
NIOBAY METALS INC.

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual meeting of the shareholders (the “**Meeting**”) of Niobay Metals Inc. (the “**Corporation**”) will be held at 1 Place Ville Marie, 40th Floor, Montreal, Québec on Thursday June 12, 2025 at 10:00 a.m. (Eastern time) for the following purposes:

1. to receive the audited consolidated financial statements of the Corporation for the financial year ended December 31, 2024 and the auditor’s report thereon;
2. to elect six (6) directors;
3. to appoint the independent auditors of the Corporation and authorize the directors to fix their remuneration;
4. to consider and, if deemed advisable, to pass, with or without variation, a resolution reapproving the Corporation’s 10% rolling stock option plan, in accordance with TSX Venture Exchange policies; and
5. to transact such other business as may properly be brought before the Meeting and at any adjournment thereof.

The management proxy circular and the form of proxy prepared in respect of the Meeting accompany this notice. The enclosed management proxy circular contains supplementary information on matters to be discussed at the Meeting and is hereby deemed to be an integral part of this notice.

Montréal, Québec, April 28, 2025.

BY ORDER OF THE BOARD OF DIRECTORS

(s) Serge Savard

Serge Savard, Chairman of the Board

IMPORTANT

It is desirable that as many shares as possible be represented at the Meeting. Registered shareholders who are unable to attend the Meeting in person are requested to complete, sign and date their proxy and mail it, or deposit it with the Corporation’s transfer agent, TSX Trust Company, at 301-100 Adelaide Street West, Toronto, Ontario, M5H 4H1, or deliver it by fax to 416-595-9593 or over the Internet at www.voteproxyonline.com. To be valid, all proxies must be submitted prior to 10:00 a.m. on June 10, 2025 or no less than 48 hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the chair of the Meeting in his discretion, and the chair is under no obligation to accept or reject any particular late proxy. If you are not a registered shareholder of the Corporation, please complete, sign, and deliver your voting information form in accordance with the instructions provided on the voting information form.

NOTICE AND ACCESS PROVISIONS

The Corporation uses the notice and access provisions (the “**Notice and Access Provisions**”) under *Regulation 54-101 respecting Communication with Beneficial Owners of Securities of a Reporting Issuer* and *Regulation 51-102 respecting Continuous Disclosure Obligations*, for distribution of proxy-related materials to registered and beneficial shareholders, including its annual financial statements for the financial year ended December 31, 2024, and related management discussion and analysis. The Notice and Access Provisions are a set of rules that allow reporting issuers to post electronic versions of proxy-related materials (including management information circulars) via the SEDAR+ system and one other website, rather than mailing paper copies of such materials to shareholders. Shareholders will still receive a notice of meeting and a form of proxy.

Shareholders with question about the Notice and Access Provisions can contact TSX Trust Company toll free at 1 (866) 600-5869 or by email at tsxtis@tmx.com. Shareholders may choose to receive a paper copy of the Circular by contacting TSX Trust Company toll free at 1 (866) 600-5869 or by email at tsxtis@tmx.com. Electronic copies of the notice of the annual general meeting, the Circular and proxy form may be found on the Corporation's SEDAR+ profile at www.sedarplus.ca and at <https://docs.tsxtrust.com/2372>. The Corporation will not use the procedure known as “stratification” in relation to the use of Notice and Access Provisions. Stratification occurs when a reporting issuer using the Notice and Access Provisions provides a paper copy of the Circular to certain shareholders with the notice package. In relation to the Meeting, all shareholders will receive the required documentation under the Notice and Access Provisions, which will not include a paper copy of the Circular.

NIOBAY METALS INC.

MANAGEMENT INFORMATION CIRCULAR

This Management Information Circular (the “**Circular**”) is furnished in connection with the solicitation of proxies by management of Niobay Metals Inc. (the “**Corporation**”) to be used at the annual meeting of holders of common shares of the Corporation to be held at 10:00 a.m. (Eastern time) on June 12, 2025 (the “**Meeting**”) for the purposes set out in the accompanying Notice of Annual Meeting of Shareholders of the Corporation.

Information contained in this Circular is given as at April 28, 2025 unless otherwise indicated. All dollar figures are in Canadian dollars unless otherwise specified.

REGISTERED SHAREHOLDERS

You have received a form of proxy from the Corporation's transfer agent, TSX Trust Company (“**TSX Trust**”). Follow the instructions on your form of proxy to vote via Internet, fax, or complete, sign and mail the form of proxy in the envelope provided.

NON-REGISTERED SHAREHOLDERS

Your shares are held in the name of a nominee (securities broker, trustee or other financial institution). You have received a request for voting instructions from your broker. Follow the instructions on your Voting Instruction Form to vote by Internet or fax, or complete, sign and mail the Voting Instruction Form in the envelope provided.

NOTICE AND ACCESS PROCEDURE

The Corporation uses the notice and access provisions (the “**Notice and Access Provisions**”) set out in *Regulation 54-101 respecting Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**Regulation 54-101**”) and *Regulation 51-102 respecting Continuous Disclosure Obligations* (“**Regulation 51-102**”) for the distribution of proxy-related materials. In lieu of receiving paper copies of the proxy-related materials, including the Circular, the annual financial statements for the year ended December 31, 2024 and related management's discussion and analysis (collectively, the “**Meeting Materials**”), the shareholders will receive a notice including information on the date, place and time of the Meeting, as well as information on how they electronically may access to the Meeting Materials (the “**Notice and Access Notification**”).

The Notice and Access Provisions are a set of rules that allow reporting issuers to post electronic versions of proxy-related documents (including management proxy circulars) via the SEDAR+ system and another website, rather than sending paper copies of these documents to the shareholders. Registered shareholders will still receive a Notice of Meeting and a Form of Proxy.

Non-registered shareholders who have not objected to their intermediary disclosing certain ownership information to the Corporation are referred to as “non-objecting beneficial owners” or “NOBOs”. Non-registered shareholders who have objected to their intermediary disclosing certain ownership information to the Corporation are referred to as “opposing beneficial owners” or “OBOs”. The Corporation will send the Notice and Access Notification and a voting instruction form directly to the NOBOs and indirectly to the OBOs, through intermediaries with whom the Corporation will pay the related fees.

