

Northisle Copper and Gold Inc. (NCX-V)

Site Visit Impresses...Keeping An Eye On This Summer's Drilling!

Northisle Copper and Gold is advancing its 100%-owned **North Island Project**, a large copper-gold project located on Vancouver Island in BC, Canada (fig2). A February 2025 PEA outlined staged development of three open pit mines capable of delivering ~80MMLbs of copper and 140,000oz of gold annually over a 29-year minelife (fig5).

Recent Site Visit: last week, we participated in a company-hosted site visit to Vancouver Island for analysts and investors. Highlights included:

- **Ease of Access:** property location easily accessible from the town of Port Hardy on Vancouver Island
- **Good Infrastructure:** good road access to deposits, proximity to coast (ports for shipping concentrates)
- **Good Mineability:** deposits seem very amenable to planned open pit development
- **Above Average Exploration Potential:** we saw opportunities for additional resource delineation both in/near currently contemplated open pits, as well as for additional new regional discoveries
- **Supportive Stakeholders:** both the local town and indigenous groups seen to be supportive of project development. NCX's North Island project was added to BC's Critical Minerals Office back in FEB 2026, which could see positive impacts for the permitting timeline.

Next Catalysts: assay results from on-going summer 2026 drill programme should continue to deliver newsflow during H2/26. An updated mineral resource estimate (MRE) is expected in Q3/26, to be followed by the prefeasibility study (PFS) by Q1/27.

Valuation Unchanged: Our fair value assessment of a potential mining operation at North Island suggests that Northisle shares represent an attractive investment opportunity at current price levels. We believe further studies are likely to generate improved economics for North Island and create additional value for shareholders. Our valuation is unchanged at this time, and we maintain our \$5.00 target price and **BUY** rating on NCX shares.

Update

BUY (unch.)	C\$5.00 (unch.)		
Recent/Closing Price	C\$2.75		
12-month Target Price	C\$5.00		
Potential Return	82%		
52 Week Price Range	C\$1.09 - C\$3.55		
Estimates			
YE: Dec 31	FY25	FY26E	FY27E
Revenue (\$MM)	\$0	\$0	\$0
Cash Flow (\$MM)	(\$12)	(\$18)	(\$20)
Valuation			
P/CF	n.m.	n.m.	n.m.
NAV	C\$6.85		
P/NAV	0.4x		

Stock Data (C\$MM)

Shares O/S (MM)	332
Mgmt/Insiders	10%
Market Cap	\$661
LT Debt (Corporate)	\$0
Working Capital	\$130
Enterprise Value	\$531

Reserves & Resources

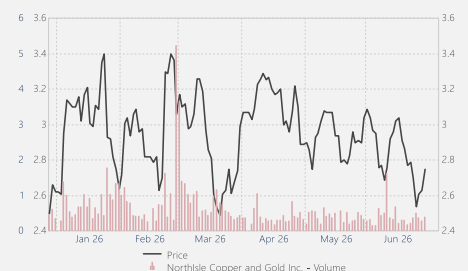
2P Reserves	-	Blb eqCu
M+I Resources	3.1	Blb eqCu
M+H+I Resources	3.7	Blb eqCu

About the Company

Northisle is focused on the advancement of its copper-gold projects on Vancouver Island in BC. A 2025 PEA outlined a phased development of an open pit mine capable of delivering +150MMLb/yr of eqCu (+300Koz/yr eqAu)

