveries as these remain uncertain.

2. The Preliminary Economic Assessment ("PEA") is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would allow them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized.

# Advancing a 50km Porphyry District

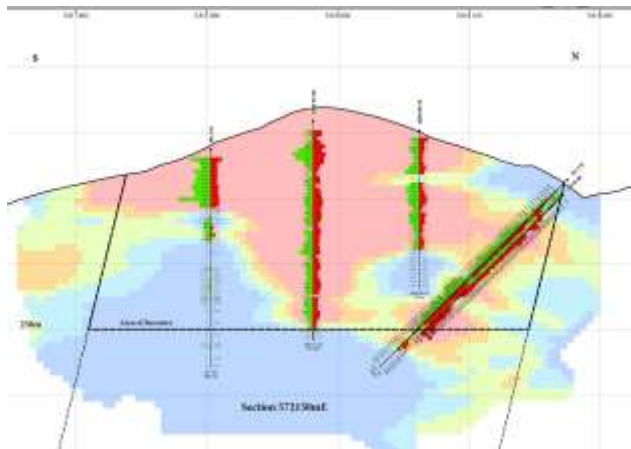
100% owner of the PEA-stage North Island Copper-Gold Project



# Simple and Straightforward Mining

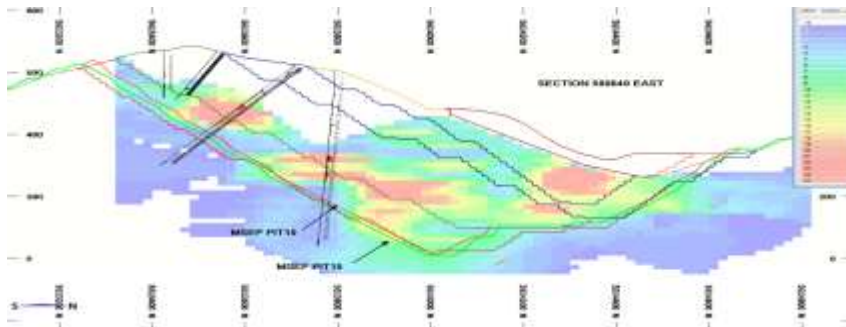
Highlighted by low total strip ratio of 0.71:1

## Cross Section of Red Dog



- ▶ **Red Dog** represents a higher-grade initial feed source which outcrops at surface
  - ▶ Strip ratio less than 0.2x
  - ▶ High potential to expand
- ▶ **Hushamu** represents a large tonnage porphyry system which has been displaced closer to surface
- ▶ All-in strip ratio of 0.71:1
- ▶ Predictable copper porphyry structure with significant ability to expand with minimal drilling

## Cross Section of Hushamu





# Summary of the 2021 PEA

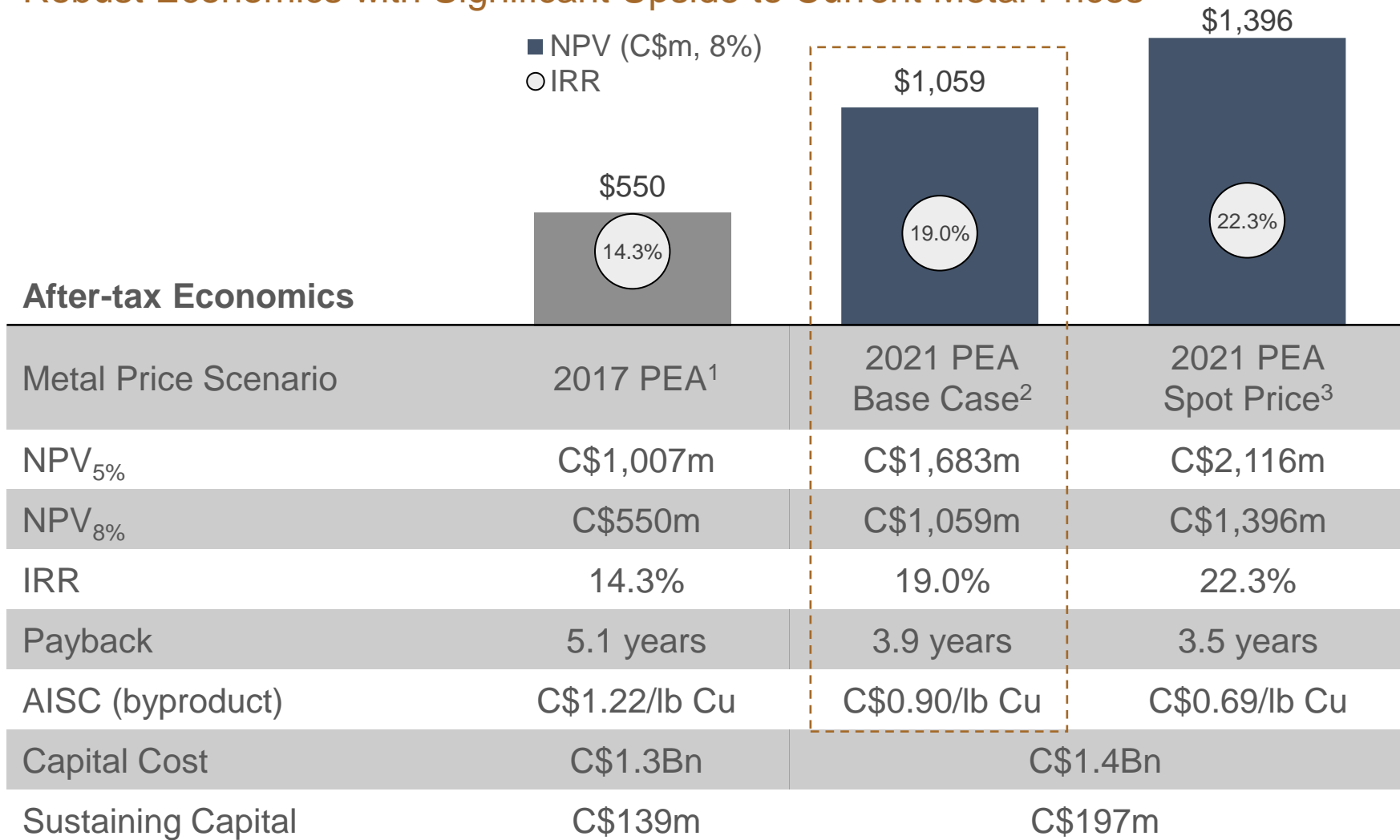
- ✓ Robust economics
- ✓ High leverage to copper and gold
- ✓ Significant production profile
- ✓ Simple flowsheet
- ✓ Low-cost production
- ✓ High IRR & 22-year mine life
- ✓ Premium copper concentrate
- ✓ Expansion potential
- ✓ Growth potential