Shareholders with questions about the Notice and Access Provisions may contact TSX Trust Company toll-free at 1 (866) 600-5869 or by e-mail at tsxtis@tmx.com. Shareholders may elect to receive a printed copy of the Circular by contacting TSX Trust Company toll-free at 1 (866) 600-5869 or by e-mail at tsxtis@tmx.com. Electronic copies of the Notice of Annual General Meeting, Circular and Form of Proxy are available on the Corporation's SEDAR+ profile at www.sedarplus.ca and at <https://docs.tsxtrust.com/2372>. The Corporation will not use the procedure known as “stratification” in connection with its use of the Notice and Access Provisions. Stratification occurs when a reporting issuer using Notice and Access Provisions provides a printed copy of the Circular to certain shareholders along with the notice package. In relation to the Meeting, all shareholders will receive the required documentation under the Notice and Access Provisions, which will not include a printed copy of the Circular.

You may also request a printed copy of the Circular, Financial Statements or Management's Discussion and Analysis free of charge during the year following the date of filing of the Circular on SEDAR+. To request printed copies, please send an e-mail to tsxtis@tmx.com or call toll-free at 1 (866) 600-5869.

PROXY VOTING

Who is soliciting my proxy?

The enclosed form of proxy is being solicited by the management of the Corporation in connection with the Meeting of shareholders of the Corporation and the associated costs will be borne by the Corporation. The solicitation of proxies will be primarily by mail, but may be by telephone or other personal contact by directors of the Corporation, such directors receiving no compensation therefore. In addition, the Corporation may, upon request, reimburse brokerage firms and other custodians for their reasonable expenses in forwarding proxies and related material to beneficial owners of shares of the Corporation.

How do I vote?

There are two ways you can vote your shares if you are a registered shareholder. You may vote at the Meeting or you may sign the enclosed form of proxy appointing the named persons or some other person you choose, who need not be a shareholder, to represent you as proxyholder and vote your shares at the Meeting. If your shares are held in the name of a nominee, please see the box on page 3 for voting instructions. You can also vote on the internet in accordance with the instructions on the form of proxy.

What if I plan to attend the Meeting and vote in person?

If you are a registered shareholder planning to attend the Meeting on June 12, 2025 and wish to vote your shares in person at the Meeting, do not complete or return the form of proxy. Your vote will be taken and counted at the Meeting. If your shares are held in the name of a nominee, please see the box on page 3 for voting instructions.

What am I voting on?

Shareholders are voting on the election of directors to the board of directors of the Corporation (the “**Board**”), the appointment of the independent auditors for the Corporation and the reapproval of the stock option plan, as detailed under the heading “Particulars to be acted on at the Meeting”.

Other than as specifically discussed under the heading “Particulars to be acted on at the Meeting”, no director or senior officer, past, present or nominated hereunder, or any associate or affiliate of such persons, or any person on behalf of whom this solicitation is made, has any interest, direct or indirect, in any matter to be acted upon at the Meeting, except that such persons may be directly involved in the normal business of the Meeting or the general affairs of the Corporation.

What if I sign the form of proxy enclosed with this Circular?

Signing the enclosed form of proxy gives authority to Jean-Sébastien David or Serge Savard, each of whom is a director of the Corporation, or to another person you have appointed, to vote your shares at the Meeting.

Can I appoint someone other than these directors to vote my shares?

Yes. Write the name of this person, who need not be a shareholder, in the blank space provided in the form of proxy. It is important to ensure that any other person you appoint is attending the Meeting and is aware that he or she has been appointed to vote your shares.

What do I do with my completed proxy?

Return it to the Corporation’s transfer agent, TSX Trust Company, 301-100 Adelaide West, Toronto, Ontario M5H 4H1 or by fax to 1-416-595-9593, **so that it be received no later than 10:00 a.m. (Eastern time) on Tuesday, June 10, 2025.** This will ensure that your vote is recorded.

If I change my mind, can I take back my proxy once I have given it?

Yes. If you change your mind and wish to revoke your proxy, prepare a written statement to this effect. The statement must be signed by you or your attorney as authorized in writing or, if the shareholder is a corporation, under its corporate seal or by an officer or attorney of the corporation duly authorized. This statement must be delivered at the above-mentioned registered office of TSX Trust, at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the Chair of the Meeting on the day of the Meeting or any adjournment thereof, and upon either of such deposits the proxy is revoked.

How will my shares be voted if I give my proxy?

The persons named on the form of proxy must vote for or withhold from voting your shares in accordance with your directions, or you can let your proxyholder decide for you. **In the absence of such directions, proxies received by management will be voted FOR the election of directors to the Board, FOR the appointment of the independent auditors and FOR the reapproval of the Corporation's 10% rolling stock option plan, as detailed under the heading "Particulars to be acted on at the Meeting".**

What if amendments are made to these matters or if other matters are brought before the Meeting?

The persons named in the form of proxy will have discretionary authority with respect to amendments or variations to matters identified in the enclosed form of proxy and with respect to other matters which may properly come before the Meeting. As of the time of printing of this Circular, management of the Corporation knows of no such amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named in the form of proxy will vote on them in accordance with their best judgment.

How many shares are entitled to vote?

As of the date hereof, there are 107,277,572 common shares of the Corporation (the "**Common Shares**") issued and outstanding, each of which is entitled to one vote at the Meeting. Only shareholders registered at the close of business on April 23, 2025 (the "**Record Date**") are entitled to receive notice of and to vote at the Meeting.

To the knowledge of the directors and management of the Corporation, at the date hereof, the only persons beneficially owning, directly or indirectly, or exercising control or direction over, voting securities carrying more than 10% of the voting rights attached to the voting securities of the Corporation are as follows:

Name	Common Shares	% of all Outstanding Shares of the Corporation
Barkerville Gold Mines Ltd., a subsidiary of Osisko Development Corp. ⁽¹⁾	9,857,143	9.19%
Electric Elements Mining Corp. ⁽¹⁾	4,615,400	4.30%

(1) Electric Elements Mining Corp. is a private precious and critical metals project generator that was spun-out of Osisko Development Corp. in November 2023. Osisko Development Corp. holds an equity interest in Electric Elements Mining Corp. and, as such, is considered an associate of, and may be considered to be a joint actor of, Electric Elements Mining Corp. for the purposes of applicable securities laws.

Who counts the votes?

The Corporation's transfer agent, TSX Trust, counts and tabulates the proxies. This is done independently of the Corporation.

If I need to contact the transfer agent, how do I reach them?

For general shareholder enquiries, you can contact the transfer agent by mail at:

TSX Trust Company
301-100 Adelaide West
Toronto, Ontario
M5H 4H1

or by telephone:
1-866-600-5869 (within North America) or 1-416-342-1091 (outside North America)

or by fax:
1-416-595-9593

If my Common Shares are not registered in my name but are held in the name of a nominee (a bank, trust company, securities broker, trustee or other), how do I vote my Common Shares?

