



**WEST HIGH YIELD**  
R E S O U R C E S

# Project Information Memorandum

Record Ridge Industrial Minerals Mine Project  
British Columbia, Canada

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- This Document also contains future oriented financial information ("FOFI") within the meaning of applicable securities laws, including but not limited to estimated revenue, cashflow, capitalization, and components thereof. The FOFI has been prepared by the Company's management to provide an outlook of the Company's activities including on the assumption of the completion of mining operations and processing facilities. Readers are cautioned that reliance on such information may not be appropriate for other purposes. The FOFI has been prepared based on the same assumptions, risk factors, limitations and qualifications as set forth in the above paragraphs and elsewhere specifically in this Document, as well as assumptions with respect to the costs and expenditures to be incurred by the Company, mining operations development, capital equipment and operating costs, commodity prices, mining industry trends, foreign exchange rates, taxation rates for the Company, and general and administrative expenses. Management does not have firm commitments for all of the costs, expenditures, prices or other financial assumptions used to prepare the FOFI or assurance that such operating results will be achieved and, accordingly, the complete financial effects of all those costs, expenditures, prices and operating results are not objectively determinable. The actual results of operations of the Company and the resulting financial results will likely vary from the amounts set forth in the analysis presented in this Document, and such variation may be material. The Company and its management believe that the FOFI has been prepared on a reasonable basis, reflecting the best estimates and judgments, and represent, to the best of management's knowledge and opinion, the Company's expected expenditures and results of operations. However, because this information is highly subjective and subject to numerous risks including the risks discussed above, it should not be relied on as necessarily indicative of future results. Readers are cautioned not to place undue reliance on the FOFI or financial outlook contained in this Document.

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# 1. EXECUTIVE SUMMARY

West High Yield (WHY) Resources Ltd. is advancing its flagship Record Ridge Industrial Minerals Mine, an advanced-stage magnesium project located near Rossland, British Columbia. The project has received its Mines Act Permit and is progressing through final authorizations, positioning it as a strategic North American source of high-purity magnesium and silica, both classified as critical minerals in the United States and Canada with growing demand across energy, defense, and industrial sectors (USGS, 2024; IEA, 2023).

The project is at a key inflection point. With permitting substantially advanced and a definitive offtake agreement in place, the Company is transitioning from development into near-term production and revenue generation. The initial development strategy focuses on a low-capex startup through direct ore sales, supported by a signed definitive agreement with Galaxy Trade and Technology. This structure provides early cash flow visibility and allows the Company to advance downstream processing in a phased and capital-efficient manner. This positioning aligns with investor focus on projects that have moved beyond exploration risk into execution and commercialization.

The Record Ridge deposit is large, homogeneous, and well defined through extensive drilling and technical studies. It represents one of the more significant magnesium resources in North America, supported by strong grades and continuity. The project benefits from direct access to infrastructure, including highways, rail, power, and proximity to the US market. These factors materially reduce execution risk and capital intensity relative to typical greenfield mining developments, a key differentiator highlighted in third-party due diligence.

The project is also positioned within a broader structural shift toward North American critical mineral supply chain independence. Magnesium remains heavily dominated by foreign production, creating a strategic opportunity for domestic production. This dynamic has increased the relevance of Record Ridge to institutional investors, strategic partners, and government-backed funding programs focused on supply chain security.

## **Key Project Metrics (Phased Development)**

### **Phase 1 – Mine and Ore Sales**

- Production: 63,600 tpa (initial), expandable to 250,000 tpa
- Price: US\$500 per tonne (Galaxy agreement)
- Initial Capex: US\$30M
- Revenue: over US\$31M/year at initial production

### **Phase 2 – MgO and Silica Processing**

- Throughput: 250,000 tpa feed
- Products: High-purity MgO and silica
- Capex: US\$250M to US\$325M depending on final product
- Payback: <2 years (based on PFS)

### **Phase 3 – Magnesium Metal Production**

- Integrated upstream and downstream model
- Product: Magnesium ingot
- Output: 50,000 tpa Mg
- Capex: US\$275M
- Payback: <2 years
- Target: North American supply of magnesium metal

This phased structure supports near-term cash flow with significant long-term value expansion.

Financially, the project demonstrates strong economics based on feasibility work and internal modeling. The phased development approach supports disciplined capital deployment, beginning with near-term ore monetization and progressing toward higher-margin processing operations, including magnesium oxide and silica products. This staged approach reduces financing risk while preserving long-term upside.

#### **Key highlights:**

- Mines Act Permit received, representing the principal regulatory authorization for mine construction and operation. Supporting permits include the Mine Access Permit, which was received on June 23, 2026, together with the draft Environmental Management Act Permit. The remaining Water Licence and Occupant Licence to Cut are advancing through final regulatory review.
- Near-term production at 63,600 tonnes per annum, with planned expansion to 250,000 tonnes per annum following initial operations
- Signed definitive offtake agreement at US\$500 per tonne FOB mine site, supporting early revenue generation
- Strong project economics with high IRR and NPV across multiple development scenarios
- Strategic location near the US border with access to gas, power, highways, and rail infrastructure
- Established Indigenous partnership supporting construction, development, and operations

WHY Resources is committed to developing the RRIMM Project in an environmentally, socially, economically, and culturally responsible manner, with a focus on long-term value creation for local communities, the Province of British Columbia, and its shareholders.

