

This short form base shelf prospectus has been filed under legislation in each of the provinces and territories of Canada that permits certain information about these securities to be determined after this short form base shelf prospectus has become final and that permits the omission from this short form base shelf prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form base shelf prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons authorized to sell such securities. The securities offered hereby have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**1933 Act**”), or any state securities laws. Accordingly, these securities may not be offered or sold within the United States (as such term is used in Regulation S under the 1933 Act (“**Regulation S**”)) or to, or for the account or benefit of a U.S. Person (as defined in Regulation S) or a person in the United States except in compliance with exemptions from the registration requirements of the 1933 Act and applicable state securities laws. This short form base shelf prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the securities offered hereby within the United States. See “Plan of Distribution”.

Information has been incorporated by reference in this short form base shelf prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Vice President, Legal Affairs & Corporate Secretary of Nemaska Lithium Inc. at 450 de la Gare-du-Palais Street, 1st Floor, Québec, Québec G1K 3X2 telephone: 1-418-704-6038 and are also available electronically at www.sedar.com.

SHORT FORM BASE SHELF PROSPECTUS



New Issue

March 29, 2018

Nemaska Lithium Inc.
\$500,000,000

Common Shares
Debt Securities
Subscription Receipts
Warrants
Units

Nemaska Lithium Inc. (the “**Corporation**”) may, from time to time, during the 25-month period that this short form base shelf prospectus (the “**Prospectus**”), including any amendments hereto, remains valid, offer and issue common shares of the Corporation (the “**Common Shares**”), debt securities of the Corporation (the “**Debt Securities**”), subscription receipts exchangeable for Common Shares and/or other securities of the Corporation (the “**Subscription Receipts**”), warrants exercisable to acquire Common Shares and/or other securities of the Corporation (the “**Warrants**”) and securities comprised of more than one of Common Shares, Debt Securities, Subscription Receipts and/or Warrants offered together as a unit (the “**Units**”) (Common Shares, Debt Securities, Subscription Receipts, Warrants and Units are collectively referred to herein, as the “**Securities**”) having an aggregate offering price of up to \$500,000,000. Securities may be offered separately or together, in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in an accompanying shelf prospectus supplement (a “**Prospectus Supplement**”). In addition, Securities may be offered and issued in consideration for the acquisition of other businesses, assets or securities by the Corporation or a subsidiary of the Corporation. The consideration for any such acquisition may consist of any of the Securities separately, a combination of Securities or any combination of, among other things, Securities, cash and assumption of liabilities.

The Corporation's outstanding Common Shares are listed and posted for trading on the Toronto Stock Exchange (the “**TSX**”) under the symbol “NMX” and on the OTCQX under the symbol “NMKEF”. On March 28, 2018, the last trading day prior to the date of this Prospectus, the closing price of the Common Shares on the TSX was \$1.22 and on the OTCQX was US \$1.00. **Unless otherwise specified in the applicable Prospectus Supplement, there is no market through which the Debt Securities, Subscription Receipts, Warrants or Units may be sold and purchasers may not be able to resell any Debt Securities, Subscription Receipts, Warrants or Units purchased under this Prospectus. This may affect the pricing of these Securities in the secondary market, the transparency and availability of trading prices, the liquidity of the Securities and the extent of issuer regulation.**

An investment in the Securities involves a high degree of risk and must be considered speculative due to the nature of the Corporation's business, the present stage of development of its mineral properties and of construction of its facilities and installations, and the fact that the Corporation's negative cash flow will continue at least until commercial production at the Whabouchi Project (as defined herein) is achieved. Prospective investors should carefully consider the risk factors described in and incorporated by reference into the Prospectus. See “Forward-Looking Statements” and “Risk Factors”.

The Corporation may offer and sell Securities to or through dealers, underwriters or agents and may also offer and sell certain Securities directly to purchasers or through agents pursuant to exemptions from registration or qualification under applicable securities laws. A Prospectus Supplement relating to each issue of Securities offered thereby will set forth the names of any underwriters, dealers or agents involved in the offering and sale of such Securities and will set forth the terms of the offering of such Securities, the method of distribution of Securities including, to the extent applicable, the proceeds to the Corporation and any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms of the plan of distribution. **No underwriters, dealers or agents have been involved in the preparation of this Prospectus nor has any underwriters, dealers or agents performed any review of the contents of this Prospectus.**

The specific terms of the Securities with respect to a particular offering will be set out in the applicable Prospectus Supplement and may include, without limitation, where applicable: (i) in the case of Common Shares, the number of Common Shares offered, the issue price and any other terms specific to the Common Shares being offered; (ii) in the case of Debt Securities, the specific designation, aggregate principal amount, the maturity, interest provisions, authorized denominations, offering price, covenants, events of default, any terms for redemption or retraction, any exchange or conversion terms and any other terms specific to the Debt Securities being offered; (iii) in the case of Subscription Receipts, the number of Subscription Receipts offered, the offering price, the terms of the release conditions, the designation, number and terms of the Common Shares or Warrants receivable upon satisfaction of the release conditions, any procedures that will result in the adjustment of this number, any additional payments to be made to holders of Subscription Receipts upon satisfaction of the release conditions, the terms governing the escrow of all or a portion of the gross proceeds from the sale of the Subscription Receipts, the terms for the refund of all or a portion of the purchase price for Subscription Receipts, the terms for the refund of all or a portion of the purchase price for Subscription Receipts in the event that the release conditions are not met and any other specific terms applicable to the offering of Subscription Receipts; (iv) in the case of Warrants, the designation, number and terms of the Common Shares or Debt Securities issuable upon exercise of the Warrants, any procedures that will result in the adjustment of these numbers, the exercise price, dates and periods of exercise and any other specific terms; and (v) in the case of Units, the number of Units being offered, the offering price, the terms of the securities underlying the Units, and any other specific terms.

Unless provided otherwise in a Prospectus Supplement relating to a particular offering of Securities and subject to applicable law, the dealers, underwriters or agents may, in connection with the offering of any Securities, effect transactions which stabilize or maintain the market price of the Common Shares or other Securities, as applicable, at levels other than that which might otherwise prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

No underwriter or dealer involved in an "at-the-market distribution" under this Prospectus, no affiliate of such an underwriter or dealer and no person or corporation acting jointly or in concert with such an underwriter or dealer will over-allot securities in connection with such distribution or effect any other transactions that are intended to stabilize or maintain the market price of the Securities.

All shelf information permitted under applicable law to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement and only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

The Corporation's head and registered offices are located at 450 de la Gare-du-Palais Street, 1st Floor, Québec, Québec G1K 3X2.

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ABOUT THIS SHORT FORM BASE SHELF PROSPECTUS

An investor should rely only on the information contained in this Prospectus (including the documents incorporated by reference herein) and is not entitled to rely on parts of the information contained in this Prospectus (including the documents incorporated by reference herein) to the exclusion of others. The Corporation has not authorized anyone to provide investors with additional or different information. The Corporation is not offering to sell the Securities in any jurisdictions where the offer or sale of the Securities is not permitted. The information contained in this Prospectus (including the documents incorporated by reference herein) is accurate only as of the date of this Prospectus (or the date of the document incorporated by reference herein, as applicable), regardless of the time of delivery of this Prospectus or any sale of the Securities. The Corporation's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

This Prospectus provides a general description of the Securities that the Corporation may offer. Each time the Corporation offers and sells Securities under this Prospectus, it will provide the purchasers with a Prospectus Supplement that will contain specific information about the terms of that offering. The Prospectus Supplement may also add, update or change information contained in this Prospectus. Before investing in any Securities, the purchasers should read both this Prospectus and any applicable Prospectus Supplement together with additional information described below under "Documents Incorporated by Reference".

All information permitted under applicable laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be made available together with this Prospectus.

CURRENCY

The Prospectus and the documents incorporated by reference herein contain references to the Canadian dollar, United States dollar, Euro and Great Britain Pound. Unless otherwise indicated in the Prospectus and the documents incorporated by reference herein, all references to "\$", "CAD \$" or "dollars" refer to Canadian dollars, all references to "US \$" refer to United States dollars, all references to "EUR" refer to Euros and all references to GBP or £ refer to Great Britain Pounds.

FINANCIAL INFORMATION

The Corporation's financial statements that are incorporated by reference into the Prospectus have been prepared in accordance with International Financial Reporting Standards ("IFRS") and are presented in Canadian dollars.

The Corporation uses a non-GAAP (Generally Accepted Accounting Principles, "**GAAP**") measure such as working capital in this Prospectus or in documents incorporated by reference herein, which is not a measure calculated in accordance with IFRS. This measure has no meaning under IFRS and, therefore, amounts presented may not be comparable to similar data presented by other mining companies. The Corporation believes that, in addition to conventional measures prepared in accordance with IFRS, certain investors use this information to evaluate the Corporation's financial condition. Accordingly, it is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance or financial condition prepared in accordance with IFRS.

Management uses a non-GAAP financial measure, the adjusted working capital for an amount of \$26,319,007 (as of December 31, 2017), to present the resources available to the Corporation for its ongoing activities in the Revised MD&A (as defined herein). The Corporation calculates adjusted working capital as its current assets (\$43,945,971) less the mining property held for sale (\$1,889,113) and less the current liabilities (\$15,737,851). For further information, please refer to the Corporation's Revised MD&A and Interim MD&A (each as defined herein).

FORWARD-LOOKING STATEMENTS

The Prospectus, including the documents incorporated by reference herein, contains forward-looking statements which relate to future events or future performance and reflects management's expectations and assumptions regarding the Corporation's growth, results, performance and business prospects and opportunities. Such forward-looking statements reflect management's current beliefs and are based on information currently available to it. In some cases, forward-looking statements can be identified by verbs such as "may", "would", "could", "will", "should", "expect", "intend", "anticipate", "believe", "estimate", "predict" or the negative of these terms or other similar expressions concerning matters that are not historical facts. In particular, statements regarding the Corporation's future results, economic performance and product development efforts, as well as the Corporation's achievement of milestones, including the ability to obtain sufficient financing for the Whabouchi Project (as defined herein) are or involve forward-looking statements.

Forward-looking information is based on reasonable assumptions that have been made by the Corporation as at the date of such information and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of the Corporation to be materially different from those expressed or implied by such forward-looking information, including but not limited to, the actual results of current exploration and development activities and plans, access to capital and future prices of lithium and those factors discussed in the section entitled "Risk Factors" in the Prospectus and in the documents incorporated by reference herein. Forward-looking information in the Prospectus, including the documents incorporated by reference herein, contains, among other things, disclosure regarding: the Corporation's development activities and production plans, including the operation of the Phase 1 Plant (as defined herein); the completion, construction and commissioning, as applicable, of the Whabouchi mine site, including the Concentrator (as defined herein); and the Shawinigan Electrochemical Plant (as defined herein); the receipt of all requisite approvals in connection therewith and the anticipated costs and timing thereof; the anticipated release or provision of remaining funding for the Phase 1 Plant from applicable funding sources; the future outlook, corporate development and strategy, estimates of mineral resources and mineral reserves, government regulation of mining operations, environmental regulation and compliance; the realization of the expected economics of the construction and operation of the mine and Concentrator at the Whabouchi Property (as defined herein) and of the Shawinigan Electrochemical Plant (together, the "**Whabouchi Project**"); the expectations regarding patent protection of the Corporation's processing technologies; any particular offering of Securities under this Prospectus and the relevant Prospectus Supplement, and the receipt of all regulatory and stock exchange approvals in connection therewith; and the ability to obtain sufficient financing for the Whabouchi Project.

Forward-looking statements are based on assumptions management believes to be reasonable, including but not limited to: general business and economic conditions; the supply and demand for, deliveries of, and the level and volatility of prices for lithium products; the timing of the receipt of regulatory and governmental approvals for the Corporation's projects; the availability of financing for the Corporation's development of its properties and construction of its facilities and installations on reasonable terms; the ability to procure equipment and operating supplies in sufficient quantities and on a timely basis; the Concentrator and Whabouchi Mine as well as the Shawinigan Electrochemical Plant being achieved; the applicability of the Corporation's proprietary electrolysis technology on a commercial basis; the ability to attract and retain skilled staff; exploration, development and production timetables; market competition; the accuracy of the Corporation's mineral resource and mineral reserve estimates (including, with respect to size, grade and recoverability) as well as the geological, operational and price assumptions on which they are based; and such other assumptions and factors as set out herein and in any Prospectus Supplement.

Although the Corporation has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. **The Corporation does not undertake to update any forward-looking information that is included or incorporated by reference herein, except in accordance with applicable securities laws.**

MARKET AND INDUSTRY DATA

Unless otherwise indicated, the market and industry data contained or incorporated by reference in the Prospectus is based upon information from independent industry publications, market research, analyst reports and surveys and other publicly available sources. Although the Corporation believe these sources to be generally reliable, market and industry data is subject to interpretation and cannot be verified with complete certainty due to limits on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties inherent in any survey. The Corporation has not independently verified any of the data from third party sources referred to or incorporated by reference herein in the Prospectus and accordingly, the accuracy and completeness of such data is not guaranteed.

CAUTIONARY NOTE TO UNITED STATES INVESTORS

This Prospectus has been prepared in accordance with the requirements of securities laws in effect in Canada, which differ from the requirements of United States securities laws. In Canada, an issuer is required to provide technical information with respect to mineralization, including reserves and resources, if any, on its mineral exploration properties in accordance with Canadian requirements, which differ significantly from the requirements of the United States Securities and Exchange Commission (the “SEC”) applicable to registration statements and reports filed by United States companies pursuant to the 1933 Act. As such, information contained or incorporated by reference in this Prospectus and in any Prospectus Supplement concerning descriptions of mineralization under Canadian standards may not be comparable to similar information made public by United States corporations subject to the reporting and disclosure requirements of the SEC.