There are two ways you can vote your Common Shares held by your nominee. As required by Canadian securities legislation, you will have received from your nominee either a request for voting instructions or a form of proxy for the number of Common Shares you hold. For your Common Shares to be voted for you, please follow the voting instructions provided by your nominee. Since the Corporation has limited access to the names of its non-registered shareholders, if you attend the Meeting, the Corporation may have no record of your shareholdings or of your entitlement to vote unless your nominee has appointed you as proxyholder. Therefore, if you wish to vote in person at the Meeting, insert your own name in the space provided on the request for voting instructions or form of proxy and return same by following the instructions provided. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with the transfer agent, TSX Trust, upon arrival at the Meeting.

PARTICULARS TO BE ACTED ON AT THE MEETING

1. ELECTION OF DIRECTORS

The Board currently consists of six (6) members. At the Meeting, the persons named hereunder will be proposed for election as directors of the Corporation. You can vote for all of these proposed directors, vote for some of them and withhold for others, or withhold for all of them. Except where authority to vote for the election of directors is withheld, the nominees named in the accompanying form of proxy will vote the Common Shares represented by such proxy FOR the election of each of the persons named hereunder.

The Board has adopted a majority voting policy providing that in an uncontested election of directors, any nominee who receives a greater number of votes “withheld” than votes “for” his or her nomination will tender his or her resignation to the Chair of the Board promptly following the shareholders’ meeting. The Human Resources, Corporate Governance and Nomination Committee (the “**HR Committee**”) of the Board will consider the offer of resignation and will make a recommendation to the Board on whether to accept it. The Board will make its final decision and announce it in a press release within 90 days following the shareholders’ meeting. A director who tenders his or her resignation pursuant to this policy will not participate in any meeting of the Board or the HR Committee at which the resignation is considered.

This proposal requires the approval of a majority of the votes cast by the holders of Common Shares entitled to vote in person or represented by proxy at the Meeting. Management does not contemplate that any nominee will be unable or unwilling to serve as a director. Each director elected will hold office until the next annual meeting or until a successor is duly elected or appointed, unless his office is earlier vacated in accordance with the bylaws of the Corporation.

The table below indicates the names of the persons proposed for election as directors of the Corporation, the office presently held in the Corporation, as applicable, their principal occupation and the number of Common Shares over which they exercise control.

Dawn Madahbee Leach will not seek reappointment at the Meeting. The Board unanimously wishes to acknowledge Ms. Madahbee Leach outstanding contribution and commitment to the Corporation.

Name, Province of Residence and Office Held	Director Since	Common Shares Over Which Control is Exercised	Principal Occupation and, if not a previously elected Director, occupation during the past five (5) years
Jean-Sébastien David ⁽¹⁾⁽²⁾ Québec, Canada President, Chief Executive Officer and Director	2014	1,871,152	President and Chief Executive Officer of the Corporation since September 2021. Chief Operating Officer of Arianne Phosphate Inc. (2012-2021)
Serge Savard ⁽²⁾ Québec, Canada Chairman of the Board and Director	2001	2,424,199	Corporate director
Raymond Legault ⁽¹⁾⁽²⁾ Québec, Canada Director	2008	1,604,385	Retired financial consultant

Name, Province of Residence and Office Held	Director Since	Common Shares Over Which Control is Exercised	Principal Occupation and, if not a previously elected Director, occupation during the past five (5) years
Josianne Beaudry ⁽¹⁾ Québec, Canada Director	2024	-	Partner at Lavery, de Billy, L.L.P.
Laurence Farmer Québec, Canada Director	2025	-	Director and Chief Executive Officer of Electric Elements Mining Corp. General Counsel, Vice President, Strategic Development and Corporate Secretary of Osisko Development Corp.
Bruno Di Battista Québec, Canada	Nominee	-	VP Business Development at Desjardins

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the HR Committee.

Each nominee as director supplied the information concerning the number of Common Shares over which he/she exercises control or direction. As of the date hereof, the directors of the Corporation, as a group, beneficially own, directly or indirectly, or exercise control or direction over 5,899,736 Common Shares of the Corporation, or approximately 5.5% of the issued and outstanding Common Shares.

Ms. Josianne Beaudry has been a director of the Corporation since November 28, 2024. She is a partner at Lavery, de Billy, L.L.P. and a member of their Business law group. Her practice is primarily focused on securities law, investment funds and mining law. She assists clients carrying out public and private financings, corporate reorganizations, as well as mergers and acquisitions. Ms. Beaudry is also a director of the *Association de l'exploration minière du Québec*, a member of the Corporate Finance Advisory Committee of the *Autorité des marchés financiers* as well as a member of the Québec Local Advisory Committee of the TSX Venture Exchange. Ms. Beaudry has been a member of the *Barreau du Québec* since 2000.

Mr. Laurence Farmer has been a director of the Corporation since March 24, 2025. Since July 2022, Laurence Farmer acts as General Counsel, Vice President, Strategic Development and Corporate Secretary of Osisko Development Corp. Since November 2023, he also acts as Chief Executive Officer of Electric Elements Mining Corp. Osisko Development Corp. holds an equity interest in Electric Elements Mining Corp. and, as such, is considered an associate of, and may be considered to be a joint actor of, Electric Elements Mining Corp. for the purposes of applicable securities laws. Mr. Farmer has over 10 years of cross-border M&A, finance and capital markets advisory experience, first as a corporate lawyer with Norton Rose Fulbright in Montreal, Canada and London, England and then as an investment banker with RBC Capital Markets in London, England. Over his career in mining and metals, Mr. Farmer has participated in the origination, structuring and execution of deals totaling over US\$20 billion. Mr. Farmer holds a Bachelor of Civil Law and Juris Doctor (B.C.L./JD) from McGill University and is a member of the *Barreau du Québec*.

Mr. Bruno Di Battista is currently VP Business Development at Desjardins, Mr. Di Battista has worked in various areas of the financial sector for over 37 years. From institutional bond trader to financial product designer, Mr. Di Battista has touched many sectors of the financial industry.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

To the Corporation's knowledge, none of the proposed directors is, as at the date of this Circular, or has been, within ten (10) years before the date of this Circular, a director, chief executive officer or chief financial officer of any corporation, including the Corporation, that (i) was subject to a cease trade or similar order or an order that denied the Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer or (ii) was subject to a cease trade or similar order or an order that denied the Corporation access to any exemption under securities legislation, for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

To the Corporation's knowledge, none of the proposed directors is, as at the date of this Circular, or has been, within ten (10) years before the date of this Circular, a director or executive officer of any corporation, including the Corporation, that while that person was acting in that capacity or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

In addition, to the Corporation's knowledge, none of the proposed directors has, within the ten (10) years before the date of this Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such proposed director.

