

Group Ten Metals Inc.

PGE-TSXV \$0.195

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Platinum, Palladium, Nickel, Copper, Cobalt and Gold Explorer in Montana, USA, Yukon and Ontario, Canada

- **Potential to outline polymetallic platinum-palladium-nickel-copper-cobalt (PGE-Ni-Cu-Co) resources.** We believe that following the Company's 2018 drill program there is a high possibility of delineating deposits, which could yield a future mineral resource estimate.
- **The main Stillwater West project next to Sibanye's mines has excellent potential.** The Company's main project is located in Montana, adjacent to Sibanye-Stillwater 3 large high-grade PGE mines. The Company is the second largest land holder in the region. The area has excellent road access and infrastructure advantages.
- **New management and land additions – Catalyst for share price rerating.** Acquisition of the flagship Stillwater West project, and the introduction of additional management with significant successful junior exploration company experience (as well as vested interest, through large stock ownership) should improve street profile and share price.
- **Management has a good track record of raising capital.** CEO Michael Rowley and Executive Chairman Greg Johnson, have a good history attracting significant capital for past companies: NovaGold and Wellgreen Platinum.
- **Expected 2018 exploration program should generate good news flow** The Company has approximately \$3 million of in the money warrants position. A top-up equity deal may also be required for an enhanced program. We expect reasonable news flow, including potential significant PGE, nickel, copper and cobalt drill intersections.
- **Target commodity prices forecasted to rise.** The platinum/ palladium fundamentals are positive for PGE prices with falling South African supply and continued growth in auto-catalyst demand.

Speculative Rating: Buy

PGE-TSXV	Group Ten Metals Inc
Company Type	Exploration & Development
Closing Price (11/06/2018)	\$0.19
Rating	Speculative
High 52-week	\$0.28
Low 52-week	\$0.09
Market Capitalization (mm)	\$8.32
Shares Outstanding (mm)	44.96
Fully Diluted (mm)	75.96
Warrants (mm)	25.00
Options (mm)	6
Average Monthly Volume	687,000
Cash (December-31-2017)	\$420,000
Debt	Nil
Major Shareholders:	Management and directors 40% of fully diluted shares

Company Profile: Group Ten Metals Inc is a junior exploration company focused on the exploration and development of the Stillwater West Project located in Montana, USA, where the company has a 100% interest. This property, adjacent to the large Stillwater mines of Sibanye-Stillwater, has numerous past mines. (Website: www.grouptenmetals.com). See important disclaimers on page 2



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LOM's research is available by emailing [Research Request](#)

The analyst has not visited the company's exploration properties. The analyst relied on company press releases, regulatory filings, public information, technical reports, company reports, google earth and general information of the area.

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INVESTMENT HIGHLIGHTS

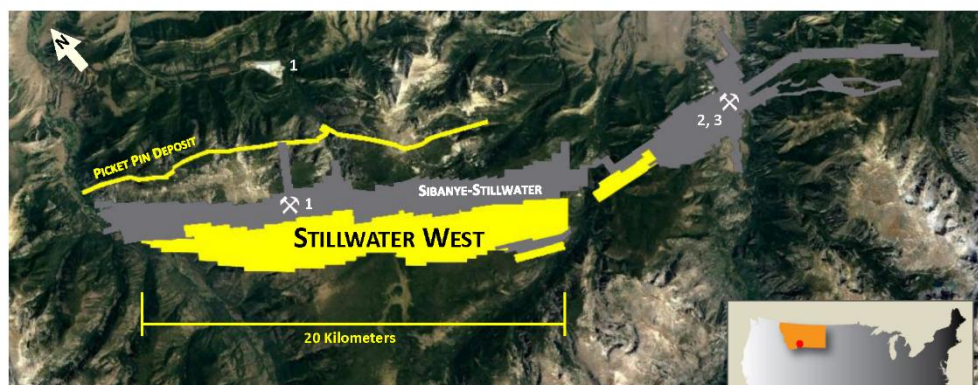
Stillwater West Project-Prime Asset

Favourable Property Location and Adjacent to A World Class Platinum/Palladium Mine

Group Ten Metals main project is located in Montana, adjacent to Sibanye's Stillwater mines. See figure 1. The property was acquired in June 2017, expanded in November 2017 and January 2018, and is parallel to Sibanye's three operating platinum group metals mines. Group Ten is now the largest landowner in the district after Sibanye-Stillwater. The Sibanye-Stillwater mines are the highest-grade platinum group mineral mines in the world and contain the largest resources outside of Africa and Russia, with measured and indicated resources of 31.3 million ounces platinum and palladium grading 17.0 grams per tonne PGE, and an inferred resource of 49.4 million ounces grading 16.6 grams per tonne.

Stillwater West PGE-Ni-Cu Project – Regional Claims Map

Large land position in one of the world's richest PGE-Ni-Cu districts



Stillwater Complex Land Status

Mines (Sibanye-Stillwater)

- 1 - East Boulder Mine (2002)
- 2 - Stillwater Mine (1986)
- 3 - Blitz Mine (2017)

Mineral Rights

- Group Ten (June 2017, November 2017, January 2018)
- Sibanye-Stillwater (Approx.)

