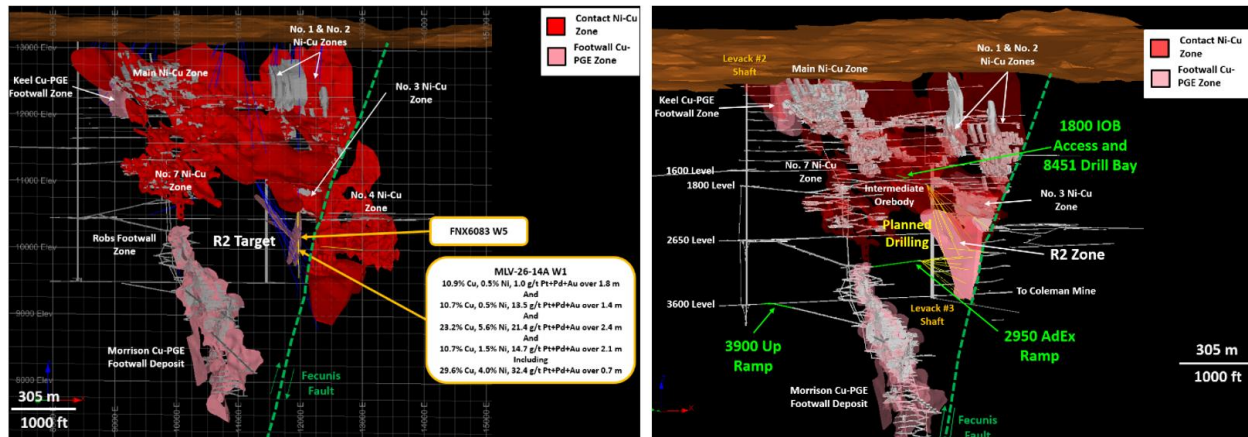


Ticker: NICU CN **3Q25 cash + warrants:** C\$69m **Project:** Sudbury Assets
Market cap: C\$650m **Price:** C\$2.60/sh **Country:** Canada, ON
REC. (unc): BUY **TARGET (unc):** C\$5.10/sh **RISK RATING (unc):** HIGH

R2 is continuing to hold firm on mineable thicknesses and impressive grades. We see three key takeaway's from today's drill results. **First**, headliner **2.4m @ 43.4% CuEq** at spot (incl. 23.2% Cu, 1.6g/t Au, 13.3g/t Pt, 6.5g/t Pd, and 225g/t Ag) sees **in-situ values of US\$5,600/t**, suggesting even a single 3.0m cut-and-fill round (60t) could generate >\$330k before milling/smelting recoveries/costs, speaking to the potential cash flows here, notably excluded from Franco agreements. **Second**, today's new full drill hole hit seven mineralized zones over ~175m, with intercepts (1.2-2.4m) returning higher grades 13-43% CuEq (spot). Key here are structural parallels to Morrison's (600m SW) narrower N-S striking sub-vertical veins (intersected to date) and E-W veins to be targeted next in follow-up drilling (see Figure 2 for simplified Morrison vein model), **with potential for thicker 'extensional' mineralization still to come.** Also meaningful at these grades. **Third**, we note good continuity of mineralization and 100% hit rates again today with averages for all hits to date improving on thickness and grade to 1.3m @ 12.2% CuEq (from 1.2m @ 10.7% CuEq) at spot – incorporating 1.7m @ 16.1% CuEq averages from new results. Separately, good to see strides on Levack development, establishing key infrastructure for targeting FW zones and enabling quick access to mineralization ahead of this year's restart decision. **As such we maintain our BUY rating and our C\$5.10/sh price target** based on updated ~C\$980m SOTP valuation for the group at 1.5xNAV7%. Upcoming catalysts remain 4Q25 financials on April 20th, exploration drill results at Levack, 3Q26 Crean Hill FS and Levack PEA.