Finally, to the knowledge of management of the Corporation, no proposed director of the Corporation has:

- (a) been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
- (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable security holder in deciding whether to vote for the proposed director.

Additional Information

For additional information about the Board, including compensation and corporate governance practices, please see "Compensation of Executive Officers and Directors" and "Corporate Governance Practices".

2. APPOINTMENT OF AUDITORS

PricewaterhouseCoopers, LLP, Chartered Accountants, have been the auditors of the Corporation since November 2015. Shareholders are asked to vote for the reappointment of PricewaterhouseCoopers, LLP, Chartered Accountants, as independent auditors of the Corporation for the current financial year and to authorize the directors to establish the external auditors' remuneration.

The persons designated in the enclosed form of proxy intend to vote FOR the appointment of PricewaterhouseCoopers, LLP, Chartered Accountants, as independent auditors of the Corporation for the current financial year and the authorization to the directors to establish the independent auditors' remuneration. The auditors will hold office until the next annual meeting of shareholders or until their successors is appointed.

This proposal requires the approval of a majority of the votes cast at the Meeting.

3. REAPPROVAL OF A ROLLING STOCK OPTION PLAN

Under the policies of the TSXV, all incentive option plans that are "rolling" plans are subject to annual shareholder approval. The Corporation's stock option plan (the "**Plan**") is a 10% "rolling" plan. The purpose of the Plan is to attract and retain directors, officers, employees, and consultants of the Corporation and to advance the interests of the Corporation by encouraging equity participation in the Corporation through the acquisition of Shares. The Plan complies with and is subject to the requirements of TSXV Policy 4.4 and was approved by shareholders at the annual meeting held on June 12, 2024.

The maximum number of Common Shares that may be reserved for issuance upon exercise of stock options (including any number of Common Shares reserved for issuance under the current plan) is limited to 10% of the issued and outstanding Common Shares of the Corporation.

The principal terms and conditions of the Plan are as follow:

- (a) the maximum aggregate number of shares that are issuable pursuant to all security based compensation granted or issued to insiders (as a group) must not exceed 10% of the issued shares of the Corporation at any point in time (unless the Corporation has obtained the requisite disinterested shareholder approval);
- (b) the maximum aggregate number of shares of the Issuer that are issuable pursuant to all security based compensation granted or issued in any 12 month period to insiders (as a group) must not exceed 10% of the issued shares of the Corporation, calculated as at the date any security based compensation is granted or issued to any insider (unless the Corporation has obtained the requisite disinterested shareholder approval);
- (c) the maximum number of shares that may be reserved for issuance during a 12 month period cannot exceed the following percentage of issued and outstanding shares of the Corporation: (i) 5% in the case of eligible optionees; (ii) 2% in the case of consultants; and (iii) 2% for all persons providing investor relation services with these options to be acquired gradually over that 12 month period, with a maximum of 25% per quarter;
- (d) the exercise price of the options cannot be less than the market value of the Common Shares based on the closing price of the Common Shares on the TSXV on the last day preceding the grant and cannot be less than \$0.05;

- (e) the options are non-assignable and have a maximum term of 10 years;
- (f) in the event the optionnee ceases to be eligible for any reason other than death or for cause, the optionnee will be entitled to exercise vested options until the earlier of: (i) 90 days following the termination date or such other time, not to exceed one year, or (ii) the original expiry date of the option;
- (g) in the case of death of an optionnee, vested options will remain exercisable by the optionnee's legal representatives or estate until the earlier of: (i) one year after the optionnee's death, and (ii) the original expiry date of the option; and
- (h) where an optionnee is dismissed for cause, all options will terminate immediately on the date of dismissal without any right of exercise.

The Board has the authority in its discretion to set the terms and conditions of vesting provisions at the time of grant. In the event of a change of control, options granted and outstanding that are subject to vesting provisions shall be deemed to have immediately vested upon the occurrence of the change of control, subject to approval of the TSXV in certain cases.

Subject to any necessary regulatory approval, the Board can terminate the plan at any time provided that such termination shall not alter the terms or conditions of any stock option or impair any right of any optionnee pursuant to any stock option granted prior to the date of such termination and notwithstanding such termination, such stock options and such optionnee shall continue to be governed by the provisions of the Plan. The Plan does not provide for any financial assistance or support to be provided to optionnees by the Corporation.

At the Meeting, shareholders will be asked to consider and, if thought fit, to pass an ordinary resolution ratifying and approving the Plan as follows:

"BE IT RESOLVED as an ordinary resolution that the Corporation's stock option plan, as described in the information circular dated as of April 28, 2025, be and hereby is approved, ratified and confirmed."

Unless otherwise directed, the directors or officers named in the Proxy intend to vote FOR the reapproval of the Plan.

COMPENSATION OF EXECUTIVE OFFICERS AND DIRECTORS

Compensation Discussion and Analysis

The HR Committee is responsible for examining the compensation of the senior management and directors of the Corporation and making recommendations to the Board. The HR Committee is currently composed of three members, namely Raymond Legault (chair), Serge Savard and Jean-Sébastien David.

Raymond Legault holds a Bachelor's and a Master's degree in Economics from University of Montreal. His career includes eight years as Investment Executive with ScotiaMcLeod, 14 years as President and General Manager of his publishing company and 10 years in various senior management positions with a major telecommunications company. Mr. Legault is a retired financial consultant.

Serge Savard is currently a partner in Messier, Savard & Associates Inc., a real estate management firm. From 1983 to 1995, Mr. Savard acted as General Manager for the Montreal Canadiens professional hockey team. He has also sat on the board of directors of other publicly-listed companies.

Jean-Sébastien David is acting as President and Chief Executive Officer of the Corporation since September 2021. Prior to that, he was Chief Operating Officer of Arianne Phosphate Inc. (2012-2021), a company working on the development of the Lac à Paul mining project in the Saguenay region. Mr. David earned a BA in Geology and a Masters in Project Management from the *Université du Québec à Chicoutimi*.

The Corporation considers that the experience of the members of the HR Committee with public company board membership and/or management experience provide such members with appropriate experience and skills relevant to the responsibilities and ability to make decisions on the suitability of the Corporation's compensation policies and practices.

The HR Committee has the responsibility to provide a competitive base compensation as well as long-term rewards to the executive officers of the Corporation. The compensation of the executive officers is based on the individual performance and experience of each officer as well as the Corporation's business strategy and general economic considerations. The HR Committee consults senior executives of the Corporation; however, they do not participate in the compensation process pertaining to their own compensation.