Reserves

22.2 Moz Pd+Pt at 16.3 g/t P&P*

Resources

31.3 Moz Pd+Pt at 17.0 g/t M&I* and 49.4 Moz Pd+Pt at 16.6 g/t Inf.*

* - Report on Montana platinum group metal mineral assets of Sibanye-Stillwater, November 2017

Figure 1

The Stillwater Complex has a long history of exploration and mining. It was discovered in the 1880s as a site of high-grade nickel and copper deposits. In the 1930s to 1960s exploration and mining in the district focused on high-grade iron and chrome deposits shifting to exploration for high-grade nickel and copper in the 1960s to early 1970s. Discovery of high-grade Platinum Group Elements (PGEs) at the J-M Reef deposit in the in the 1970s shifted the focus within the district to reef-type PGE deposits and in 1986 the Stillwater mine opened. In 2002 the East Boulder mine was commissioned, followed in 2017 by the Blitz mine which opened after Sibanye Gold acquired

Stillwater Mining Corporation for US\$2.2 billion. The Stillwater mines are currently the world's highest-grade PGE producers and are the largest producer of PGE's outside of Africa or Russia.

Apart from the rich mineral endowment, the area is blessed by good infrastructure of roads, power and water. Group Ten's property comprises 44 square kilometres covering the lower part of the Stillwater Complex and the Pocket Pin deposit to the north of the main J-M reef.

Property Mineralization Potential- High Likelihood

The Stillwater Complex is a 2.7-billion-year-old layered mafic/ultramafic intrusion similar in age, geology and mineralization characteristics to the Bushveld Complex in South Africa, which is the world's largest PGE producer. The Stillwater complex is 47 kilometres long and 8 kilometres wide. These layered intrusions were formed as numerous magmatic pulses were injected into the system and interacted with the existing magma body and in some areas with the surrounding sedimentary country rocks. As the minerals cooled and settled they formed distinctive layers across the magmatic body, some of which are very enriched in PGE's, Ni, Cu, Cr and Co. The J-M Reef of the Stillwater mines is an example of a very continuous layer enriched in PGEs, which contains approximately 80 million ounces of Platinum and Palladium in all categories. The economically important feature of these deposits is that they are continuous over very long distances and hence prospective resources can be immense. See Figure 2

Stillwater West PGE-Ni-Cu Project – District Geology

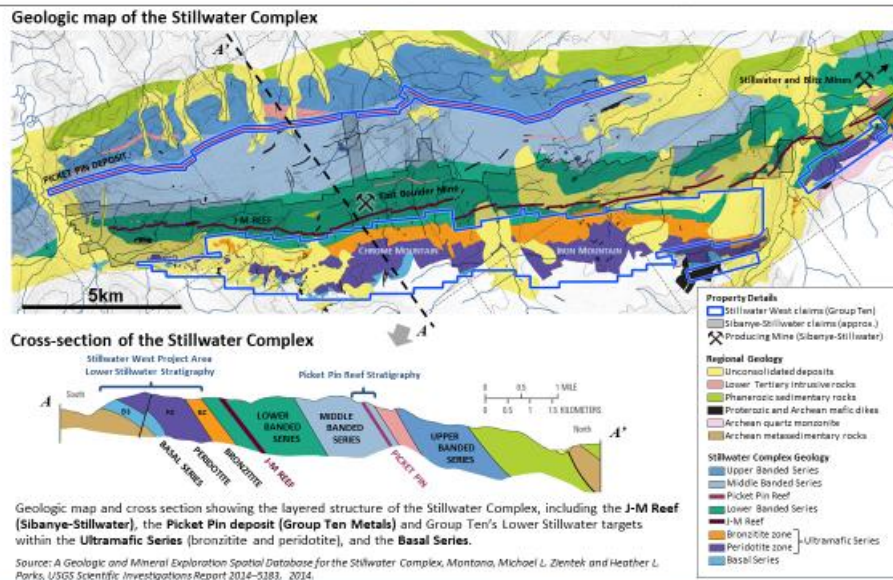


Figure 2.

In addition to the high-grade reef type targets, mentioned above, potential exists for wide intervals of disseminated PGM-Ni-Cu rich mineralization in the lower part of the Stillwater sequence similar to the north limb of the Bushveld, which has similar stratigraphic characteristics to Stillwater. In this type of deposit (termed Platreef style), mineralization occurs over 10s or 100s of metres of thickness. Three major Platreef deposits have been developed to date, with one in production (Anglo American's Mogalakwena mine with approximately 265 Moz of PGE), and two under construction (Ivanhoe's Platreef Mine 112 Moz of PGE and Platinum Group Metal's Waterberg Mine with 37

Moz). Mogalakwena produces over 1 million ozs per year and is billed as the most profitable platinum mine in the world, while Platereef and Waterberg are high-tech underground bulk tonnage mining projects with robust projected economics.

The Stillwater Complex is world-renowned for its metal riches, including numerous high-grade historic nickel, copper and chromium producers, in addition to the three current top-tier producing PGE mines. Despite the wealth of the district and the known parallels with the Bushveld complex, no systematic work has been completed to examine the potential of the basal zones to host large-scale Platereef-type deposits at Stillwater. Group Ten's compilation work including rock geochemistry has shown that the ultramafic and basal zones are relatively enriched PGEs, Nickel, Copper and Chromium, confirming the potential of the lower stratigraphy to host world-class mineralization. See Figure 3.