The project combines near-term cash flow generation with long-term scalable development, positioning it as a compelling opportunity for strategic and government-backed financing.

#### **Investment highlights:**

- Advanced-stage permitted project
- Near-term production and revenue visibility
- Low initial capex with contractor-based model
- Strong operating margins and short payback

- Direct exposure to US critical mineral supply chain
- Scalable development with downstream upside

## 2. COMPANY OVERVIEW

West High Yield (WHY) Resources Ltd. is a publicly listed company on the TSX Venture Exchange focused on the development of critical mineral assets in North America. The Company's primary asset is the 100% owned Record Ridge Industrial Minerals Mine, a large-scale magnesium, silica, nickel, and iron deposit located near Rossland, British Columbia.

WHY Resources has advanced the Record Ridge project over more than two decades, completing exploration, technical studies, permitting, and stakeholder engagement. This long development history reflects a deliberate approach to de-risking the asset across geology, permitting, infrastructure, and community alignment. As a result, the Company is now positioned to transition from development into near-term production and revenue generation.

The Company's strategy is to execute a phased development plan. The initial phase focuses on low-capex mining and direct ore sales to generate early cash flow. Subsequent phases target the development of downstream processing facilities for high-purity magnesium oxide, silica, and magnesium metal. This staged approach aligns capital deployment with market conditions, reduces financing risk, and allows the Company to capture increasing margins over time.

WHY Resources operates within the broader context of North American supply chain re-alignment for critical minerals. The Company is positioning Record Ridge not only as a mining project, but as a strategic domestic source of magnesium and silica for industrial, energy, and defense applications. This positioning is increasingly relevant to institutional investors, strategic partners, and government-supported funding programs.

The Company has also established key partnerships to support execution. This includes a cooperation agreement with the Osoyoos Indian Band and engagement with Skemxist Solutions for construction and operational support. These partnerships strengthen the project's social license and provide access to experienced contractors for development and operations.

Key points:

- TSX Venture Exchange listed company
- 100% ownership of 8,972 hectares of mineral claims and surface rights
- Flagship Record Ridge project with magnesium, silica, nickel, and iron mineralization
- Phased development strategy, starting with near-term cash flow from ore sales
- Established Indigenous partnership and contractor alignment
- Positioned as a North American supplier of critical minerals

## 3. PROJECT OVERVIEW

The Record Ridge project is designed as a quarry-style open pit mining operation targeting near-surface magnesium-bearing serpentinite. The mine plan has been developed by SRK Consulting

as a conventional truck and shovel operation, optimized for low strip ratio, operational simplicity, and efficient material handling.

The initial phase of development involves mining, primary and secondary crushing, and transportation of material off-site for further processing. This approach eliminates the need for on-site chemical processing, tailings facilities, or complex plant infrastructure during early operations. As a result, the project benefits from reduced capital requirements, simplified permitting, and lower environmental impact relative to conventional mining developments.

The mine is initially designed to operate at production rate of 63,600 tonnes per annum, with planned expansion to 250,000 tonnes per annum as permitting and market conditions allow. Run-of-mine material will be crushed on-site and transported by truck to Northport, Washington, for onward logistics and processing. This direct cross-border access supports efficient integration into US supply chains and reduces transportation complexity.

The deposit's near-surface geometry and continuity support a straightforward open pit design with low strip ratio and predictable mining conditions. These characteristics contribute to operational efficiency and reduced technical risk. The overall footprint is compact, and waste rock generated during operations is either used for construction purposes or stored and ultimately returned to the pit during reclamation.

The long-term development strategy includes the potential construction of downstream processing facilities to produce high-purity magnesium oxide, silica, and magnesium metal. These downstream products significantly enhance project value and margin and position the Company to participate further along the critical minerals value chain.

Key features:

- Quarry-style open pit mining operation
- Designed production rate of approximately 63,600 tonnes per annum with planned expansion to 250,000 tonnes per annum following initial operations
- On-site crushing with off-site processing, no mill or tailings facility in initial phase
- Direct haulage to Northport, Washington, supporting U.S. market access
- Scalable development model supporting future expansion and downstream processing

## 4. LOCATION AND INFRASTRUCTURE

The project is located near Rossland, British Columbia, approximately 5 km from the US border. This location provides a strong logistical advantage for supplying North American markets.

The site benefits from existing infrastructure, including road access, gas, electrical power, water, and proximity to rail networks. This reduces capital requirements and supports efficient project execution.

Key advantages:

- Direct highway access
- Close to US markets
- Rail and port access via Vancouver, BC, or Seattle, WA
- Established local workforce and support services



## 5. PERMITTING AND REGULATORY STATUS

The Record Ridge project has achieved a major regulatory milestone with the issuance of the Mines Act Permit in October 2025. This permit authorizes the construction, operation, and reclamation of the mine, subject to standard regulatory conditions and ongoing compliance requirements. The issuance of this permit reflects the completion of a comprehensive multi-year review process, including technical, environmental, and stakeholder assessments.

