

Dear Residents,

The 2020 year is coming to an end and with it comes Talon’s 1-year anniversary as the operator of the Tamarack Project. We would like to take this opportunity to provide you with an overview of our year including a summary of our safety, environmental studies, operations and goals for 2021.

### Highlights

- Safety
- Operations
- Environmental
- Future Plans

### Safety

This year Talon implemented the Zero Harm Safety System as an approach to managing safety for our employees, our community, and the environment we work in. This system works to ensure all risks are identified and properly controlled before any work proceeds. Using the risk matrix, our team begins each work task by first identifying the level of risk. Next, they determine any controls that are needed, such as additional safety equipment or preparation time, in order to lower the risk. Finally, they implement any necessary controls to ensure that we operate in the low-risk category for all work that is conducted on site.

We are pleased to report that the 2020 year resulted in zero recordable injuries or incidents for the Talon team.

#### 2020 Safety Highlight

In March, our safety efforts were recognized during the winter drill program when our team was presented with the Cascade Client Safety Strong award which is presented to companies who demonstrate a strong commitment to health, safety, and the environment.

#### COVID Safety

Since the implementation of our COVID Prevention Plan (CPP), the primary goal has been to mitigate any potential exposures to the virus throughout our workplaces and community.


Our CPP and proactive isolation procedures have proven to be successful in keeping the team healthy. Our CPP is a direct reflection of our core values, with safety as the top priority, and we will continue to update and enact these plans as the COVID situation evolves.



#### What is considered a recordable injury/incident?

*A work-related injury, incident, or illness that results in an employee needing days away from work, restricted work, or requiring medical treatment beyond first aid.*

#### Zero Harm Risk Matrix

Likelihood	Certain	L	M	H	H	H
	Likely	L	M	H	H	H
	Possible	L	M	M	H	H
	Rare	L	L	L	M	H
	Almost Impossible	L	L	L	L	L
		Minimal	First Aid	Medical Treatment	Lost Time	Disability
Eliminate Any Side = Zero Harm		Consequences				

**Environmental Work**

Overall, our goal is for the Tamarack Project to be a domestic source of sustainable Green Nickel. What is Green Nickel? Green Nickel is nickel that is sourced in an environmentally and socially responsible way. From exploration, to mining, to the end product, all steps in the process are carefully controlled, so people can feel good about the end product they are using.

To meet our Green Nickel goal and progress the project through the environmental review process, a major part of our work is to conduct a variety of environmental studies. The purpose of these studies is to look at potential environmental impacts, alternative options for project work, and identify methods for reducing negative environmental effects.

Throughout 2020 the baseline water sampling that began back in 2006 has continued, collecting data from 19 surface sites and 12 ground monitoring wells throughout the project area and surrounding Big Sandy Lake watershed (part of the Upper Mississippi River Watershed). These baseline studies provide information on the normal conditions of water quality, quantity, and how these factors change with the seasons. Our water sampling is conducted on a quarterly basis and results are shared with any interested parties.

In 2021 our team will begin incorporating additional environmental studies that will help us make informed decisions about our future work plans as the project progresses. We look forward to updating you on these studies in the new year.

**Operations**

The year 2020 began with Talon taking over operatorship from Kennecott Exploration (part of the Rio Tinto group) and commencing the first drill program as operator of the Tamarack Project. After completing a successful drill program in March, our team decided to bring in our own geophysical equipment, drill rig, and drilling team to continue the exploration work necessary for moving the project forward. This in-house work began in August with the commencement of our second drill program and is currently continuing into the new year.

Throughout 2020, our team focused on drilling more nickel and copper mineralization within the current resource area as well as stepping 350 meters (1,148 feet) outside of this area to a new exploration zone (see press release dates December 21, 2020 for details).

Beyond drilling, our team released a Preliminary Economic Assessment (PEA) in March on a portion of the current resource which demonstrated positive economic results.



Joni Torgerson, Environmental Scientist, collecting baseline water data.



Bob Kryzer, Geologist, collecting surface Electro-Magnetic (EM) survey data to help identify drill targets.

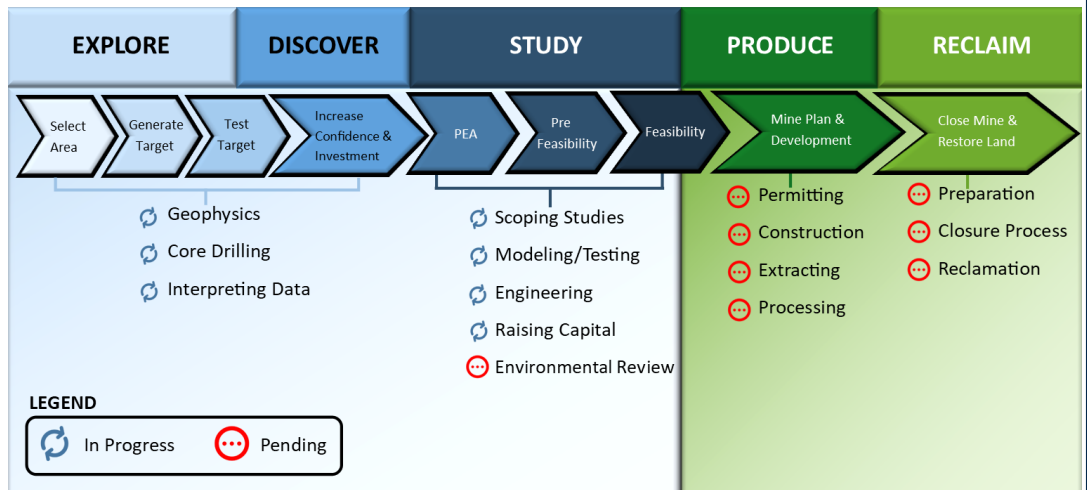
### Next Steps

In 2021 Talon will be focused on priority tasks that are required in order to get the Tamarack Project closer to production. With our recent capital raise, we are now fully funded to conduct the work within our 2021 budget. A large focus will be on drilling, as our team has already incorporated a 2nd drill right into the operation, with plans for a 3rd drill rig in the coming months. The graphic below illustrates the typical stages of the mining cycle, the scope of work associated with each stage, and Talon's current status for work tasks in progress.

#### Priority tasks in 2021:

- Continue conducting geophysics, drilling, and interpreting data to extend (grow) the current resource area.
- Release a new PEA study with updated information on the economics of the project.
- Advance our environmental data collection for a Pre-Feasibility Study (PFS) and future environmental review work.
- Increase the metallurgical testing and modeling, looking at how nickel and other metals can be extracted from the ore and processed into a product.

#### NEXT STEPS TO PROGRESS THE TAMARACK PROJECT THROUGH THE MINING CYCLE



We hope you all have a happy and safe holiday season and look forward to keeping you updated on the Tamarack Project in the new year!



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