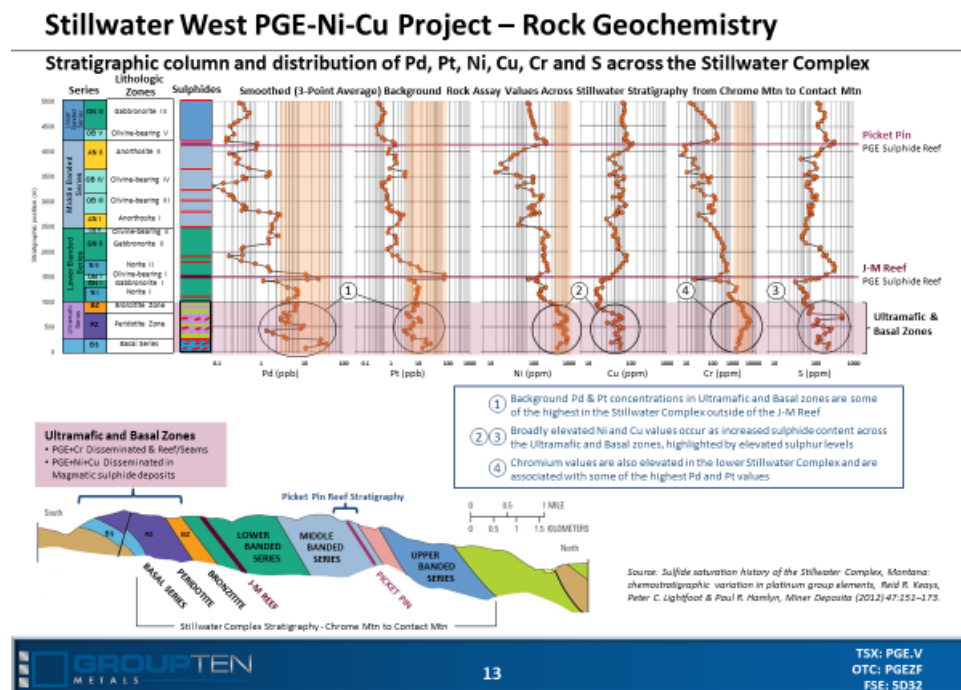


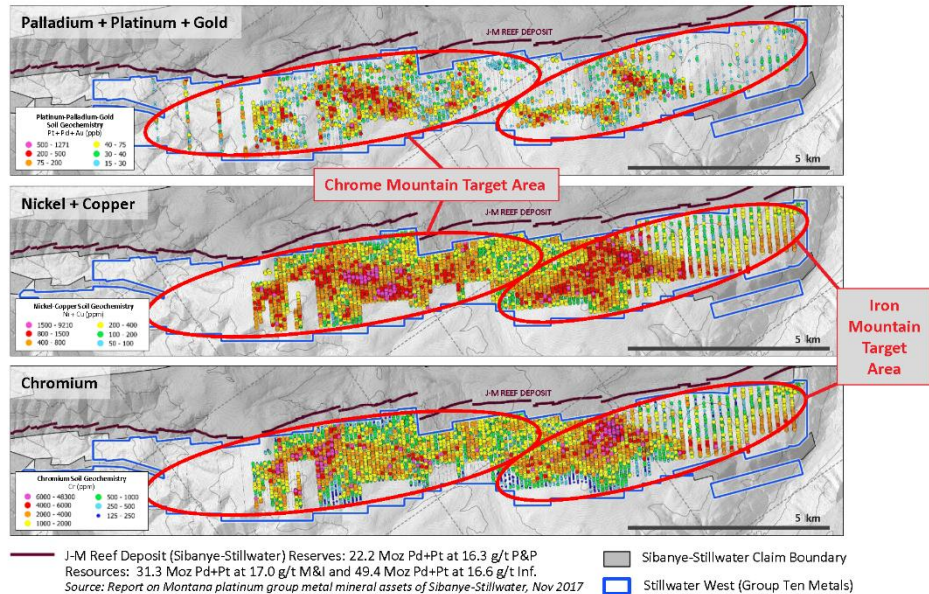
Figure 3

Group Ten is particularly targeting the lower part of the Stillwater sequence. This area has had numerous historical exploration programs including drilling by former companies primarily for nickel and copper mineralization. The area has also hosted some former producing nickel, copper and chromite mines up to the 1950s. The Company is in the process of compiling this historical information to aid in target definition for Platereef type PGE-Ni-Cu deposits. Group Ten also controls the Pocket-Pin Reef, which is the 2nd most known reef system in the Stillwater district with grades comparable to the UG2 Reef in the Bushveld of 2 to 6 g/t PGE based on very wide spaced drilling.

The Company has compiled soil surveys from over 13,500 samples which show highly elevated levels of PGEs, nickel and copper, chrome across an 18km long area, and cobalt in 2.7 by 1.1 km area. See Figure 4. The highest values are seen in the Chrome and Iron Mountain areas. The Company also reported airborne geophysical survey results which show 12 highly conductive (low resistivity) areas which correspond to known sulphide mineralization in several areas and with elevated levels of metals in soils. See Figure 5. The coincidence of these geophysical and geochemical anomalies may be indicative of potential rich polymetallic (PGE-Ni-Cu-Co-Cr) deposits and are therefore prime exploration targets.