Following receipt of the Mines Act Permit, the Company has advanced several parallel workstreams to transition the project toward construction readiness. These include completion of detailed engineering, advancement of remaining permits, and progression of post-permit compliance requirements.

The Company has also received the Mine Access Permit from the British Columbia Ministry of Transportation and Transit on June 23, 2026. The permit authorizes construction, use, and maintenance of the project access road, highway intersection, and associated transportation infrastructure required to access the Project site. Receipt of this permit represents another major regulatory milestone and further advances the Project toward construction.

The Company has also received the draft Environmental Management Act (EMA) Permit from the Ministry of Environment and Parks. The draft permit addresses site water management, environmental monitoring, sediment and erosion control, and fugitive dust management. The

Company is working collaboratively with Ministry officials to complete the technical review and finalize the permit.

In parallel with permitting, the Company has progressed detailed engineering to Issued for Construction (IFC) level for both the mine and access road infrastructure. Post-permit compliance studies, including environmental monitoring and management plans, are also at advanced stages. These activities position the project to move efficiently into construction upon receipt of final authorizations.

The Company is also working closely with its construction and operations contractors to finalize project execution plans. This includes development of detailed construction budgets, schedules, and contractor scopes, ensuring alignment between permitting, engineering, and execution.

The project was determined not to be reviewable under the BC Environmental Assessment Act.

Key points:

- Mines Act Permit received, enabling mine construction and operation.
- Mine Access Permit received from the BC Ministry of Transportation and Transit.
- Draft Environmental Management Act Permit received, with technical review and finalization underway.
- Water Licence and Occupant Licence to Cut advancing through final stages of review.
- Post-permit compliance studies at advanced stages.
- IFC-level engineering completed for mine and access road designs.
- Active engagement with contractors to finalize construction budgets and schedules.

## 6. GEOLOGY AND RESOURCE

The Record Ridge deposit is an ultramafic system hosting high-grade magnesium mineralization associated with serpentinized ultramafic rocks. The project is located within the Quesnel Terrane of the Intermontane Belt, a geologically well-understood region characterized by volcanic and intrusive rock sequences. The deposit is primarily hosted within the Record Ridge Ultramafic Body, which forms a large, continuous geological unit with widespread magnesium-bearing mineralization. Resource map is provided in Appendix-1.

Mineralization occurs predominantly within serpentinite, formed through the alteration of ultramafic rocks. This lithology is laterally extensive across the property and exhibits strong continuity, which supports predictable mining conditions and consistent grade distribution. Lower concentrations of magnesium are also present in adjacent intrusive and volcanic units, but the economic mineralization is concentrated within the ultramafic domain.

Extensive drilling and technical work have established a NI 43-101 compliant mineral resource (SRK, 2013). The resource estimate is based on a high-quality drillhole database that has been independently reviewed and verified. Geological modeling and grade estimation were conducted

using industry-standard methodologies, including three-dimensional modeling and Ordinary Kriging interpolation within defined geological domains.

The current resource estimate includes approximately 43 million tonnes in the Measured and Indicated categories at an average grade of 24.6% magnesium, containing approximately 10.6 million tonnes of magnesium (SRK, 2013). Inferred resources provide additional upside potential. The resource is constrained within a conceptual open pit based on reasonable assumptions for mining, processing, and economic parameters.

The deposit is characterized by its scale, grade, and homogeneity. The continuity of the mineralized body, combined with its near-surface geometry, supports efficient open pit extraction and contributes to the overall robustness of the project. The homogeneity and near-surface nature of the deposit support low mining costs and predictable production performance.

In addition to magnesium, the deposit contains significant quantities of silica, nickel, and iron, which provide potential by-product credits and enhance overall project economics.

Key characteristics:

- Average magnesium grade at 24.6%
- Approximately 43 million tonnes Measured and Indicated resource
- Approximately 10.6 million tonnes of contained magnesium
- Large, continuous ultramafic-hosted mineralized body
- Strong geological continuity supporting predictable mining
- Significant by-product potential including silica, nickel, and iron
- Long mine life potential with expansion upside

## 7. MINE PLAN AND OPERATIONS

The Record Ridge project is designed as a quarry-style open pit mining operation, using conventional methods of drilling, blasting, loading, and hauling (FUSE, 2026).

The initial 2-year phase targets a production rate of approximately 63,500 tonnes per annum, allowing the project to remain below environmental assessment thresholds while enabling a controlled and efficient startup. This initial phase reflects current permitting thresholds and represents the first stage of a larger scalable operation.

Operations are intentionally simple. Ore will be:

- Mined and crushed on site
- Temporarily stockpiled if required
- Hauled by truck to Northport, Washington for onward transport and processing

No on-site chemical processing or tailings facilities are required in the initial phase, significantly reducing capital intensity and environmental complexity.

Waste rock will be placed in a designated storage area, and water management will be handled through standard diversion and sediment control systems.

