

Open Letter to the Community - Record Ridge Industrial Mineral Mine Comments

Stemming from feedback at the Company open houses held May 17, & 18, the Company provides the following comments.

The company heard the concerns of the community and is committed to addressing them. We have taken your suggestions and questions into consideration and will continue to engage with the community, Indigenous peoples, stakeholders, and relevant authorities to ensure the protection of recreational assets, economic stability, and overall well-being of the community. We highly encourage ongoing dialogue as we strive for a balanced and mutually beneficial outcome.

Magnesium – a Strategic and Critical Mineral

WHY Resources is proposing to produce magnesium rock for sale to a third party in the USA. Magnesium's unique properties make it indispensable in the transition toward a sustainable and green economy and a global net-zero emissions target. Its applications in lightweight transportation, renewable energy technologies, and emission reduction strategies position magnesium as a critical mineral and metal for a more environmentally friendly future and underpins modern society.

Proposed Permit Summary

- Mining operation runs for 180 days per year, from May to October, operating 10 hours per day, 5 days per week.
- Initial production target of 249,000 tonnes per year for a period of two years, with the potential for extension to 10 years.
- Considering an alternative to blasting and is currently in discussions with the relevant consultants and equipment suppliers to confirm its applicability to our resource.
- Weekly blasting sessions, if considered, lasting a few hours each, utilizing advanced crushing technology to minimize noise and dust.
- Small-scale hauling operation utilizing six hauling trucks, resulting in a total of approximately 70 trips per day, operating for 12 hours.
- Measures taken to mitigate potential surface and below-surface water pollution.
- Use of electrical crushers, eliminating the need for diesel crushers or generators.
- Asbestos analysis conducted by a qualified third party indicates an average asbestos content of 0.0001% in the ore, deemed negligible.
- No existing or planned processing plants on the mine site or near Rossland.

Mine Site Operations

The proposed Project is a typical rock quarry type operating for two years between May and October. The operation would include blasting, mining, and on-site crushing of the ore to gravel size. The crushed rock would be loaded on a truck for shipping to a third-party buyer in the USA. The total surface disturbance is approximately 0.2 km² (50 acres), which is relatively small compared to many currently operating mines in North America. For example, the Bingham Canyon copper Mine in Utah covers an area of approximately 28 square kilometers. The Syncrude Mildred Lake Mine in Alberta, Canada, which produces oil sands, occupies an area of about 30 square kilometers. The Mine access would be 10-km on the Old Rossland Cascade Highway from Hwy-22. Mine blasting will occur weekly, and the Mine will operate five days per week on the day shift

only. The Project does not include the production of tailings or a tailings storage facility.

Water

The process of extracting and crushing rock will not require a source of water. Water within the Mine Site will be captured by engineered ditches and directed to a pond for treatment. In addition, the company completed a Safe Discharge Plan for the site that details the water quality predications, the monitoring program, and mitigation measures. This plan covers surface and underground water monitoring to mitigate any risks and ensure the safety of water sources.

Water Quality

The Mine Site is situated in the Sophia Creek watershed, with Sophia Creek eventually joining Little Sheep Creek. WHY Resources has enlisted the expertise of qualified professionals (QPs) from third-party organizations to evaluate the existing surface and groundwater quality in and around the Project area. Additionally, these QPs have assessed the potential impact of the proposed Project on water quality. Their findings indicate that the Project will safeguard aquatic life, ensure the maintenance of drinking water quality, and provide a safe environment for wildlife.

Dust Management

Dust from mining will be managed by crushing the rock within a closed-circuit crusher down to gravel size. The shipped ore consists of crushed rock gravel, which has a nominal potential for dust. However, we are committed to dust mitigation in all aspects of operation including gravel roads and will equip all trucks with covers to address dust dispersion.

Vegetation & Reclamation

The recommended reclamation plan has been submitted to the Ministry who is currently reviewing and will decide on the reclamation bond amount at a later stage of this process. The reclamation plan includes a re-vegetation plan to address impacts from the proposed Project. This summer, WHY Resources will engage local ecological groups to discuss the approach to re-vegetation upon completion of the proposed Project.

Human Health & Safety

WHY Resources has engaged a third-party QP to develop a monitoring and management plan to ensure the health and safety of staff working in direct contact with the rock.

Asbestos and Other Airborne Chemicals

Comprehensive study on asbestos was conducted in 2018 by 3rd party QP and concluded that

- All fibrous minerals observed were contained in veins or veinlets and were not observed in the groundmass of the core. The veins ranged from 1-6 mm in thickness.
- The deposit contains approximately 0.0001% asbestos, which is negligible.
- Air samples were tested to determine if any asbestos was released into the air as core boxes were disturbed. No asbestiform minerals were observed on any air samples.

An asbestos management plan will be considered by the company, as part of its Dust Management Plan, to provide details on how to monitor asbestos and provide mitigation measures inclusive of health and safety.

No evidence of airborne asbestos and no concern of other airborne chemicals.

Noise Pollution

The company is seriously considering an alternative to blasting and is in discussions with the relevant consultants

and equipment suppliers to confirm its applicability to our resource.

Blasting sessions, if considered, will take place weekly lasting a few hours. The company will follow all regulations and employ measures to mitigate the impacts of blasting on nearby communities. These measures will include adjusting blast timing, blast design optimization, and controlled detonation techniques.

Crushing: The company is considering utilizing advanced crushing technology to minimize noise from crushing operations.

Transportation of Ore

The company will continue to engage with BC MOTI and the communities to discuss potential mitigation measures, such as route optimization, speed restrictions, road maintenance, and improvement. These measures will help address safety concerns and minimize disruptions to both residential and farming communities.

Recreation

The company recognizes the significance of preserving the recreational assets within the community, particularly the seven Summit trail and ski touring areas. It is committed to fostering open dialogue with the local community and trail users, actively seeking their input and addressing their concerns throughout the mine's development and operation. The goal is to implement appropriate measures that are agreeable to the community, aiming to mitigate noise impact and ensure the safety and enjoyment of trail users.

Farmland

The protection of agricultural production and surrounding farmland are of utmost importance to the company. We are committed to working closely with the farm community, local authorities, and relevant stakeholders to uphold these commitments and maintain a harmonious coexistence between the mine and the agricultural activities in the area.

First Nations' Land Rights and UNDRIP

Given the complexity of overlapping traditional territories, the company will continue to seek direction from the Crown as they "procedurally delegate" first nation consultation duties. WHY Resources has been engaging various parties with respect to the proposed project since 2018 inclusive of correspondence with Sinixt peoples and consultation meetings with various first nations. WHY Resources completed various environmental, social, and cultural studies to support the permitting process. In early 2019, WHY Resources submitted a draft permit application for initial feedback from Indigenous groups and technical BC regulators. Due to covid and related factors, WHY Resources was forced to pause the permitting process, which was renewed with the submission of an amended permit application on February 15, 2022, and is currently being led by the BC Ministry of Mines Office.

Summary

We appreciate the engagement and concerns expressed by the community. We remain committed to transparency, environmental stewardship, and the well-being of the community. Together, we can work towards a sustainable and prosperous future.

For more detailed information a Company blog will be soon added to the Company website @ www.whyrresources.com