Stillwater West PGE-Ni-Cu Project – Soil Geochemistry

Highly anomalous precious and base metal values cover >18 km strike in lower Stillwater Stratigraphy



Iron Mountain Target Area - Stillwater PGE-Ni-Cu Project

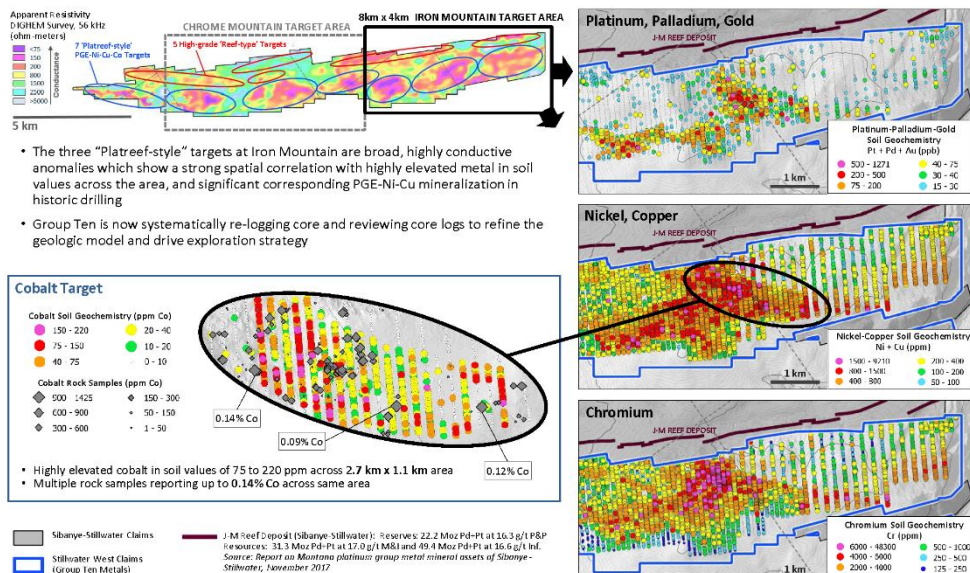
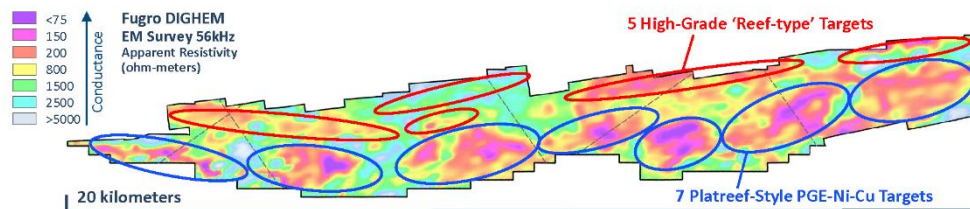


Figure 4

Stillwater West PGE-Ni-Cu Project – Airborne EM Survey Results

12 major multi-kilometer geophysical conductor targets across 20 kilometer strike



Results of 1,914 line-km Fugro DIGHEM (EM) Survey:

- 12 major geophysical conductive anomalies on main claim block
- Five main **Reef-type target areas** 1.5 to 5km long with potential for multiple higher-grade PGE 'Reef-type' deposits
- Seven broad **Platreef-style PGE-Ni-Cu +/- Cr sulphide target areas** 2 to 4 km long with potential for large-scale magmatic sulphide-hosted PGE-Ni-Cu deposits +/- Cr
- Strongest conductors may be characteristic of large bodies of massive to extensively disseminated sulphides and correspond with overlapping highly elevated palladium, platinum, gold, nickel, copper and chromium values in soils
- Geophysical and geochemical signatures **show potential for a much larger mineralized system than has been previously recognized in this under-explored part of the Stillwater Complex**

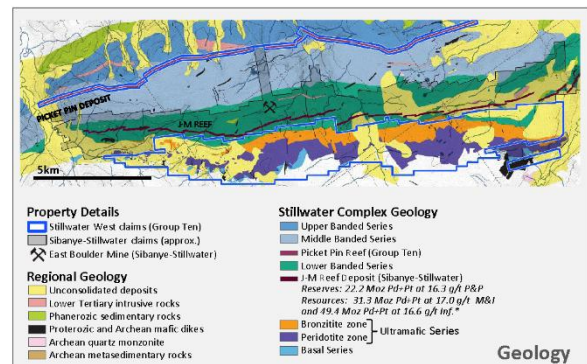


Figure 5

Given these exploration indicators, and with substantial historical data, the company can now move forward by conducting more detailed exploration followed by drill testing set for this summer. The chance of hitting mineralized zones of PGE-bearing nickel and copper sulphides is considered very good.

Kluane PGM-Ni-Cu Project, SW Yukon

Excellent infrastructure – Year-round road access and nearby power

Unlike many northern Yukon exploration projects that rely on helicopter support, diesel-powered generators or under-developed and difficult vehicle access, the Kluane Project has excellent existing infrastructure. The project area is located alongside the Alaska Highway. Group Ten controls over 240 square kilometres of claims in three properties called Catalyst, Spy and Ultra. See Figure 6.