The project will operate under a contractor-based model, with mining, crushing, and hauling performed by an experienced contractor, while WHY maintains on-site management and oversight.

Infrastructure requirements are minimal as shown in Appendix-2 Mine Plan and include:

- Site access road
- Crusher pad and stockpile areas
- Water management systems
- Sedimentation Pond

No permanent buildings are planned, with mobile facilities provided by the contractor.

The mine plan supports a phased and scalable approach, allowing for future expansion and integration with downstream processing facilities as market conditions and permitting allow.

Overall, the operation is characterized by:

- Low technical complexity
- Low capital requirements
- Fast path to production
- Reduced environmental footprint

## 8. OFFTAKE AND COMMERCIAL STRUCTURE

West High Yield has entered into a Definitive Forward Sales Agreement with Galaxy Trade and Technology, LLC, a U.S.-based international magnesium supply company, for the purchase and sale of magnesium-rich ore from the Record Ridge project.

This agreement establishes the project's first long-term commercial relationship and provides a clear pathway to revenue as the Company advances toward production.

Key terms include:

- Initial 2-year term, extendable up to 9 years
- Price of USD \$500 per tonne during the initial period
- USD \$5 million upfront deposit to support initial deliveries
- Potential annual revenues exceeding USD \$30 million in the initial phase.

The structure aligns with the Company's low-capital development strategy, whereby ore is mined, crushed, and transported off-site for processing, enabling a simplified operation and faster path to revenue.

This agreement significantly reduces market risk, enhances financing visibility, and establishes a foundation for future expansion.

## 9. MARKET OVERVIEW

Magnesium and silica are critical materials supported by strong, long-term demand growth (USGS, 2024; IEA, 2023). The United States and other Western economies remain highly dependent on imports, particularly from China, creating a strategic opportunity for new domestic supply.

The project is well positioned to support US-focused critical mineral supply chain initiatives and government-backed financing programs.

### **Magnesium**

Magnesium is widely used in automotive, aerospace, and energy applications, with demand driven by the need for lightweight, high-performance materials. Its use is increasing in electric vehicles, where weight reduction directly improves efficiency and range.

Global supply is highly concentrated, with China accounting for the majority of production. This has led to supply chain risks, price volatility, and increasing focus in North America and Europe on securing reliable, non Chinese sources of magnesium.

In addition to bulk material, there is growing demand for higher-purity magnesium products, driven by advanced manufacturing, aerospace, and defense applications. These markets typically offer higher value and margin potential.

### **Silica**

High-purity silica is a key industrial mineral and serves as the primary feedstock for silicon production, which is an essential material used in semiconductors, solar panels, and advanced materials.

Demand is supported by growth in:

- Semiconductor manufacturing
- Renewable energy and solar installations
- High-tech and industrial applications

High-purity silica is particularly important in these sectors, where material quality and consistency are critical.

### **Key Market Drivers**

The magnesium and silica markets are supported by several structural trends:

- Energy transition and electrification (World Bank Group, 2020)
- Supply chain security and reshoring of critical materials
- Growth in high-tech manufacturing
- Increasing demand for lightweight and high-performance materials

## Strategic Positioning

The Record Ridge project is positioned to benefit from these trends by providing a North American source of magnesium-rich material, with exposure to both magnesium and silica markets.

Favorable long-term project outlook including the following key points:

- Strong end-market demand
- Supply concentration outside North America
- Increasing strategic importance of these materials

In addition to bulk material supply, the project provides potential exposure to higher-value products, including high-purity magnesium oxide (MgO) and silica (SiO<sub>2</sub>). These materials are used in advanced applications such as refractories and specialty chemicals. The ability to produce higher-purity materials represents a potential pathway to enhanced margins and downstream value creation as the project evolves.

## 10. CAPITAL REQUIREMENTS AND DEVELOPMENT STRATEGY

The Record Ridge project is structured around a phased, capital-efficient development strategy, designed to enable a rapid transition to production while maintaining flexibility for future growth.

### Capital Requirements

Initial capital requirements are estimated at approximately **\$30 million**, focused on:

- Site access and road construction
- Mine development and earthworks
- Crushing and stockpile areas
- Water management systems
- Pre-production activities and working capital

The use of a contractor-based operating model significantly reduces upfront capital by avoiding major equipment purchases and permanent infrastructure.

The offtake agreement with Galaxy, including a USD \$5 million deposit, provides early financial support and enhances funding visibility.

## Development Strategy

The Company is pursuing a phased approach:

### Phase 1 – Initial Production

- Commence mining at approximately 63,500 tpa
- Generate early revenue through direct ore sales
- Maintain a simple, low-capital operating model
- Maintain a simple, low-capital operating model
- Targeted start of production in Q4 2026 (see Appendix 3 for detailed schedule)

### Phase 2 – Process Development

- Advance a Feasibility Study (FS) based on pilot testing results.
- Evaluate higher-value products, including MgO and silica
- Develop a commercial processing plant in a U.S. location optimized for logistics from the mine and access to downstream customers and suppliers

### Phase 3 – Downstream Development

- Develop a magnesium metal (ingot) production facility
- Integrate upstream supply with downstream processing to capture additional value
- Position the Company as a North American supplier of magnesium metal for industrial and advanced applications

Proceeds from financing are expected to be used primarily for mine development, site infrastructure, pre-production activities, and working capital associated with initial operations.