Mineral resource estimates included in this Prospectus and in any document incorporated by reference herein have been, or will be, prepared in accordance with Regulation 43-101 *respecting Standards of Disclosure for Mineral Projects* (“NI 43-101”) and the Canadian Institute of Mining and Metallurgy Classification System, as required by Canadian securities regulatory authorities. In particular, this Prospectus and any document incorporated by reference herein include or may include the terms “measured mineral resource”, “indicated mineral resource” and “inferred mineral resource”. While these terms are recognized and required by Canadian regulations under NI 43-101, the SEC does not recognize them. In addition, this Prospectus or any document incorporated by reference in this Prospectus may include disclosure of “contained ounces” of mineralization. Although such disclosure is permitted under Canadian regulations, the SEC only permits issuers to report mineralization as in place tonnage and grade without reference to unit measures.

The definitions of proven and probable reserves used in NI 43-101 differ from the definitions in SEC Industry Guide 7. Under SEC Industry Guide 7 (under the 1933 Act), as interpreted by the SEC staff, mineralization may not be classified as a “reserve” for United States reporting purposes unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Among other things, all necessary permits would be required to be in hand or issuance thereof be imminent in order to classify mineralised material as reserves under the SEC standards.

United States investors are cautioned not to assume that any part or all of the mineral deposits identified as a “measured mineral resource”, “indicated mineral resource” or “inferred mineral resource” will ever be converted to reserves as defined in NI 43-101 or SEC Industry Guide 7. Further, “inferred mineral resources” have a great amount of uncertainty as to their existence and economic and legal feasibility. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher resource category. Under Canadian rules, estimates of “inferred mineral resources” may not form the basis of feasibility or other economic studies. U.S. investors are cautioned not to assume that part or all of an inferred mineral resource actually exists, or is economically or legally mineable.

SCIENTIFIC AND TECHNICAL INFORMATION

Certain information of a scientific or technical nature in respect of the Whabouchi Project contained in this Prospectus is based on the Technical Report (as defined herein).

Rock Gagnon, P.Eng., a Senior Manager with Met-Chem, Division of DRA Americas Inc., has reviewed and approved the scientific and technical information contained in or incorporated by reference in this Prospectus. Mr. Gagnon is considered, by virtue of his education, experience and professional association, to be a “qualified person” within the meaning of NI 43-101.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar regulatory authorities in Canada. Copies of the documents incorporated herein by reference are available electronically at www.sedar.com under the Corporation’s issuer profile, and may also be obtained on request without charge from the Vice President, Legal Affairs & Corporate Secretary of the Corporation at 450 rue de la Gare-du-Palais Street, 1st Floor, Québec, Québec G1K 3X2 telephone: 1-418-704-6038. The filings of the Corporation through the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) are not incorporated by reference in the Prospectus except as specifically set out herein.

The following documents of the Corporation are specifically incorporated by reference into and form an integral part of this Prospectus:

- (a) the Annual Information Form (the “**AIF**”) dated October 5, 2017 for the fiscal year ended June 30, 2017, except for its section 4.2.1 entitled “Whabouchi Property”;
- (b) the Audited Consolidated Annual Financial Statements as at and for the years ended June 30, 2017 and June 30, 2016, together with the notes thereto and the independent auditors’ report thereon;
- (c) the revised Management’s Discussion and Analysis (“**MD&A**”) of the Corporation for the fourth quarter and year ended June 30, 2017 (the “**Revised MD&A**”);
- (d) the Unaudited Consolidated Condensed Interim Financial Statements as at and for the three-month and six-month periods ended December 31, 2017;
- (e) the MD&A of the Corporation for the three-month and six-month periods ended December 31, 2017 (the “**Interim MD&A**”); and
- (f) the Management Proxy Circular dated January 17, 2018, prepared in connection with the annual general and special meeting of shareholders of the Corporation held on February 16, 2018.

Any AIF, annual or interim financial statements and related MD&As, material change report (other than a confidential material change report), business acquisition report, information circular or any other disclosure documents required to be incorporated by reference herein under *Regulation 44-101 respecting Short Form Prospectus Distributions* (“**NI 44-101**”) filed by the Corporation with any securities commission or similar regulatory authority in Canada subsequent to the date of this Prospectus and prior to the termination of any particular offering of Securities under this Prospectus and the relevant Prospectus Supplement shall be deemed to be incorporated by reference into this Prospectus, as well as any other document so filed by the Corporation which expressly states it to be incorporated by reference into this Prospectus.

Any statement contained in the Prospectus or in a document (or part thereof) incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of the Prospectus, to the extent that a statement contained in the Prospectus or in any subsequently filed document (or part thereof) that also is, or is deemed to be, incorporated by reference in the Prospectus modifies or supersedes such statement. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute part of the Prospectus. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purpose that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be considered in its unmodified or superseded form to constitute part of the Prospectus; rather, only such statement as so modified or superseded shall be considered to constitute part of the Prospectus.

Upon a new AIF and corresponding annual financial statements and related MD&As being filed by the Corporation with securities commissions or similar regulatory authorities in Canada during the currency of this Prospectus, the previous AIF and corresponding annual financial statements and related MD&As, all interim financial statements and MD&As, and all material change reports filed prior to the commencement of the then current financial year will be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities hereunder.

Upon each new filing of interim financial statements and related MD&As filed with securities commissions or similar regulatory authorities in Canada during the currency of this Prospectus, the previous interim financial statements and MD&As filed prior to the commencement of the then current interim period will be deemed no longer to be incorporated into this Prospectus for purposes of future offers and sales of Securities hereunder.

A Prospectus Supplement or Prospectus Supplements containing the specific terms for an issue of Securities will be delivered to purchasers of the Securities together with this Prospectus to the extent required by applicable securities laws, and will be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement but only for the purposes of the Securities issued thereunder.

THE CORPORATION

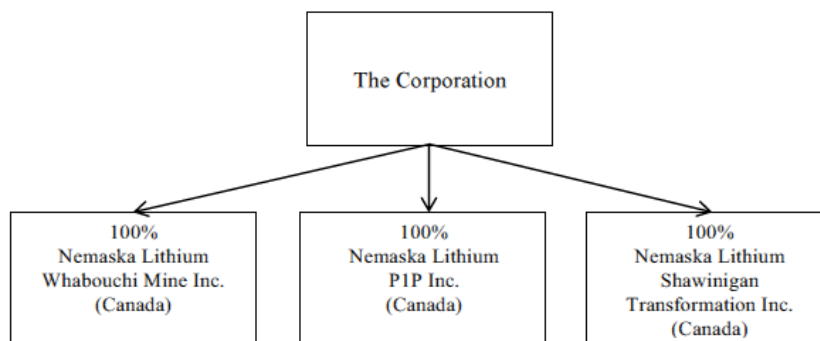
Name and Incorporation

The Corporation was incorporated under the *Canada Business Corporations Act* (the “**CBCA**”) by articles of incorporation on May 16, 2007 under the name “James B Resources Inc.” and its French version “Ressources James B inc.” On November 5, 2008, the Corporation filed articles of amendment in order to change its name to “Nemaska Exploration Inc.” and its French version “Exploration Nemaska Inc.”. On November 22, 2011, the Corporation filed articles of amendment in order to change its name to “Nemaska Lithium Inc.” and in order to allow the directors of the Corporation to appoint one or more additional directors in accordance with the provisions of subsection 106(8) of the CBCA.

The Corporation’s head and registered offices are located at 450 de la Gare-du-Palais Street, 1st Floor, Québec, Québec G1K 3X2.

Intercorporate Relationships

The Corporation beneficially owns 100% of the voting shares of Nemaska Lithium P1P Inc. (“**Nemaska P1P**”), Nemaska Lithium Shawinigan Transformation Inc. (“**Nemaska Shawinigan**”) and Nemaska Lithium Whabouchi Mine Inc. (“**Nemaska Whabouchi**”) (collectively, the “**Subsidiaries**”). The following corporate chart is a list of the Subsidiaries, indicating their jurisdiction of incorporation.



All assets of the Corporation are located in the province of Québec and, in summary, each corporate entity featured in the above chart has the following main assets:

- The Corporation: mining lease number 1022, mining claims, intellectual property, computer software & hardware; and investment in Monarques Gold Corporation Inc. (MRQ — TSX-V) and ABE Resources Inc. (ABE — TSX-V);
- Nemaska Whabouchi: assets currently located on the Whabouchi Property, including those relating to site preparation, commercial concentrator building, administrative office building and dense media separation (“**DMS**”) modular mill;
- Nemaska P1P: equipment required to operate an electrochemical demonstration plant located in Shawinigan (the “**Phase 1 Plant**”) which produces high purity lithium hydroxide from spodumene concentrate and a lithium sulfate solution from a client; and also the administrative office in Shawinigan; and
- Nemaska Shawinigan: land and commercial buildings located in Shawinigan and relating to the future commercial electrochemical plant (the “**Shawinigan Electrochemical Plant**”).

General Business Activities

The Corporation intends to become a lithium hydroxide and lithium carbonate producer and supplier to the emerging lithium battery market that is largely driven by electric vehicles, cell phones, tablets and other consumer products as well as energy storage. The Corporation is developing what management of the Corporation believes to be one of the most significant spodumene lithium hard rock deposits in the world, both in volume and grade, known as the Whabouchi mine located in the Eeyou Istchee / James Bay Region of the Province of Québec (the “**Whabouchi Property**” or the “**Whabouchi Mine**” or the “**Whabouchi Site**”). The spodumene concentrate extracted at that mine and processed at the commercial concentrator located on the Whabouchi Property (the “**Concentrator**”) will be shipped to the Shawinigan Electrochemical Plant, where it will be transformed into high purity lithium hydroxide and carbonate using the proprietary methods developed by the Corporation.

The Corporation had opted to install and operate the Phase 1 Plant (adjacent to the Shawinigan Electrochemical Plant) and a DMS modular concentrator (on the Whabouchi Property) in order to qualify its products with potential customers and to sign off-take agreements while building the Shawinigan Electrochemical Plant and its mine and Concentrator on the Whabouchi Property. Other advantages this strategy provided include, among other things: i) the opportunity for initial staff training and development of skills for quick start of the Shawinigan Electrochemical Plant and the Concentrator; ii) the opportunity for process optimization; and iii) a shortened ramp-up timeline of the Shawinigan Electrochemical Plant and Concentrator.

The Corporation’s main commercial business objectives, subject to proper project financing being secured on a timely manner, are to commence commissioning of the Whabouchi Mine and Concentrator during the first half of 2019 calendar year and to start the commissioning of the Shawinigan Electrochemical Plant during the first half of the calendar year 2020.

More detailed information regarding the business of the Corporation as well as its operations, assets, and properties can be found in the AIF and other documents incorporated by reference herein, as supplemented by the disclosure herein. See “Documents Incorporated by Reference” and “Recent Developments”.

RECENT DEVELOPMENTS

On February 23, 2018, the Corporation filed a technical report entitled *NI 43-101 Technical Report feasibility study on the Whabouchi Lithium Mine and Shawinigan Electrochemical Plant* with an effective date as of November 7, 2017 and an issue date as of February 21, 2018 (the “**Technical Report**”), the results of which were announced by the Corporation on January 9, 2018.

On February 2, 2018, the Corporation announced the closing of the sale of its 100% undivided interest in the Sirmac lithium property to ABE Resources Inc. (“**ABE**”) (see press release of December 14, 2017). The Sirmac lithium property consists of 24 map designated mining claims covering approximately 1,100 hectares, located approximately 180 kilometres northwest of Chibougamau, in the province of Québec. As consideration the Corporation received a payment of \$250,000 and an aggregate of 15,000,000 common shares of ABE, at a deemed price of \$0.40 per common share for total consideration of \$6,000,000, representing 19.18% of the currently issued and outstanding common shares of ABE immediately after the sale.

On January 8, 2018, the Corporation announced that it had produced and made available for pick-up by its customer, 2 tonnes of battery grade lithium hydroxide solution, made from Whabouchi spodumene concentrate. As of January 8, 2018, the Corporation had delivered 3 tonnes of lithium hydroxide solution produced from its Whabouchi spodumene concentrate. The Corporation also announced that it has received an installment of \$4.6M from Sustainable Development Technology Canada (SDTC) for having achieved the second milestone in the development of the Phase 1 Plant.

On December 19, 2017, the Corporation announced that, pursuant to Section 232.1 of the *Mining Act* (Québec), the Corporation has submitted a rehabilitation and reclamation plan for the Whabouchi Project which was approved by the Québec Ministry of Energy and Natural Resources (“**MERN**”) in September 2017. This study accounted for costs of all works needed for the reclamation of a mining site under the *Regulation respecting Mineral Substances other than Petroleum, Natural Gas and Brine*. Mine reclamation and closure costs, as approved by the MERN, are estimated at \$9,074,664. Accordingly, the Corporation made the first installment representing 50% of the reclamation and closure costs. The second installment representing 25% is due in September 2018, while the final payment is due in September 2019.

On December 4, 2017, the Corporation announced it has produced 1.5 tonne of battery grade lithium hydroxide, made from Whabouchi spodumene concentrate, and independent laboratory analyses confirmed that the lithium hydroxide produced from its Phase 1 Plant met the specifications of cathode manufacturers globally.

On July 26, 2017, the Corporation announced the receipt of the final \$1,000,000 milestone payment by Johnson Matthey Plc (“**Johnson Matthey**”) following receipt and acceptance of a second shipment of 3.5 tonnes of lithium hydroxide (see press release of June 20, 2017). Both Johnson Matthey and the Corporation confirmed that this shipment met Johnson Matthey’s lithium hydroxide specifications and concluded the milestone payments from Johnson Matthey, with the Corporation having met all the deliverables for releasing the full Deposit Amount under the Deposit Agreement announced on May 11, 2016.