Kluane PGE-Ni-Cu Project, SW Yukon – Regional Claims Map

Premier land position in an emerging, world-class PGE-Ni-Cu district

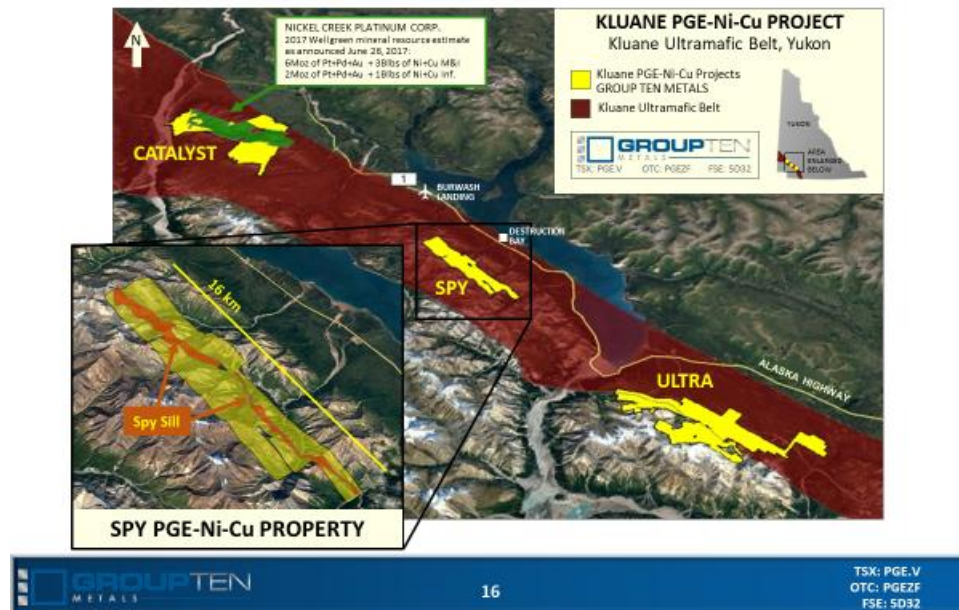


Figure 6

These properties are located in the Kluane mafic/ultramafic belt, a highly prospective geologic system with multiple PGM-Ni-Cu deposits. The biggest of these is the multi-million ounce Wellgreen deposit, which has similar geological signatures to the Stillwater Complex. The characteristics of each property are:

Catalyst- adjacent and along trend with the main Wellgreen deposit

Spy- 41 square kilometres of ground having high-grade historic sampling of PGMs. The focus is on the Spy Sill.

Ultra-126 square kilometres with multiple mineralized PGM-Ni-Cu showings. This project has seen some initial trench, geochemistry and geophysical work.

These projects are at an early stage of exploration but will see some exploration activity this summer. Group Ten has interest in partnering or otherwise monetizing the Kluane Project and is evaluating those options with interested parties.

Black Lake-Drayton Gold Project, NW Ontario

Project Has Seen Some Considerable Historical Exploration Activity

The company consolidated an attractive gold project in the Rainy River area of Ontario. See Figure 7. The project, named Black Lake / Drayton, is located in the Abrams-Minnitaki Greenstone Belt which hosts over 10 Moz gold including New Gold's Rainy River deposit, Treasury Metals' Goliath project, and First Mining Gold's Goldlund project. Goliath and Goldlund share geology of the Sioux Lookout Deformation Zone with Group Ten's Black Lake/Drayton project. The Goliath deposit hosts 1.16 million ounce gold measured and indicated resource and a 341,300 ounce inferred resource. The

Goldlund deposit has an indicated resource of 560,000 ounces and 1.75 million ounce inferred resource.

