

REPORT



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TruePoint Exploration
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Attention: Debbie James, P.Geo. – Project Manager

2023 Carmacks Copper Annual Inspection – Carmacks, YT

1. INTRODUCTION

1.1 General

AM2 Geotechnical Inc. (AM2) was retained by TruePoint Exploration (TruePoint) to conduct the annual inspection of the Carmacks Copper Project (CCP) site north of Carmacks, Yukon, off the Freegold Road. TruePoint requested the inspection on behalf of Granite Creek Copper Ltd. (Granite Creek) to fulfill the requirements of Section 16.1 of the site's Quartz Mining License (QML-0007).

Past inspections were conducted by Golder Associates Ltd. (now WSP Canada), and AM2 has referenced their 2022 inspection document (reference no. 22538861-002-TM-Rev0-30000) for the inspection and report. This report details AM2's site inspection on November 7, 2023.

1.2 Site Details

The CCP is a partially developed site accessible from the Freegold Road, which begins in Carmacks. The site includes the following that are listed in the 2022 inspection document:

1. Mine exploration camp;
2. Access roads and minor drainage structures;
3. Unconstructed heap leach facility;
4. Water management ponds;
5. Undeveloped open pit, waste rock storage area, processing plant area, ore preparation facility area, and ore stockpiles; and
6. Water diversion structures.

Many areas listed above are undeveloped, with only exploration work conducted in them, such as drilling, trenching, access road construction, and tree clearing.

AM2 understands that no work was done at the site in 2023, meaning the only changes to areas inspected in 2022 are from natural processes.

2. 2023 INSPECTION

2.1 General

AM2 mobilized to the site on November 7, 2023, and was accompanied by Anne Bordeleau, a representative of TruePoint. TruePoint hired a helicopter from Whitehorse as winter conditions restricted road access. The helicopter provided general access to locations around the site, and AM2 used a drone to capture photographs of the site and determine whether areas required a visual inspection on the ground. Approximately 150 mm of snow on the ground surface limited AM2's inspection to looking for significant features that would present through the snow cover. Therefore, smaller features, such as tension cracks, minor slumping, etc., could not be seen.

The site is in the advanced project stage, with only an exploration camp and access roads as developed infrastructure to support exploration. Inspections of undeveloped areas are required to confirm that the limited development for exploration purposes remains stable regarding temporary water management structures (i.e., ditches and sediment catch basins) and constructed roads and pads.

All photos referenced below are in Section 4 of this report. Photos 1 through 3 provide aerial overviews of the CCP.

2.2 Site Ditches and Sediment Catch Basins

Due to snow cover, AM2 could not inspect ditches and sediment catch basins in detail. During flyovers with the helicopter and drone flights, AM2 looked for major erosion features along access roads that would indicate that surface water runoff had damaged ditches, leading to runoff eroding the surface of access roads. No significant erosion was observed, which would have required a detailed inspection. During the site visit, sediment catch basins could not be easily identified and inspected.

2.3 Exploration Camp Area

The 2022 inspection noted that cracking around the core storage racks has been observed in the past, likely from thaw-induced settlement. However, WSP stated that settlement in the area does not represent a safety concern. AM2 walked around the core storage area but could not see evidence of cracking due to snow cover. Photo 4 shows the core storage area.

AM2 saw no evidence of fuel leaking from tanks supplying fuel to the heated core shack and geology office, and the condition of the liners and spill pads could not be confirmed with the snow cover. With no work at the site in 2023, liners should be expected to be satisfactory. An inspection by the Yukon Government on July 5, 2023, noted that corrective action had been taken to mitigate fuel tank leaks observed in 2022 but observed evidence of spills at the generator shed.

The slope behind the camp showed no evidence of instability and remains in a similar condition as observed in 2022. Minor ravelling continues but does not impact camp facilities. Photo 5 shows the slope behind the camp.

2.4 Fuel Storage Area

The fuel storage area is on the slope above the exploration camp and is a bunded and lined basin to contain spilled fuel. Fuel drums in and around the fuel storage area are stood up, which reduces the possibility of leakage compared to lying on their side. Fuel drums are not stored in a manner that would limit wildlife egress from the basin.