THE WHABOUCHI PROJECT

The following description of the Whabouchi Project was summarized from the Technical Report that was prepared by Maxime Dupéré, P. Geo, Patrick Perez, P. Eng., M. Sc., Anthony Boyd, P. Eng., Ph. D., James Anson, P. Eng., Ph. D., Pierre Girard, P. Eng., Dominic Tremblay, P. Eng., M.A. Sc., Martin Stapinsky, P. Geo., M. Sc., Ph. D., Alain Michaud, P. Eng., Michel Tremblay, P. Eng. and Rock Gagnon, P. Eng. (the “**Authors of the Technical Report**”), each of whom is a “qualified person” and “independent” of the Corporation within the meaning of the NI 43-101 and is qualified in its entirety with reference to the full text of the Technical Report. The summary below replaces section 4.2.1 entitled “Whabouchi Property” of the AIF for the fiscal year ended June 30, 2017 and is subject to all the assumptions, conditions and qualifications set forth in the Technical Report. The Technical Report was prepared in accordance with NI 43-101 and for additional technical details, please see the complete text of the Technical Report which was filed with the applicable regulatory authorities and was posted on SEDAR at www.sedar.com on February 23, 2018. Defined terms and abbreviations used in this section and not otherwise defined in this Prospectus have the meanings attributed to them in the Technical Report.

Introduction

Met-Chem, a division of DRA Americas Inc. (“**MC-DRA**”) has provided engineering and integration services for all aspects of the Feasibility Study (“**FS**”) on the Whabouchi Property and Shawinigan Electrochemical Plant with the participation of other firms. The FS includes the Resource Estimation by SGS Geostat, the reserve estimation, mine and Concentrator by MC-DRA, the Shawinigan Electrochemical Plant by Hatch and NORAM, the Whabouchi infrastructures by MC-DRA, the Shawinigan infrastructure by Hatch, waste rock and tailings disposal and water management by SNC-Lavalin (“**SNC**”), capital and operating costs (by MC-DRA for Whabouchi, Hatch for Shawinigan and SNC for Waste and Tailings Disposal, Water Management), and economic analysis by MC-DRA.

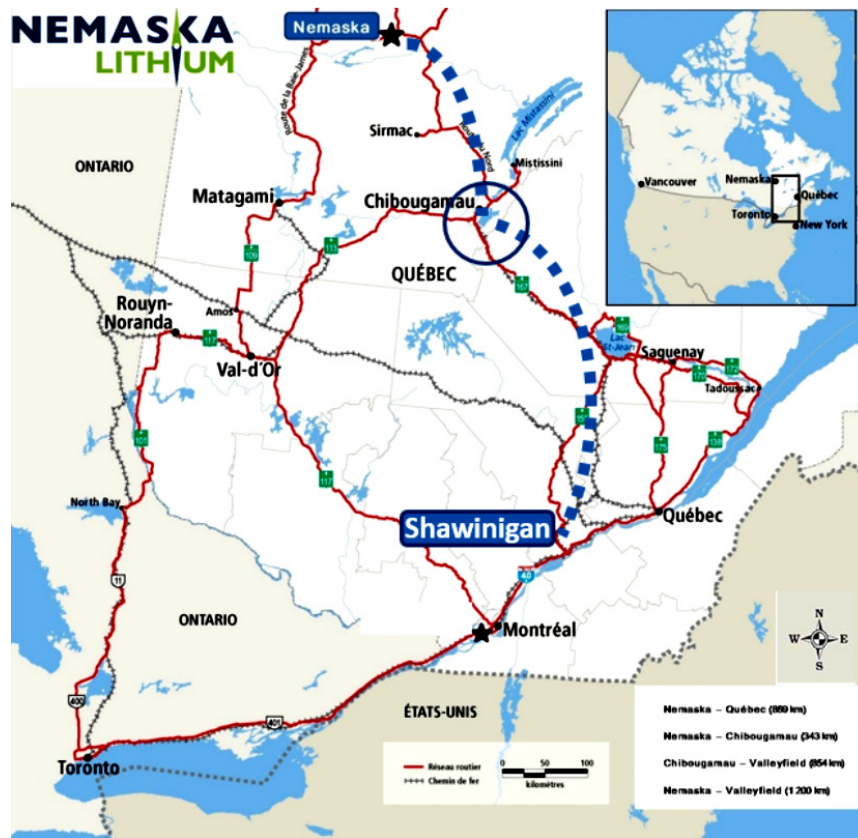
References in the Technical Report to “**SGS**” is deemed to refer to:

- SGS Geostat; or
- SGS Canada inc.; or
- Lakefield SGS; or
- SGS Mineral Services.

Property Description and Location

The Whabouchi Property is located in the Eeyou Istchee / James Bay area of the province of Québec, approximately 30 km East of the Nemaska community and 300 km north-northwest of the town of Chibougamau. The center of the Whabouchi Property is situated at about UTM 5,725,750 mN, 441,000 mE, NAD83 Zone 18. The Whabouchi Property is accessible by the *Route du Nord*, the main all-season gravel road linking Chibougamau and Nemaska. The road crosses the Whabouchi Property near its center. The Nemiscau airport is 18 km west of the Whabouchi Property.

Figure: Property General Location



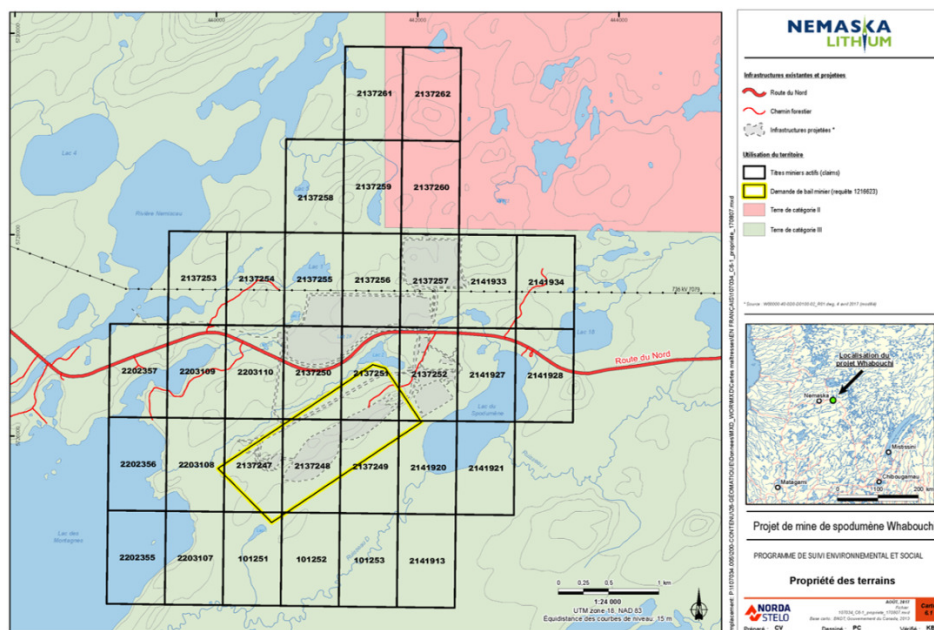
The Whabouchi Property is composed of one (1) block containing 33 map-designated claims covering a total of 1,761.9 ha. and the mining lease number 1022 issued by the *Ministère de l'Énergie et des Ressources naturelles* (the "**Mining Lease**").

On October 26, 2017, the Corporation obtained the Mining Lease under the conditions provided for in the *Mining Act* and those prescribed by regulation. The surface of the Mining Lease totals 138.106 hectares, consisting of lot 4,994,037 of the Québec cadastre, registration division of Lac-Saint-Jean-Ouest. The Mining Lease confers upon its tenant the right to extract all mineral substances owned by the Crown within the above-named land, but it does not give entitlement to surface mineral substances, petroleum, natural gas, or brine. The Mining Lease is for a period of 20 years from the date of the landlord's signature on October 26, 2017 and will end on October 25, 2037, renewable for 10-year terms.

The Corporation owns a 100 % interest in the Whabouchi Property. 16 claims were acquired from Victor Cantore Group, as vendor (the “**Cantore Claims**”), on September 17, 2009, ten claims were acquired from Golden Goose Resources Inc. (“**Golden Goose**”) on January 15, 2010 as part of a larger mining title purchase agreement (594 claims forming the *Lac Levac* and *Lac des Montagnes* properties), and seven claims were acquired by map designation directly by the Corporation. All the claims are registered in the name of the Corporation. For the Cantore Claims, the Corporation paid, at the effective date of the Technical Report, a total amount of \$1,010,000 in cash to the vendor and issued a total of 4,500,000 common shares in the capital of the Corporation. See “Prior Sales” for more details on the issuance of such common shares. The vendors of the Cantore Claims retained a 3% net smelter return royalty (“**NSR**”) on the Cantore Claims and on four of the seven claims acquired by map designation by the Corporation, 1% of which can be repurchased by the Corporation for an amount of \$1,000,000. Golden Goose retained a 2% NSR on the ten claims it sold to the Corporation, half of which (being 1%) could be repurchased by the Corporation for \$1,000,000 for a period of three years from the acquisition date. As of the date of the Prospectus, all 33 claims are in good standing (see “Technical Information Highlights” for more information). The Whabouchi deposit is located on the Cantore claims. Claims carry a two-year term, renewable indefinitely, and the current expiry dates for the aforesaid claims range from November 2, 2019 to January 24, 2020.

Figure “Whabouchi Mine Mineral Title” below show the mining titles.

Figure: Whabouchi Mine Mineral Title



b) Physiography and Climate

The Whabouchi Property is characterized by a relatively flat topography with the exception of the local ridge where the more competent pegmatites occur, forming the surface expression of the deposit. The elevation above sea level ranges from 275 m to 325 m with an average elevation of 300 m. Lakes and rivers cover approximately 15% of the Whabouchi Property area. The flora in the area is typical of the taiga environment observed in the region with a mix of black spruce forest and peat moss-covered swamps. A vast portion of the Whabouchi Property was devastated by forest fires less than 15 years ago. There is no permafrost at this latitude and the overburden cover ranges in depth from 0 m near the ridge to 25 m in the south part of the Whabouchi Property. The climate in the region is sub-arctic. This climate zone is characterized by long, cold winters and short, cool summers. Daily average temperature ranges from -20°C in January to +17°C in July. Break-up usually occurs in early June, and freeze-up in early November. The annual precipitation averages 640 mm of rain from March to November and 350 cm of snow from September to May, totalling about 770 mm on average annually.

c) Local Resources and Infrastructure

The nearest infrastructure with general services is the *Relais Routier* Nemiscau Camp, located 12 km west of the Whabouchi Property, where the Corporation has setup its lodging facilities. The community of Nemaska, located 30 km west of the Whabouchi Property, also has accommodation and general services. The area is serviced by the Nemiscau airport, serviced by regular Air Creebec flights and charter flights, and by mobile phone network from the principal Canadian service providers.

Hydro-Québec owns several infrastructure and facilities in the area including the Poste Albanel and Poste Nemiscau electrical stations located approximately 20 km east and 12 km west from the Whabouchi Property, respectively. Electrical (735 kV) transmission lines connecting both stations run alongside the *Route du Nord* road and cross the Whabouchi Property near its center. As well, a 69-kV power line connecting the Poste Nemiscau electrical station to the mine site is being built at this moment.

d) Surface Rights

All claims comprising the Whabouchi Property are located on Crown Lands. The Corporation secured in October 2017 all surface rights to construct and operate the projected infrastructure.

Shawinigan Site

The Shawinigan Electrochemical Plant site is located in a sector of that city identified as Grand-Mère, adjacent to the St-Maurice River between the Grand-Mère Bridge and 8th street south.

a) Accessibility

The site is easily accessible via Highway 40 or Highway 20 and Highway 55. It is located about 40 km north of Trois-Rivières; 140 km west of Québec City; 170 km east of Montreal; and 530 km south-west of Chibougamau.

b) Physiography and Climate

The Shawinigan area is located at the transition from the St-Lawrence River Lowlands to the Canadian Shield (Grenville; Laurentides Geologic Province). Landscape is mainly composed of rounded hills surrounded by small river valleys, with the large St-Maurice River valley acting as a central element and is located in the Laurentian Mixed Forest region. The main physiographic regional element is indeed most certainly the St-Maurice River (watershed of 42,651 km²) which is the 4th largest river flowing towards the St-Lawrence River, representing from 6 to 15 % of its flow depending on time of the year. Mean annual flow is estimated to be about 755 m³/s near Shawinigan, i.e. about 40 km upstream of its mouth in the St-Lawrence River. Climate is cold and temperate. The average annual temperature in Shawinigan is 4.7 °C. About 1,063 mm of precipitation falls annually. Daily average temperature ranges from -12.7 °C in January to +19.5 °C in July.

c) Local Resources and Infrastructure

Shawinigan has access to the CN rail network, is located less than 45 km from two (2) ports: Trois-Rivières and Bécancour. A regional airport accessible to regional jets is located in *Trois-Rivières*, approximately 20 minutes from Shawinigan. The Montreal and Québec international airports are both less than two (2) hours away from Shawinigan.

For international oversea shipments, the port of Montreal, open year-round, is only about 90 minutes from the Shawinigan Electrochemical Plant and is connected to the Montreal highway network.

The site is served by a high pressure natural gas line, city water and effluent system.