## PEA HIGHLIGHTS – BASE CASE<sup>1</sup>

<b>NPV</b>	After-tax C\$1.1bn NPV <sub>8%</sub> (C\$1.7bn NPV <sub>5%</sub> ) Pre-tax C\$1.5bn NPV <sub>8%</sub> (C\$2.3bn NPV <sub>5%</sub> )
<b>IRR</b>	After-tax 19.0% IRR Pre-tax 21.7% IRR
<b>Payback</b>	3.9 years
<b>Free Cash Flow</b>	First 6 years avg: C\$321m after-tax LOM avg: C\$224m after-tax
<b>Initial Capital</b>	C\$1.4bn over a 2 year construction period
<b>Annual Production</b>	First 6 years: 112mlb Cu; 112koz Au; 2.7mlb Mo LOM: 96mlb Cu; 100koz Au; 3.0mlb Mo
<b>Recoveries</b>	86.4% Cu; 46.8% Au; 59.5% Mo
<b>AISC</b>	First 6 years: C\$0.77/lb Cu & C\$2.01/lb Cu Eq LOM: C\$0.90/lb Cu & C\$2.14/lb CuEq
<b>Strip Ratio</b>	0.71
<b>Mine Life</b>	22 years at 75,000 tpd

# 2021 PEA Summary Economics

Robust Economics with Significant Upside to Current Metal Prices

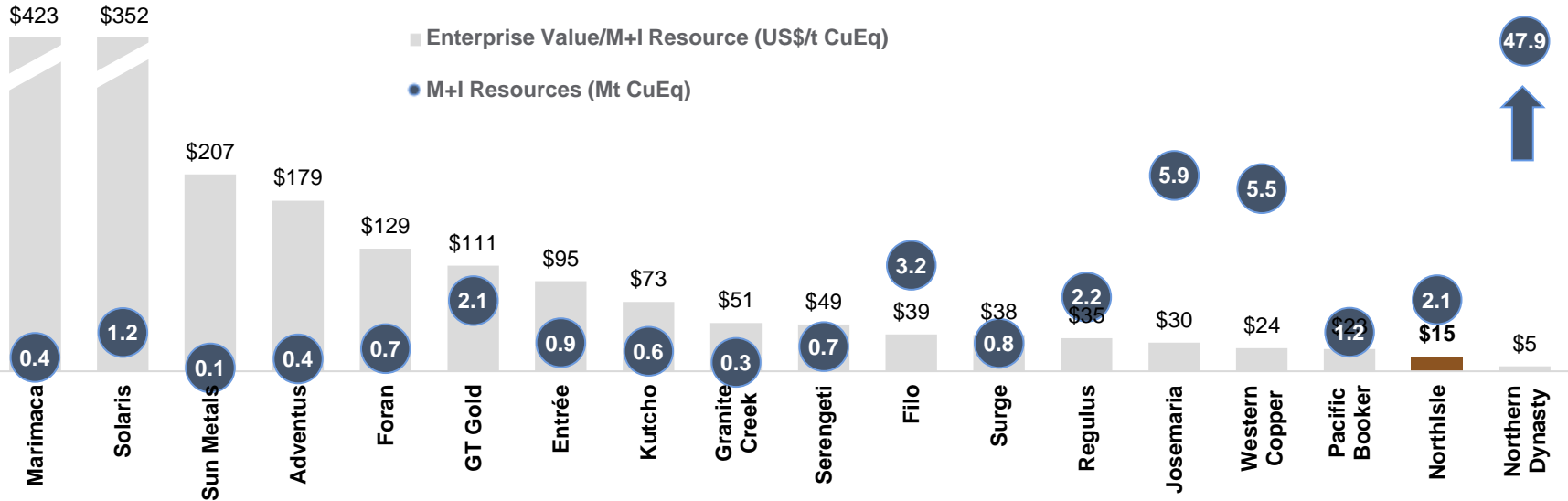


The Preliminary Economic Assessment ("PEA") is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would allow them to be categorized as mineral reserves and there is no certainty that the preliminary economic assessment will be realized.