Water has accumulated in the corner of the basin, which is evident by a smoother snow surface. There are three drums on a pallet where water has collected, but the pallet is visible, suggesting that the depth of the water is less than 0.2 m. The 2022 inspection noted that the bund is less than 3 m in height and the basin capacity less than 10,000 m³, meaning the storage area is appropriately permitted under the QML without a water license. Photo 6 shows the fuel storage area, indicating the ponded water area and the drums on a pallet within it.

No site activities in 2022 mean that the liner should be in the same state as the 2022 inspection, where some previously reported damage had been repaired, but larger holes remain unrepaired. The liner could not be assessed due to snow cover to determine if wildlife or people not associated with the project had created any new holes. However, the Yukon Government inspected the fuel storage area in July 2023 and observed evidence of spilled fuel and the holes in the liner. TruePoint said that they have everything to repair the liner sitting in Whitehorse but did not make it to the site in 2023 to make repairs. The berms have vegetation growing along the top and side slopes that were present in 2022, and WSP noted that there is potential for roots to penetrate the liner.

2.5 Site Access Roads

2.5.1 On-Site Access Roads

On-site access roads appeared in good shape while flying over them with the helicopter and subsequent drone flights. Again, the snow cover limited the ability to inspect access roads. AM2 did not observe any significant erosional features that required further inspection. However, some areas with wheel rutting could lead to a concentration of surface water flow and excessive erosion if ditches do not capture runoff. Photos 7 and 8 provide examples of the on-site access roads.

WSP noted that the North Williams Creek culvert had undergone some crushing on accumulated sediment but was adequate to accommodate the relatively minor flows observed during their inspection. AM2 did not inspect the culvert due to snow cover and access around the site, but the previous inspection did not indicate that this area was highly susceptible to rapid degradation of the culvert function.

The ford road crossing at Williams Creek could not be inspected due to snow cover, but the crossing had ponded water before freezing, as evidenced by a smooth snow surface. The 2022 inspection noted that the ford consists of a well-graded rockfill that was in satisfactory condition when inspected. Photo 9 shows the state of the ford at the time of the inspection.

2.5.2 Access Road from the Freegold Road

The helicopter flew along the access road between the Freegold Road and the CCP site, allowing AM2 to inspect the road surface visually. Due to surface water management, rutted sections are present along the access road, allowing runoff to flow along the road surface and create erosion channels along wheel ruts. An inspection without snow cover and from the ground is required to assess the impact on the access road properly and determine how to mitigate erosion of the roadway surface. Photo 10 shows a typical example of the erosion.

The portion of the access road leading into and out of the Merrice Creek Valley had significant erosion of the access road, making it difficult for a vehicle to traverse and gain access to the CCP. Deterioration of the road surface has occurred on the hills leading to Merrice Creek on both sides of the bridge, with an estimated depth of up to 0.5 m and 1 m wide in places. Much of the erosion is longitudinal with the road alignment but crosses the road at some locations. Photos 11 and 12 show examples of significant erosion.

WSP discussed the condition of the Merrice Creek bridge deck in their 2022 inspection, and AM2 did not inspect the bridge deck because of snow cover and lack of use in 2023. WSP noted that the bridge deck is in

satisfactory condition and securely anchored at each abutment. AM2 focused on inspecting the abutments because of evidence of erosion from high-water events observed by WSP.

AM2 reviewed WSP's pictures of the north and south abutments of the Merrice Creek bridge to determine if additional erosion in 2023 occurred. The north abutment had a trim line from erosion in 2022 that is not evident in 2023, suggesting that further erosion has occurred or soil slumped, removing the trim line. The erosion or slumping has not appeared to have resulted in less soil supporting the bridge at the top of the abutment. The south abutment also has a less distinguishable trim line between inspections but appears to be from the soil slumping rather than erosion during a high-water event. Photos 13 and 14 show the two abutments.

