BN ENERGY

Block RS-12V: A Paradigm-Shifting Discovery

URGENT & HIGH-IMPACT: Evaluation of OMAC Laboratories Assay Report

Nickel-Cobalt

Copper-Gold

Orogenic Gold

Classification: High-Priority / Company-Making Potential

Strategic Evaluation

Report Date: 2025-09-19

Executive Summary: Triple Mineralization System

A unique polymetallic discovery with transformative potential for BN Energy

VMS Copper-Gold

7.81% Copper

3.31 g/t Gold

Surface samples show rich massive sulfide lenses with world-class grades comparable to top-tier VMS deposits globally.

Orogenic Lode-Gold

2-3 g/t Gold

Associated with classic pathfinder elements like Arsenic (As)

Robust, standalone mesothermal gold system with strong economic potential and strategic significance.

Magmatic Ni-Cobalt

>1% Nickel

Unprecedented in the Arabian-Nubian Shield

First economic magmatic Ni-Cu-Co sulfide system discovered in the ANS, with global implications for energy transition and battery metals.

Strategic Significance

This unique polymetallic (Au-Cu-Ni-Co) signature positions Block RS-12V as a strategic, world-class exploration target with the clear potential to host a multi-commodity mining camp.

Technical Analysis: Nickel-Cobalt Anomaly

A regional first for magmatic Ni-Cobalt sulfide in the Arabian-Nubian Shield

Key Findings

- First economic magmatic Ni-Cu-Co sulfide system discovered in the ANS
- Values exceeding **1% Ni** (>10,000 ppm)
- Suggests presence of a fertile ultramafic intrusive complex at depth

Geological Implications

- Introduces a completely new and unexplored geological model for Sudan
- Regionally transforming discovery that challenges existing ANS deposit models

Strategic Value

- **Tier-1 Critical Minerals** essential for global energy transition
- Particularly important for batteries in electric vehicles (EVs)
- Attracts strategic interest from major miners and battery manufacturers

Magmatic Nickel-Cobalt Sulfide

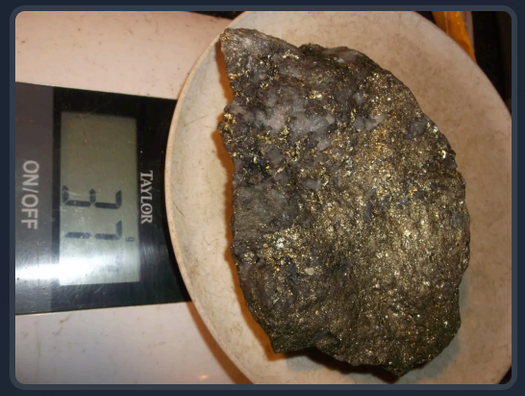
Energy Transition Context

Nickel and cobalt are classified as Tier-1 Critical Minerals for the global energy transition, with growing demand from:

Electric Vehicles | Renewable Energy | Industrial Applications

Technical Analysis: Copper-Gold VMS & Orogenic Gold

Copper-Gold VMS



7.81% Copper

3.31 g/t Gold

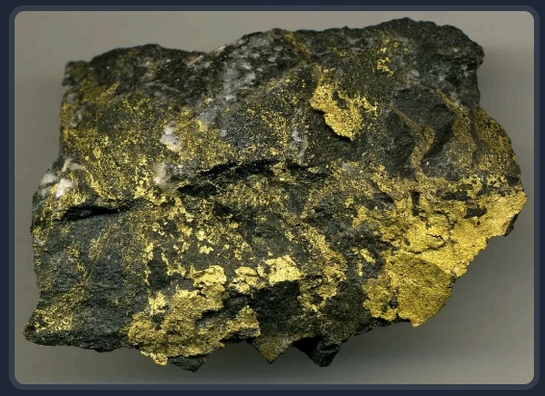
Global Benchmarking

- Comparable to early production grades at Neves-Corvo (Portugal): **5-8% Cu**
- Rivaling high-grade starter pits such as Bisha (Eritrea)

Economic Implications

High surface grades indicate near-direct shipping ore potential, providing strong evidence for a significant, high-grade VMS system with excellent economics.

Orogenic Lode-Gold



2-3 g/t Gold

Associated with classic pathfinder elements like Arsenic (As)

System Characteristics

Robust, standalone mesothermal gold system with strong economic potential and strategic significance.

Project Diversification

Significantly de-risks the overall project economically. If one commodity's price is depressed, others provide a solid financial floor, enhancing overall project robustness and resilience

Comparative Context: Regional Benchmarking

Positioning RS-12V among regional giants

Feature	Block RS-12V	Bisha Mine (Eritrea)	Sukari Mine (Egypt)
Primary Metals	**Cu, Au, Ni, Co**	Zn, Cu, Au, Ag	Au
Surface Grade	**7.81% Cu, 3.31g/t Au, >1% Ni**	High	High
Deposit Style	**VMS + Magmatic Ni? + Orogenic Au**	VMS	Orogenic Gold
Development Stage	**Pre-drill with exceptional surface indicators**	Production	Production

Unique Polymetallic Signature

RS-12V's Ni-Co battery metal suite is a key strategic differentiator in the region.

