

Dear Residents,

We hope you have all had a great start to the year. The Talon team has been busy during these first few months and in this newsletter, we'd like to share some updates on our recent activities including our drilling operations, PEA study, and environmental work. As always, we encourage you to reach out with questions. Our team has continued to maintain our on-site COVID safety protocols, so please contact Jessica Johnson if you'd like to schedule a site visit. (johnson@talonmetla.com or 218-460-9345).

## Highlights

Drilling Update

PEA Study

Environmental Work

## Drilling Update

The 2021 year has been productive as we continue our ongoing drill program focused on both 1) resource expansion, occurring throughout 7 target areas surrounding the current resource and 2) infill drilling of the current resource area (see map below). Infill drilling means we are drilling in the gaps between previous holes which helps to increase our confidence in the current resource. This also helps bring the resource from the 'Inferred' to 'Indicated' status, which is a requirement for conducting feasibility studies.

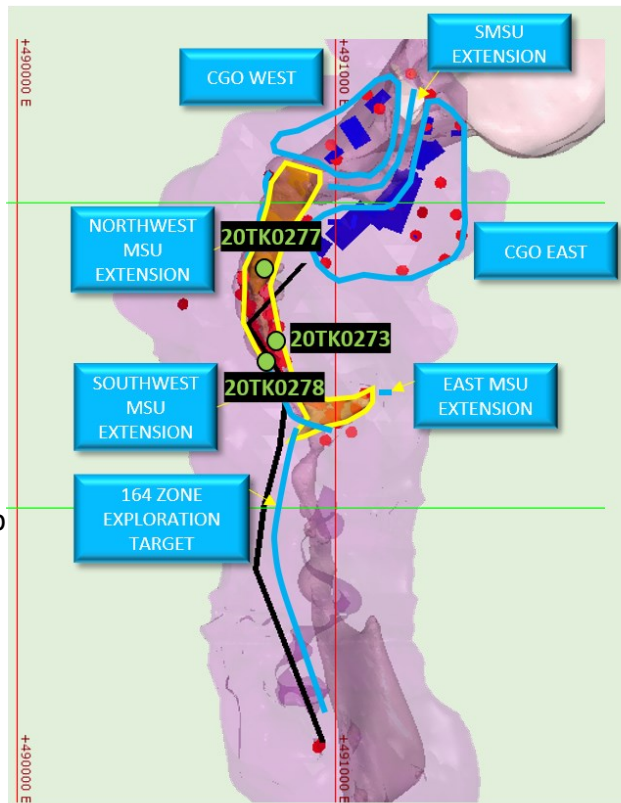
There are now 3 drill rigs in operation, the Talon Discovery 1 (TD1), Talon Discovery 2 (TD2), and Cascade which is a locally contracted rig and crew from Little Falls, MN who has nearly 2 decades of experience drilling on the Tamarack Nickel Project.

Below is a summary of the drilling results from 2021 so far.

Drill hole 20TK0273, on the eastern limb of the current resource, intersected nickel mineralization which increased our confidence that this area contains continuous mineralization (see press release dated January 12, 2021 for details).

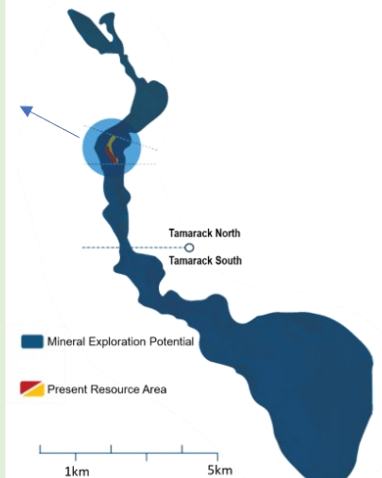
Drill hole 20TK0278, on the western limb of the current resource, intersected record length mineralization drilled at the Tamarack Nickel Project (see press release dated January 26, 2021 for details).

Drill hole 20TK0277, on the northern portion of the current resource, intersected nickel mineralization which extended the known resource in this area (see press release dated February 9, 2021 for details).



### Legend:

- 2021 drill program target areas for resource expansion
- Current Resource Area: Effective January 8, 2021
- Drill holes summarized in March 2021 Community Newsletter



Map showing the current resource area and 2021 drill program target areas for resource expansion.

*Dr. Etienne Diné, Vice President, Geology of Talon, is a Qualified Person within the meaning of National Instrument 43-101. Dr. Diné has reviewed, approved and verified the technical information disclosed herein.*

## PEA Study

In addition to our drilling operations, we have also updated our Preliminary Economic Assessment (PEA). This is an early-stage study that considers potential future mining operations for the Tamarack mineral resource, including conceptual mine plans and processing routes. Our PEA study also considered the production of different potential nickel products for either the stainless steel or electric vehicle industry. You can now find this full detailed technical report on our website and we encourage anyone with questions to reach out. As this is an early-stage study, nothing is set in stone and we still do not know if the project will develop into a mine.

## Environmental Work

Part of our work plans for 2021 include additional environmental studies, beyond our current baseline work, to help us make informed decisions about future work plans as the project progresses.

Our latest addition has been the incorporation of two vibrating wire piezometers (VWP's) that were recently grouted down a historic drill hole.

VWP's measure pore water pressure through a wire within a metal housing. Monitoring pore water pressures can help to determine the water level and flow pattern of ground water.

One VWP was installed in the glacial till (Quaternary) aquifer and the other near a known fracture in the bedrock aquifer. When the wire inside the VWP is plucked like a guitar string, it vibrates to generate a frequency signal. This signal can be used to determine pore water pressure changes in the grout surrounding each VWP.



The Talon team installing the piezometers.

As always, please reach out with any questions or feedback. We hope everyone enjoys the last bit of winter as we approach the warmer spring season and we look forward to keeping you informed as we continue our work.

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