An aerial view of the bridge suggests that the north abutment is more susceptible to continued erosion during high-water events than the south abutment. The south abutment is partially protected by soil on the upstream side, but the north abutment has limited protection to redirect water flow around the slope. Photo 15 shows an aerial view of the bridge with an arrow indicating general flow towards the bridge, specifically towards the north abutment.

2.6 Proposed Heap Leach Area

The proposed heap leach area is located on the hillside to the north of the exploration camp, with the tailings management and waste rock storage area beginning at the top of the hill and bordered by North Williams Creek to the north. Site preparation is limited to clearing trees and topsoil and constructing access roads and drilling platforms. WSP stated that sediment control measures consist of ditches and berms to divert water into sediment catch basins, silt fences, and vegetated areas to break up the flow and reduce the potential for erosion.

WSP observed that vegetation regrowth at the 2015 and 2017 drill pads had mitigated sediment loss and that the 2021 drill pads were in satisfactory condition. In the Williams Creek floodplain, WSP noted that revegetation using willow cuttings is well established and performing well, with no evidence of sediment movement. There was no evidence of sediment movement in areas with overgrown silt fencing.

AM2 could not inspect this area to determine whether the vegetation continues to mitigate erosion and sediment transport due to snow cover.

Photos 16 and 17 show the previously proposed heap leach site and the current proposed site, respectively.

2.7 Proposed Open Pit Area

The open pit area comprises trenches excavated to collect bulk samples during exploration activities and drill pads. AM2 inspected the site, and trench slopes remain stable with no slumping or failures, and the trenches still facilitate egress for wildlife. Drill pads did not appear to have any significant erosion that could be observed through the snow cover. Photos 18, 19, and 20 show the exploration trenches in the proposed open pit area.

2.8 Proposed Tailings Management and Waste Rock Storage Facility Area

WSP's inspection stated that the tailings management and waste rock storage area is tree covered, and all of the drill pads and access roads are revegetated to the extent that foot access is difficult. AM2 flew the drone over the area and observed no features warranting further inspection.

3. RECOMMENDATIONS

Due to snow cover, AM2 could not inspect the CCP to the same extent as previous inspections. Generally, the site appears to be in a similar condition as the 2022 inspection for what could be seen, and WSP had not noted any locations in 2022 that would be of concern in 2023. Granite Creek should ensure that the 2024 inspection is conducted while the area is free of snow so that all areas can be assessed similarly to previous inspections.

The following provides recommendations for the specific areas inspected:

1. Site Ditches and Sediment Catch Basins

- These structures should continue to be inspected annually to confirm that they remain suitable to capture and direct surface water runoff appropriately.
- Ongoing maintenance should be conducted whenever project personnel are on-site if they observe poor performance or degradation.

2. Exploration Camp Area

- Annual inspections should continue as required by the QMS. However, there are no current concerns, and inspections would look to identify any emerging issues.
- TruePoint should inspect the fuel containment areas for heating fuel tanks at camp buildings in 2024 on the first trip to the site to confirm that no leaks have occurred.

3. Fuel Storage Area

- A qualified professional should fully repair the liner in the fuel storage area to reduce the risk of leakage outside of the containment if a spill occurs, and the soil beneath the holes should be inspected to determine if fuel has breached the liner through the holes.
- Trees and shrubs should be cut and removed to limit the continued growth of roots. If the roots are removed, they should be carefully excavated by hand in case they have penetrated the liner, and the liner should be repaired as needed. Removal of vegetation should occur while someone is on-site to repair the liner in case added repairs are required.

4. On-Site Access Roads

- The North Williams Creek culvert should be reassessed to confirm that degradation or excessive erosion has not occurred since the 2022 inspection and repaired as necessary.
- The access roads should continue to be inspected annually, and TruePoint should conduct maintenance as required, including ditches. If wheel ruts lead to excessive erosion, they should be graded smooth, and surface water runoff should be directed into ditches.