## Summary

This strategy enables:

- Lower initial capital requirements (KPM & Bumigeme, 2022)
- Faster path to revenue
- Reduced execution risk
- Flexibility to scale and capture additional value

The combination of early production and future development potential supports a balanced approach to growth and capital deployment.

## 11. FINANCIAL OVERVIEW

The Record Ridge project is characterized by a capital-efficient development model, strong early revenue visibility, and significant long-term upside through phased expansion.

The Company has secured a Definitive Forward Sales Agreement with Galaxy, establishing a committed commercial outlet for production and a clear foundation for revenue generation. As outlined in the table below, initial revenues for **Phase-1** are based on the agreement and a production rate of 63,500 tpa in Years 1 and 2, with potential expansion to 250,000 tpa thereafter. At a price of USD \$500 per tonne, the project is expected to generate over USD \$31 million in annual gross revenue during the initial phase.

Operating Cash Flow Projections	Price (US \$/MT)		
	2026	2027	2028
Ore Volume (MT metric tonnes/year)	63,500	63,500	250,000
Revenue	\$500.00	\$31,750,000	\$125,000,000
Mining Operating Costs (US\$)	\$40.00	(\$2,540,000)	(\$10,000,000)
Mine Development Costs		(\$30,000,000)	
<b>EBITDA</b>		(\$1,540,000)	\$29,210,000
<b>Payback</b>	Under 2 years		

The project benefits from a low-cost operating structure, driven by its simple mining, crushing, and transportation model. The use of a contractor-based approach further reduces capital intensity and supports efficient execution.

Phase I capital requirements of \$30 million are modest relative to comparable projects, enabling a rapid path to production and cash flow. The financial profile supports strong operating margins and a short payback period, positioning the project as a low-capital, high-impact development opportunity. The project also offers significant scalability, with the potential to increase production to 250,000 tpa beyond the initial phase, resulting in approximately \$125 million in annual gross revenues.

In parallel, future development in **Phase-2** provides exposure to higher-value products, including high purity magnesium oxide and silica, as well as downstream magnesium metal production.

At a projected throughput of 250,000 tonnes per annum, the PFS (KPM & Bumigeme, 2022) demonstrates strong downstream economics across multiple product scenarios, as depicted in the table below. Estimated initial capital requirements range from approximately USD \$250 million to \$325 million, depending on the product pathway. All scenarios indicate robust financial performance, with payback periods of less than two years and projected first-year net income ranging from approximately USD \$74 million to \$160 million, depending on the final product, highlighting the significant value potential of downstream processing at scale.

Product		>99% MgO	>98% MgO	Mg Ingot
	Unit	US\$	US\$	US\$
<b>Product Price</b>		\$2,200	\$1,500	\$6,000

<b>Initial Capex</b>	\$ Million	325	250	275
<b>LOM Average Annual Production</b>	Mt	90K	90K	50K
<b>LOM Average Mineralization Mined</b>	MT	250	250	
<b>LOM Strip Ratio</b>	Waste/Ore	0.8	0.8	
<b>Mine Life</b>	years	172	172	172
<b>Payback</b>	Years	<2	<2	<2
<b>Net After Tax Income Year 1</b>	\$ Million	90	74	160

Overall, the financial strategy is designed to:

- Generate early cash flow through initial production
- Maintain capital discipline and low execution risk
- Enable phased growth and value expansion over time

This combination supports a balanced approach to development, integrating near-term revenue generation with long-term upside.

## 12. ESG AND INDIGENOUS ENGAGEMENT

The Record Ridge project is being developed with a focus on responsible resource development, Indigenous partnership, and environmental stewardship.

### Indigenous Partnership

The Company has established a strong relationship with the Osoyoos Indian Band (OIB), including a cooperation agreement and active participation in project development through Skemxist Solutions, which is expected to support construction and operations. This partnership provides meaningful Indigenous participation and aligns the project with principles of shared economic benefit.

### Environmental Approach

The project is designed as a low-impact, quarry-style operation, with no on-site chemical processing in the initial phase and no requirement for tailings facilities. The operational approach minimizes environmental disturbance and reduces overall project complexity.

The Company is committed to maintaining high standards of environmental monitoring and regulatory compliance, including:

- Air quality and dust monitoring
- Water management through sediment control systems
- Vegetation and reclamation programs
- Ongoing regulatory compliance and reporting

The Company has also engaged with local stakeholders through open houses and ongoing communication, supporting transparency and community awareness.

Overall, the project reflects a balanced approach to development, integrating Indigenous partnership, environmental responsibility, and community engagement.

The project’s design and downstream strategy are aligned with North American objectives to secure responsible domestic supply of critical minerals.

### 13. DEVELOPMENT TIMELINE

The Record Ridge project is advancing through a phased development schedule, with a focus on near-term production and staged expansion. A detailed timeline is provided in Appendix 3.