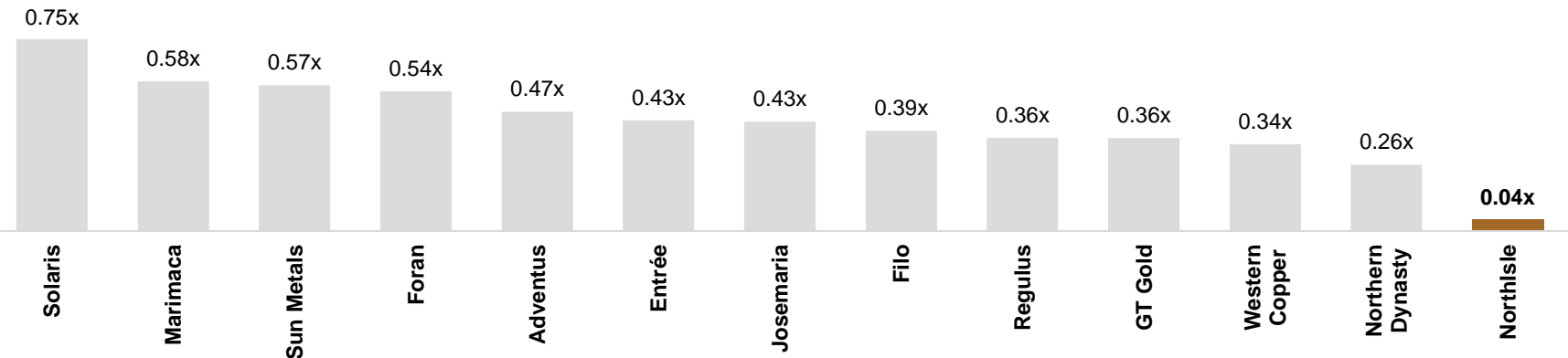
# Northisle is Undervalued

## Significant Resource at an Attractive Valuation

### Enterprise Value / M+I Resources & M+I Resource



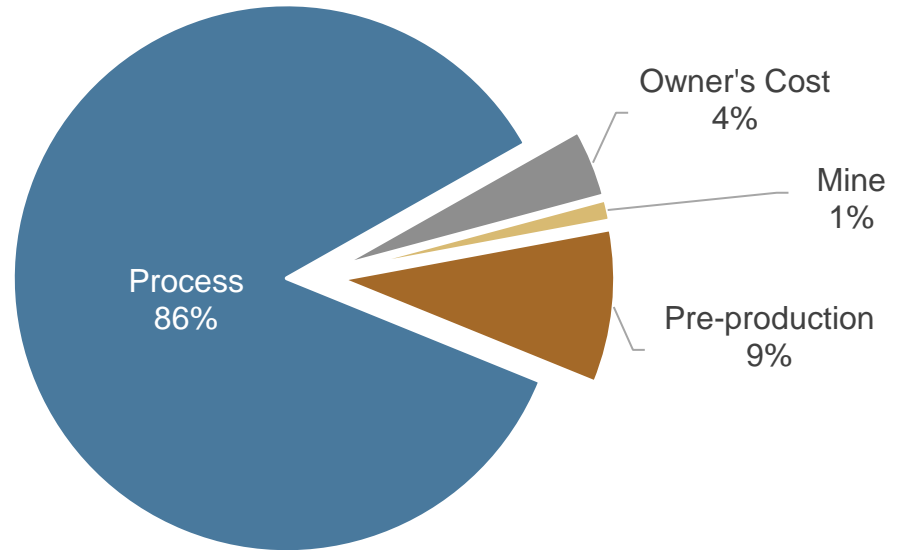
### Price / Net Asset Value (Analyst Consensus)



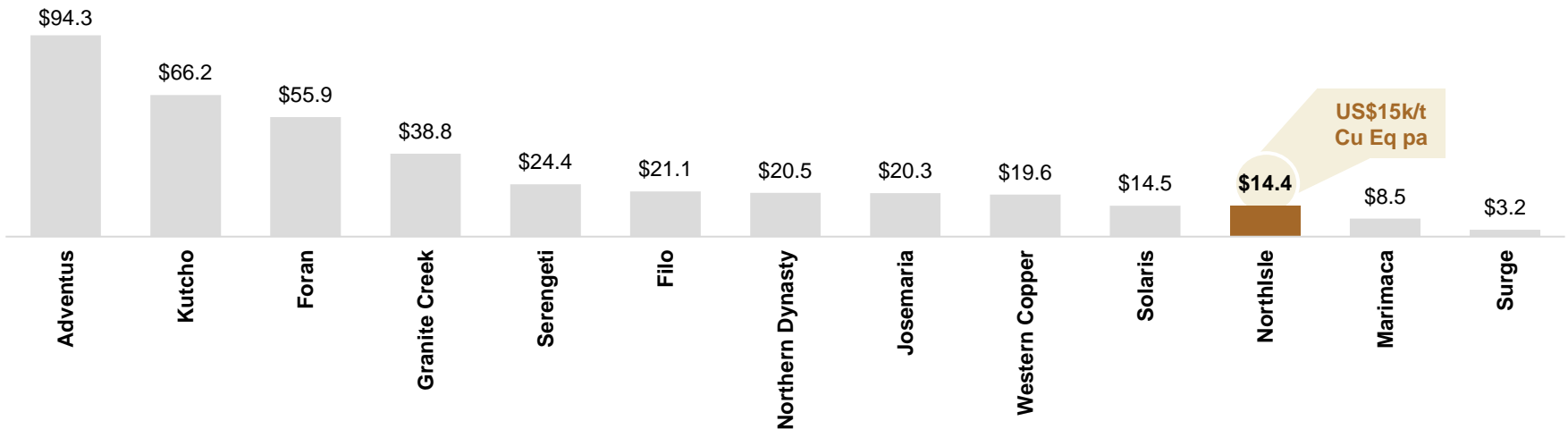
# Summary of Initial Capex

Capital efficient due to significant existing infrastructure

Area	C\$ million
Mine	17.8
Pre-production	130.9
Process	1,235.4
Owner's Cost	57.9
<b>Total</b>	<b>\$1,442.0</b>