5. Access Road to CCP

- The main access road should have a more comprehensive inspection to determine the extent of the erosion and repairs made to mitigate runoff flowing on the road surface. Repairs could be regrading the road surface, installing additional culverts, or constructing/reconstructing ditches.
 - The portion of the access road in the Merrice Creek Valley may have to be repaired before vehicles can access the CCP, but the site should remain accessible if off road vehicles are used.

- The Merrice Creek bridge should continue to be monitored annually, with inspections occurring after freshet and significant rainfall events to determine how much erosion of the abutments occurred and if it puts the bridge at risk.
 - Routine maintenance should continue to reduce the degradation of the bridge deck and side rails repaired for the safety of road users.
 - If excessive erosion threatens the abutments' integrity, TruePoint should seek recommendations for erosion protection using rip rap or concrete lock blocks.

6. Proposed Heap Leach, Open Pit, and Waste Rock Storage Areas

- Previous inspections have not highlighted any concerns in this area, and annual inspections should continue to confirm that all locations impacted remain stable and that excessive erosion and sediment transport are not occurring.

4. PHOTOGRAPHS

412,819 E / 6,913,337 N
Facing West



Photo 1: Overall view of exploration camp, proposed heap leach site, and proposed open pit area

412,120 E / 6,914,455 N
Facing Southwest



Photo 2: Overall view of proposed open pit area and waste rock storage area

411,830 E / 6,913,958 N
Facing West

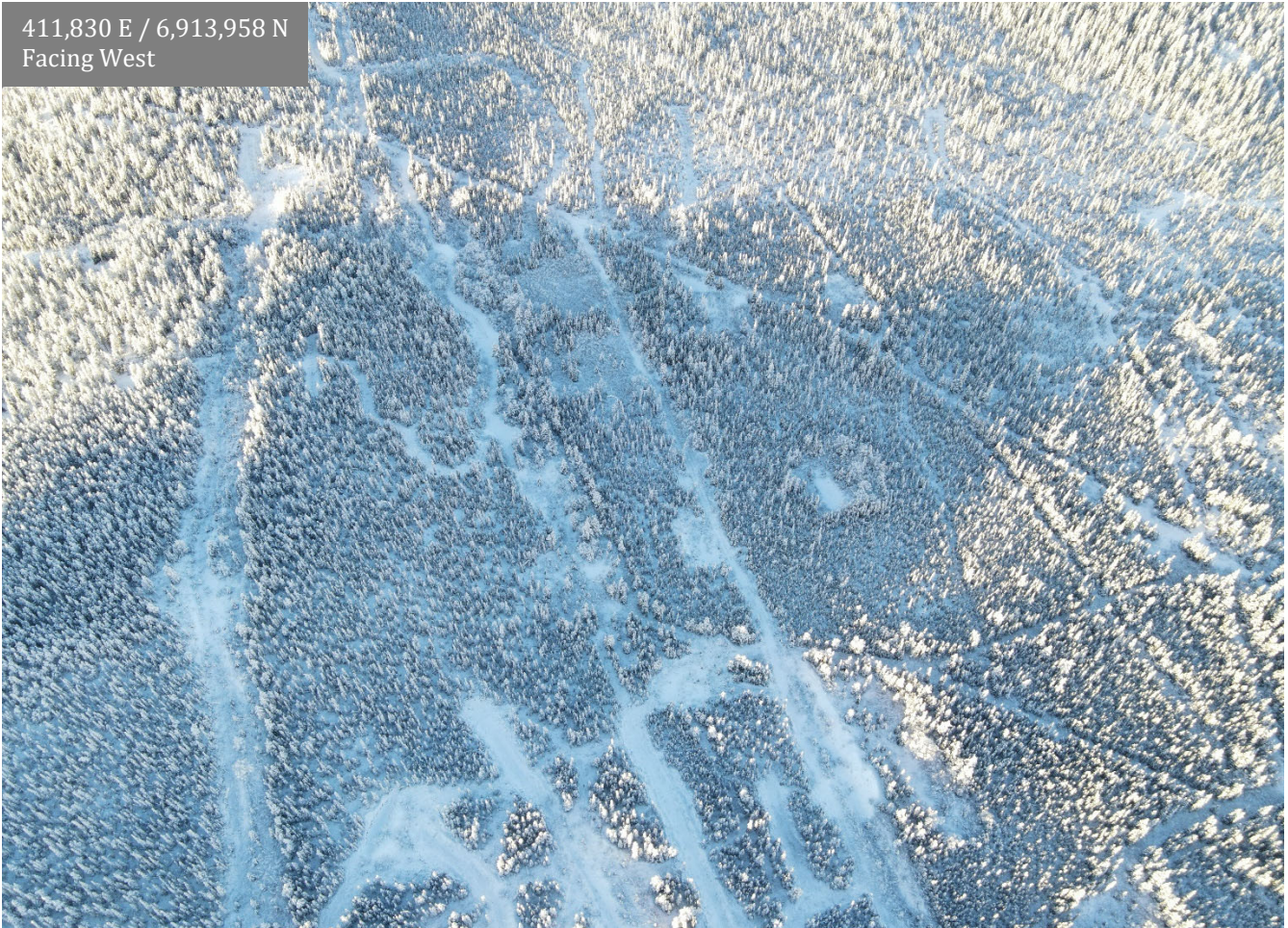


Photo 3: Overall view of proposed tailings management area

411,955 E / 6,912,611 N
Facing North



Photo 4: Core storage area



Photo 5: Embankment slope behind exploration camp

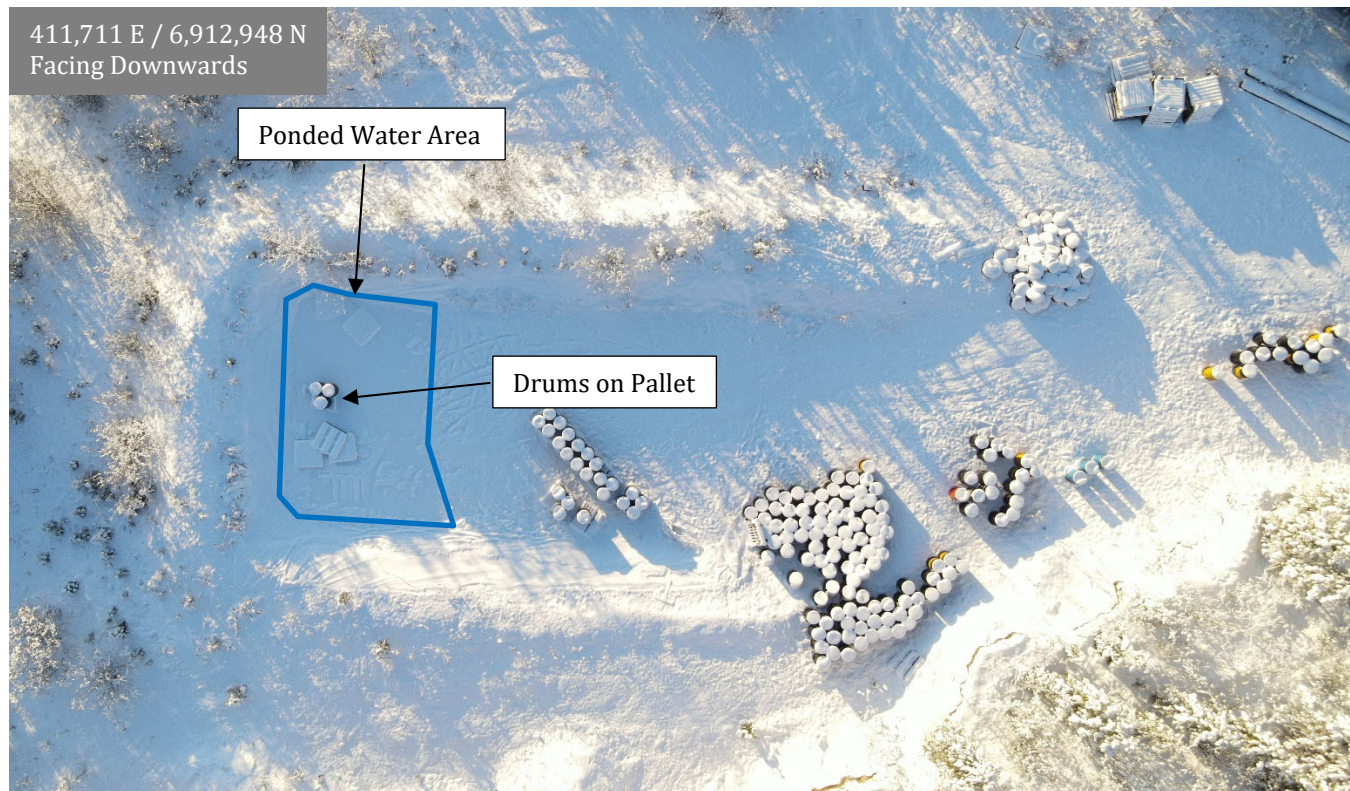


Photo 6: Aerial view of fuel storage area

411,622 E / 6,913,412 N
Facing South



Photo 7: Site access roads on the slope above camp (proposed heap leach site)