Following receipt of the Mines Act permit, the Company has entered the post-permit and pre-construction phase, including environmental compliance, detailed engineering, and contractor preparation.

Initial construction will focus on site access, mine development, and supporting infrastructure, with a targeted transition to production upon completion of these activities.

The project is designed for a rapid path to operations, supported by a contractor-based model, minimal infrastructure requirements, and established logistics for ore transport to the United States under the Galaxy offtake agreement.

Subsequent phases include advancing further feasibility studies, evaluating downstream processing options, and scaling production capacity. Longer-term development includes the potential for U.S.-based processing and magnesium metal production, aligned with market conditions and financing.

Milestones:

- 2025: Mine permit received
- 2026: Mine development and initial production | Pilot plant testing
- 2026–2027: Feasibility study for processing plant
- 2027-2029: Processing plant development
- 2030+: Plant operation

## 14. RISKS AND MITIGATION

The Record Ridge project is subject to typical development risks. The Company has structured the project to mitigate these risks through permitting progress, commercial agreements, and a phased development strategy.

Project risks and mitigations are depicted in the table below.

	<b>Risk</b>	<b>Mitigation</b>
1	Remaining permits or approval delays	<ul style="list-style-type: none"> <li>• Mines Act permit secured</li> <li>• Remaining permits are clearly defined and advancing through final stages</li> </ul>
2	Construction and Execution delays or cost overruns	<ul style="list-style-type: none"> <li>• Use of an experienced mining contractor</li> <li>• Simple mine design with minimal infrastructure</li> <li>• Full infrastructure including hydro, gas, roads and rail</li> </ul>
3	Market and Pricing	<ul style="list-style-type: none"> <li>• Definitive offtake agreement with Galaxy</li> <li>• Future diversification into higher-value products</li> </ul>
4	Financing and availability of development capital	<ul style="list-style-type: none"> <li>• Low initial capex (\$30M)</li> <li>• Strong economics and short payback period (KPM &amp; Bumigeme, 2022)</li> <li>• Offtake agreement and US supply chain positioning</li> </ul>
5	Operational challenges	<ul style="list-style-type: none"> <li>• Conventional open pit mine operation</li> <li>• Experienced contractor support</li> <li>• Proven processing pathways and staged plant development</li> </ul>
6	Environmental impacts and ESG issues	<ul style="list-style-type: none"> <li>• Low-impact design with no on-site processing</li> <li>• Established site monitoring</li> <li>• No tailings pond on mine site</li> <li>• Reduced CO<sub>2</sub> emissions and minimal waste generation (processing plant)</li> </ul>
7	Development and scaling challenges	<ul style="list-style-type: none"> <li>• Phased development strategy</li> <li>• Pilot testing and feasibility studies</li> <li>• Flexibility to scale based on market conditions</li> </ul>

## 15. MANAGEMENT AND EXECUTION

The Company is supported by an experienced management team and a network of technical consultants and contractors. Project construction and operations are planned to be executed by specialized third-party contractors, with WHY maintaining oversight and management control.

Key strengths:

- Experienced leadership across resource development and operations
- Established engineering and consulting partners
- Contractor-based execution model reducing capital and execution risk

## Management Team and Directors

### **Frank Marasco, CEO & President, Director**

Mr. Marasco has over 45 years of business experience, including development and sale of multiple companies across retail, hospitality, and real estate. He has led WHY Resources for over 20 years and has prior experience in oil and gas development, including asset acquisition and project advancement.

### **Barry Baim, Corporate Secretary, Director**

Mr. Baim has over 35 years of leadership experience across public and private companies, including natural resources and infrastructure services. His background includes mining site development, logistics, and energy-related services.

### **Fouad Kamaledine, PhD, P.Eng., Director and Advisor**

Dr. Kamaledine is a mining engineer with over 25 years of experience in process development, metallurgy, and project development. He is the founder of a mining consulting firm and has served as an officer and director of multiple mining companies.

### **Patricia Nelson, Director**

Ms. Nelson is a former Minister of Energy and Minister of Finance for Alberta, with extensive experience in public policy, finance, and energy sector governance. She has held senior roles in major energy organizations and public boards.

### **Maria Marasco, Director**

Ms. Marasco has experience in corporate restructuring, finance, and strategic planning, with responsibilities spanning management systems, human resources, and property management.

### **Shelina Hirji, CPA, CMA, CFO**

Ms. Hirji has over 35 years of experience in financial management across mining, infrastructure, and oil and gas sectors. Her expertise includes financial reporting, budgeting, and corporate finance.

## Technical and Advisory Support

### **Rick Walker, P.Geo., Consultant**

Geologist with over 25 years of experience in mineral exploration and resource development across multiple deposit types and jurisdictions.

### **Corey Peck, Geologist, Consultant**

Geologist with long-term involvement in the Record Ridge project, supporting fieldwork, geological modeling, and project development.

**Ron Rieder, Consultant**

**Mr. Rieder has over 25 years of experience in corporate development and capital markets, including roles as CEO, President, and VP Corporate Finance. He has been involved in raising over \$100 million and supports strategic partnerships and project advancement.**

**MNP LLP, Auditor**

National accounting firm with experience in the mining sector.