History

Numerous geological surveys and geoscientific studies have been conducted by the Québec Government in the Eeyou Istchee / James Bay area. Geological surveys in the 1960s (Valiquette 1964, 1965 and 1975) cover the entire property area. In 1998, the *Ministère des Ressources naturelles et de la Faune* released the results of a regional lake bottom sediment survey completed in 1997. The first exploration work reported in the area, dates back to 1962 by Canico and included the discovery of a lithium-bearing pegmatite by the geologists of the Québec Bureau of Mines. That same year, Canico drilled two packstack drill holes on the pegmatite, followed by three diamond drill holes on the same pegmatite ridge in 1963. A total of 462.99 m was drilled. The best result obtained was 1.44% Li₂O over 83.2 m (Elgring 1962).

No exploration was reported for the next ten years. In 1973, James Bay Nickel Ventures (Canex Placer) performed a large-scale geological reconnaissance that covered the Whabouchi Property (Burns 1973). From 1974 to 1982, the exploration work was exclusively reported by the *Société de Développement de la Baie James* ("SDBJ"), which mainly executed large scale geochemical surveys, followed by geological reconnaissance of the anomalies (Pride 1974, Gleeson 1975 and 1976). Two exploration programs, one in 1978 and the other in 1980 were aimed at lithium exploration, with the evaluation of the Whabouchi spodumene-bearing pegmatite (Goyer et al. 1978, Bertrand 1978, Otis 1980, Fortin 1981, and Charbonneau 1982). No work was conducted from 1982 to 1987.

In 1987, Westmin Resources completed an airborne Dighem III survey. A part of this survey was located immediately east of the Whabouchi Property (McConnell 1987). In 1987-1988, Muscocho Exploration Ltd. also completed ground magnetic and VLF surveys that covered a major part of the Whabouchi Property. The spodumene-bearing pegmatite gave a weak magnetic and VLF response. The Muscocho Exploration efforts were oriented toward the search for massive sulphides. A program of 14 holes, 11 of them located on the southern part of the Whabouchi Property, was completed. Several arsenic anomalies were obtained, with a maximum of 3,750 ppm, as in Hole ML-88-8 (Brunelle 1987, Gilliatt 1987 and Zuiderveen 1988).

In 2002, while exploring for tantalum, Inco re-sampled the spodumene-bearing pegmatite, taking 11 channel samples and seven grab samples. The best value obtained by Inco was 0.026% Ta, and Li₂O values ranging from 0.3% to 3.72% (Babineau 2002). In 2008, Golden Goose visited and sampled the Valiquette (Ni) and chromite showings south of the Whabouchi Property (Beaupré 2008).

The Corporation initiated its exploration work on the Whabouchi Property during the fall of 2009. During the site visit, several outcrops of spodumene-bearing pegmatite were observed and nine samples were collected and analyzed for Li₂O. The highest and lowest results obtained during the site visit are the grab sample # 946511, with a value of 6.3% Li₂O, and grab sample # 946508 at 1.18% Li₂O. A mechanical stripping and trenching program was conducted to expose and sample the main spodumene-bearing pegmatite along with a small drilling program designed to validate the historical results.

During 2010 and 2011, exploration work completed by the Corporation on the Whabouchi Property included three drilling campaigns, mechanical stripping, ground and airborne geophysics, a 50-tonne bulk sample and metallurgical testing. An initial mineral resource was estimated in May 2010 by SGS and was followed by an initial preliminary economic assessment of the Whabouchi Project completed in March 2011 by Equapolar in collaboration with BBA. The initial mineral resource estimate of the Whabouchi Property, effective May 28th, 2010, totaled 9.78 Mt grading 1.63% Li₂O in the measured and indicated resource categories, with an additional 15.40 Mt grading 1.57% Li₂O in the inferred resource category. Following further drilling in 2011, SGS provided the Corporation with an updated mineral resource (effective June 6, 2011) to be included in the Preliminary Economic Assessment (prepared by Met-Chem Canada Inc. and dated October 2, 2012). These updated mineral resources comprised 11.294 Mt of measured resources with an average grade of 1.58% Li₂O, 13.785 Mt of indicated resources with an average grade of 1.50% Li₂O and 4.401 Mt of inferred resources with an average grade of 1.54% Li₂O. The mineral resources were reported within an optimized pit shell and a cut-off grade of 0.43% Li₂O.

From 2012 to 2013, the Corporation conducted further drilling in order to measure the geotechnical properties of the rocks, condemn certain sector of the Whabouchi Property for construction and increase the level of confidence on the 2011 in-pit resources.

During 2016, the Corporation conducted a definition drilling program highlighting a new mineralization zone named Doris. The Corporation started a bulk sampling program in order to extract and pilot test up to 60,000 tonnes of mineralized material.

During 2017, the Corporation conducted a definition drilling program on Whabouchi focussing on the better definition of measured areas based on the first five years of mining. The program also enabled to add knowledge and resources to the Doris zone.

Geological Setting and Mineralization

The Whabouchi Property is located in the northeast part of the Superior Province of the Canadian Shield craton, in the *Lac des Montagnes* volcano-sedimentary formation which is principally composed of metasediments and mafic and ultramafic amphibolites. A spodumene-bearing pegmatite intrusive dyke swarm occurs on the Whabouchi Property and is composed of a series of sub-parallel and general sub-vertical pegmatite bodies up to 90 m total composite width. The mineralized pegmatite swarm has a general NE-SW orientation, extends 1.3 km along strike and reaches a depth of more than 500 m below surface.

Whabouchi property with drill holes locations

UTM NAD83 Zone18

Legend

- 2016 DDH Collars
- Pre 2016 DDH Collars
- Whabouchi property
- Electric line
- Road
- WhabouchiSectionTraces entities LineString
- Lake
- River

Geology

- Amphibolite
- Basalt
- Diabase
- Gneiss
- Granite
- Granite with plagioclase and hornblende
- Quartz rich paragneiss
- Pegmatite
- Ultramafic intrusive rocks
- Schist with biotite, sillimanite, staurolite and garnet
- Basalt and amphibolite

At the property level, the geology consists of a volcano-sedimentary assemblage metamorphosed to the amphibolite level. The volcanic rocks mostly comprise basalt-andesite rocks and gabbro formation. The primary textures are not identifiable and no geochemistry data enables to correctly identify the rock types. The sedimentary units range from meta-conglomerates with elongated clasts to fine grained sedimentary units.

The volcano-sedimentary sequence is intruded by different bodies of granites and pegmatites with varying composition and probably age (no age constraints are available on the local intrusive bodies). The granites vary in texture and composition, from white and pink granite fine-grained granites to grey hornblende-oligoclase granite with phenocryst of pink microcline

Deposit Types

The interpretation of the pegmatite model was developed by the author, Gary H. K. Pearse in 2011, based on geological mapping, evaluation work, and development work on a number of major pegmatite deposits over many years.

The Whabouchi deposit is a lithium-bearing rare metal pegmatite. Emplacement of rare metal pegmatites is the last phase of the crystallization of a parent granite pluton. High-pressure residual fluids, with abundant water, silica, alumina, alkalis, and rich in rare elements and other volatiles from the crystallization of a pluton at modest depth, concentrate in the cupola or upper domed contact of the granite as it crystallizes. Under increasing pressure, this fluid dilates fractures in overlying rocks in a manner analogous to that of hydraulics in mechanical equipment, thereby providing feeder channels for emplacement of pegmatites at shallower depth. Progressive crystallization of the main rock-forming minerals out of this fluid enriches the final fluids in rare metals and the process culminates in the formation of rare metal pegmatites still under fluid pressure. A variety of types occur depending on the abundance and type of rare metals associated with the pluton and the physico-chemical conditions affecting the sequence of emplacement events.

Pegmatite petrologists classify the variety of types and subtypes by combinations of the following criteria:

- Mineralogical-geochemical signatures;
- Internal structure/zonation; and
- Pressure-temperature conditions of crystallization.

The criteria are related through degree of fractionation, which arises from the chemical, temperature and pressure evolution of the pegmatite fluids over time and distance from the parent granite. The complex rare element pegmatites generally evolve as follows: at depth under high-pressure and temperature conditions, simple granite pegmatites of quartz, feldspar and mica crystallize in fractures above and within the solidified granite pluton. Above this level, columbo-tantalite minerals appear starting with high niobium compositions and progress to higher tantalum/niobium ratios where the complex pegmatites appear with lithium, cesium, and rubidium bearing minerals. Variations may appear, in which petalite is the dominant lithium mineral, often along with pollucite, lepidolite, etc. Alternatively, spodumene dominates in a classification known as albite-spodumene pegmatite. Tantalum may occur in a variety of minerals and cassiterite may be present. A final, mariolitic or greisen phase at low pressure-temperature, may be present with lepidolite, quartz, tantalum-rich minerals, tin, topaz, etc. Where beryllium is relatively abundant, beryl (most commonly) or other beryllium minerals, these often occur throughout the sequence from the parent granite through all phases to the final mariolitic mineralization.

Three characteristics of the geological setting for rare metal pegmatites are common:

- Emplacement in concordant stacked sills;
- Presence of a compressed, near-vertical, syntectonic mobile zone that is the locus of pegmatite intrusion; and
- Host rocks most commonly are dominantly mafic volcanics often with intercalated metasediments and gabbroic rocks.

The Whabouchi pegmatite is a highly fractionated, spodumene-rich pegmatite swarm, individual bodies of which display typical zoning to varying degrees – a comparatively thin albite wall zone at the contacts followed by a K-feldspar rich zone with lesser albite, quartz, mica, and little or no spodumene, followed by a spodumene-quartz-rich core zone (with variable feldspars and mica) making up more than 90% of the cross-section. The Whabouchi deposit lacks a quartz core which is one of the classic zoned pegmatite features. Insufficient stratigraphic work has been done on the host rocks to establish that the bodies are dominantly sills as in the classic case. The concordance of the bodies with the greenstone belt and the persistence of even thin pegmatite bodies over a 100 m or more on strike and at depth support this structural control. The drilled sections at 700E and 800E on the grid do appear to show this, in that the hanging wall of the main pegmatite zone is basalt and the footwall gabbro.

Exploration

The Corporation carried its first exploration program in October 2009, which consisted of mechanical stripping, trenching (16 trenches, 1,000 m strike), and channel sampling (35 channels for a total of 295 samples) successfully exposing spodumene-bearing pegmatites. Seven diamond drill holes were completed (+one hole abandoned) successfully intersecting pegmatites zones.

A second exploration program was conducted from January to April 2010. During that program, 59 drill holes totaling 11,600 m were completed. In addition to drilling, 14 line-km of ground magnetic surveying covering the main mineralized occurrence and 670 line-km of helicopter-borne magnetic surveying covering the Whabouchi Property were completed. Later in May 2010, the Corporation completed 2,780 m of mechanical stripping of the south contact of the main mineralized zone with (16 trenches and seven contact zones) and collected 649 channel samples. The stripping also allowed the mapping of the surface geology.

In late 2010, 23 drill holes were completed. An additional 41 holes were drilled in 2011 including 26 for infill drilling, three for metallurgical tests for a total of 9,500 m. In May 2011, a 50-tonne bulk sample was collected at surface for metallurgical testing purposes.

In 2013, 14 drill holes were added to better define the mineralization towards the Eastern boundary and also, to increase the level of confidence of the 2011 in-pit mineral resources. A total of 1,815 m of drilling was completed and 351 samples were sent for Li_2O assay.

In 2016, 51 drill holes were added to: 1) convert the inferred in-pit inferred resources to indicated; 2) increase the confidence level of mineral resources from 0 m to 200 m and 3) extend the mineral potential at depth. A total of 17,424 m of drilling were completed and 4,039 samples were sent for $\text{Li}_2\text{O}\%$ analysis. A new zone named Doris was discovered to the Southeast of the known Whabouchi deposit.

The 2017 (April to June) campaign aimed to confirm the extension of pegmatite veins of the Doris Zone and to better define the geological continuity and lithium content in the main zone targeted to be mined during the first five years of mining operation. This campaign added 48 drill holes totaling 4,361 m on the Whabouchi Property.

Drilling

A total of 244 drill holes were completed by the Corporation to define the mineral deposit. In addition to the drilling, extensive mechanical stripping on surface permitted the completion of more than 140 channels. Tables below summarize the drilling and channel sampling completed by the Corporation to define the mineralized pegmatite intrusion.

Table: Drilling Completed by the Corporation at Whabouchi

Year	Count	Metres Drilled
2009	8	999
2010	82	15,670
2011	41	9,257
2013	14	1,815
2016	51	17,424
2017	48	4,361
Total	244	49,526

Table: Channel Sampling done by the Corporation at Whabouchi

Year	Channels	Total Samples
2009	35	295
2010	108	649
Total	143	944

The samples collected for analysis represent approximately 36% of the drill core material. The drill holes are generally spaced 25 m to 50 m apart with azimuth ranging between N312° and N340° with an average of N330°. The dips range from 43° to 75° and average 50°. The deepest hole reaches 640 m below collar location. The mineralized drill intersection ranges from near true thickness to 70% true thickness. The geometry of spodumene-bearing pegmatites is defined as a series of stacked dyke-shaped intrusions which include a thicker principal intrusion. Some pegmatite contains local rafts or xenoliths of the host rock which can be a few metres thick and hundreds of metres in length. Based on the information gathered from the drilling, the pegmatite intrusion is more than 1,300 metres in length and can be up to 90 metres thick. The intrusions are generally oriented N050° with dips varying from the southeast to the northwest at an angle ranging between 70° and 85° and are reaching depths of up to the 530 metres below surface.

Sample Preparation, Analysis and Security

This section is based on information supplied by the Corporation and observations made during the independent verification programs conducted at the Whabouchi Site by SGS on November 27th, 2013 and during the drilling program of the 2016 summer. Furthermore, the 2017 quality assurance and quality control (“QA/QC”) protocol and drilling results were verified by SGS and a site visit was done on December 5th, 2017.