Figure 1. Levack (A) long and (B) oblique views showing R2 target, planned dev. & DDH platforms



Source: Magna Mining

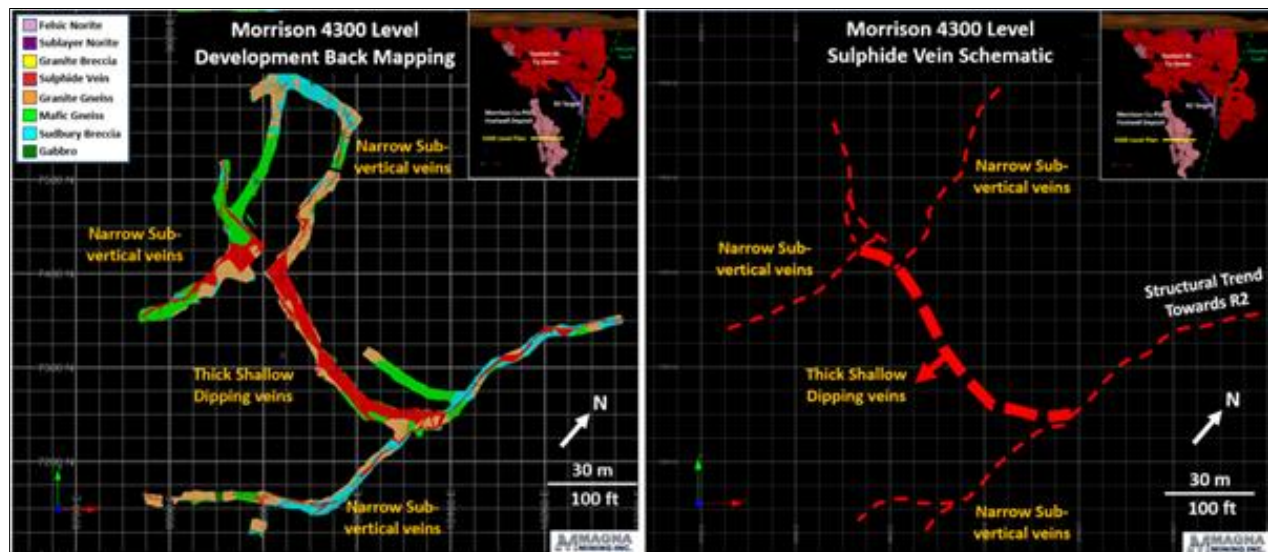
Levack FW drilling hits bonanza 2.4m @ 36.5% CuEq; No.2 shaft work kicks-off ahead of 3Q26 PEA

Today, Magna reported DD results from the R2 Target and provided an update on Levack Mine progress. Drill results were highlighted by **2.4m @ 36.50% CuEq** (23.24% Cu, 5.61% Ni, 0.06% Co, 224.96g/t Ag, 21.39g/t Pt+Pd+Au) from 976m and **2.1m @ 17.44% CuEq** (10.73% Cu, 1.54% Ni, 0.01% Co, 67.12g/t Ag, 14.71g/t Pt+Pd+Au) from 1027m including 0.67m @ 42.17% CuEq testing subvertical veins along the interpreted eastern margin of R2 zone. Follow-up drilling from both surface and underground are ongoing, with several underground levels being re-established to provide additional drill platforms for FW testing.

Levack Mine site activity: The 3900L ramp development (540ft) to Vale's Coleman mine was completed in February. Ongoing activities include development on 1800L to access the Intermediate Orebody and rehabilitation of 2650L to establish DD platforms (R2 FW Zone and below No.3 OB). Following 1800L completion, crews will advance an exploration drift (347m) from the Morrison Ramp 2950L to R2 FW Zone.

No.2 shaft production hoist re-commissioning work has commenced with priority on bringing the hoist plant into service to support ore/waste hoisting. A Levack PEA is still guided for 3Q26. Financials for 4Q25 are scheduled for after market Monday April 20th.

Figure 2. Morrison (A) 4300L back mapping and (B) sulphide vein schematic



Source: Magna Mining

Why we like Magna Mining Inc

1. Explorer turned copper producer with blue sky +37ktpa CuEq potential in <5 years
2. Quality asset base with potential for step-change exploration upside/discovery
3. Savvy management team strategically growing company with accretive acquisitions
4. Tier-1/globally significant Cu-Ni-PGE sulphide district near hungry mills/smelters
5. Best in class Sudbury based technical team (formerly FNX Mining)

Catalysts

- CY26: McCreedy West quarterly production
- CY26: Levack surface / UG exploration drilling
- 3Q26: Crean Hill PFS, Levack PEA

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Ticker: NICU CN	Price / mkt cap: C\$2.6/sh, C\$650m	P/NAV today: 0.77x	Country: Canada, Ontario
Author: E Magdzinski	Rec / PT: BUY, C\$5.1/sh	1xNAV7%: C\$3.39/sh	Asset: Sudbury