The Corporation's executive compensation policies and practices are in place to attract and retain highly qualified and experienced executives and managers capable of achieving the Corporation's objectives. The Corporation also utilizes the Stock Option Plan to motivate and reward the Corporation's executives for the achievement of the Corporation's goals.

The compensation program emphasizes individual experience and performance. If circumstances dictate, the HR Committee will adjust certain elements of the total compensation upward or downward to ensure that the Corporation's compensation practices are aligned with shareholders' interests while providing fair compensation to the Corporation's senior management.

The Corporation's executive compensation is comprised of the following components: (1) base compensation; (2) annual and long-term incentives in the form of options granted under the Stock Option Plan; and (3) termination benefits.

Base Compensation

Base compensation is designed to provide the executives with a portion of their compensation with limited risk. The executive's compensation is based on the individual's level of responsibility, the importance of the position to the Corporation and the individual's contribution to the Corporation's performance, and the financial situation of the Corporation. The Corporation also takes into consideration compensation for similar positions in corporations that are of similar size, publicly-traded and in the Canadian mining industry. However, in reviewing comparative data, the HR Committee does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined level and does not compare its compensation to a specific peer group of companies. In the HR Committee's view, external data provides insight into external competitiveness, but it is not an appropriate single basis for establishing compensation levels. Consequently, once the range has been established, the Corporation targets the executive's base compensation considering various factors including individual performance and the individual's experience.

Stock Option Plan

The Stock Option Plan is designed to provide executives with annual and long-term incentive to achieve the Corporation's objectives and contribute to shareholder value. The grant of stock options is designed to attract, motivate and retain the Corporation's personnel in order to achieve the results that ultimately benefit the shareholders. The grant of options to directors aims to attract and retain highly qualified individuals to serve on the Board and its committees, to align the directors' interests with those of the shareholders and to reflect the responsibilities, the required level of commitment and the risks associated with the office of director.

The number of stock options granted from time to time as well as the conditions attached to it (such as vesting periods) are determined by the Board, on the recommendation of the HR Committee, on a discretionary basis. Factors such as overall performance of the Corporation, previous grants and overall compensation paid to the optionnee are taken into consideration when granting options. In reviewing comparative data, the HR Committee does not engage in benchmarking for the purpose of establishing compensation levels relative to any predetermined level and does not compare its compensation to a specific peer group of companies. The HR Committee may not necessarily use the fair value (as determined by the Black-Scholes Option Pricing Model) as a basis for determining the number of options to award, as the ultimate realization of the option's value may be significantly different from that determined using the fair value models.

Termination Benefits

Termination benefits are provided to the Corporation's Named Executive Officers (as defined herein) as described in this Circular under the section entitled "Termination and Change of Control Benefits". The HR Committee believes that these levels of termination benefits are consistent with what is usually granted in such circumstances by industry practice for corporations that are of a similar size, that are publicly-traded and that are in the Canadian mining industry.

Directors Compensation

The Board has approved the payment of annual compensation to non-executive directors consisting of annual fees of \$10,000. The chair of the audit committee is entitled to an additional fee of \$2,500 per annum. For greater details, see section under the heading "Compensation of Directors and Named Executive Officers".

Compensation of Directors and Named Executive Officers

"**Named Executive Officer**" means each of the following individuals: (a) the Chief Executive Officer; (b) the Chief Financial Officer; (c) the most highly compensated executive officer other than the Chief Executive Officer and the Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, for that financial year.

During the most recently completed financial year ended December 31, 2024, the following Directors were not Named Executive Officer (as hereinbefore defined): Raymond Legault, Dawn Madahbee Leach, Serge Savard (Chairman of the Board), Mathieu Savard and Josianne Beaudry. The Named Executive Officers of the Corporation are the Chief Executive Officer and the Chief Financial Officer.

The following table sets forth the compensation excluding compensation securities paid to or earned by the Corporation's Named Executive Officers and Directors in 2024 and 2023:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of prerequisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Jean-Sébastien David President & CEO and Director	2024	275,000	-	-	-	-	275,000
	2023	250,000	-	-	-	-	250,000
Anthony Glavac CFO ⁽¹⁾	2024	70,000	-	-	-	-	70,000
	2023	70,000	-	-	-	-	70,000
Josianne Beaudry Director ⁽²⁾	2024	-	-	-	-	-	-
Raymond Legault Director	2024	-	-	12,500	-	-	12,500
	2023	-	-	12,500	-	-	12,500
Dawn Madahbee Leach Director ⁽³⁾	2024	-	-	10,000	-	-	10,000
	2023	-	-	10,000	-	-	10,000
Mathieu Savard Director ⁽⁴⁾	2024	-	-	10,000	-	-	10,000
	2023	-	-	10,000	-	-	10,000
Serge Savard Chairman	2024	-	-	10,000	-	-	10,000
	2023	-	-	10,000	-	-	10,000

Notes:

- (1) Pursuant to a management and technical services agreement with Falco Resources Ltd., Mr. Glavac's employer, the Corporation paid Falco Resources Ltd. a monthly fee of \$5,833 in 2024 and 2023 in respect of Mr. Glavac's services as Chief Financial Officer of the Corporation.
- (2) Josianne Beaudry became a director of the Corporation on November 28, 2024.
- (3) Dawn Madahbee Leach is not standing for re-election as director of the Corporation.
- (4) Mathieu Savard resigned as a director on March 24, 2025.

The following table sets forth the compensation securities awarded to Directors and Named Executive Officers during the financial year ended December 31, 2024:

Compensation Securities							
Name and position	Type of compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of underlying security on date of grant (\$)	Closing price of underlying security at year end (\$)	Expiry Date
Jean-Sébastien David President, CEO and Director ⁽¹⁾	Options	250,000	June 12, 2024	0.06	0.06	0.05	June 22, 2029
Anthony Glavac CFO ⁽²⁾	Options	150,000	June 12, 2024	0.06	0.06	0.05	June 12, 2031
Josianne Beaudry Director ⁽³⁾	Options	150,000	November 28, 2024	0.065	0.065	0.05	November 28, 2031
Raymond Legault Director ⁽⁴⁾	Options	125,000	June 12, 2024	0.06	0.06	0.05	June 12, 2031
Dawn Madahbee Leach Director ⁽⁵⁾	Options	125,000	June 12, 2024	0.06	0.06	0.05	June 12, 2031
Mathieu Savard Director ⁽⁶⁾	Options	125,000	June 12, 2024	0.06	0.06	0.05	March 24, 2026
Serge Savard Chairman of the Board ⁽⁷⁾	Options	150,000	June 12, 2024	0.06	0.06	0.05	June 12, 2031