All prices in C\$ unless otherwise stated

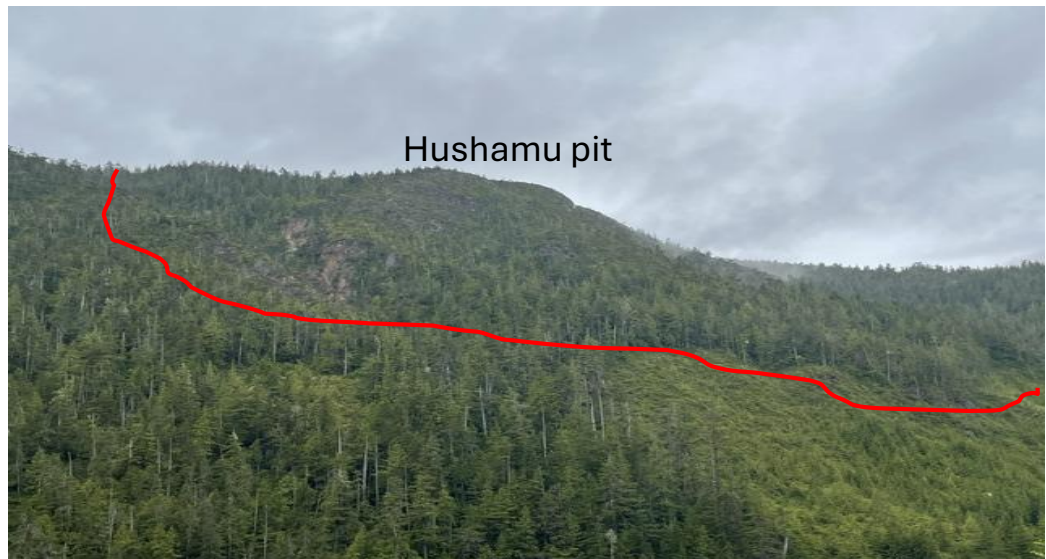
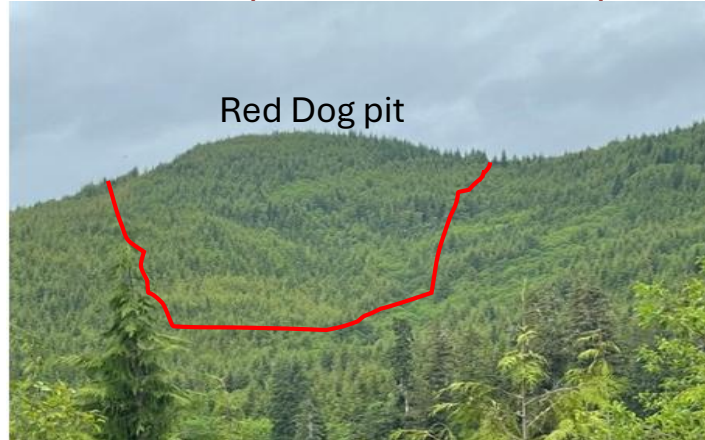
Stock Performance



Investment Thesis...Emerging Mid-Tier Producer

In our view, NorthIsle C&G has above average potential to successfully transition into a mid-sized gold-copper producer at North Island in BC.

Fig 1 Recent Site Visit: Main Deposits Look Amenable to Open Pit Mining



Source: Analyst photos – red lines depict rough trace of currently planned open pits

Valuation Methodology

Our favored valuation method for base and precious metals producers is a price-to-net-asset-value (P/NAV) multiple based on a discounted cash flow (DCF) model constructed using our estimates of the parameters of existing or potential mining operations. Our long-term price assumption starting in 2029 are US\$3,250/oz for gold and US\$4.50/lb for copper.

Future year cash flows are then discounted using a base rate of 5%, to which a risk premium is added, depending on the overall political risk the company's assets are exposed to. NorthIsle's asset exposure to BC is considered low risk, thus no premium is added, however until we see the next economic study we employ a higher 8% discount rate.