411,934 E / 6,913,345 N
Facing East



Photo 8: Site access roads at the southern point of the proposed open pit



Photo 9: Williams Creek ford crossing showing no evidence of significant erosion

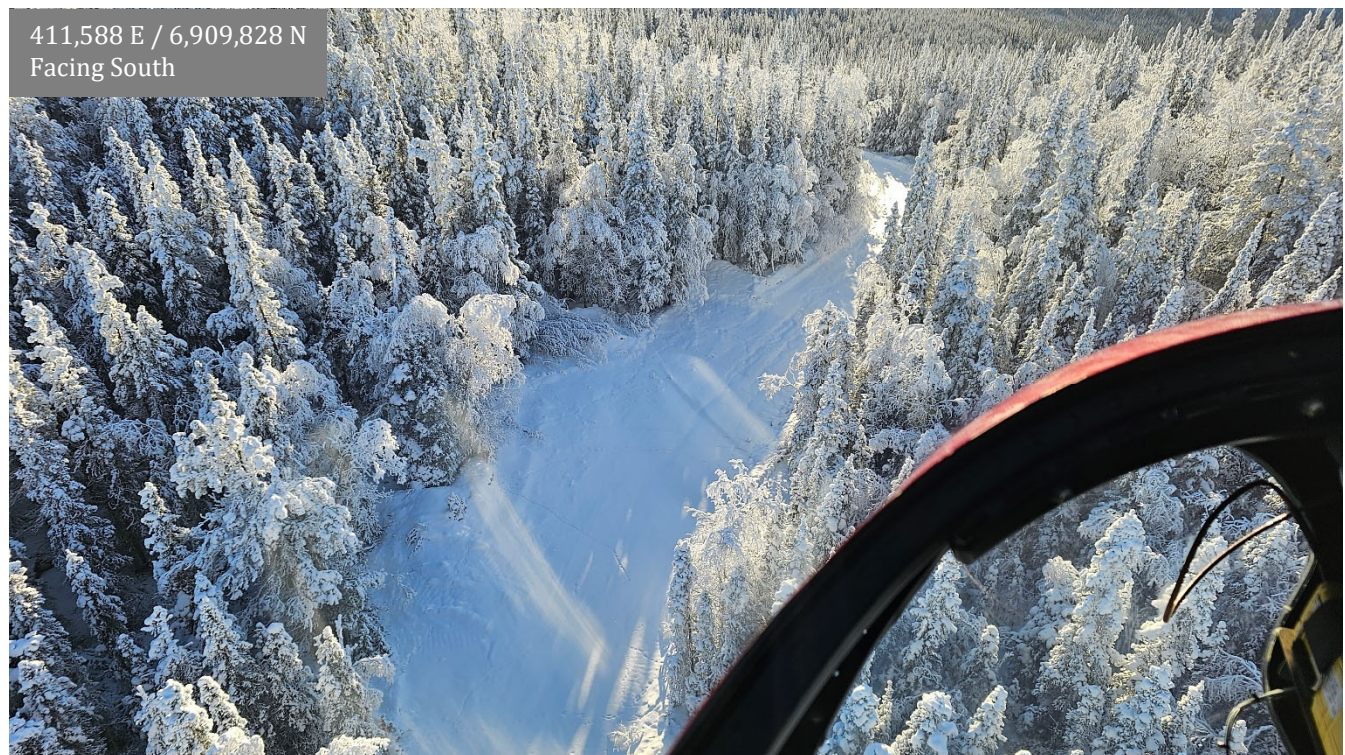


Photo 10: Typical erosion on the access road to the CCP site



Photo 11: Significant erosion on north Merrice Creek hill



Photo 12: Significant erosion on south Merrice Creek hill



Photo 13: Merrice Creek bridge north abutment



Photo 14: Merrice Creek bridge south abutment



Photo 15: Aerial view of Merrice Creek bridge



Photo 16: Proposed heap leach area



Photo 17: Proposed tailings management area and part of waste rock storage area



Photo 18: Aerial view of exploration trenches in the northern portion of the proposed open pit area



Photo 19: Aerial view of exploration trenches in the southern portion of the proposed open pit area

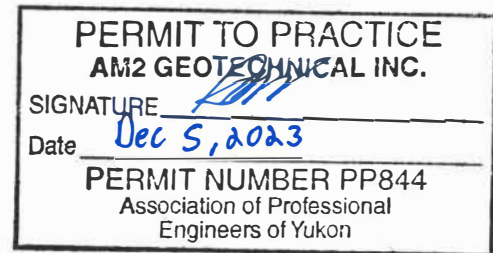


Photo 20: Typical exploration trench in the proposed open pit area

5. CLOSURE

We trust this document satisfies your current requirements. If you have any questions or comments, please get in touch with the undersigned below.

Respectfully submitted,
AM2 Geotechnical Inc.



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Enclosure:
Limitations on the Use of this Document

LIMITATIONS ON THE USE OF THIS DOCUMENT

1. USE OF REPORT AND CONTENTS

This document is for a specific site, development, and scope of work. All parts of this document (report, plans, drawings, profiles, and other supporting documents) are collectively the document (the "Professional Document").

The Professional Document's use is solely for AM2's Client, its officers, employees, agents, representatives, and successors. The ("Client") is as identified in the AM2 Services Agreement or other Contractual Agreement (referred to as the "Contract" herein) between AM2 and the Client. AM2 accepts no responsibility for the accuracy of the Professional Document when relied upon by any party other than the Client unless authorized in writing by AM2. AM2 must authorize any changes to conclusions, opinions, and recommendations presented in the Professional Document in writing.