## Capex / Throughput (US\$000/tpd)



# Competitive Operating Costs

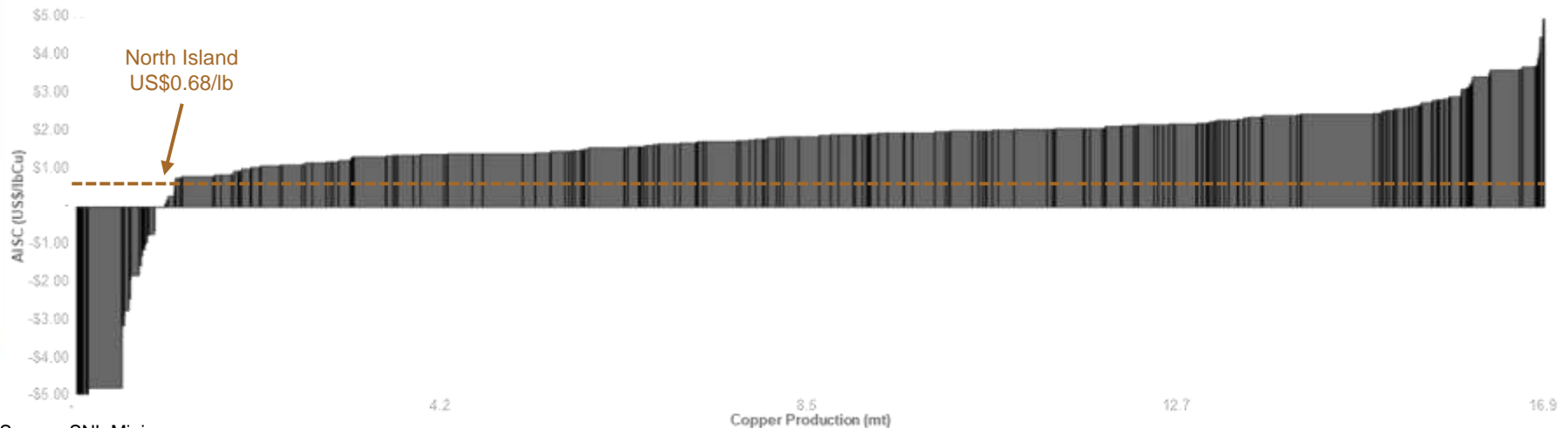
Potential for first quartile AISC

- ▶ North Island will be a low-cost producer of highly marketable concentrate products
  - ▶ LOM AISC of C\$0.90/lb Cu (US\$0.68) places North Island firmly in the first quartile of the global copper cost curve

## Total Site Operating Costs

Area	C\$/tonne processed
Mining Cost <sup>1</sup>	\$3.84
Processing	\$5.52
Owner's Cost	\$0.38
Water Treatment	\$0.06
<b>Total</b>	<b>\$9.81</b>

## Copper Production Cost Curve (AISC, net of by-product)

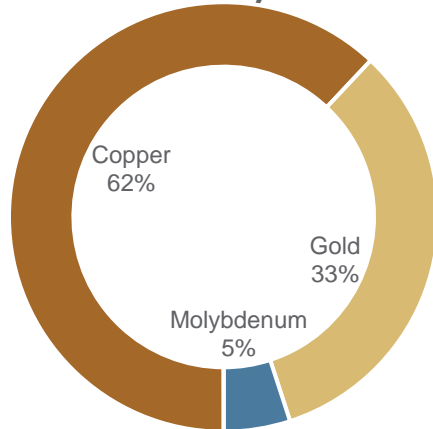


Source: SNL Mining.

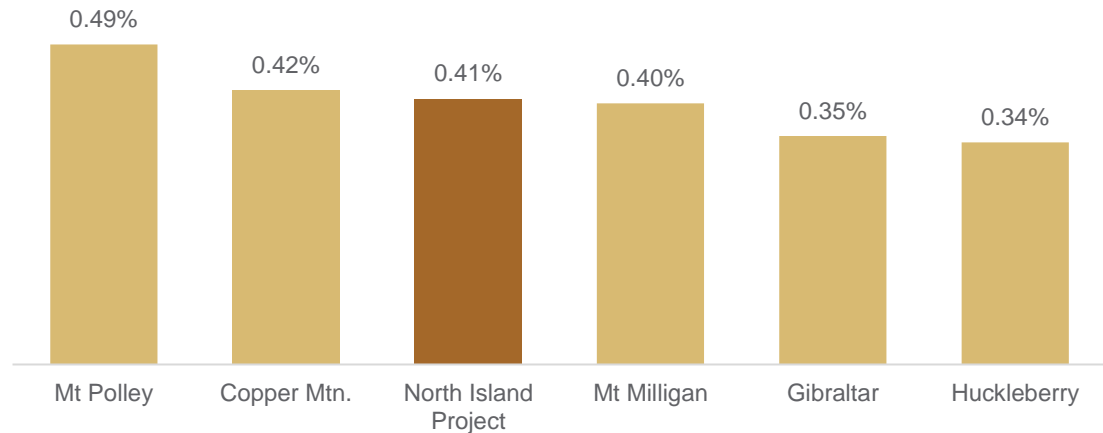
# Overview of Resources

Grades compare well with current operating mines in British Columbia

## METAL VALUE DISTRIBUTION (based on revenue)



## M&I RESOURCE GRADE FOR CURRENT BC OPERATING MINES



	Tonnes, '000	Grade		Contained Metal								
		Cu, %	Au, g/t	Mo, %	Re, ppm	CuEq, %	Cu, blb	Au, moz	Mo, mlb	Re, t	CuEq, blb	AuEq, moz
<b>Indicated</b>												
Hushamu	472,854	0.20%	0.23	0.008%	0.35	0.40%	2.08	3.50	83.40	165.50	4.18	8.23
Red Dog	54,490	0.22%	0.31	0.004%	-	0.46%	0.26	0.54	4.81	-	0.55	1.09
<b>Total</b>	<b>527,344</b>	<b>0.20%</b>	<b>0.24</b>	<b>0.008%</b>	<b>0.31</b>	<b>0.41%</b>	<b>2.35</b>	<b>4.04</b>	<b>88.20</b>	<b>165.50</b>	<b>4.74</b>	<b>9.33</b>
<b>Inferred</b>												
Hushamu	414,293	0.15%	0.18	0.006%	0.29	0.31%	1.37	2.40	54.80	120.14	2.80	5.52
Red Dog	2,979	0.17%	0.25	0.002%	-	0.36%	0.01	0.02	0.13	-	0.02	0.05
<b>Total</b>	<b>417,272</b>	<b>0.15%</b>	<b>0.18</b>	<b>0.006%</b>	<b>0.29</b>	<b>0.31%</b>	<b>1.38</b>	<b>2.42</b>	<b>54.93</b>	<b>120.14</b>	<b>2.83</b>	<b>5.57</b>

# Sustainability at our Core

Becoming Canada's Leading Sustainable Resource Company for the Future

## Contribute to the reduction in carbon emissions

- Access to clean BC power makes a low carbon emission mine conceivable
- Copper is driving the green energy revolution and is critical for expanded electrification infrastructure

## Connecting with our communities

- Commitment to supporting First Nations and community objectives
- Generate employment and business opportunities for our neighbors in Northern Vancouver Island while ensuring we safeguard the land for future generations

## Make the footprint smaller

- Right size project while maximizing economics
- Potential to ship pyrite – leaving less behind
- Potential to utilize neighboring historical Island Copper pit for tailings

Sustainability Statistics	Units	LOM Total / Avg.
Direct local job creation	FTE	450
<b>Site Energy Consumption</b>		
Fuel (annual)	000s liters	21,000
Electricity (annual)	MWh	794,000
Energy Intensity	kWh/lb Cu	10.5
<b>Environmental</b>		
Net water consumption	liters / lb Cu	99.6
GHG Emissions – Scope 1	kg CO <sub>2</sub> e / lb Cu	0.66
Total Material to MWF	MT	1,020

