

QUALITY ASSURANCE AND QUALITY CONTROL – QA/QCEffective 2025/05/01 (Amended 2025/08/01)

All technical information, collected by Scorpio, for the Manhattan project is subject to a rigorous quality assurance and quality control (QA/QC) program. The procedure for sample collection, preparation and analysis of drill core is as follows:

Sample Collection

HQ diamond drill core samples are received at the drill site utilizing a triple tube core drilling method. Cored rock is held in a split tube and brought to the surface via wire line core barrel. The drill crew then transfers the core to a cardboard core box. Boxes are marked with the hole name, and box number.

Core boxes are transported from the drill site to a fenced, locked, and secured indoor area located at the currently non-operating mill facility of the Goldwedge Mine (“Goldwedge”) in Manhattan, NV.

Sample intervals are determined by the geologist during the detailed logging process and are typically between 1.0 feet (0.46 m) and five feet (1.52 m) in length. Sample intervals are marked on the logged core and positioned such that they do not cross relevant geological or recovery boundaries. The boxed core intervals are photographed and cut lines are marked by the geologist on the logged core prior to being moved to the shop facility within Goldwedge for cutting. The core is cut, with a core saw, into symmetrical halves where one half is sampled and collected in an 8-mil poly bag, and the other half is retained in the core box for record. Field duplicates can be selected to test for sample variability and homogeneity, with the second half of core sampled and no reference sample retained.

For quality assurance (“QA”), unmarked blanks (coarse), unmarked standards (100-500 grams), and requested laboratory duplicates are inserted into the sampling sequence. Coarse blank material is a common marble garden rock from local landscape suppliers and is inserted as 1-kilogram samples. Scorpio uses certified reference materials approximating expected high grade, run of mine (medium) grade and low grade, which are prepared by CDN Resource Laboratories Ltd. Of Canada, OREAS of Australia, and Rocklabs of New Zealand.

Sampling is carried out and batched on a hole-by-hole basis, with a QA sample inserted every 10th sample. The first QA sample is a coarse blank, followed by a laboratory duplicate and then a standard. This batch system is repeated for the duration of a drill hole. If needed, extra QA samples can be inserted at any point within the batch. Standards are reused from batch to batch during PhotonAssay, due to its non-destructive nature. When a standard is reused, it is inserted by the geologist into the batch with all identifying labels removed, ensuring the material is blind to the lab.

The results of the assaying of the QA samples included in each batch are tracked and reviewed during Quality Control (“QC”), see Quality Control Review section below.

Sample Preparation

Packaging of samples for shipping is undertaken by Scorpio personnel under the supervision of the geologist. Samples are placed into bulk-bags containing a maximum of 100 samples each. Individual bulk bags are secured with security tags to ensure integrity during transportation to the selected laboratory. Scorpio personnel transport the samples by ground to the Paragon Geochemical (“Paragon”) facility in Reno, NV for preparation.

Upon receipt, Paragon completes a Chain of Custody form with Scorpio personnel to confirm receiving the shipment. Paragon then logs the samples and security tags received. This logged sample list is checked against the submittal sample list. Any discrepancies are noted and communicated to Scorpio.

Drill core samples are prepared as follows under PREP-PKGPA procedures:

1. Samples are inventoried, weighed and dried.
2. Crush entire sample >70% passing 10 mesh (2 mm).
3. Riffle split ~500 grams for PhotonAssay and 250 grams for pulverizing.
4. Pulverize the 250 gram split to >85% passing 200 mesh (75 microns).
5. Using the 500gram crushed split, a Chrysos PhotonAssay jar is packed with ~250-500 grams of crushed material, filling >95% volume.

Sample Analysis

Jar samples are analyzed for gold using method PA-AU02 (~250-500 grams), a PhotonAssay (“PA”) analysis. The pulp samples are analyzed for 48 elements, including silver, utilizing method 48MA-MS (0.25 grams), an inductively coupled plasma – mass spectrometry (“ICP”) analysis. All ICP analyses are processed using a multi-acid digestion.

All Paragon facilities operate under a Quality Manual that complies with ISO/IEC 17025:2017, coupled with a Laboratory Information Management System (“LIMS”) platform. The Paragon in-house quality management and control systems ensure reliability, accuracy and consistency of its analytical results.

Quality Control Review

Once finalized, results are distributed to a select list of recipients and received by email from Paragon. Result certificates are checked versus the datafile for accuracy and completeness. If any issues are noted, the Paragon representative is notified, and further review is paused until the issue is resolved. The next step in the review process is to import the results to the database. Once added to the database, the data is checked against the certificate for accuracy and any non-numerical categories not added via the import function are added manually (dates, lab location, etc.).

With all data now in the database, all QA samples are reviewed. For each standard, the variance is compared against the expected standard deviation (ppm Au). A standard is considered an automatic failure if greater than three standard deviations from the expected mean. For each blank, the value is compared against the database mean and the surrounding sample values. If a blank value is greater than 5x expected value, the blank and surrounding samples are placed under investigation. For each duplicate, the result is compared against the original sample result and any variances are inspected.

If a sample and batch were deemed to fail, the laboratory is instructed to investigate and re-run the samples. The re-run results are then compared against the original results and the review process is re-completed. Once deemed to pass, the database is updated with the passing results.