Fig 2 Net Asset Value (NAV) Breakdown: NorthIsle Copper & Gold

	<u>Discount</u>		<u>Value</u>	<u>Per Share (C\$/sh)</u>		
	<u>Rate</u>	<u>Ownership</u>	C\$MM	<u>2026E</u>	<u>2027E</u>	<u>2028E</u>
North Island (BC)	8%	100%	\$3,027	\$6.57	\$6.84	\$7.39
OPERATING ASSETS			\$3,027	\$6.57	\$6.84	\$7.39
Working Capital			\$130	\$0.28	\$0.15	\$0.10
LT Debt (corporate only)			\$0	\$0.00	\$0.00	\$0.00
CORPORATE ASSETS			\$130	\$0.28	\$0.15	\$0.10
NET ASSET VALUE			\$3,157	\$6.85	\$6.99	\$7.49

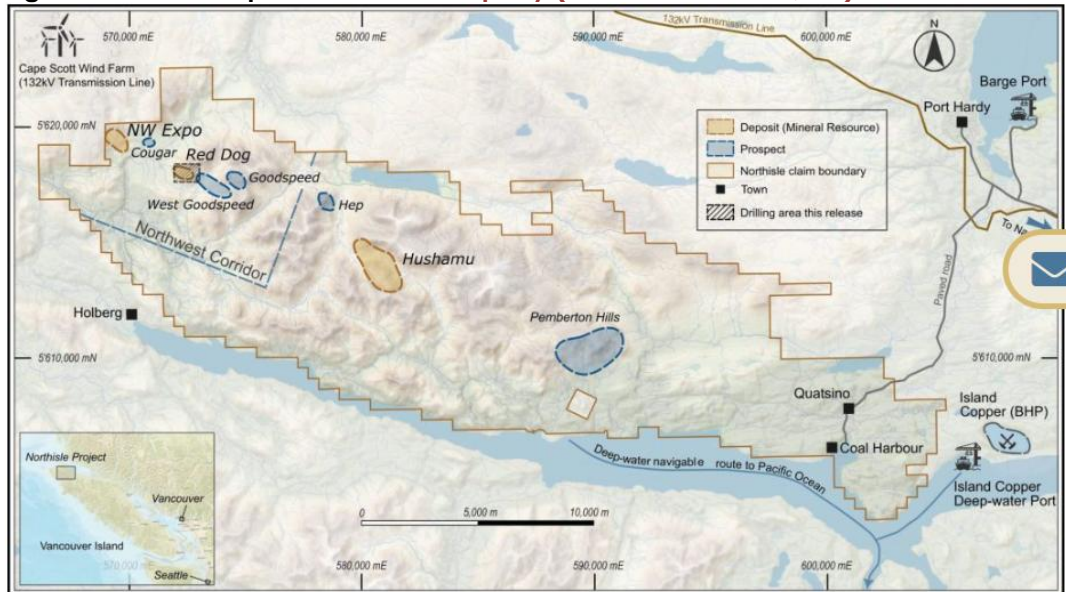
Source: Beacon Securities' estimates

In Fig. 3 we provide forward-looking NAV/sh estimates to show how the company's NAV is forecast to change over the next few years. For mid-tier producers, we employ a target range of 0.50-1.50x P/NAV. For NorthIsle, the early stage (PEA only) we employ a target P/NAV multiple of 0.60x. Applying this target multiple on our 2026 NAV estimate suggests a fair value of \$4.00/sh.

On a forward-looking P/CF multiple basis, we forecast NorthIsle could generate CFPS of US\$1.82/sh in FY2032 (our estimated first full year of operation) at North Island. Discounting back to 2026 at 20% p.a. and applying our target multiple of 6.0x P/CF, which is the towards the lower end of our 5x-12.5x target range for mid-tier producers, suggests a fair value of \$6.00/sh. Using the fair values outlined above, and an equal weighting between P/NAV, and P/CF metrics generates our 12-month target price of \$5.00/sh.