Superior Surface Grades

Grades rival producing mines and are superior to typical early-stage projects.

Exploration Roadmap: Phase 1 (3-6 Months)

Immediate follow-up actions to capitalize on the high-impact discovery

Initial Discovery → **Phase 1** 3-6 Months → Phase 2 6-12 Months → Phase 3 12-18 Months

High-Resolution Mapping & Geochemistry

Detailed Geological Mapping
1:2,000 scale geological mapping and structural analysis focused on high-grade zones (RS-18, RS-21, RS-22)

Infill Sampling
Soil and rock chip sampling on a tight 25m x 25m grid to refine surface anomalies

Priority Geophysics

Ground Magnetics
Map lithological contacts and identify magnetic ultramafic bodies (potential Ni source) and alteration zones

Ground Electromagnetics (EM)
TOP PRIORITY
The only direct method to detect conductive massive sulfide bodies (Cu, Ni) at depth. Critical for defining drill targets.

IP Survey
Characterize chargeability anomalies associated with disseminated sulfides and gold zones

Strategic Focus: Near-direct shipping ore potential at surface suggests excellent economics for future mining operation

Exploration Roadmap: Phases 2 & 3 (6-18 Months)

Strategic progression from target refinement to resource delineation

6 Months — 12-18 Months

Phase 2: Target Refinement

Months 6-12

Mechanized Trenching

Expose continuous mineralization, obtain bulk sample grades, understand true width of mineralized zones

Diamond Drill Target Definition

Synthesize all data to generate a ranked portfolio of high-confidence drill targets

Metallurgical Scoping

Initial flotation tests on composite samples to assess recoveries for Cu, Au, Ni, Co

Primary goal: Refine targets and prepare for drilling

Phase 3: Maiden Drill Campaign

Months 12-18

Maiden Diamond Drill Program

Execute **2,000-3,000 meter** drill program to test highest-priority targets

Resource Delineation Drilling

Upon success, rapidly escalate to larger program to define initial Inferred Mineral Resource

Resource Definition

Aim to delineate maiden resource with strong grade and continuity

Primary goal: Confirm depth, thickness, continuity, and grade of mineralization

Risk Assessment & Mitigation Strategies

A comprehensive approach to managing project uncertainties

Geological Risk

Surface samples may not represent bulk tonnage. High-grade zones may be discontinuous or not persist at depth.

Mitigation

- Disciplined exploration sequence
- Geophysics → Trenching → Drilling
- Dense sampling network

Jurisdictional Risk

Sudan carries inherent political and investment risk that could delay project advancement.

Mitigation

- Proactive community engagement
- Strong government relations
- Strategic partnerships

Exploration Risk

The unique Ni-Co signature is uncharted territory in the ANS. Geological models will need real-time adaptation.

Mitigation

- Global expert engagement
- Specialized in magmatic sulfide deposits
- Enhanced exploration team

A robust risk management framework is essential for successful project advancement. The identified mitigation strategies will be implemented in parallel with exploration activities.

Strategic Recommendations & Conclusion

The OMAC assay report is a **transformative data set** that elevates BN Energy's Block RS-12V to the status of a globally significant exploration asset with the potential to be a company-making discovery.

Key Strategic Recommendations

Immediate Follow-Up: Execute Phase 1 exploration program (3-6 months) with high-resolution mapping, geophysics, and trenching.

Target Refinement: Prepare for drilling with mechanized trenching and metallurgical scoping (6-12 months).

Maiden Drill Campaign: Execute 2,000-3,000 meter drill program within 12-18 months to define initial resource.

Conclusion & Call to Action

The mandate is clear:

Aggressive, well-funded, and technically superb follow-up is required **immediately**.

The next 18 months, culminating in a maiden drill program, will be critical in determining if this is one of the most significant mineral discoveries in the recent history of the Arabian-Nubian Shield.

We recommend the immediate allocation of capital and resources to execute Phase 1 without delay.

Next Steps: Immediate Action Items

Aggressive, well-funded follow-up is required to capitalize on this company-making potential

Financial Allocation

- Immediate allocation of exploration budget for Phase 1 activities (3-6 months)
- Provision of adequate resources for high-resolution mapping and geophysics
- Budget for initial metallurgical testing and pilot drill program

Team Formation

- Assemble a technical team with expertise in VMS and magmatic sulfide deposits
- Engage global experts in magmatic Ni-Cu-Co sulfide deposits
- Establish project management structure with clear responsibilities

Timeline Implementation

Phase 1: Immediate
3-6 Months

Phase 2: Mid-term
6-12 Months

Phase 3: Long-term
12-18 Months

Strategic Actions

- Prepare strategic partnership options for battery manufacturers seeking Ni-Cu diversification
- Develop community engagement strategy for the exploration area
- Establish clear communication protocol with stakeholders

The next 18 months will determine if this is one of the most significant mineral discoveries in the recent history of the Arabian-Nubian Shield.