The channel and drill core logging and sampling was conducted at the Whabouchi Property or at the nearby facilities. All samples collected by the Corporation during the course of the 2009, 2010 and 2011 exploration programs were sent to the *Table Jamésienne de Concertation Minière* (“**TJCM**”) preparation laboratory located in Chibougamau, Québec. The 2009 and 2010 sample pulps were shipped to SGS laboratory in Don Mills, Ontario, for analysis. The 2011 and 2013 sample pulps were sent to ALS Canada Inc. – Chemex Laboratory (“**ALS Chemex**”) in North Vancouver, British Columbia and Val d’Or, Québec for analysis. The 2016 sample were shipped to SGS laboratory in Québec City, Québec for preparation and to Lakefield, Ontario for analysis. The remaining drill core is stored at the Whabouchi Site in covered metal core racks.

All channel samples and drill core handling was done on site with logging and sampling processes conducted by employees and contractors of the Corporation. The observations on lithology, structure, mineralization, sample number, and location were noted by the geologists and technicians on hardcopy and then recorded in a Microsoft Access digital database. Copies of the database are stored on external hard drive for security.

Channel samples were collected from two (2) diamond saw cuts (typically 4 cm in width and 4 cm in depth). Each sample is generally one (1) m long and broken directly from the outcrop, identified and numbered then placed in a new plastic bag. Drill core of NQ (4.8 cm diameter) and HQ (6.4 cm diameter) size was placed in wooden core boxes and delivered twice daily by the drill contractor to the project core logging facilities at the Nemiscau camp. The drill core was first aligned and measured by a technician for core recovery. The core recovery measurements were followed by the rock quality designation measurements. After a summary review of the core, it was logged and sampling intervals were defined by a geologist. Before sampling, the core was photographed using a digital camera and the core boxes were identified with box number, hole ID, and by using "From" and "To" aluminum tags. Due to the hardness of the pegmatite units, the recovery of the channel material and the drill core was generally very good, averaging more than 95 %.

Sampling intervals were determined by the geologist, marked and tagged based on observations of the lithology and mineralization. The typical sampling length is one m but can vary according to lithological contacts between the mineralized pegmatite and the host rock. In general, one host rock sample was collected from each side that contacts the pegmatite.

The NQ (4.8 cm diameter) drill core samples were split into two halves with one half placed in a new plastic bag along with the sample tag; the other half was replaced in the core box with the second sample tag for reference. The third sample tag was archived on site. HQ (6.4 cm diameter) size drill core was collected for a portion of the 2011 program for metallurgical purposes. The first half of the HQ (6.4 cm diameter) drill core was selected for metallurgical testing. The second half was split in two quarters, one quarter placed in a new plastic bag along with the sample tag and the remaining quarter was replaced in the core box with the second sample tag for reference. The samples were then catalogued and placed in rice bags or pails, for shipping. The sample shipment forms were prepared on site with one copy inserted with the shipment, one copy sent by email to TJCM, and one copy kept for reference. The samples were transported on a regular basis by the Corporation's employees or contractors by pick-up truck directly to the TJCM facilities in Chibougamau. At the TJCM laboratory, the sample shipment was verified and a confirmation of shipment reception and content was emailed to the Corporation's project manager.

Channel and drill core samples collected during the 2009, 2010, 2011, and 2013 exploration programs were transported directly by the Corporation's representatives to the TJCM laboratory facilities in Chibougamau, Québec for sample preparation. The submitted samples were pulverized at the TJCM laboratory to respect the specifications of the analytical protocol and then shipped to SGS or ALS Chemex for analysis. The author of the 2011 Technical Report visited the TJCM facilities on March 10, 2010. In 2016, samples were pulverized at the SGS facilities in Québec City, following the same specification used by TJCM.

All samples received at TJCM were inventoried and weighted prior to being processed. Drying was done to samples having excess humidity. Sample material was crushed to 80-85 % passing 2 mm using jaw crushers. Ground material was split using a split riffle to obtain a 275-300 g sub-sample. Sub-samples were then pulverized using a 2-component ring mill (ring and puck mill) or a single component ring mill (flying disk mill) to 85-90 % passing 200 mesh (75 µm). The balance of the crushed sample (reject) was placed into the original plastic bag. The pulverized samples were finally sent to SGS or ALS Chemex using Canada Post secured delivery services.

All samples received at SGS Mineral, Québec City, were inventoried weight and dry prior to being process. Sampling material was crushed to 75 % passing 2mm using jaw crushers. Ground material was spilt to 250g sub-samples and then pulverized using a 2-component ring mill (ring and puck mill) or a single component ring mill (flying disk mill) to 85 % passing 200 mesh (75 µm). The pulverized samples were sent to SGS laboratory in Lakefield using Purolator secured delivery services.

The majority of the 2009 and 2010 analyses were conducted at the SGS Minerals laboratory located in Don Mills, Ontario, which is an ISO/IEC 17025 laboratory accredited by the Standards Council of Canada. There are two (2) analytical methods used for the pulverized samples from the Whabouchi Property. The first analytical method used by SGS is the 55-element analysis using sodium peroxide fusion followed by both inductively coupled plasma optical emission spectrometry (“**ICP-OES**”) and inductively coupled plasma mass spectrometry (“**ICP-MS**”) finish (SGS code ICM90A). This method uses 10g of the pulp material and returns different detection limits for each element and includes 10 ppm lower limit detection for Li. The ICM90A analytical method was conducted at the beginning of the 2009-2010 exploration program to verify the content of other elements in the mineralization. The second method processed 20g of pulp material and used the mineralization grade sodium peroxide fusion with ICP-OES finish methodology with a lower detection limit of 0.01 % Li (SGS code ICP90Q). The ICP90Q analytical method was used at the beginning of the exploration program on samples analysed by ICM90A returning values greater than 0.3 % Li. The ICP90Q method for Li was later used on a more systematic basis. Analytical results were sent electronically to Nemaska and results were compiled in an MS Excel spreadsheet by the project manager.

The 2016 drill samples were analysed at the SGS Laboratory located in Lakefield, Ontario, accredited by the Standards Council of Canada. There used four-acid digestion with Inductively Coupled Plasma – Atomic Emission Spectrometry (“**ICP-AES**”) (SGS code GO ICP41Q) verified by a sodium peroxide fusion AAS (SGS code GC AAS93B).

The 2010 and 2016 pulp reanalysis and the 2011 and 2013 analyses were conducted at ALS Chemex using the mineralization grade lithium four-acid digestion with ICP-AES (ALS code Li-OG63). The Li-OG63 analytical method used four (4) g of pulp material and returned a lower detection limit of 0.01 % Li.

The Corporation implemented an internal QA/QC protocol by regularly inserting reference materials (standards and blank) and core duplicates in the samples stream. The Corporation also conducted in the 2010 and 2011 re-analysis of selected pulps in a second laboratory, as part of their QA/QC protocol.

SGS completed a review of the sample preparation and analysis including the QA/QC analytical protocol implemented by the Corporation for the Whabouchi Project. SGS visited the Whabouchi Property on November 27, 2013 and numerous times in the summer of 2016 to review the Corporation's sample preparation procedures, local infrastructure and in order to conduct an independent sampling program. The Authors of the Technical Report visited the site on December 5, 2017. The QA/QC data from previous campaigns and up to 2017 was reviewed. A review of the QA/QC analytical results for blanks and core duplicates did not highlight any analytical issues. However, the observations for the 2016 standard material and pulp duplicates suggest the presence of a bias in the analytical data between SGS and ALS laboratories of about 5%, SGS Laboratory having the higher average grade. SGS verified the effect of a 5% grade added value on the 2016 assay results in the resources estimate and found the results to be negligible. Corrective measurements on the data will be taken, if deemed necessary.

Specific Gravity (“**SG**”) measurements were completed in 2010 and 2011 on mineralized core samples to estimate an average bulk density value for the Whabouchi deposit and are considered acceptable for the Technical Report.

The authors of the Technical Report are of the opinion that the sample preparation, analysis and QA/QC protocol used by the Corporation for the Whabouchi Project follow generally accepted industry standards and that the Whabouchi Project data is of a sufficient quality that SGS has recommended continuing its internal QA/QC protocol for blanks, duplicates (core and pulp), and standards (reference materials).

Data Verification

A total of 39 mineralized core duplicates were collected in 2013 by SGS on 2011 and 2013 drill hole samples and submitted for Li analysis at the SGS Minerals Laboratory in Lakefield, Ontario and followed the same analytical protocol used by the Corporation during the 2009 and 2010 drilling programs (code ICP90Q), except that the sample preparation was done directly at the SGS Mineral Services and not at the TJCM laboratory.

The comparative results show the average relative grade differences between the original and the control samples range between 1% and 12%, which can be considered acceptable for core duplicates, considering the coarse nature of the spodumene mineralization generally observed at the Whabouchi Site. The weighted average grades between the original and the control samples outline similar results.

The digital drill hole database supplied by the Corporation has been validated for the following data field: collar location, azimuth, dip, hole length, survey data, lithology and analytical values. The validation returned only minor discrepancies located in lithology and assay data, which were communicated to the Corporation and corrected in the final drill hole database.

As part of the data verification of the Whabouchi Project, the analytical data from the database has been validated with the values from the laboratories analytical certificates. No errors were noted during the validation.

The final database includes the channel samples collected in 2009 and 2010 from surface trenches and the drilling data from the 2009, 2010, 2011, 2013, 2016, and 2017 drilling programs. The final drill hole with reported analytical results included in the database is WHA-17-243. The few historical drill hole and channel analytical data were not considered for the current mineral resource estimate, but were kept for modeling purposes. The Authors of the Technical Report are of the opinion that the final drill hole database is adequate to support a mineral resource estimate.

Mineral Processing and Metallurgical Testing

Mineral processing testing was performed to evaluate the potential of spodumene concentrate production as well as lithium hydroxide ($\text{Li}_2\text{O}-\text{H}_2\text{O}$) and lithium carbonate (Li_2CO_3) production separately. A summary of spodumene concentrate production test work is presented in Section “Whabouchi Concentrator” below. The electrochemical production of $\text{Li}_2\text{O}-\text{H}_2\text{O}$ and Li_2CO_3 test work is presented in Section “Shawinigan Transformation Plant” below.

Whabouchi Concentrator

Between 2010 and 2017, multiple test work programs were done to develop the Concentrator flow sheet. This involves ore sorting, hydro classification, DMS and flotation methods. It also includes summaries from screening, settling, filtration, freezing, drying, and magnetic separation tests performed by various laboratories and suppliers.

Ore sorting was tested at full scale by two suppliers to evaluate the ore amenability to coarse size sorting. The ore can be effectively separated into rejects and accepted with minimal lithium losses. This was implemented in the flow sheet to reduce contamination with amphibolite.

Hydraulic separation has been tested to remove muscovite before the two main separation processes (DMS and flotation). It has been used in pilot plant campaigns. It was also tested in a manufacturer laboratory.

Multiple DMS testing programs, at bench scale with heavy liquid separation tests and in pilot plant tests, have been done since the beginning of the flow sheet development. DMS performs well with particles of less than 9.5 mm and improves as the top size is reduced to 6.3 mm. DMS can produce a final concentrate, a final reject and a middlings stream which will be reprocessed in flotation.

Multiple test programs involved flotation. Both bench scale and pilot plant work were performed since 2010. The most recent programs aimed at taking advantage of the coarse liberation of the material and coarse flotation with hydroflotation was introduced. In addition, column flotation shows a better selectivity against muscovite and other contaminant recovery in the fine flotation concentrate by using wash water addition. Final design tests were performed at Eriez which supplies the hydroflotation technology. The grade and recovery of these test was very good. The reagent consumption was reduced drastically through optimization.

Thickener, filtration and freezing test have been done to size various equipment and validate conditions where concentrate transportation could be problematic.

Finally, DMS concentrate drying tests were done to evaluate conditions required to have a good concentrate for dry magnetic separation of the coarse DMS concentrate. This last operation in the upgrading of the ore was tested at two (2) supplier's facilities.

Shawinigan Transformation Plant

Extensive process testing was conducted on the Whabouchi spodumene concentrate to determine the design and sizing of a facility to produce high quality lithium hydroxide monohydrate ("**LHM**").

Key aspects of the process were tested at the laboratory and/or pilot scale. A high-level summary follows:

- Calcination: Large scale pilot test work was performed with reputable suppliers of both kilns and flash calciners. The test work demonstrated that under the right conditions the concentrate could be calcined and achieve high lithium extraction rates (> 95%).
- Acid bake: Laboratory and pilot test work was performed to determine the required mixing and acid bake parameters to adequately sulfate the lithium and obtain a high lithium extraction. Impact of using recycled acid was extensively studied.
- Leaching: Multiple leaching lab and pilot tests were performed to determine optimum operating and design parameters.
- Impurity removal: A series of impurity removal tests were performed to meet the stringent requirements of the electrochemical cells. The traditional impurity removal flow sheet was modified to improve efficiency and reduce equipment size. Theoretical, lab scale and pilot scale test work investigated reagents and residence times to develop the proposed flow sheet. Test work showed that high purity solution meeting the electromembrane requirements could be produced.
- Electromembrane process: Various phases of membrane electrolysis test work were performed by the Electrosynthesis Company. The objectives were to determine optimal operating parameters (concentration, current efficiency, current density, configuration, etc.) and to estimate membrane and anode life cycle. Long-term stability of the process was demonstrated by a series of tests on a continuous basis totaling about 1,000 hours and referred to as the "1,000-hour test".
- LHM crystallization: LHM crystallization laboratory scale test work was performed.
- Acid concentration: Work was performed to develop the ternary phase diagram for the lithium sulphate – sulfuric acid – water system as a function of temperature. This included the solubility and to a more limited extent the boiling point curves. The experiments allowed the flow sheet structure to be confirmed and provided basic data for equipment design. Laboratory and pilot test work at suppliers provided further information to be used in equipment sizing and design.