**Warren Sinclair LLP, Legal Counsel**

Canadian legal counsel supporting corporate and project-related matters.

## 16. REFERENCES

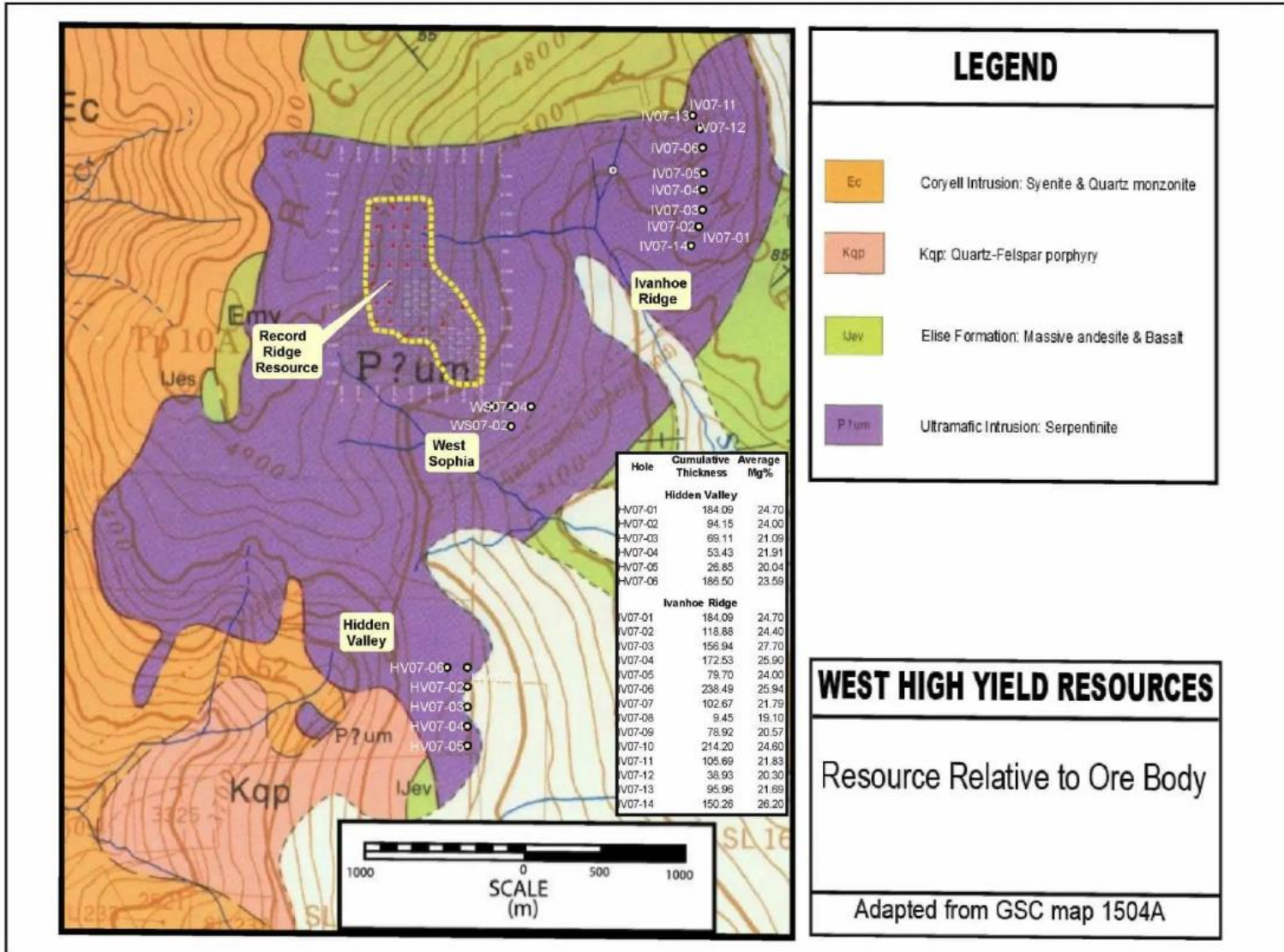
The references below correspond to citations used throughout this document.

1. SRK Consulting (Canada) Inc. (2013). *Revised NI 43-101 Technical Report, Preliminary Economic Assessment, Record Ridge Project, British Columbia, Canada.*
2. KPM Engineering Ltd. and Bumigeme Inc. (2022). *Pre-Feasibility Study for Record Ridge Magnesia Production Plant.*
3. SRK Consulting (Canada) Inc. (various). *Resource modeling and technical support documentation for the Record Ridge Project.*
4. FUSE Advisors (Canada) Inc. (2026). *Project Mine Plan, Record Ridge Industrial Mineral Mine*
5. U.S. Geological Survey (USGS) (2024). *Mineral Commodity Summaries – Magnesium and Silicon.*
6. International Energy Agency (IEA) (2023). *Critical Minerals Market Review.*
7. World Bank Group. (2020) *Minerals for Climate Action: The Mineral Intensity of the Clean Energy Transition.*