Fig 3 Recent Site Visit: state-of-the-art Core Shack


Source: analyst photos clockwise from top right: 1-Veracio Scan technology for core analysis, 2-hands-free core saw, 3-drill collar in field

Fig 4 Location Map: North Island Property (Vancouver Island, BC)


Source: company reports

Fig 5 FEB 2025 PEA: North Island Project


Source: company reports

Appendix: Summary Financials

Northisle Copper and Gold Inc.		Beacon Securities Limited	
Symbol NCX-V	Share Price \$2.75		
Stock Rating BUY	Shares O/S (MM) 331.7	Float (MM) 292.2	
Price Target \$5.00	Mkt Cap (\$MM) 912		
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INCOME STATEMENT		FY25	FY26e	FY27e
Revenues	C\$MM	-	-	-
Operating Costs	C\$MM	-	-	-
EBITDA	C\$MM	(14.0)	(18.5)	(21.0)
DD&A	C\$MM	-	-	-
EBIT	C\$MM	(14.0)	(18.5)	(21.0)
Interest Expense	C\$MM	(0.5)	-	-
EBT	C\$MM	(15.3)	(20.0)	(20.0)
Taxes/Recovery	C\$MM	-	-	-
Net Income (reported)	C\$MM	(13.5)	(18.5)	(21.0)
Non-Recurring Items/Other	C\$MM	(3.2)	(2.5)	-
Net Income (operating)	C\$MM	(12.2)	(17.5)	(20.0)
Shares o/s (wgt avg.)	MM	271.6	320.0	340.0
EPS (operating)	\$/sh	(\$0.04)	(\$0.05)	(\$0.06)
P/E Multiple	x	n.m.	n.m.	n.m.
Cash Flow (operating)	C\$MM	(12.2)	(17.5)	(20.0)
CFPS	\$/sh	(\$0.04)	(\$0.05)	(\$0.06)
P/CF Multiple	x	n.m.	n.m.	n.m.

Management		Other Directors	
Sam Lee	President & CEO, Director	Alex Davidson	Chairman
Kevin O'Kane	EVP - COO, Director	Jill Donaldson	
Nicholas Van Dyk	EVP - CFO & Corp. Secretary	Keena Hicken-Gaberria	
Dr. Pablo Herrera	VP Exploration	Hume Kyle	nominee
Ian Chang	Technical Advisor, Projects		
Options	Avg. Price	Warrants	Avg. Price
9.2	\$0.40	-	-

BALANCE SHEET				
Cash & Equivalents	C\$MM	32.4	97.1	52.2
Total Current Assets	C\$MM	33.6	98.3	53.4
PP&E & Mining Interests	C\$MM	10.3	25.3	40.3
Other	C\$MM	0.7	0.7	0.7
Total Assets	C\$MM	44.6	124.3	94.4
Current Liabilities	C\$MM	5.1	2.4	2.4
Long Term Debt	C\$MM	-	-	-
Other LT Liabilities	C\$MM	0.2	-	-
Total Liabilities	C\$MM	5.3	2.4	2.4
S/Holder Equity	C\$MM	39.3	121.9	92.0
Total Liab. & S/Holder Equity	C\$MM	44.6	124.3	94.4
Working Capital	C\$MM	28.5	96.0	51.1

Recent Financings					
Date	Amount	Price	Type	Warrant	Expiry
MAR-2026	\$115.0	\$3.05	private placement	-	-
AUG-2025	\$35.0	\$1.05	cs + ft@1.61	-	-
AUG-2025	\$5.0	\$1.05	all to Wheaton PM	-	-



Source: company reports, Beacon estimates

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As at May 31, 2026	# Stocks	Distribution
Buy	68	76%
Speculative BUY	15	17%
Hold	2	2%
Sell	0	0%
Under Review	4	4%
Tender	0	0%
Total	89	100%

Buy Total 12-month return expected to be >15%
 Speculative Buy Potential total 12-month return is high (>15%) but given elevated risk, investment could result in a material loss
 Hold Total 12-month return expected to be between 0% and 15%
 Sell Total 12-month return expected to be negative
 Under Review No current rating/target
 Tender Clients are advised to tender their shares to takeover bid or similar offer

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