2. STANDARD OF CARE

AM2 has prepared the Professional Document with the standard level of care consistent with other professional members practicing under similar conditions in the jurisdiction where the services are provided, subject to the time limits and physical constraints applicable to this report. No other warranty expressed or implied is made.

If the Client or an Authorized Party discovers an error or omission, it must be brought to the attention of AM2 within a reasonable time.

3. GENERAL LIMITATIONS

This Professional Document was prepared based solely on the conditions presented and data available during the Contract term from data collected in the field and available databases.

This Professional Document is of a summary nature. It is not intended to stand alone without reference to the instructions given by the Client to AM2, communications between AM2 and the Client, and any other reports prepared by AM2 for the Client relative to the specific site described in this report. This Professional Document cannot be relied upon when any party uses portions of the report without reference to the entire report, for which AM2 cannot be held responsible when not used in whole.

The information and recommendations in this Professional Document pertain to the subject site and specific development and cannot be relied upon when used for other developments or sites. Any variation in site conditions, development configuration, or assumed conditions that form the basis of this Professional Document, at or on the development proposed as of the date of the Professional Document, requires a supplementary exploration, investigation, and assessment.

The recommendations and opinions given in this Professional Document are for the Client's guidance in designing a specific project. Investigations for design purposes are of less scope than if conducted to determine all of the relevant conditions that may affect construction costs. Contractors bidding on or undertaking the work should rely on their own investigations and interpretations of the factual data presented in the Professional Document.