## Windmills at Red Dog

Power will be available from the BC Hydro grid, which is one of the greenest in the world and includes the adjacent wind farm complex

Electricity anticipated to be accessible from the 138kV power line connecting the wind farm to the main BC power grid which passes immediately north of the North Island Project



# Exploration Upside

33,000ha currently underexplored with less than 400 holes drilled

## North Island Project Expansion

- ▶ **Expansion of North Island Project resource**
  - Hushamu Deposit open for 300m to the southeast
  - Previously supposed barren zone in poorly drilled southern part determined by 2017 infill drilling to have long sections of mineralization above cut-off grade - if confirmed will convert waste area to mineralization and further reduce strip ratio

## New Deposit Discovery

- ▶ **Multiple additional targets for copper-gold porphyry deposits including:**
  - **Pemberton Hills:** 3.5km x 1.5km high-level intense alteration zone with historical hole ending in 0.14%Cu
  - **Northwest Expo:** 1.5km open IP anomaly, partially tested with three holes all in copper-gold mineralization
  - **Red Dog South:** 1.2km x 0.8km high-level porphyry alteration with shallow holes showing increasing copper and gold with depth



# North Island Project Timeline

Build the leading sustainable mineral resource company for the future

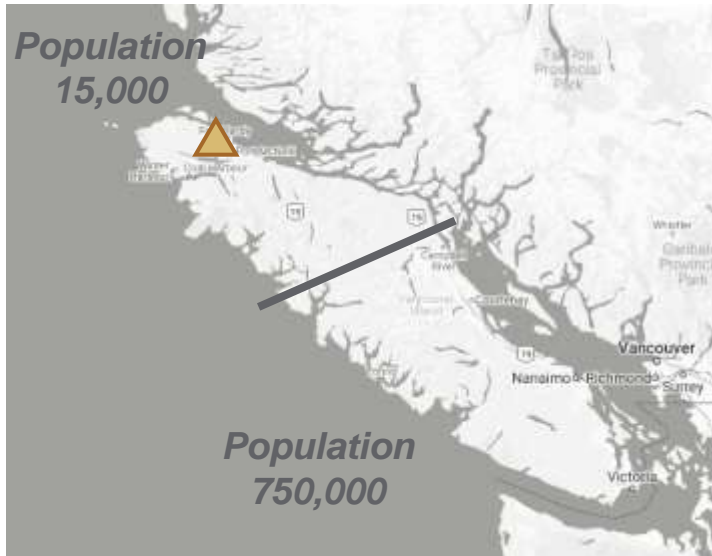
- I. Rapidly advance the North Island Project through to pre-feasibility contemplating using Island Copper Mine infrastructure
- II. Aggressively accelerate exploration activities through 2021 via a 10,000m drill program
  - Test Pemberton Hills, Red Dog and NW Expo targets
  - Extend and in-fill the Hushamu deposit
- III. Advance First Nations and community partnerships in parallel with project development
- IV. Take a disciplined approach to strategic alternatives including financing and partnerships

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# APPENDIX

# BC: Supportive Tier 1 Jurisdiction



- ✓ Top quartile best mining jurisdiction (F.I.)
- ✓ Numerous mines permitted in last 10 years, most recently Brucejack
- ✓ 5 copper-gold deposits currently in production
- ✓ Northern Vancouver Island is dependent on resource-based industries
- ✓ Local communities support mining from positive experience with previous Island Copper operation (BHP) & active large-scale aggregate quarry
- ✓ Port Hardy's FILOMI (Fishing, Logging, Mining) Day festival celebrates region's main economic drivers

# Economics – Base Case

NorthIsle valuation attractive based on only the North Island Project

## Financial Parameters

Development Capital	C\$m	<b>\$1,442</b>
Sustaining Capital	C\$m	<b>\$197</b>
Site Operating Cost	C\$/t	<b>\$9.81</b>
Avg. Ann. Revenue	C\$m	<b>\$649</b>
After-tax NPV <sub>8%</sub>	C\$m	<b>\$1,059</b>
After-tax IRR	%	<b>19.0%</b>

## Production Parameters

Mine Life	Years	<b>22</b>
Cu	mlbpa	<b>95.9</b>
Au	kozpa	<b>99.9</b>
Mo	klbpa	<b>2,954</b>
C1 Cash Costs <sup>1</sup>	C\$/lb Cu	<b>\$0.81</b>
AISC <sup>1</sup>	C\$/lb Cu	<b>\$0.90</b>

## Metal Prices

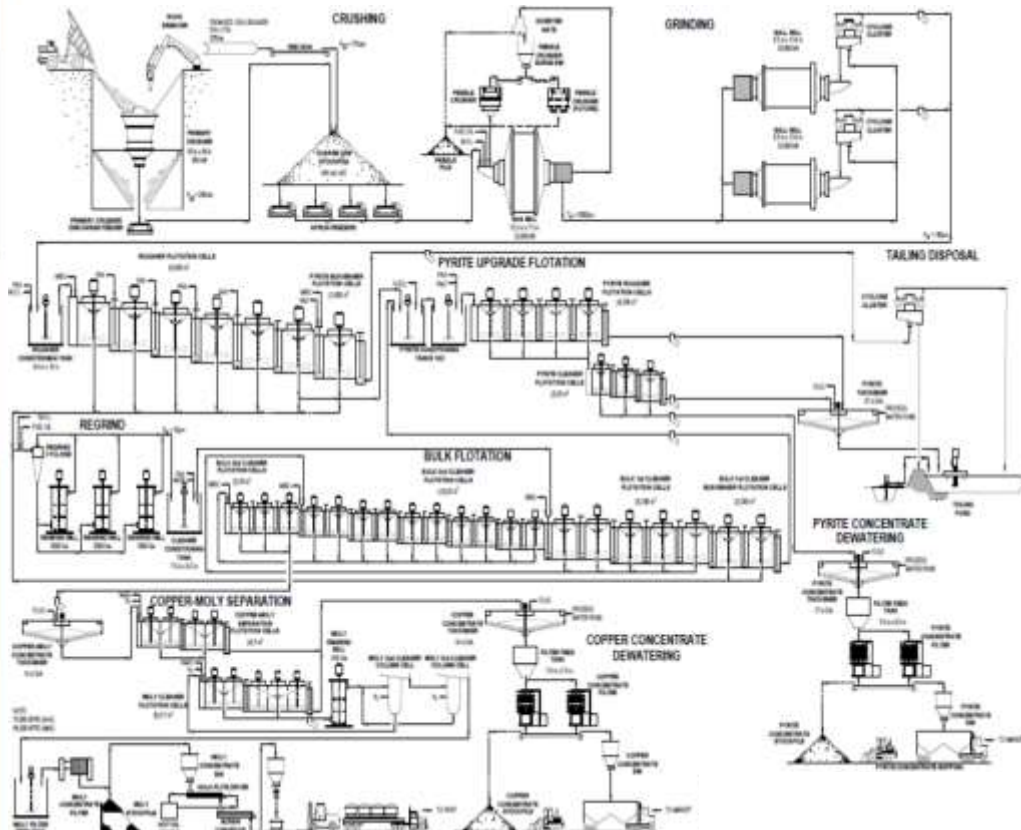
Cu	US\$/lb	<b>\$3.25</b>
Au	US\$/oz	<b>\$1,650</b>
Mo	US\$/lb	<b>\$10.00</b>
Re	US\$/kg	<b>\$1,256</b>
Exchange Rate	CADUSD	<b>0.75x</b>