Mineral Resources Estimates

SGS completed the mineral resource update using the digital database supplied by the Corporation (as of August 21, 2017) which included channel data from trenches and drill holes data completed by the Corporation since 2009. The database used to produce the mineral resource estimate was derived from a total of 593 channels and diamond drill holes, including historical diamond drill holes and unassay channels.

The mineral resource was estimated from a resource block model interpolated using ordinary kriging. The 2017 geological model was updated with the new exploration information from 2016 and 2017; the analytical data contained within the wireframe solids was then normalized, to 2 m length composites. The composite data was used to interpolate the Li₂O grade of blocks by ordinary kriging on a regularly spaced defined grid that fills the 3-D wireframe solids. The mineral resources of the Whabouchi Site are designed and reported using an open-pit mining perspective. An optimized pit shell model using the pit optimization software MineSight® was produced, by MC-DRA, in 2016 and later validate in October 2017, using the completed block model. The interpolated blocks located below the bedrock/overburden interface, within the optimized pit shell and above a determined cut-off grade comprise the mineral resources. The blocks are then classified based on confidence level using proximity to composites, composite grade variance and mineralized solids geometry. The 3D wireframe modeling, block model, and mineral resource estimate were completed by SGS based on information provided by the Corporation.

The final mineral resource estimates within the open pit are reported at a cut-off of 0.3% Li₂O and totals 16.953 Mt, with an average grade of 1.57% Li₂O in the measured category, 20.403 Mt, with an average grade of 1.41% Li₂O in the Indicated category, with an additional 6.687 Mt, with an average grade of 1.37% Li₂O in the Inferred category.

The underground mineral resource estimates are reported at a cut-off of 0.60% Li₂O and totals 12,000 t of measured resources at an average grade of 1.87% Li₂O, 233,000 t of indicated resources with an average grade of 1.59% Li₂O and 9.376 Mt of inferred resources with an average grade of 1.39% Li₂O.

Table: Whabouchi Deposit in Pit Mineral Resource Estimate

Cut-Off Grade (Li₂O %)	Category	Tonnage* (t)	Average Grade (% Li₂O)
0.30	Measured	16,953,000	1.57
0.30	Indicated	20,403,000	1.41
0.30	Measured + Indicated	37,356,000	1.48
0.30	Inferred	6,687,000	1.37

Note: The mineral resource estimate has been estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definitions Standards for mineral resource and mineral reserve in accordance with NI 43-101. Mineral resources which are not mineral reserve do not have demonstrated economic viability. Inferred mineral resource are exclusive of the measured and indicated resources.

Bulk density of 2.71 t/m³ is used.

Effective date November 24, 2017.

Blocks touching the pit were taken out,

* Rounded to the nearest thousand.

Table: Whabouchi Deposit Below Pit Mineral Resource Estimate

Cut-Off Grade (Li₂O %)	Category	Tonnage* (t)	Average Grade (% Li₂O)
0.60	Measured	12,000	1.87
0.60	Indicated	233,000	1.59
0.60	Measured + Indicated	245,000	1.60
0.60	Inferred	9,376,000	1.39

Note: The mineral resource estimate has been estimated using the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) Definitions Standards for mineral resource and mineral reserve in accordance with NI 43-101. Mineral resources which are not mineral reserve do not have demonstrated economic viability. Inferred mineral resource are exclusive of the measured and indicated resources.

Bulk density of 2.71 t/m³ is used.

Effective date November 24, 2017.

Blocks touching the pit were taken out,

* Rounded to the nearest thousand.

Mineral Reserve Estimates

Open Pit Mineral Reserve

The effective date of the mineral reserve estimate is November 7, 2017. The Whabouchi deposit was estimated using the updated resource model that was prepared by SGS. The mineral reserves are the portion of the measured and indicated mineral resources that have been identified as being economically extractable and which incorporate mining losses and the addition of waste dilution.

The first step in the mineral reserve estimate was to carry out a pit optimization analysis. The pit optimization analysis used economic criteria to determine the cut-off grade and to what extent the deposit can be mined profitably. The pit optimization analysis was done using the MS-Economic Planner module of MineSight[®] version 12.0-3. The optimizer uses the 3D Lerchs-Grossman algorithm to determine the economic pit limits based on input of mining and processing costs and revenue per block.

The pit optimization analysis identified the pit shell that should be used as the basis for the open pit design. The additional measured and indicated mineral resource that is outside the limits of this optimized pit shell were then evaluated as an underground mining operation. The cut-off grade for the open pit mine was calculated to be 0.34% Li₂O.

An open pit was designed with an overall pit slope of 56° which was based on a geotechnical study that was completed by Journeaux Assoc. The pit has 20 m high benches and the ramp will be 20 m wide with a maximum grade of 10%. The pit will be approximately 1,350 m long and 340 m wide at surface with a maximum pit depth from surface of 223 m. The open pit design includes 15.5 Mt of proven mineral reserves and 8.5 Mt of probable mineral reserves for a total of 24.0 Mt at a grade of 1.53% Li₂O. In order to access these reserves, 1.4 Mt of overburden, 69.4 Mt of waste rock (including inferred mineral resources) must be mined. This total waste quantity of 70.9Mt results in a stripping ratio of 3.0 to 1. Table below presents the open pit mineral reserves for the Whabouchi deposit. The mineral reserves account for mining dilution.

Table: Whabouchi Open Pit Mineral Reserves

Category	Tonnage (Mt)	Li ₂ O Grade (%)
Proven	15.5	1.56
Probable	8.5	1.48
Proven & Probable	24.0	1.53

Underground Mineral Reserve Estimate

The underground mine will be developed at the end of the open pit life and will take over the production once the open pit reserves will be depleted in year 24.

The underground mine will be accessed via a mine portal located at elevation 162.5 m and a main ramp that connects to the seven haulage drifts sub-levels located on the footwall side of the orebody. The sub-levels will be spaced at every 30-metre in elevation at Levels 182 m, 152 m, 122 m, 92 m, 62 m, 32 m and 2 m.

The underground mineral reserves were estimated at 12.7 Mt grading 1.16% Li₂O of proven and probable mineral reserve categories. The reserves include dilution and recovery and were estimated using an underground mining cost of CAD\$29.52/t. The underground cut-off grade was calculated at 0.63% Li₂O. The cut-off grade is used to determine at what point material being mined will generate a profit after paying for the mining, processing, transportation and general and administration costs. Table below presents the underground mineral reserves for the Whabouchi deposit. The mineral reserves account for mining dilution.

Table: Whabouchi Underground Mineral Reserves

Category	Tonnage (Mt)	Li ₂ O Grade (%)
Proven	1.5	1.36
Probable	11.1	1.13
Proven & Probable⁽¹⁾	12.7	1.16

Note:

(1) Due to rounding errors, totals may not add-up exactly.

Combined Open Pit and Underground Mineral Reserve Estimate

The combined open pit and underground mineral reserves for the Whabouchi deposit were estimated at 36.7 Mt of ore grading 1.40% Li₂O as shown in Table below. Proven mineral reserves account for 46% of the reserves.

Table: Combined Whabouchi Mineral Reserves

	Category	Tonnage (Mt)	Li ₂ O Grade (%)
Open Pit (OP)	Proven	15.5	1.56
	Probable	8.5	1.48
	OP: Proven & Probable Reserves	24.0	1.53
Underground (U/G)	Proven	1.5	1.36
	Probable	11.1	1.13
	U/G: Proven & Probable Reserves	12.7	1.16
Total OP and U/G Reserves	Proven	17.0	1.54
	Probable	19.6	1.28
	Proven & Probable Reserves⁽¹⁾	36.7	1.40

Note :

(1) Due to rounding errors, totals may not add-up exactly.

To the extent known, there are no metallurgical, environmental, permitting, legal, title, taxation, socio-economic, marketing, political, or other relevant issues that could materially affect the estimate of mineral resources and mineral reserves.

Mining Methods

The Whabouchi deposit characteristics make open pit mining more favourable from an economic and technical standpoint because of its proximity to surface. Open pit mining will therefore be favoured for the upper portions of the deposit. However, open pit mining is commonly associated with more significant environmental and social impacts than underground mining, essentially because of the associated larger surface footprint. In order to mitigate environmental and social effects of the projected mine, where geological characteristics and economic factors made it feasible to switch to underground mining, the latter was favored. Consequently, from year 24, the mine will be operating from underground, thus not only limiting the surface footprint of the ultimate open pit, but also minimizing the amount of waste rock to be managed and stockpiled at the surface. Such an approach also enables a longer mine life without significantly increasing the surface area impacted by mining activities, something which extends the duration and cumulative importance of the Whabouchi Project's economic spin-offs for local, regional and provincial stakeholders.

Open Pit Mining

The mining method selected for the Whabouchi Project will be a conventional open pit, truck and shovel, drill and blast operation. Vegetation, topsoil and overburden will be stripped and stockpiled for future reclamation use. The ore and waste rock will be mined with 4 m high benches, drilled, blasted and loaded into heavy duty off-road haul trucks with hydraulic excavators.

A topsoil and overburden stockpile has been designed 100 m to the east of the pit ramp exit, to the south of the Concentrator. Material that will be placed in this stockpile will be used for future reclamation.

The Whabouchi Project has selected to use a co-disposal method for the tailings produced at the Concentrator and the waste rock from the mine. Co-disposal is construction of waste rock cells in which fine tailings are disposed. Mixing the fine and coarse waste reduces the empty void space primarily associated with coarse waste streams, while simultaneously increasing the strength of the fines. Tailings produced at the Concentrator will have a moisture content of around 14 %. The tailings will be transported from the Concentrator to the waste rock pile with the same 64-tonne truck fleet that will be used in the open pit.

Mining operations for the Whabouchi Project will be 50 weeks per year, operating around the clock on two, twelve hour shifts. During the two planned stoppage weeks, the Concentrator will be either fed from the run of mine ore stockpile and/or going through scheduled maintenance.

The mine plan is based on an annual production of 215,022 tonnes of concentrate, which is equivalent to a Run-of-Mine ("**ROM**") production of 1.03 Mtpa. The total material mined per year during the 24-year life of the open pit mine ranges from 0.26 Mt in pre-production to a maximum of 5.3 Mt in Year 10. The average annual diluted grade of Li_2O varies between 1.47% to 1.59% during the 24-year period.

The mine equipment fleet for the open pit includes six 64-tonne haul trucks, two hydraulic excavators with 6 m³ buckets, two diesel powered down the hole track drills that will drill 114 mm (4.5") holes as well as a fleet of support and service equipment. Blasting will be carried out using bulk emulsion with an average powder factor of 0.37 kg/t. The mine workforce has been estimated to be approximately 109 employees.

Underground Mining

The ore extraction will switch from an open pit operation to an underground mine located underneath the final pit floor in year 24 of the operation. The duration of the underground mining is ten years and is scheduled to be in operation from the beginning of year 24 to the end of year 33. An underground mine production ramp-up period of 14 months is planned during the last months of year 23 to reach the cruising production rate of 1.3 Mt of ROM at the beginning of year 25.

The underground mine development and operation will be given to a mining contractor that will excavate and haul the ore and waste from underground to a stockpile located at the bottom of the open pit. The Corporation will keep management and engineering activities to supervise and provide engineering services to the contractor to ensure work efficiency and safety. Hauling of the ore and waste from the bottom of the pit to the crusher and the waste disposal area along with the mine tailings operation will continue to be managed directly by the Corporation's personnel using the existing mobile equipment fleet from the open pit operation. The underground mine will be operated on two shifts of ten hours, seven days per week.

The mining methodology selected is 30-metre high long-hole type stopes. Based on the geotechnical and hydrogeological conditions, it is expected that backfilling of the excavated stopes will be required. The very last excavation phase consists of mining the 30-metre thick remaining crown pillar from the open pit floor.

Halfway down in the western area of the open pit, an underground entry portal to a main ramp driven downward will provide access to the seven horizontal haulage drifts which in turn provides access to the draw points of the various stopes.

The annual underground mine production requirement has been adjusted to maintain a similar lithium concentrate production of 215,022 t. An overlapping underground mine ramp up production period is planned with the open pit ore extraction finishing during year 24 of operations. This will ensure an uninterrupted ROM feed to the Concentrator.

The contractor will supply and operate the underground mining fleet consisting of two development jumbos, two production drills, three LHDs, and four haulage trucks. The underground haulage trucks will haul the ore and waste up to the mine portal where it will be dumped into stockpiles to be reclaimed by the Corporation and hauled out of the pit to the crusher or waste dump.

The underground mine will require 86 employees for the development phase while 70 will be required during the production phase, excluding the Corporation's management and engineering team and waste and tailings personnel.

Recovery Methods

Whabouchi Concentrator

The Concentrator is located at 675 m north east of the open pit mine. The Concentrator is designed to produce a nominal 215,022 tonnes of spodumene concentrate per year. The ROM mineralized material will be fed into the primary jaw crusher and then screened to suit the ore sorter feed limitation. The sorted material will then go to the secondary and tertiary cone crushers. The final crushed product will be stored into a stockpile before the Concentrator.

The crushed mineralized material will be screened on the fine ore screen and the oversize will be upgraded in a dense media circuit after a stage of mica hydroseparation removal to produce a coarse spodumene concentrate, a tailings product and a middlings product. The DMS coarse concentrate will then be dried in a rotary dryer before treatment by a dry magnetic separation system. The magnetic product will be discarded with the tailings and the non-magnetic product will be the first portion of the final spodumene concentrate.