Notes:

- (1) As at December 31, 2024, Jean-Sébastien David held 930,000 options of the Corporation.
- (2) As at December 31, 2024, Anthony Glavac held 435,000 options of the Corporation.
- (3) As of December 31, 2024, Josianne Beaudry held 150,000 options of the Corporation. Josianne Beaudry became a director of the Corporation on November 28, 2024.
- (4) As at December 31, 2024, Raymond Legault held 505,000 options of the Corporation.
- (5) As at December 31, 2024, Dawn Madahbee Leach held 505,000 options of the Corporation. Dawn Madahbee Leach is not standing for re-election as director of the Corporation.
- (6) As at December 31, 2024, Mathieu Savard held 475,000 options of the Corporation. Mathieu Savard resigned as a director on March 24, 2025.
- (7) As at December 31, 2024, Serge Savard held 530,000 options of the Corporation.

During the financial year ended December 31, 2024, none of the directors or Named Executives Officers exercised securities granted as compensation.

Security-Based Compensation Arrangements

Security-based compensation granted by the Corporation pursuant to the Corporation's security-based compensation arrangements are governed by the Stock Option Plan.

Stock Option Plan

The Corporation's Plan (a 10% rolling stock option plan) was reapproved by the shareholders of the Corporation on June 12, 2024. The objective of the Plan remains to permit the directors, executive officers, employees, consultants and persons providing investor relation services to participate in the growth and development of the Corporation through the grant of options to purchase common shares. See "Reapproval of a Rolling Stock Option Plan" for more information.

Stock Option Plan Information⁽¹⁾

Options	Number of Common Shares to be Issued Upon Exercise of Outstanding Options	Weighted Average Exercise Price of Outstanding Options	Number of Common Shares Remaining Available for Future Issuance Under the Stock Option Plan
Options of the Corporation approved by the shareholders	4,270,000	\$0.24	6,457,757
Options of the Corporation not approved by the shareholders	-	-	-

(1) As of December 31, 2024.

Termination and Change of Control Benefits

Pursuant to an employment agreement effective September 30, 2021, the Corporation retained Jean-Sébastien David as its President and Chief Executive Officer. As at December 31, 2024, Mr. David's annual base salary was \$275,000. Should Mr. David's employment be terminated by the Corporation without cause, Mr. David will be entitled to receive a severance payment, by way of a lump sum, equal to his base salary for the 18 months. In the event of a change of control resulting in the following 12 months in the loss of employment of Mr. David or his resignation due to a unilateral change of his employment conditions, the Corporation shall pay Mr. David a severance payment equal to 24 months of his base salary, which shall be paid by the Corporation at the time of termination by way of a lump sum.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is, or was at any time during the most recently completed financial year a director, executive officer or senior officer of the Corporation, nor any proposed nominee for election as a director nor any associate of the foregoing, is or was at any time since the beginning of the most recently completed financial year indebted to the Corporation.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

A copy of the audit committee charter is attached to this Circular as Schedule A.

Composition of the Audit Committee

The following directors are members of the audit committee: Raymond Legault (chair), and Jean-Sébastien David and Josianne Beaudry. All members of the audit committee are financially literate. Only one member of the audit committee is independent within the meaning of *Regulation 52-110 respecting Audit Committees* ("**Regulation 52-110**"). Josianne Beaudry, legal counsel to the Corporation is

not considered independent nor Jean-Sébastien David as Chief Executive Officer of the Corporation. The Corporation is relying upon the exemption in section 6.1 of Regulation 52-110.

Relevant Education and Experience

Raymond Legault holds a Bachelor's and a Master's degree in Economics from University of Montreal. See "Compensation Discussion and Analysis" for more details.

Jean-Sébastien David earned a BA in Geology and a Masters in Project Management from the Université du Québec in Chicoutimi. See "Compensation Discussion and Analysis" for more details.

Josianne Beaudry is a partner at Lavery, de Billy, L.L.P. and a member of their Business law group. Her practice is primarily focused on securities law, investment funds and mining law. She assists clients carrying out public and private financings, corporate reorganizations, as well as mergers and acquisitions. Ms. Beaudry is also a director of the *Association de l'exploration minière du Québec*, a member of the Corporate Finance Advisory Committee of the *Autorité des marchés financiers* as well as a member of the Québec Local Advisory Committee of the TSX Venture Exchange. Ms. Beaudry has been a member of the *Barreau du Québec* since 2000.

Reliance on Certain Exemptions

At no time since the commencement of the Corporation's most recently completed financial year has the Corporation relied on the exemptions in Sections 2.4 and 6.1.1 of Regulation 52-110 or an exemption from Regulation 52-110, in whole or in part, granted under Part 8 of Regulation 52-110.

During the most recently completed financial year, the Corporation has relied on the exemption granted under Section 6.1 of Regulation 52-110, which exempts issuers whose shares are listed only on the TSXV from the requirements of Part 3 (Composition of Audit Committee) and Part 5 (Reporting Obligations).

Preapproval Policies and Procedures

The audit committee charter attached hereto as Schedule A provides that the audit committee may delegate to one or more of its independent members the authority to preapprove non-audit services to be rendered by the independent auditor. Such preapproval by any members or the audit committee must be ratified at the next audit committee meeting.

External Auditor Service Fees

The aggregate fees billed by the Corporation's external auditors in each of the last two (2) financial years are as follows:

Financial Year Ending December 31	Audit Fees ⁽¹⁾	Audit Related Fees ⁽²⁾	Tax Fees ⁽³⁾	All Other Fees ⁽⁴⁾
2024	\$52,500	Nil	Nil	Nil
2023	\$50,000	Nil	Nil	Nil

Notes:

- (1) Audit Fees are fees billed by the Corporation's external auditors for services provided in auditing the annual financial statements.
- (2) Audit- Related Fees are fees billed for assurance and related services by the Corporation's external auditor that are reasonably related to the performance of the audit or review of the Corporation's financial statements.
- (3) Tax Fees are fees billed by the external auditor for tax compliance, tax advice and planning. These fees are for the preparation of corporate tax returns.
- (4) All Other Fees are fees billed by the external auditor for products and services not included in the categories described above.