4. DISCLOSURE OF INFORMATION BY THE CLIENT

The Client acknowledges that they have disclosed all relevant information to the project and has not withheld any pertinent information from AM2, with all available information on the past, present, and proposed conditions on the site, including historical information respecting the use of the site.

5. INFORMATION PROVIDED BY OTHERS

AM2 seeks to verify the accuracy of information provided by third parties other than the Client. However, AM2 accepts no responsibility for such information's accuracy or reliability if provided by credible sources, even if any impacts to recommendations, design, or other deliverables cause the Client or Authorized Party loss or damage.

6. SOIL, ROCK, AND GROUNDWATER DESCRIPTIONS

Commonly accepted systems, methods, and standards of professional geotechnical practice are used to classify soils and rocks. Using these methods involves judgment on limited field data where boundaries between soil/rock types and units may be transitional rather than abrupt. AM2 does not warrant or guarantee the exactness of the descriptions beyond the inferred accuracy that is common in practice.

AM2's descriptions are based on the exact locations of the subsurface investigation techniques and cannot guarantee that conditions between subsurface investigation points still are as interpreted. Soil and groundwater conditions shown in the factual data and described in the Professional Document are the observed conditions at the time of the determination or measurement. Activities or seasonal changes after data collection may alter the conditions described in this Professional Document.

Suppose subsurface conditions encountered during development differ from those described in this Professional Document. In that case, qualified geotechnical personnel should revisit the site and review recommendations in light of the actual conditions encountered.

7. TESTHOLE LOGS

Testhole logs are prepared based on a compilation of site-specific field data, classification of soils and rocks from investigations, and laboratory testing of selected samples. The logs do not indicate the overall site conditions and serve as information for engineering judgment and determination. However, further investigation and review will be required if the Client requires a detailed site characterization.

Stratigraphic and geological information in this report is inferred from logs of subsurface investigation methods. Stratigraphy is only known at the testhole location or exposure. The conditions presented by AM2 are not exact, and the Client accepts that variations exist and does not hold AM2 responsible for variations encountered beyond testholes.

8. CONSTRUCTION MONITORING

A geotechnical engineer should undertake observations during site preparation, excavation, and construction, as these observations serve as the basis for confirmation and/or alteration of geotechnical recommendations or design guidelines presented herein.

9. PROTECTION OF SITE CONDITIONS

AM2 does not accept responsibility for changes in site conditions after the investigation is complete and their effects on recommendations or factual information in this Professional Document unless disclosed by the Client, and AM2 is given the opportunity to review the changes and update the Professional Document.

Unless otherwise stated in the Professional Document, excavation subgrades and walls must be protected from the elements, particularly moisture, desiccation, frost action, and construction traffic.

Unless otherwise stated in the Professional Document, the Client must support ground and structures adjacent to the anticipated construction and preserve adjacent ground and structures from the adverse impact of development activities.

A geotechnical engineer should be consulted about construction activities' impact on adjacent infrastructure once the final design, construction techniques, and construction sequencing are known.

AM2 accepts no responsibility for the effects of drainage or dewatering if it has an adverse effect on temporary or permanent installations unless specifically involved in the system's detailed design and construction monitoring.

10. DESIGN PARAMETERS

Design parameters in this Professional Document relate to a specific soil or rock type and condition. Construction or environmental circumstances can materially change the conditions, and structural elements must be in and/or upon geological materials of the type and in the condition used in this Professional Document. The Client's responsible for retaining a geotechnical engineer to verify site conditions match those described in this report during construction.

11. CODES, STANDARDS, GUIDELINES, AND BEST PRACTICES

This Professional Document has been prepared based on all current and applicable codes, standards, guidelines, or best practices. AM2 cannot be held responsible for future changes to codes or standards and their effect on the assessment, design, or analyses included in this Professional Document.

12. SAMPLES

AM2 will discard soil and rock samples after 90 days of storage unless other arrangements are made by the Client by written request. The Client accepts that storage fees may apply for more extended storage periods.