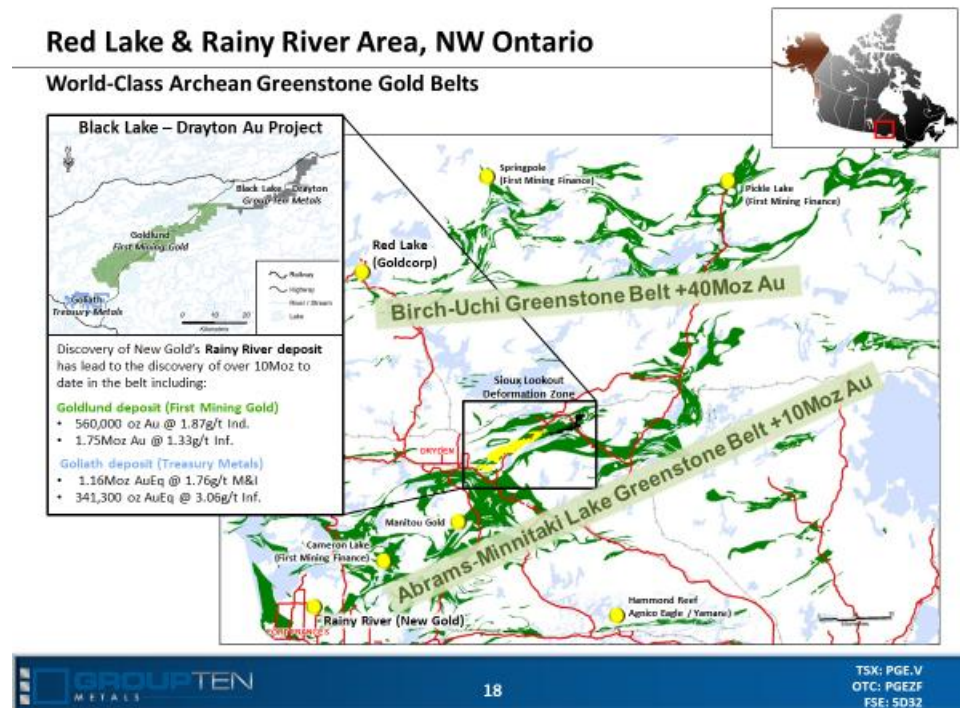


Figure 7.

The company has five priority areas selected from 20 historical targets and a database which includes geophysical surveys and 127 drill holes. These areas are: (1) Moretti -good high-grade gold samples and a 7-hole drilling program in 2016; (2) Bonanza Trench area- high grade gold and copper samples; (3) Alkenore Buffalo – Historical high-grade zone; (4) Shaft- high-grade samples from old workings; and (5) Belekeno-Extension of the Moretti zone. More high-grade samples. We would expect the company to continue a modest exploration program in 2018 while working to partner or otherwise monetize the asset based on the potential of the area as demonstrated by its neighbours including the Rainy River, Goliath, and Goldlund projects. The company reports that it has had good interest regarding a potential joint venture.

Other Assets Held for Monetization

Duke Island, Alaska

This is copper-nickel-PGE asset which has multiple targets and has been drilled in the past. Results of past drilling encountered up to 387 feet of disseminated and semi massive sulfide mineralization.

Yankee-Dundee Royalty Revenues

Group Ten sold this mine in 2013 for: \$50,000 annual royalty payments, \$1.5 million production payments plus a 2.5% royalty and \$4 million option by the acquirer to buy-out the royalties. The

mine was once the largest silver producer in the British Commonwealth. Its total production is 883,000 tonnes grading 10 g/t gold and 60 g/t silver.

With further exploration Company could become an attractive M&A target

Group Ten is the only explorer next to Sibanye's major PGE mines in the Stillwater complex, and it has the appropriate "Platreef" and "Reef-type" targets for a world-class PGE discovery. In addition, Group Ten offers equal exposure to the growing nickel, copper and cobalt markets (the "technology metals") because the most advanced targets at Stillwater West are large, bulk mineable polymetallic PGE-Ni-Cu sulphide deposits, based on known parallels with large and very large South African mines. This, combined with the extensive amount of technical information and drill core generated in the region, from past explorers and developers, offers a highly attractive opportunity for other PGE and nickel-copper producers looking to grow production via M&A in a relatively mining friendly jurisdiction. Even the development of a smaller deposit by Group Ten could be of interest to its neighbour Sibanye as supplemental ore in their mine plan would provide a potential fast track to production vs building a stand-alone processing facility that would be required on a greenfield project. Obviously utilizing of a nearby plant would enhance economics of a deposit.

Large Property – District scale with a large number of potential mineralized zones

Group Ten is the second largest landowner in the Stillwater district after Sibanye. This comprises over 24 kilometres of strike length and is another reason why another PGE producer would be interested in Group Ten. The Company's land holdings are located on prime geology for the discovery of PGE-Ni-Cu deposits.

Company driven by proven management team with ability to raise capital

Group Ten is a founding company within the Metallic Group of companies. The Executive Chairman, Greg Johnson, has been involved in some \$650 million in financings for NovaGold and Wellgreen Platinum. Mr. Johnson was also involved in the discovery of Donlin Creek and Galore Creek. He also was responsible for the recent expansion of the Wellgreen deposit. Michael Rowley the CEO has 25 years of experience in exploration, mineral processing and mine environmental sectors. He is credited with negotiation of the Stillwater land package. On the technical side, the Company has strong expertise in PGE-Ni-Cu systems including Dr. Craig Bow as Chief Geologist, who was part of the discovery and advancement of the original J-M Reef mines at Stillwater.

Target commodity prices have promising futures

Group Ten Metals' share price will be affected by sentiment towards PGE, nickel and copper prices. Figure 8 shows consensus forecasts from leading banks world-wide. Both palladium and platinum are used predominantly as auto-catalysts to reduce vehicle emissions. It is expected that emission standards will increase due to stricter pollution controls world-wide, requiring higher PGE loading in

cars and introduction of catalytic converters in emerging markets to address pollution concerns. On the supply side South Africa is the single largest producer and has issues regarding higher costs due to labour, power and water issues. A number of the South African reef-type mines are operating at losses and are underfunding needed capital investments as a result. Falling year on year Platinum and Palladium production from South Africa, the world's leading producer of these metals, is expected to continue even as global demand is expected to rise over the next couple of decades.