CORPORATE GOVERNANCE PRACTICES

Canadian securities regulatory policy as reflected in National Instrument 58-101 - Disclosure of Corporate Governance Practices ("**NI 58-101**") requires that TSXV listed companies must disclose on an annual basis their approach to corporate governance. National Policy 58-201 - Corporate Governance Guidelines ("**NP 58-201**") provides regulatory staff guidance on preferred governance practices, although the guidelines are not prescriptive, other than for audit committees. The Corporation's approach to corporate governance in the context of NI 58-101 and NP 58-201 (together the "**Policies**") as well as its compliance with the mandatory rules relating to audit committees is set out below.

Board of Directors

The Policies require that the board of directors of a listed issuer determine and disclose the status of each director as independent or not, based on each director's interest in or other relationship with the issuer. Under the Policies, the applicable definition of independence is that contained in National Instrument 52-110 - Audit Committees ("**NI 52-110**"), under which a director is "independent" where he or she "has no direct or indirect material relationship" with the issuer. A "material relationship"

is a relationship which could, in the view of the issuer's board of directors, be reasonably expected to interfere with the exercise of a member's independent judgement. However, the following individuals are deemed to have a material relationship with the issuer, and therefore not be independent:

- an individual who is, or has been within the last three years, an employee or executive officer of the issuer;
- an individual whose immediate family member is, or has been within the last three years, an executive officer of the issuer;
- an individual who:
 - is a partner of a firm that is the issuer's internal or external auditor,
 - is an employee of that firm, or
 - was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
- an individual whose spouse, minor child or stepchild, or child or stepchild who shares a home with the individual:
 - is a partner of a firm that is the issuer's internal or external auditor,
 - is an employee of that firm and participates in its audit, assurance or tax compliance (but not tax planning) practice, or
 - was within the last three years a partner or employee of that firm and personally worked on the issuer's audit within that time;
- an individual who, or whose immediate family member, is or has been within the last three years, an executive officer of an entity if any of the issuer's current executive officers serves or served at that same time on the entity's compensation committee; and
- an individual who received, or whose immediate family member who is employed as an executive officer of the issuer received, more than \$75,000 in direct compensation from the issuer or a subsidiary during any 12-month period within the last three years.

The Board is presently composed of four (out of six) independent directors namely, Serge Savard, Raymond Legault, Dawn Madahbee Leach and Josianne Beaudry. Bruno Di Battista, upon his election, will be considered an independent director.

The Chairman of the Board, Serge Savard is an independent director. Jean-Sébastien David, the president and Chief Executive Officer of the Corporation is not considered independent.

Under NI 52-110 even though Josianne Beaudry is qualified as an independent member when she sits on the Board of Directors, she is not considered an independent member for the purpose of her work for the Audit Committee of the Corporation.

In accordance with applicable securities legislation, the independence of Mr. Farmer was considered by management of the Corporation in connection with the preparation of this Circular. Mr. Farmer has been nominated to the Board in March 2025 further to discussions held with representatives of Electric Elements Mining Corp. ("**Electric Elements**") and Osisko Development Corp. ("**Osisko Development**"), which together own, directly or indirectly, or exercise control or direction over approximately 13.49% of the issued and outstanding Common Shares of the Corporation. Electric Elements is a private precious and critical metals project generator that was spun-out of Osisko Development in November 2023. Osisko Development holds an equity interest in Electric Elements and, as such, is considered an associate of, and may be considered to be a joint actor of, Electric Elements for the purposes of applicable securities legislation. Since July 2022, Laurence Farmer acts as General Counsel, Vice President, Strategic Development and Corporate Secretary of Osisko Development. Since November 2023, he also acts as Chief Executive Officer of Electric Elements. Management has considered the relationships between Mr. Farmer, Electric Elements, Osisko Development and the Corporation. Based on this review, the Board has determined that Mr. Farmer would not be considered "independent" within the meaning of NI 52-110. While Mr. Farmer is not considered independent, management believes that he brings valuable expertise and perspective to the Corporation. The Corporation remains committed to ensuring a majority of its directors are independent and to maintaining effective corporate governance practices.

The Board meets formally to review and approve the quarterly and annual financial statements of the Corporation, to review and discuss the Corporation's business activities, to consider and, if thought fit, to approve matters presented to the Board for approval, and to provide guidance to management. In general, management consults with the Board when deemed appropriate to keep it informed regarding the Corporation's affairs. The Board facilitates the exercise of independent supervision over management through these various meetings.

The Board is currently composed of independent directors having significant experience in business affairs and, as a result, these directors are able to provide significant and valuable independent supervision over management. In the event of a conflict of interest at a meeting of the Board, the conflicted director will in accordance with corporate law and in accordance with his fiduciary obligations as a director of the Corporation, disclose the nature and extent of his interest to the meeting and abstain

from voting on or against the approval of such participation. The independent directors have the opportunity to meet in an *in camera* session after each board meeting and can otherwise communicate as they deem necessary.

Directorships

None of the directors is currently director of other issuers that are reporting issuers (or the equivalent) in a jurisdiction of Canada or a foreign jurisdiction.

Orientation and Continuing Education

While the Corporation does not have formal orientation and training programs, new directors are encouraged to familiarize themselves with, among other things, the Corporation's business, strategic plans, significant financial, accounting and risk management issues, and the Corporation's policies. New directors shall be introduced to senior management and the Corporation's independent auditors, as appropriate.

The Corporation currently has no specific policy regarding continuing education for directors, and requests for education are encouraged, and dealt with on an ad hoc basis.

Ethical Business Conduct

The Board has adopted a written code of business conduct and ethics and a whistleblower policy for its directors, officers, employees, and consultants (the "**Code**"), which can be viewed on the Corporation's website at www.niobaymetals.com and on SEDAR+ at www.sedarplus.com. The Board is responsible for monitoring compliance with the Code. There are also potential conflicts of interest to which some of the directors and officers may be subject with respect to the operations of the Corporation. Any conflicts of interest will be subject to and governed by the law applicable to directors' and officers' conflicts of interest, including the procedures prescribed by the *Business Corporations Act* (Quebec) and the Corporation's Code.

Nomination of Directors

Currently, the Corporation has no formal process in order to identify new candidates for board nomination. This process is based on discussions between members of the HR Committee, the Board and management. If necessary or desirable, the directors and the President and Chief Executive Officer of the Corporation will propose to the HR Committee, whose members are independent, candidates to fill vacancies on the Board. The HR Committee will then examine the qualifications and professional skills, personal qualities and the time that each candidate would be able to devote to the task of director according to the needs of the Corporation. Finally, the HR Committee will submit the selected candidates to the Board for discussion and where appropriate, for approval.

Compensation

The Corporation's HR Committee is responsible for reviewing senior management compensation amounts and methods. The HR Committee also reviews annually the directors' compensation to ensure that it reflects market realities and that it is commensurate with the duties performed by the directors. The Chair of the HR Committee reports the recommendations of the HR Committee to the Board.