## Mineral Inventory

Ore	mt	<b>602.3</b>
Cu Grade	%	<b>0.18%</b>
Au Grade	g/t	<b>0.24</b>
Mo Grade	%	<b>0.008%</b>
Re Grade	%	<b>n/a<sup>2</sup></b>

# Conventional Flotation

North Island Project conceptual flowsheet based on conventional process



- ▶ Single grinding line consisting of a 40ft diameter SAG mill with 23MW drive and two 28ft diameter ball mills with 20MW drives
- ▶ Sub-aqueous co-disposal of mine waste and tailings in a single mine waste facility (MWF)
- ▶ Bulk concentrate is separated into copper (with gold) and molybdenum (with rhenium) concentrates
- ▶ LOM recoveries for copper 86.4%, gold 46.8% and moly 59.5%

# Board of Directors

## **Dale Corman** *Non-Executive Chairman*

Mr. Corman has over 40 years' experience as a senior corporate officer of publicly listed companies in Canada and the United States, as well as extensive expertise in mineral and geothermal exploration and development, property evaluation and acquisition, project financing, and corporate management. From 1995 to 2006, Mr. Corman was Chairman of the Board of Directors and Chief Executive Officer of Western Silver Corporation, where he was instrumental in the development of the Penasquito deposit. Under his leadership, Western Silver successfully advanced Penasquito through the exploration, resource and feasibility stages, ultimately culminating in the acquisition of the company by Glamis Gold Ltd for C\$1.2 billion. He founded and is currently Executive Chairman of Western Copper & Gold, where he has guided the company through the acquisition of the large Casino Copper-Gold project (2006) through the completion of a bankable feasibility study (2013) and the initiation of permitting (2014). Mr. Corman received a B.S. in geology from Rensselaer Polytechnic Institute in Troy, New York, in 1961 and obtained Professional Engineer status in Ontario in 1972.

## **Sam Lee** *President & CEO, Director*

Mr. Lee was appointed to the role of President & CEO of Northisle in October 2020. Over the past 20 years Mr. Lee has advised on some of the most prominent M&A, equity, and debt transactions in the international and Canadian global mining industry totaling over \$100 billion in value. During this period, he has worked in major resource markets including Toronto, Sydney, and Vancouver where he led various strategic initiatives for CIBC World Markets. Most recently he was Managing Director and head of CIBC's Vancouver Mining Group. Mr. Lee holds a Bachelor of Applied Science, Faculty of Engineering, from the University of Toronto, was a graduate of the Lassonde Mineral Engineering program, and is a CFA charter holder.

## **Martino De Ciccio** *Non-Executive Independent Director*

Mr. De Ciccio has served as Vice President Strategy and Investor Relations at Endeavour Mining since 2015. Mr. De Ciccio has built a track-record of value creation over the past 12 years in the mining industry. Prior to joining Endeavour, he held the position of Strategy and Business Development Manager at La Mancha Resources, where he played a pivotal role in growing the company from an emerging gold producer into one of the largest gold funds with cornerstone holdings in both Evolution Mining and Endeavour Mining. Mr. De Ciccio won the Emerging Leader award in 2016 and was nominated for the IR Rising Star award in 2017 and three IR awards in 2019 including Best Mid-Cap IR Officer. Mr. De Ciccio earned a B.Comm in Finance from McGill University. He is a Chartered Financial Analyst and a member of the CFA Institute.

## **Kevin O'Kane** *Non-Executive Independent Director*

Mr. O'Kane has nearly 40 years of extensive business and operating leadership expertise in the natural resource industry. He spent 37 years at BHP Billiton developing, expanding, and operating some of the most formative copper mines in the world which included Spence, Cerro Colorado and Minera Escondida. Mr. O'Kane started his career at the Island Copper Mine situated adjacent to Northisle's project, and spent the following 12 years progressing to the role of Chief Mining Engineer. During his tenure at BHP Billiton he also served as Vice President Health, Safety, Environment and Community for the Copper Business. Most recently, Mr. O'Kane held the position of Executive Vice-President and Chief Operating Officer at SSR Mining Inc, where he led all aspects of its operations, permitting, and sustainability programs globally while achieving record production at all three of its producing mines. Mr. O'Kane also serves on the board of SolGold Plc.