The DMS middlings product will be ground to less than 0.85 mm and combined with fine ore screen undersize. This ground product feeds a fine stage of mica hydroseparation removal and then goes to flotation circuit. The flotation circuit consists of de-sliming, wet magnetic separation, attrition and finally 2-stages of spodumene flotation. The flotation is performed at coarse size (- 850 μm /+ 200 μm) in an hydrofloat separation unit and at fine size (- 200 μm / 20 μm) by flotation columns circuit.

Tailings from DMS concentration, dry magnetic separation, mica hydroseparation, de-sliming, wet magnetic separation and flotation will be dewatered by a combination of screen dewatering, thickening and filtration before storage into a dome. The tailings will be transported by haul truck to the co-disposal area with mine waste.

The spodumene flotation concentrate will be thickened and filtered by a vertical plate pressure filter to less than 8% moisture and combined with the dry DMS concentrate for transport by road trucks to Chibougamau. The shipped concentrate will have moisture of less than 5% to prevent freezing during the winter months. In Chibougamau, it will be transferred into railcars for transport to the Shawinigan Electrochemical Plant for further processing.

Shawinigan Electrochemical Plant

The Shawinigan Electrochemical Plant process design criteria, mass balance, process flow sheets, equipment list as well as plant layouts were prepared for a plant feed rate of 215,022 tpa (dry) of spodumene concentrate. The facility is designed to produce 33,000 tpa of lithium carbonate equivalent ("LCE") in the form of lithium hydroxide monohydrate crystals and lithium carbonate powder. The plant can vary the production of lithium hydroxide monohydrate crystals from 50 to 100% of the total Li units produced and of lithium carbonate powder from 0 to 50% of the total Li units produced.

The Shawinigan Electrochemical Plant is scheduled to operate seven days per week and 24 hours per day. The Shawinigan Electrochemical Plant's availability has been estimated at 85 % based on benchmarks with comparable industries and high-level availability analysis. The overall lithium recovery is based on laboratory results and extensive mass balance modeling.

Table: Shawinigan Electrochemical Plant Design Criteria – Summary

Parameters	Unit	Value
Concentrate Average Processing Rate	tonne per year (dry)	215,022
Concentrate Composition	% DMS / % Flotation	42 / 58
Concentrate Grade (Total)	% Li / Li ₂ O	2.9 / 6.25
Concentrate % Moisture	% H ₂ O	4.0
Concentrate Size Distribution F100	microns	9,500
Lithium Sulfate Solution Feed Rate	tonne per year Li ₂ SO ₄ H ₂ O eq. (dry)	2,000
Plant Operating Time	hours per day	24
Overall Plant Availability	%	85
Lithium Hydroxide Monohydrate Average Production	tonne per year	24,500
Lithium Hydroxide Monohydrate Product Moisture	%	≤0.1
Lithium Hydroxide Monohydrate Product Grade	% LiOH	≥57.5 (< 20 ppm Na)
Lithium Carbonate Average Production	tonne per year	11,500
Lithium Carbonate Product Moisture	%	≤0.45
Lithium Carbonate Product Grade	% Li ₂ CO ₃	≥ 99.5
Overall Lithium Recovery	%	95.9

The spodumene concentrate is transported from the Whabouchy Property to the Shawinigan Electrochemical Plant in 92-tonne railcars (100 short tons). The Shawinigan Electrochemical Plant feed consists of a blend of DMS concentrate and flotation concentrate.

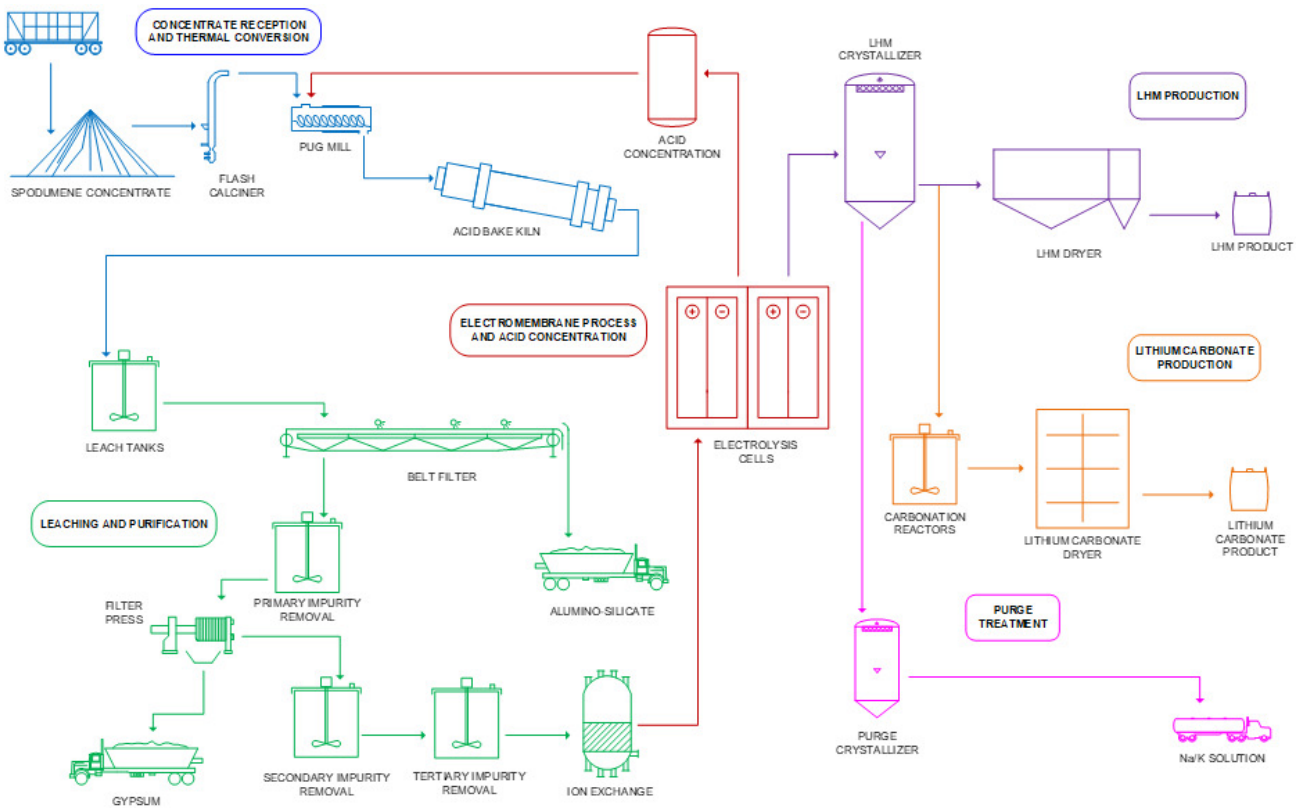
The first major process step is the calcination of the concentrate where the spodumene mineral is converted from the alpha form to the beta form. Then, the beta-spodumene is mixed with sulfuric acid in a pug mixer and the blend of acid and mineral is sent to an acid-bake kiln. The heat provided in the kiln allows the reaction of oxides with the sulfuric acid to make sulfates (mostly lithium sulfates, but also minor amount of sulfates of select impurities). The acid bake product is mixed with water in the concentrate leach process step, and then sent to a belt filter that separates the gangue mineral (a form of aluminum-silicate) from the pregnant leach solution that contains the lithium sulfates and certain impurities. The pregnant leach solution then undergoes three (3) purification and filtration steps: primary impurity removal (“**PIR**”), secondary impurity removal (“**SIR**”) and tertiary impurity removal (“**TIR**”). The solution is polished in an ion exchange (“**IX**”) system that removes trace amounts of remaining calcium.

These three purification steps and IX remove many impurities including, excess acid, calcium, silicon, iron, aluminum, manganese and magnesium.

The IX polished solution is fed to the electrolyzers. During this process, lithium sulfate is converted to lithium hydroxide (catholyte solution) and sulfuric acid (anolyte solution). The anolyte solution is sent to sulfuric acid concentration. The concentrated acid is recycled to the pug mixer along with fresh make-up acid. The catholyte from electrolysis is sent to the LHM crystallization step. A double crystallization process produces pure LHM crystals and condensate that is also fully re-used in the process. A small bleed stream from the LHM crystallization is sent to a treatment unit where lithium is recovered and sodium and potassium are purged. The LHM crystals are dried to produce LHM crystals for sales. Up to 50% of the LHM crystals can be converted to lithium carbonate in a dedicated circuit for sale as lithium carbonate final product.

A simplified flow sheet is presented below and summarizes the electrochemical plant process.

Figure: Shawinigan Electrochemical Plant Simplified Flow Sheet



Project Infrastructure

Whabouchi Concentrator

The Whabouchi Mine site is located at km 276 on the *Route du Nord* public road which provides access to the existing base camp that will be used for both construction and operations. The camp site is about 12 km west of the Whabouchi Property and the Nemiscau airport is another seven km further west. The planned infrastructure at the mine site are:

- Mine service and haul roads;
- Maintenance garage;
- Guard house;
- Mine management and mine dry;
- Engineering and administration offices;
- Warehouse;
- Concentrator building;

- Concentrator engineering offices and dry;
- Metallurgical laboratory; and
- Explosive bulk storage facility, a magazine for caps and detonators and a powder magazine.

In addition to the buildings, the following services will be constructed:

- Fresh water supply including fire protection;
- Sewage treatment;
- Diesel fuel and propane gas storage and distribution; and
- Electrical sub-station, power supply and distribution.

Co-Disposal Storage Facility

Co-disposal methodology will be used for the storage of the tailings produced at the Concentrator and the waste rock from the mine. The adopted co-disposal methodology consists of confining filtered tailings into waste rock cells.

With both open-pit and underground mining, the lifespan of the Whabouchi Project will be 33 years and generate 50.8 Mm³ of material. Four co-disposal storage facilities located north of the *Route du Nord* were designed, all located on the Whabouchi Property. All the waste rocks and filtered tailings will be contained in these co-disposal storage facilities, except 6 Mm³ of waste rocks that are expected to be disposed in the open pit mine that could be used as backfill material for the underground operation.

Shawinigan Electrochemical Plant

The Shawinigan Electrochemical Plant, an electrochemical plant, will be located in Shawinigan on the site on an old pulp and paper mill. The infrastructure that have been planned in addition to the Shawinigan Electrochemical Plant include the following:

- Upgrade of the existing rail network;
- Spodumene reception and unloading facilities;
- Sub-station, power distribution;
- Residues/by product handling;
- Site services;
- Site buildings;
- Roads;
- Guard house;
- Control system; and

- Communication system.

Market Studies and Contracts

The key information contained in the market study was prepared by Roskill Consulting Group Ltd. ("**Roskill**"), an independent and experienced consultant.

The main conclusions of the reports received by the Corporation are:

- Demand for battery-grade lithium hydroxide is expected to grow at 38.8% CAGR between 2016 and 2031;
- Demand for battery-grade lithium carbonate is expected to grow at 13.1% CAGR between 2016 and 2031; and
- Lithium hydroxide expected growth demand is mainly related to secondary batteries use over the next years.

As at the date of the Technical Report, the Corporation has two commercial off-take agreements in place totalling about 14,000 LCE and valid between 42 and 60 months from the start of commercial production. There are no established contracts for the sale of concentrate currently in place.

Based on the information provided in the Technical Report, combined with current off-take contracts in place and information gathered through discussions with potential customers and other sources, the Corporation has established its sale prices as follows (on a per tonne basis):

- Lithium hydroxide (EXW Shawinigan): US \$14,000/t;
- Lithium carbonate (EXW Shawinigan): US \$9,500/t (Years 2 to 5);
- Lithium carbonate (EXW Shawinigan): US \$12,000/t (Years 6 to 33); and
- Spodumene concentrate sales (FOB Port of Trois-Rivières): US \$800/t.

Environmental Studies, Permitting and Social or Community Impact

The main permits required to conduct exploration work on the Whabouchi Property are the forest management permit delivered by the provincial *Ministère des Forêts, de la Faune et des Parcs* ("**MFFP**") along with owning active mining rights. A Certificate of Authorization ("**CA**") from the *Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques* ("**MDDELCC**") may also be necessary to conduct specific advanced exploration works such as, for example, the mechanical stripping of more than 1,000 m³ of overburden. As of the date of the Technical Report, the Corporation's management confirmed having valid work permits and authorisations. To the knowledge of the author of the Technical Report, there are no environmental liabilities pertaining to the Whabouchi Property.

For the Whabouchi Mine, a first version of the Environmental and Social Impact Assessment (“**ESIA**”) document was submitted to both federal (Canadian Environmental Assessment Agency) and provincial (Review Committee of the James Bay and Northern Québec Agreement, or “**COMEX**”) authorities for review in April 2013. Questions and comments on that first version were sent by those authorities to the Corporation late in 2013. The Corporation provided answers to all questions in early May 2014. The COMEX held public hearings in March-April 2015; as well, other forms of consultation were organized by the Corporation and/or the Cree Nation of Nemaska, enabling the COMEX to consider the concerns of the people in the territory and ensure they were accounted for in the Whabouchi Project and reflected in the general CA. On September 4, 2015, following a positive recommendation by the COMEX, the Provincial Administrator of the James Bay and Northern Québec Agreement granted authorization for the Project and the Corporation announced that it has received the general CA for the Whabouchi Mine from the MDDELCC. On July 29, 2015, following a comprehensive assessment of the Whabouchi Mine, the Canadian Minister of Environment decided that the Whabouchi Project is not likely to cause any significant adverse environmental effects, and set out, in its positive decision statement, the conditions relative to the mitigation measures and monitoring program to be respected by the Corporation. The Agency issued on that same date its final EA report.