Commodities Forecast

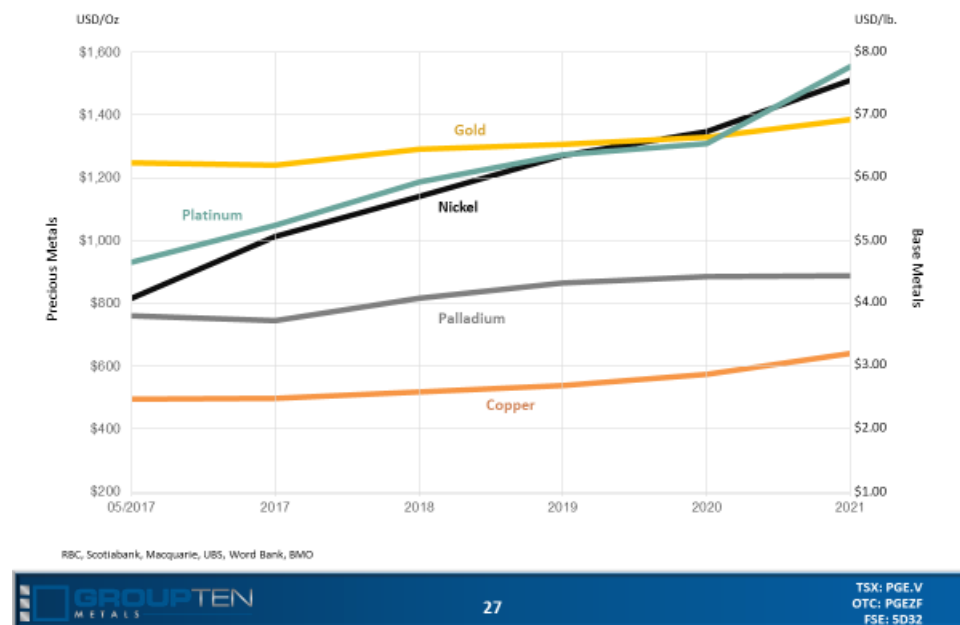


Figure 8 PGE forecasts (RBC, Scotiabank, Macquarie, UBS, Word Bank, BMO)

VALUATION – The share price should rise as exploration stage advances

Currently, Group Ten Metals has no defined NI-43-101 resources outlined. On the definition of a resource and its subsequent development the share price should climb. This is well illustrated by the graph shown below. See Figure 9. This graph shows how enterprise value (market capitalization minus working capital plus debt) varies with resource growth and stage of development. Resource definition progression is indicated by various listed PGE companies with defined market values along the x axis of the graphs. As the resource grows and with development to the production stage, the share price could potentially grow to where North American Palladium's market value currently is. Obviously North American Palladium's enterprise value took many years to achieve. The downside risk is obviously if the Company fails to identify significant mineralization over the next couple of years through its exploration programs.

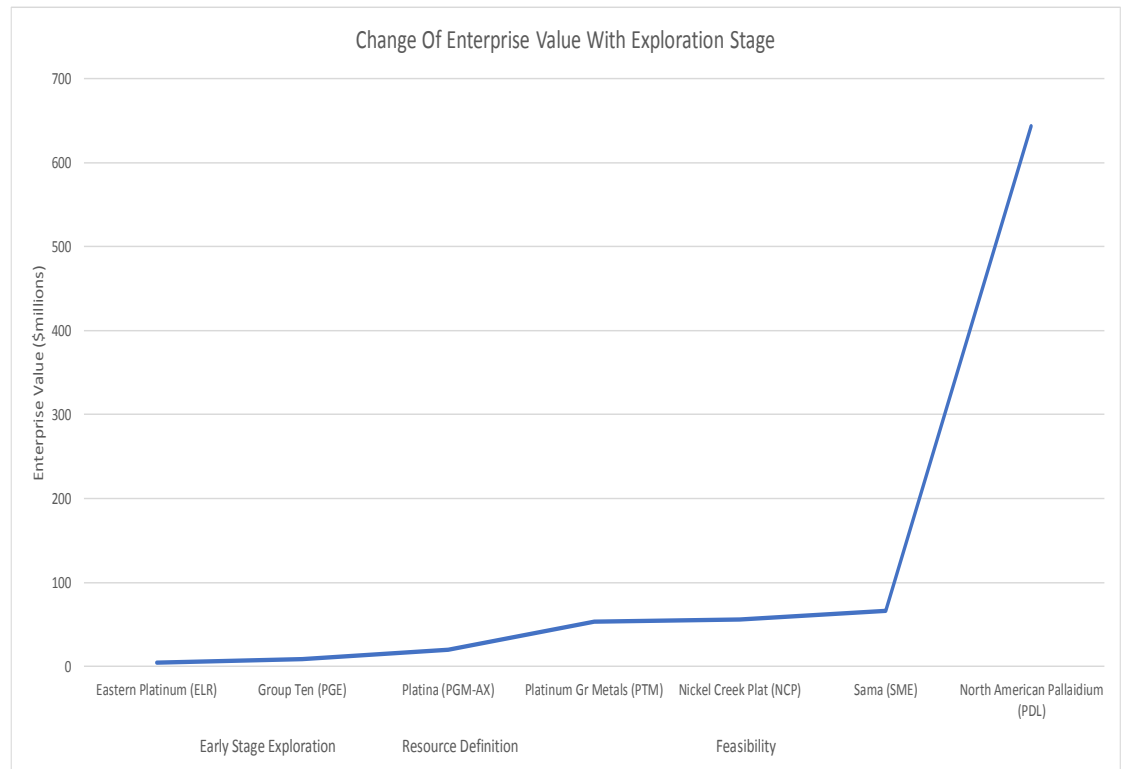


Figure 9:

Source: LOM, Company

INVESTMENT RISKS – Normal for a junior company - Speculative

Political/Permitting/Environmental Risk – Moderate: Group Ten operates in Montana, the Yukon and Ontario. Its main project is Stillwater, Montana. Permitting appears to be the major risk in this state, although Stillwater county has a long history of mining. Permits for exploration can take 3 to 12 months to obtain and are obtained from the US Forestry and the State of Montana. Currently the Company has applied for permits to complete drilling in 2018. Though these permits have not yet been received it is targeted to have them in hand for a summer exploration season. If subsequently an economic deposit is found, operating permits have to be obtained from the US Forestry Service. Past exploration permits have been granted in the same area and permits for mine construction and operations were given to the Stillwater Mining Company to build and operate three mines (in 1986, 2002, and 2017).

Financing Risk – Moderate-High: The Company will need additional external capital in the future to continue its exploration projects and mine development. The current financing market is still challenging and as a result there is no guarantee that the company will be able to raise the required capital in the future. Financing ability will be dependent on sentiment towards: exploration, commodity prices and the success of the company's exploration program. As noted, however, the

Company has significant capital markets experience and has a large number of in-the-money warrants. The Company has a flow-through commitment of \$638,000, which has to be used on its Canadian properties, whereas current working capital of \$250,000. However, the in the money warrants may bring in approximately \$2 million. Financing commitments on its main properties are relatively modest and no projects are in danger of default.

Exploration Risk- Moderate: There is always the risk that the company's summer program will not produce the desired results. The targets sought are relatively large in dimension but could be low grade. Many former companies have worked these grounds, but most were either just focussed on nickel-copper, or chrome, or they were looking for more discrete reef-style targets. The concept of a potential Platreef style of mineralization (large bulk mineable deposits) has only recently been adopted.

Forecast Risk – High: Our forecast depends on commodity prices and currency exchange rates which tend to be quite volatile. We have used estimates of long-term metal prices and exchange rates that we believe to be reliable. However, all-natural resource projects are primarily sensitive to changes in commodity prices, discovery sentiment and currency exchange rates. Even relatively minor changes in commodity prices or currency exchange rates can have a major effect on project economics, both positive and negative.

RECOMMENDATION - A Reasonable Speculation

We believe that the shares of Group Ten Metals Minerals are a reasonable speculation based on the potential for PGE-Ni-Cu-Co rich drill-hole intersections and the high probability of the company defining a deposit, which could become economic.

Appendix A: Management & Board of Directors

Board of Directors

Greg Johnson – Executive Chairman

- 30 years experience in exploration, development and financing of large-scale mining projects
- Broad capital markets experience, raising over \$650 million in project financing
- Co-founder of NovaGold, former President & CEO of Wellgreen Platinum and South American Silver
- Exploration Manager Placer Dome (now Barrick Gold)
- Co-credited with discovery or expansion and advancement of major precious and base metal deposits

Michael Rowley – Director, President & CEO

- Over 25 years executive experience in the exploration, mineral processing, and mine environmental industries
- Director of Bravada Gold, Granite Creek Gold, and Sierra Mountain Minerals

Gregor Hamilton – Director

- Over 20 years of mining sector experience in investment banking, corporate finance, geology
- Capital markets expertise and global finance contacts for mining, M&A and corporate strategy
- Successful entrepreneur in mining, technology and agribusiness in Canada and South America

Bill Harris – Director

- President and CEO of Midnight Mining
- Founder, former Executive of Northern Freegold
- Lifelong Yukoner, prospector, mining entrepreneur

Management & Technical Team

Michael Rowley, BSc, RPBio – President & CEO, Director

- See bio at left with Board of Directors

Tim Thiessen, BA, CA – Chief Financial Officer

- 20 years of international accounting and finance experience
- Has held CFO position with Metallic Minerals, Foran Mining, SnipGold, and Aurcana, also former VP Finance for Endeavor Financial, and auditor for Deloitte's mining practice

Dr. Craig Bow, Ph.D. – Chief Geologist

- Over 40 years experience in global exploration, mine geology, & project management, including exploration of the J-M Reef and advancement of the initial Stillwater Pd-Pt mine to production
- Recognized expert on global PGE-Ni-Cu systems, part of the team responsible for multi-million ounce Arctic Platinum partnership (Gold Fields/Outokumpu), former Exploration Manager North America for Gold Fields, Senior Technical positions for Cyprus Amax, Newcrest, and AngloGold Ashanti

Mike Ostenson, P.Geo. – Project Geologist

- 20 years experience in the Stillwater district including former VP Exploration for Premium Exploration, Senior Technical roles for Beartooth Platinum, Stillwater Mining Co. and AngloGold

Justin Modroo, P.Geo. – Project Geophysicist

- 20 years industry experience, including work in the Stillwater Complex with Premium Exploration and Beartooth Platinum

Chris Ackerman, LLB – Mgr Corp Communications & IR

- Mgr Corp. Communications with Metallic Minerals, formerly with Wellgreen Platinum & Sr. Bus Dev Advisor, Yukon Government