Commodity price	CY24A	CY25A	CY26E	CY27E	CY28E
Cu price (US\$/t)	9,264	10,022	11,026	11,000	11,000
Cu price (US\$/t, payable)	7,313	8,218	8,162	7,795	7,476
SOTP project valuation*	C\$m	o/ship	NAVx	C\$/sh	
Sudbury operations @ 2Q26	631	100%	1.00x	2.19	
SCPe nominal exploration upside	500	100%	1.00x	1.73	
UG resources ex inv'try ex Shak'pr @ 1% in-situ	72	100%	1.00x	0.25	
Franco Stream (C\$m)	(226)	100%	1.00x	(0.78)	
Central G&A + finance NPV (C\$m)	(82)	100%	1.00x	(0.28)	
FY 3Q25 cash + warrants	69	100%	1.00x	0.24	
Cash from ITM options/warrants	14	100%	1.00x	0.05	
1XNAV C\$	979			3.39	

*Build start, ex fin. cost + G&A, dil. for opts not build P/NAV today: 0.77x

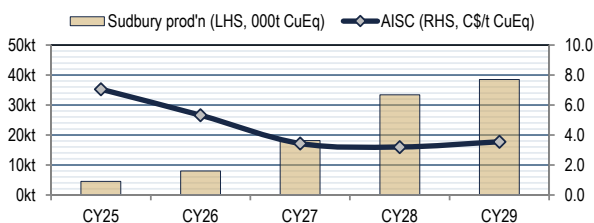
Asset value: 1xNPV project (C\$m, ungeared)*					
Asset NPV (C\$m)	7,000	9,000	11,000	13,000	15,000
9.0% discount	262	410	555	699	842
7.0% discount	301	468	631	793	955
5.0% discount	348	537	723	906	1,089
Asset NPV (C\$/sh)	7,000	9,000	11,000	13,000	15,000
9.0% discount	0.91	1.42	1.92	2.42	2.92
7.0% discount	1.04	1.62	2.19	2.75	3.31
5.0% discount	1.21	1.86	2.51	3.14	3.78

*Project level NPV, excl finance costs and central SGA, discounted to build start

Group valuation over time^	Jun-26	Jun-27	Jun-28	Jun-29	Jun-30
McCreedy + Levack	631	712	790	717	619
SCPe nominal exploration upside	500	500	500	500	500
UG resources ex inv'try ex Shak'pr @	72	72	72	72	72
Franco Stream (C\$m)	(224)	(213)	(194)	(168)	(138)
Central G&A and finance costs	(79)	(68)	(57)	(44)	(39)
Net cash prior quarter	39	85	11	81	175
Cash from ITM options/warrants	13.8	13.8	13.8	13.8	13.8
Total NAV (C\$m)	953	1,102	1,136	1,171	1,202
FF FD share count (m)	288	329	329	329	329
1xNAV7%/sh FF FD (C\$/sh)	3.30	3.35	3.46	3.56	3.66

1xNAV/sh company @ 2026 commercial production (C\$, geared)^					
1xNAV (C\$m)	7,000	9,000	11,000	13,000	15,000
9.0% discount	602	751	898	1,043	1,188
7.0% discount	618	787	953	1,117	1,280
5.0% discount	639	832	1,021	1,204	1,391
1xNAV (C\$/sh)	7,000	9,000	11,000	13,000	15,000
9.0% discount	2.09	2.60	3.11	3.61	4.12
7.0% discount	2.14	2.73	3.30	3.87	4.44
5.0% discount	2.22	2.88	3.54	4.18	4.83

Production	CY25	CY26	CY27	CY28	CY29
SCPe production (000kt CuEq)^	4.54	7.97	18.12	33.39	38.50
SCPe AISC Co-prod. (US\$/lb CuEq)	7.06	5.32	3.43	3.19	3.54
Copper revenue (%)	59%	60%	51%	44%	39%



Source: SCP estimates, *AISC done on ore selling NSR

Resource/Inventory	Mt	NIeQ %	Sudbury	Mt	NIeQ %
Shakespeare pit inventory	12 Mt	0.7%	Pit M&I&I	17 Mt	0.8%
SCPe UG inventory	22 Mt	1.9%	UG M&I&I*	53 Mt	1.5%
Total	33 Mt	1.5%	Total*	70 Mt	1.3%