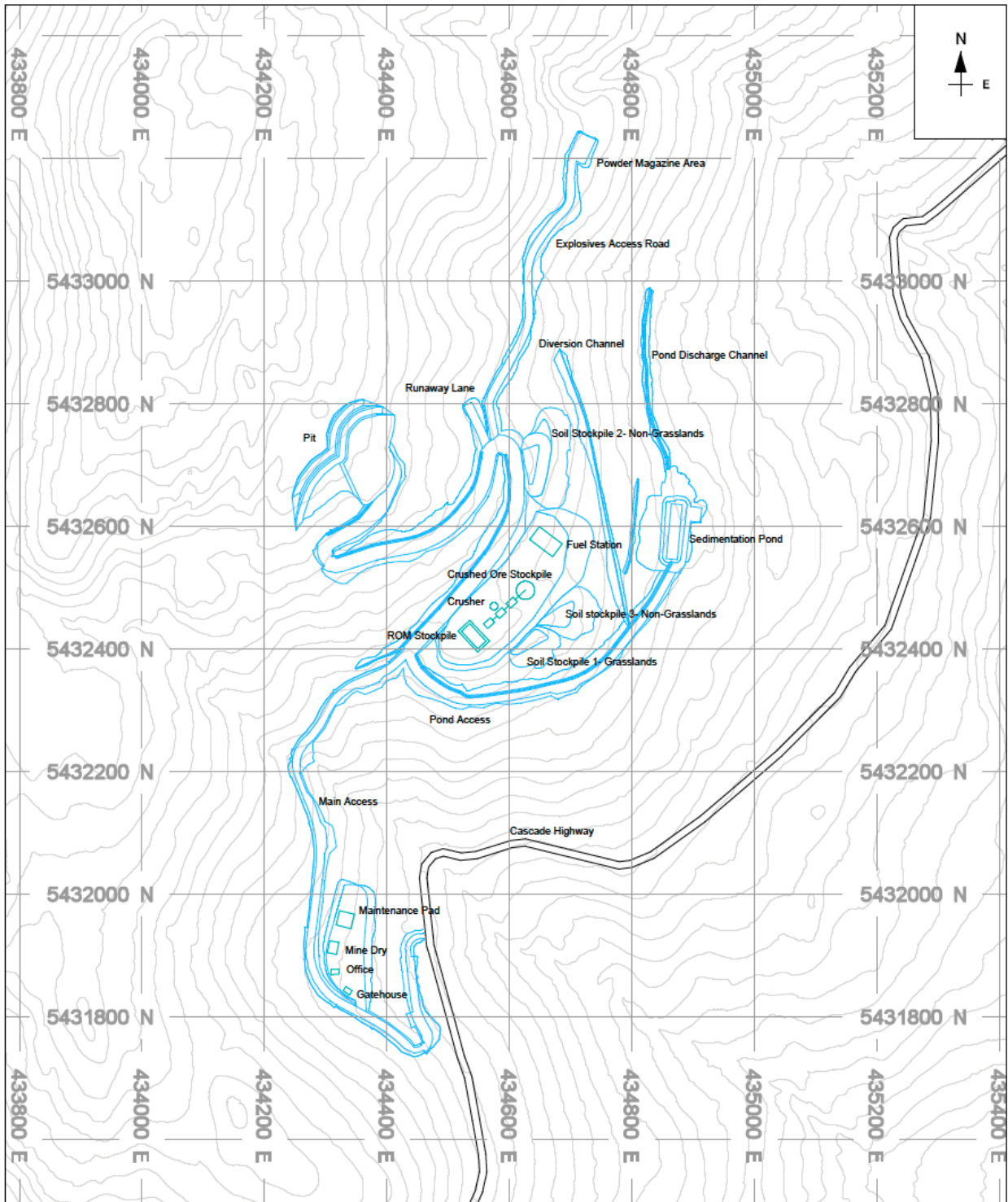
## **APPENDICES**

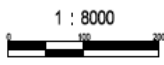


Detailed technical, permitting, and commercial documentation is available in the Company's data room upon request.

# APPENDIX-1: RESOURCE MAP



# APPENDIX 2: MINE PLAN



		 FUSE ADVISORS PART OF SLR	PROJECT:	Record Ridge Industrial Mineral Mine
			DATE:	2026/03/10
			PLAN:	End of Year 1
			SCALE:	X = 1mm : 8000mm

### APPENDIX 3: PROJECT SCHEDULE

#	Milestones	Mths	2026				2027				2028				2029				2030			
			Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Pilot Plant	6																				
M1	Development and operation	6																				
	Mine*	57+																				
M1	Mine Development	6																				
M2	Operation	51+																				
	Commercial MgO Plant	51+																				
M1	Commercialization	15																				
	Feasibility Study	9																				
	FEED and Eng. Studies	9																				
M2	Execution	21																				
	Construction	18																				
	Comissioning	3																				
M3	Operation	9+																				
	Ramp Up	3																				
	Operation	6+																				

\* Expected

