

FERGUSON LAKE PROJECT AND PROPERTY SUMMARY

The Ferguson Lake Project is an advanced Ni-Cu-Co-PGE exploration property 100% held by private Ontario incorporated company Canadian North Resources and Development Corp. (CNRD). Between the years 1949-57 the property area was explored by INCO then it was acquired by Starfield Resources Inc. in 1999 whereupon a number of different exploration methods were used to study and advance the project including airborne and surface geophysical surveys, surface geochemistry programs and diamond drilling. CNRD acquired the project from Starfield under bankruptcy protection in June, 2013.

The Ferguson Lake property consists of 29 active mineral claims and 10 mining leases comprising an area of 28,128 hectares (69,476 acres) 100% held by Canadian North Resources and Development Corporation (CNRD). The property is located in the Kivalliq region of southern Nunavut Territory some 240 kilometres west of Rankin Inlet and 160 kilometres south-southwest of Baker Lake. Ferguson Lake, central to the large property area, is midway between Yathkyed and Qamanirjuaq Lakes.

The property encompasses an area consisting of three contiguous claim blocks plus one block of contiguous mining leases extending across and south of Ferguson Lake between latitudes 62° 30' and 62° 55' North and longitudes 96° 10' and 97° 30' West in NTS map-areas 65I/10-16 (UTM coordinates 6945000-6978000N, 585000-625000E - Zone 14). The mining leases consist of 11,456 hectares (23,935 acres) and cover the Ni-Cu-Co-PGE Ferguson Lake Deposit which extends east-west for 12 km from seven km west to 2 km east of Ferguson Lake. The mining leases are located predominately on Kivalliq Inuit Association (KIA) surface rights owned land (RI-24, RI-25, RI-26 and RI-27).

The following Commercial, Land Use and Right of Way permits, enabling work, water use, and travel to be conducted over the mining leases, claims, and Prospecting Permit areas, are issued by the Kivalliq Inuit Association (KIA), and Nunavut Water Board (NWB):

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| • KVCL305H27 | Expires July 22, 2022 |
| • KVCA08Q17 | Expires September 8, 2019 |
| • KVRW06F09 | Expires October 17, 2019 |
| • 2BE-FER1318 TYPE "B" | Expires December 11, 2018 |