Note: NIeQ using SCPe LT metal prices; *incl. Historic KGHM Kirkwood + Podolsky MRE

Share data (m)			
Shares (m)	249.8	FF FD Shares (m)	288.5

CY26-28 Funding: uses		Sources	
SCP G&A + expl. spend (C\$m)	33	Pro forma cash+ ITM op (C\$m)	77
SCPe UG dev. capex (C\$m)	90	Operating CF to CY28 (C\$m)	101
SCPe UG sus. capex (C\$m)	20	SCPe equity (C\$m)	125
Working cap + stream (C\$m)	125	Total sources (C\$m)	304
Total uses (C\$m)	268		
Buffer (C\$m):	35		

Ratio analysis	CY24A	CY25E	CY26E	CY27E	CY28E
Shares out (m)	194.9	249.8	289.9	289.9	289.9
EPS (C\$/sh)	-	-	-	10.6	31.6
CFPS before w/c (C\$/sh)	-	-	-	-	3.6
EV (C\$m)	489.2	601.4	641.9	739.0	697.4
FCF yield (%)	-	-	-	-	6%
EV/EBITDA	-	-	-	10.5x	4.0x

Income statement	CY24A	CY25E	CY26E	CY27E	CY28E
Revenue (C\$m)	-	62.7	118.6	268.1	493.0
COGS (C\$m)	-	60.1	87.5	148.6	264.7
Gross profit (C\$m)	-	2.6	31.1	119.4	228.3
G&A (C\$m)	7.4	7.9	6.3	6.3	6.3
Exploration (C\$m)	10.1	8.4	8.0	8.0	8.0
Finance costs (C\$m)	0.2	3.4	1.5	1.5	1.5
Tax (C\$m)	-	(4.6)	5.8	28.8	55.1
Other (C\$m)	(1.4)	(11.6)	33.7	44.1	65.8
Net income (C\$m)	(16.3)	(0.9)	(24.2)	30.7	91.6

Cash flow statement	CY24A	CY25E	CY26E	CY27E	CY28E
EBITDA (C\$m)	(16.5)	(30.8)	(14.4)	70.1	172.5
Add share based (C\$m)	1.8	3.5	4.7	4.7	4.7
Net change wkg cap (C\$m)	0.2	(2.3)	18.4	61.7	31.3
Cash flow ops (C\$m)	(17.8)	(26.9)	(35.4)	(17.0)	89.4
PP&E - build + sust. (C\$m)	(0.0)	(15.1)	(26.0)	(80.1)	(47.7)
PP&E - expl'n (C\$m)	-	-	-	-	-
Cash flow inv. (C\$m)	(0.2)	(14.5)	(26.0)	(80.1)	(47.7)
Share issue (C\$m)	24.9	90.1	125.0	-	-
Debt draw (repay) (C\$m)	(0.2)	-	-	-	-
Cash flow fin. (C\$m)	24.6	87.3	125.0	-	-
Net change in cash (C\$m)	6.6	45.9	63.6	(97.1)	41.7

Balance sheet	CY24A	CY25E	CY26E	CY27E	CY28E
Cash (C\$m)	17.5	63.4	127.0	29.9	71.6
Acc rec. + invet. (C\$m)	4.4	34.1	55.6	139.0	192.4
PP&E & expl'n (C\$m)	17.6	111.6	135.1	205.9	229.2
Total assets (C\$m)	39.6	209.1	317.7	374.8	493.1
Debt (C\$m)	-	15.3	15.3	15.3	15.3
Accounts payable (C\$m)	3.6	21.4	24.5	46.3	68.3
Others (C\$m)	0.9	57.0	57.0	57.0	57.0
Total liabilities (C\$m)	4.5	93.7	96.8	118.5	140.5
Shareholders' equity (C\$m)	71.3	142.5	272.3	277.0	281.7
Reserves (C\$m)	5.4	15.4	15.4	15.4	15.4
Retained earnings (C\$m)	(41.6)	(42.5)	(66.7)	(36.0)	55.6
Liabilities + equity (C\$m)	39.6	209.1	317.7	374.8	493.1

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Summary of Recommendations as of April 2026	
BUY:	59
HOLD:	0
SELL:	0
UNDER REVIEW:	0
TENDER:	1
NOT RATED:	0
TOTAL	60

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