The HR Committee is currently comprised of three directors of the Corporation; Raymond Legault (Chair), Serge Savard and Jean-Sébastien David. The HR Committee meets when required during the year.

Assessments

The Board has not established a formal evaluation process. However, discussions regarding the effectiveness of the Board, the Corporation's committees and the attendance and performance of the directors are held annually and serve as informal assessments once a year.

MANAGEMENT CONTRACTS

During the most recently completed financial year, no management functions of the Corporation were to any substantial degree performed by a person or company other than the directors or executive officers (or private companies controlled by them, either directly or indirectly) of the Corporation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of the Corporation, no director or executive officer or any other insider of the Corporation or person in relation or being part of the same group as said officials has any material interest in a transaction having been concluded since the

beginning of the last fiscal year or has an interest in any planned transaction that has or could affect in a material manner the Corporation.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is on SEDAR+ at www.sedarplus.com. Financial information is provided in the Corporation's audited consolidated financial statements and management and discussion analysis for the year ended December 31, 2024. Copies of these documents may be obtained upon request to the Corporation, located at 1100, avenue des Canadiens-de-Montréal, Suite 300, Montreal (Québec) H3B 2S2.

APPROVAL OF CIRCULAR

The Board has approved the contents of this Circular and its sending to the shareholders.

Dated as of April 28, 2025.

NIOBAY METALS INC.

Per: (s) Jean-Sébastien David
Jean-Sébastien David, President and Chief
Executive Officer

SCHEDULE A

CHARTER OF THE AUDIT COMMITTEE

NIOBAY METALS INC. (the “Corporation”)

Purpose

The purpose of the Audit Committee (the “Committee”) is to provide assistance to the Board of Directors of the Corporation in fulfilling its responsibility to the shareholders, potential shareholders and the investment community relating to corporate accounting, the quality and the integrity of the Corporation’s financial reporting practices, and the audit process. In so doing, it is the responsibility of the Committee to ensure free and open communication between the directors of the Corporation, the external auditor and the financial management of the Corporation.

Management is responsible for the preparation, presentation and integrity of the Corporation’s financial statements and for the appropriateness of the accounting principles and reporting policies that are used by the Corporation. The external auditor are responsible for auditing the Corporation’s annual financial statements and for reviewing the Corporation’s interim financial statements.

Organization

The Committee is composed of at least three Directors, a majority of which are independent of the management of the Corporation and are free of any relationship that, in the opinion of the Board of Directors, would interfere with their exercise of independent judgment as committee members. The Committee ensures that its Chairperson and members are financially literate and that at least one member has expertise in financial reporting. The Committee meets at least four times a year, with the authority to convene additional meetings as circumstances require.

The quorum of the Committee is the majority of members. Notice of each meeting of the Committee must be given to each member orally or in writing before the time scheduled for the meeting unless each and all members expressly renounce by their presence at the meeting to such prior notice.

Responsibilities

In carrying out its responsibilities, the Committee believes its policies and procedures should remain flexible, in order to best react to changing conditions and to ensure to the directors and shareholders that the accounting and reporting practices of the Corporation are in accordance with all requirements and are of the highest quality.

In carrying out these responsibilities, the Committee:

- Is responsible for reviewing and recommending for approval to the Board the annual and quarterly financial statements of the Corporation. Included in this review is assessing the use of management estimates in the preparation of the financial statements. The Committee is responsible for ensuring that systems are in place to limit the potential for material misstatement in the financial statements and that the financial statements are complete and consistent with information known to the Committee;
- Recommends to the Directors the external auditor to be selected to audit the financial statements of the Corporation and the compensation to be paid to such auditor;
- Is directly responsible for overseeing the work of the external auditor engaged for the purpose of preparing or issuing an auditor’s report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between management and the external auditor regarding financial reporting;
- Meets with the external auditor and financial management of the Corporation to review the scope of the proposed audit for the current year and the audit procedures to be utilized, and at the conclusion thereof reviews such audit, including any comments or recommendations of the external auditor;
- Reviews with the external auditor, the adequacy of the Corporation’s financial and accounting personnel, the adequacy and effectiveness of the accounting and financial controls and systems of the Corporation, and elicits any recommendations for the improvement of such internal controls procedures and systems or particular areas where new or more detailed controls or procedures are desirable. Particular emphasis is given to the adequacy of such internal controls to expose any payments, transactions or procedures that might be deemed illegal or otherwise improper. Further, the Committee periodically reviews the Corporation’s policy statements to determine their appropriateness;
- Reviews the Corporation’s hedging and risk management systems and policies;
- Reviews the annual financial statements and management discussion and analysis with management and the external auditor to determine that the external auditor is satisfied with the disclosure and content of the financial statements to be presented to the shareholders. Any changes in accounting policy are reviewed;
- Reviews the interim financial statements and disclosures under management’s discussion and analysis of financial condition and results of operations with both management and external auditor prior to the release of these reports (and with the external auditor, when required);

- Provides sufficient opportunity for the external auditor to meet with the members of the Committee without members of management present. Among the items discussed in these meetings are the external auditor's evaluation of the Corporation's financial, accounting personnel, and the cooperation that the external auditor received during the course of the audit;
- Pre-approves all non-audit services to be provided to the Corporation by the external auditor;
- Reviews the compliance of management certification of financial reports with applicable legislation and attestation of the Corporation's disclosure controls and procedure;
- Reviews accounting and financial human resources succession planning within the Corporation;
- Submits the minutes of all meetings of the Committee to, or discusses the matters discussed at each Committee meeting with, the Board of Directors;
- Investigates any matter brought to its attention within the scope of its duties, with the power to retain outside advisors, including legal counsel for this purpose if, in its judgment, that is appropriate;
- Reviews its own performance on a continual basis and makes recommendations to the Board for changes to this Audit Committee Mandate and the composition of the Committee;
- Has the right for the purpose of performing its duties to inspect and discuss all relevant information and records and any matters relating to the financial position of the Corporation with the officers, employees or independent parties, including the external auditor, all of whom are expected to cooperate;
- Establishes procedures for the treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters as well as the confidential anonymous submission by employees of the Corporation of concerns regarding questionable or auditing matters;
- Reviews and approves the Corporation hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.

Delegations

The Committee cannot delegate to management any of its responsibilities. However, the Committee may delegate to one or more of its independent members the authority to pre-approve non-audit services to be rendered by the external auditor. Such pre-approval by any members or the Committee must be ratified at the next Committee's meeting.