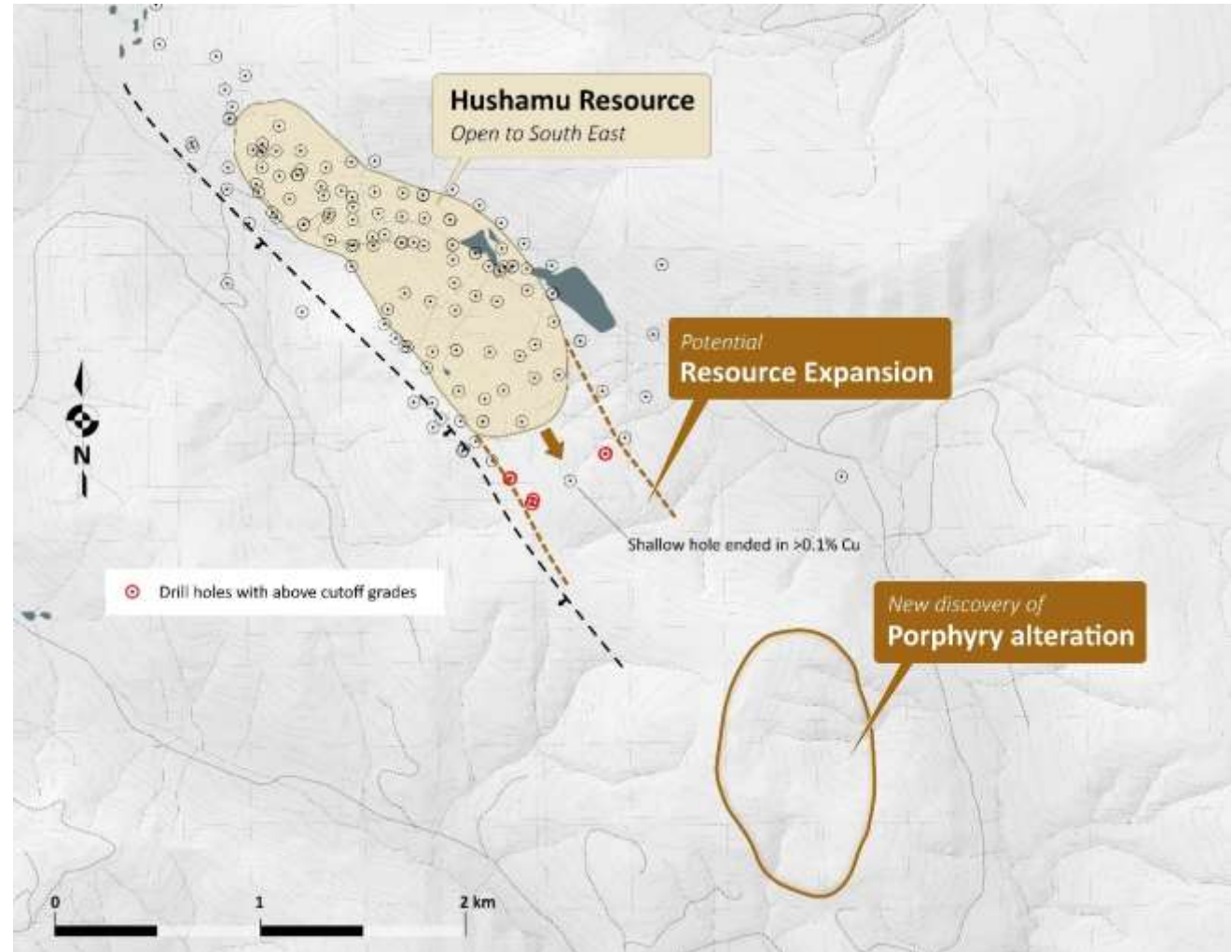
## **Larry Yau** *Non-Executive Independent Director*

Mr. Yau has over 20 years of financial and business experience gained primarily in the mining and resources sectors. Currently, Larry is the CEO of Spanish Mountain Gold Ltd. an advanced gold exploration company based in British Columbia. Prior to this, Larry was the Chief Financial Officer for two junior mining companies where he was instrumental in the financing, development and construction of mines in North America. Larry was also Manager, Corporate Development, at Placer Dome Inc. until its acquisition by Barrick Gold Corp. and participated in several high-profile, international acquisitions. He is a Canadian Chartered Professional Accountant.

# Hushamu Deposit Upside Potential

## Significant Opportunity for Expansion

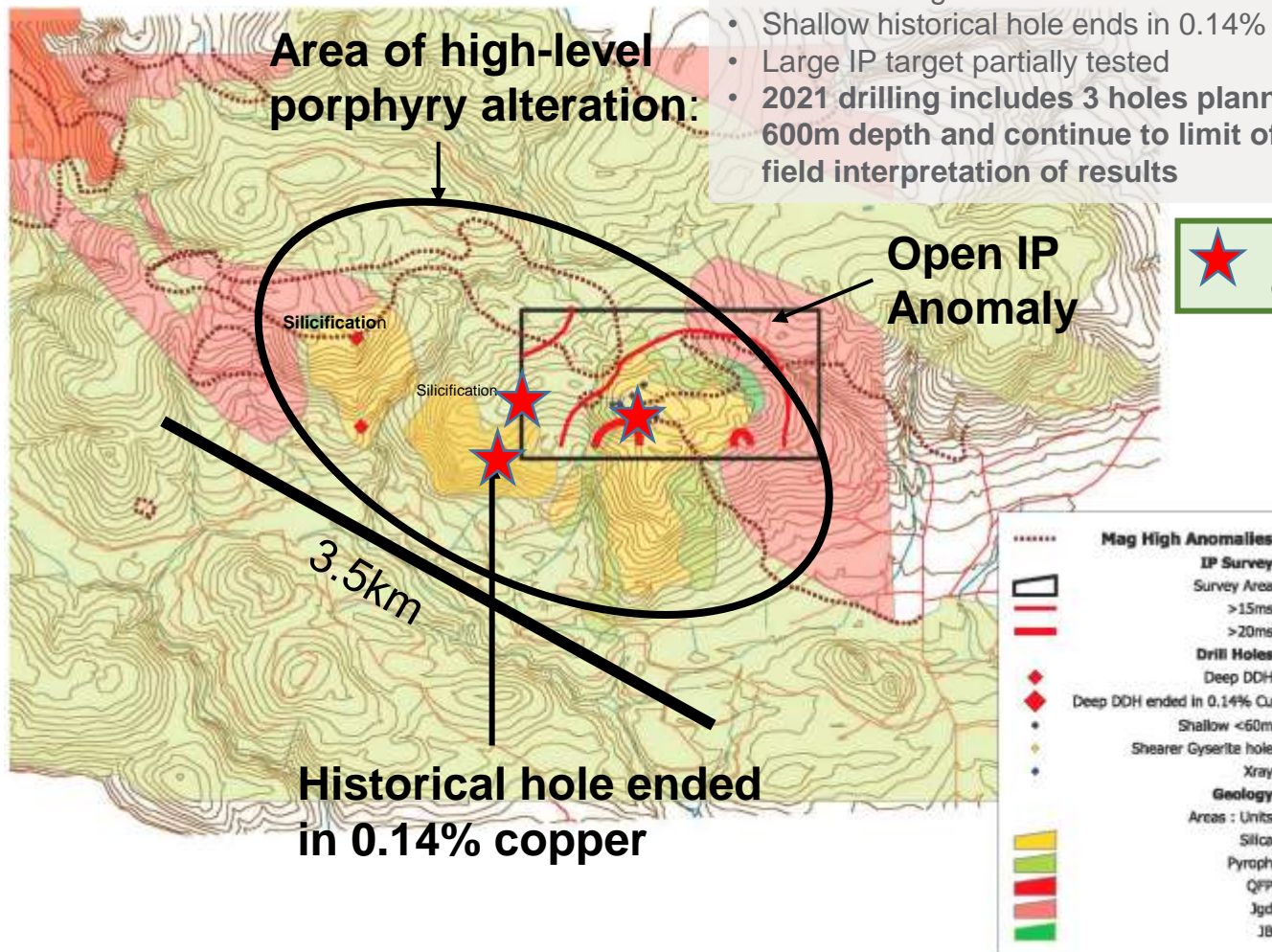
- Deposit expansion to the southeast
- Converting supposed waste to mineralization
- Multi-year notice of work filed covering over 70 step-out and in-fill holes filed in support of PFS



# Pemberton Hills

High level alteration indicative of underlying copper porphyry deposit

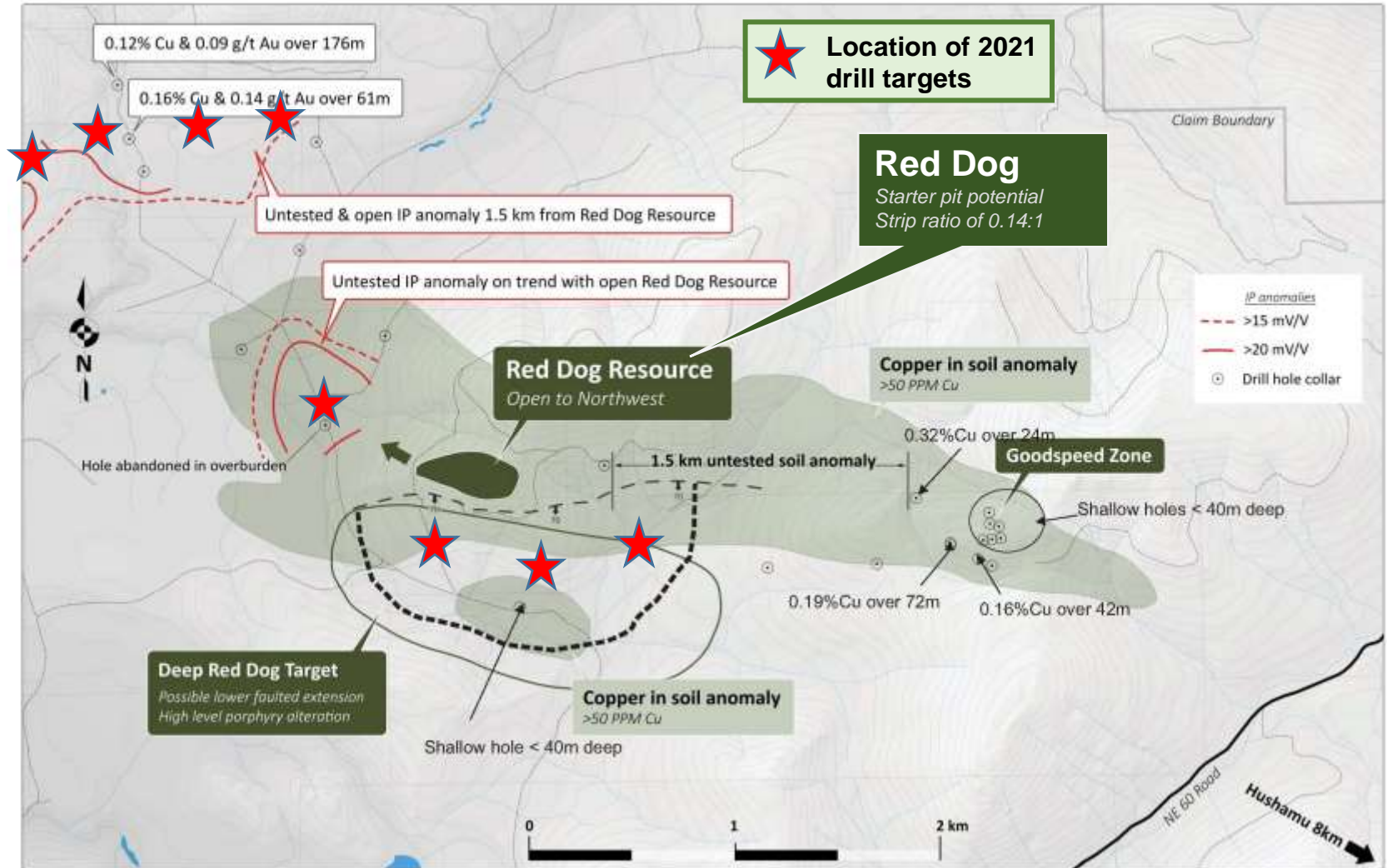
- 3.5km x 1.5km area of high-level silicification and advanced argillic alteration
- Shallow historical hole ends in 0.14% Cu
- Large IP target partially tested
- 2021 drilling includes 3 holes planned to at least 600m depth and continue to limit of rigs based on field interpretation of results





# Red Dog Upside Potential

## North West Expo and Red Dog South Targets



# Red Dog South Target

## Red Dog Alteration Map