The Corporation has already begun and is continuing to fulfill the provisions included in the general CA for the Whabouchi Site, and the authorization application and permitting process for construction has started in Q1-2016. Applications are being filed in a timely manner with the construction works and have therefore no impact on the Whabouchi Project schedule.

The Shawinigan Electrochemical Plant will be located in Shawinigan using part of the former Resolute Forest Products (“**RFP**”)’s Laurentide pulp and paper mill buildings. MDDELCC has indicated that this part of the Whabouchi Project will need only a CA and not a complete ESIA. The legal framework for the construction and operation of the projected facilities is a combination of provincial, national, and municipal policies, regulations and guidelines. The permitting process has been fully identified and applications are being filed concurrently with the construction works and should therefore not impact on the Whabouchi Project schedule. Since construction works are to take place within existing buildings, the environmental permits and authorizations are only needed for infrastructure located outside of the existing buildings and for the operations to be initiated since only these activities are associated with potential environmental impacts, as per the Québec *Environmental Quality Act*.

As part of the acquisition process, the City of Shawinigan and RFP are fully responsible for the environmental site characterization and associated site rehabilitation, in full compliance of the applicable laws and regulations, including Quebec’s *Soil Protection and Contaminated Lands Rehabilitation Policy*. To that regard, the agreement in principle specifies that all liabilities associated to the past activities which took place at that site are under the full responsibility of the City of Shawinigan. The Corporation will not, by any means, be accounted for those. Furthermore, the Agreement also specifies that all lands delivered to the Corporation will comply with applicable soil quality criteria for industrial use.

Water Management

The mine water management plan addresses the management of runoff water collected in the open pit, industrial area, overburden stockpile and co-disposal storage facilities at the Whabouchi Property.

The water management infrastructure (i.e. ponds, ditches and pumping requirements) are sized based on the required volume of surface runoff to manage, which varies according to the catchment area of the co-disposal storage facilities. By Phase 3 of the Whabouchi Project, a total of 14 water collection ponds, located in strategically selected areas, are required to manage the surface runoff on the Whabouchi Property.

The final effluent pipeline of the Whabouchi Mine will direct water from the collection pond BC-1 to the final effluent in Nemiscau River with regular monitoring of flow and water quality in full compliance with applicable laws, regulations and standards.

Capital and Operating Costs

Whabouchi Property and Chibougamau

a) Capital Cost

The scope covered in this estimate is based on the remaining construction work as of November 2017 of green field facilities at Whabouchi Property and Chibougamau transfer site. The cost estimate includes initial and sustaining capital cost.

The initial capital cost estimate consists of the direct and indirect costs, rehabilitation costs, as well as some sunk costs that are considered for economic analysis purpose. The indirect costs include the engineering, procurement and construction management (“**EPCM**”) and owner's costs. A contingency of 12.5% is also included.

Provision for sustaining capital cost includes closure and rehabilitation.

Table: Summary of the Whabouchi Capital Cost Estimate

Description	Capital Cost (\$ M)
Whabouchi Site Initial Capital Cost	
Sunk Costs (Direct + Indirect)	63.5
Whabouchi Site – Pre-Production Capital Cost	
Total Direct Costs	158.6
Total Indirect Costs	79.2
Contingencies	29.7
Rehabilitation Payment Year (-1)	2.3
Sub Total Pre-Production Capital Cost	269.9
Total Whabouchi Site Initial Capital Cost	333.4
Total Whabouchi Site Sustaining Capital Cost	606.3

Note:

The totals may not add up due to rounding errors.

b) Operating cost

Operating cost was estimated for the Whabouchi Mine operation and concentrate transport up to the Shawinigan Electrochemical Plant and cover the costs related to ore extraction, spodumene concentration, management of tailings, waste and water, general and administration costs including site services, transport and lodging of workers and operation expenses and concentrate shipping to the Shawinigan Electrochemical Plant.

The operating cost was based on a concentrate production rate of 215,022 tpa (dry).

Table: Average Annual Operating Cost Estimate for Whabouchi

	Operating Cost (\$/y)	Average Operating Cost ⁽¹⁾ (\$/t of Concentrate)
Mining (Open Pit Years 1 to 24)	21,416,190	99.60
Mining (Underground, Years 23 to 33)	35,876,420	166.85
Tailings Transport (Open Pit)	275,230	1.28
Mill Operating Cost	20,378,220	94.77
G & A Operating Cost	15,433,260	71.78
Concentrate Transport Cost	10,824,250	50.00
Total⁽¹⁾	68,327,150	317.77

Note:

(1) Average cost calculated for Open pit operation (Mining – Underground excluded)

Shawinigan Electrochemical Plant

a) Capital Cost

The capital cost estimate consists of the direct and indirect costs. The indirect costs include the EPCM and owner's costs. A contingency of 15% is also included.

Table: Summary of the Capital Cost Estimate

Description	Capital Cost (\$ M)
Shawinigan Site Initial Capital Cost	
Sunk Cost (Direct + Indirect)	10.1
Shawinigan Site – Pre-Production Capital Cost	
Total Direct Costs	347.4
Total Indirect Costs	114.2
Contingency	69.7
Sub Total – Pre-Production Capital Cost	531.3
Sub Total Shawinigan Site Initial Capital Cost	541.4

Note:

The totals may not add up due to rounding errors.

b) Operating Costs

Operating costs were estimated for the Shawinigan Electrochemical Plant and cover the costs related to the transformation of spodumene concentrate into lithium hydroxide monohydrate crystals and lithium carbonate powder.

The operating costs were based on a concentrate feed rate of 215,022 tpa (dry), a lithium sulfate solution feed rate of 2,000 tonnes per year Li₂SO₄ · H₂O eq. (dry), a lithium hydroxide monohydrate production of 24,500 tpa (dry) and a lithium carbonate production of 11,500 tpa (dry).

The sources of information used to develop the operating costs include in-house databases and outside sources particularly for reagents and consumables.

Total annual operating costs are estimated at \$65.3 million.

The facility first produces LiOH-H₂O crystals, of which the desired fraction is then carbonated to produce lithium carbonate powder (Li₂CO₃). It takes approximately 1.14 t of LiOH-H₂O crystals to produce 1 t of Li₂CO₃. The cost per tonne of product is approximately:

\$1,661/t LiOH-H₂O

\$2,143/t Li₂CO₃

Excluded from these costs are concentrate supply and transport, recycled lithium sulfate solution supply and transport, aluminum-silicate transport and disposal (if required), research and development, and contingency.

Economic Analysis

An economic analysis based on the production and cost parameters of the Whabouchi Project has been carried out and the results are shown in the table below. In the analysis, selling prices of US \$800/t (FOB *Trois-Rivières*) for the spodumene concentrate, US \$14,000/t (EXW Shawinigan Electrochemical Plant) for LiOH-H₂O and US \$9,500/t (production years 2 to 5) and US \$12,000/t (production year 6 onwards) (both EXW Shawinigan Electrochemical Plant) for Li₂CO₃ have been assumed.

Table: Summary of the Life of Project Production, Revenues, and Costs

Description	Units	Values
Production – Mineralization	kt	36,667
Production – Concentrate @ 6.25% Li ₂ O	kt	7,015
Production – LiOH-H ₂ O product	t	729,838
Production – Li ₂ CO ₃ product	t	361,270
LiOH-H ₂ O product – Tolling Services	t	40,320
Revenue	\$ M	19,179.5
Initial Capital Costs (excludes Working Capital and Sunk Costs)	\$ M	798.9
Sustaining Capital Costs	\$ M	604.0
Operating Costs (includes Royalty Payments)	\$ M	4,539.7
Closure Costs (excludes Sunk Costs)	\$ M	4.6
Pre-Tax Total Cash Flow	\$ M	13,232.3
After-Tax Total Cash Flow	\$ M	9,626.4

WHABOUCHI LITHIUM MINE AND SHAWINIGAN ELECTROCHEMICAL PLANT

[illegible]

Figures below show the sensitivity of the after-tax NPV and IRR, respectively, to variations in capital costs, operating costs, selling prices and the USD/CAD exchange rate.

The FS has been compiled according to widely accepted industry standards. However, there is no certainty that the conclusions reached in the FS will be realized.

Table: Summary of Financial Indicators

Description	Units	Values
Pre Tax		
Payback Period	Years	2.7
NPV @ 6%	\$ M	4,501.8
NPV @ 8%	\$ M	3,310.2
NPV @ 10%	\$ M	2,479.7
Internal Rate of Return	%	34.4
After Tax		
Payback Period	Years	2.9
NPV @ 6%	\$ M	3,261.9
NPV @ 8%	\$ M	2,387.8
NPV @ 10%	\$ M	1,776.4
Internal Rate of Return	%	30.5

Figure: Sensitivity of Project NPV @ 8% (After Tax)

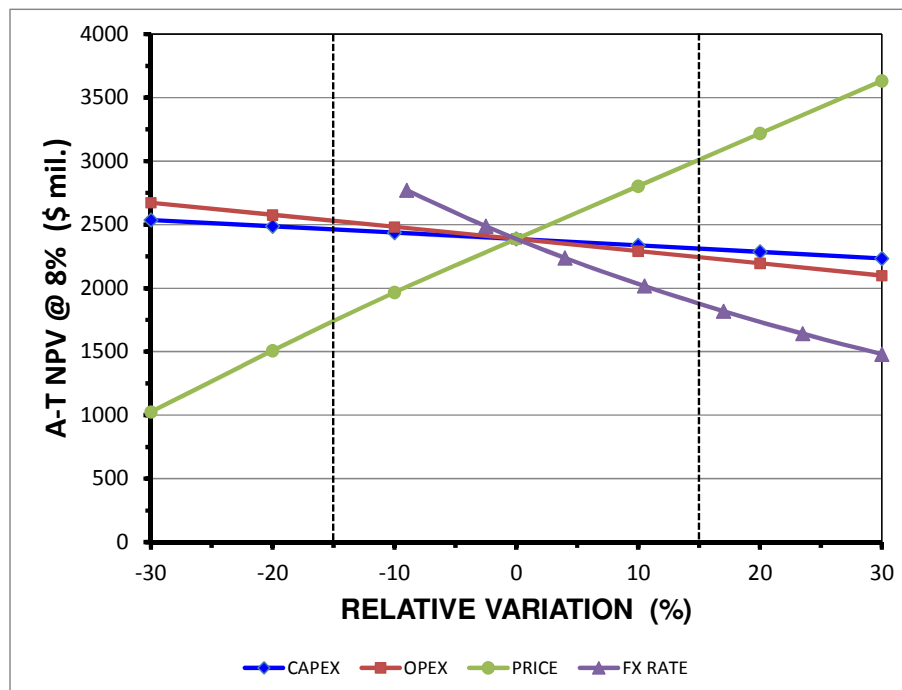
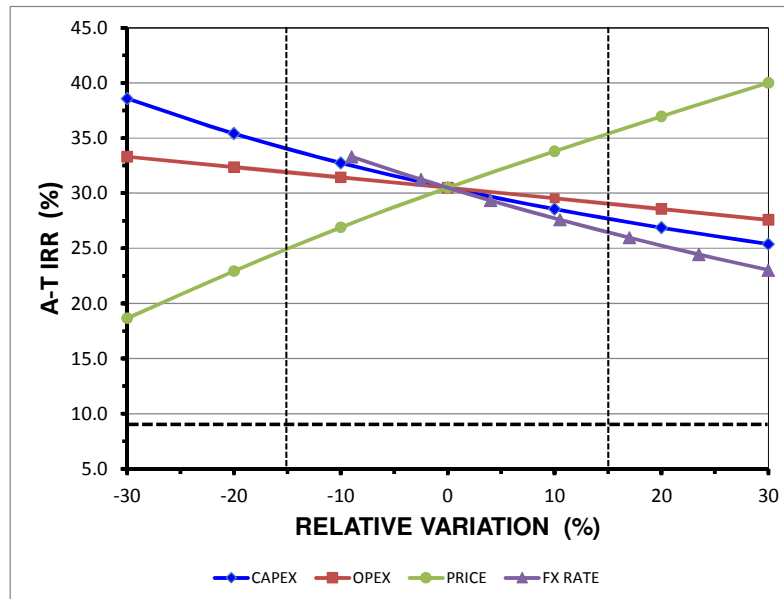


Figure: Sensitivity of Project IRR @ 8% (After Tax)



Interpretation and Conclusions

The Whabouchi Project consists in the development of a mine 300 km North of Chibougamau and a lithium compounds production complex to be built in Shawinigan.

Conclusions

The parameters used in this FS outline the development of a 1.03 Mt/y of ore open-pit mine using a small fleet of mining equipment for the first 24 years, then followed by an underground operation for the following nine years. At mine site, the construction of the Concentrator with a nominal capacity of 2,824 t/d will be needed. This is combined with the construction of the Shawinigan Electrochemical Plant, capable of producing 33,000 t/y of LCE in the form of lithium hydroxide monohydrate crystals and lithium carbonate powder.

The mine planning will have to control certain aspects of the ore feed properties to meet the planned capacity and avoid extreme conditions to overload the sorters. This will also be controlled by the front-end loader at the crusher that will be used to provide additional blending from the buffer piles in front of the crusher.

During the 24-year life of the open pit mine, a total of 32.7 Mm³ of waste rock and 12.9 Mm³ of tailings will be generated for a total of 45.6 Mm³. The underground mine will generate an additional 0.4 Mm³ of waste rock and 4.9 Mm³ of tailings. In total, the Whabouchi Project will generate 50.8 Mm³ of waste materials. Four co-disposal storage facilities were designed. All the waste rocks and filtered tailings will be contained in these facilities, except 6 Mm³ of waste rocks that will be disposed in the open pit mine and could be used as backfill material for the underground operation. The water management infrastructure is sized based on the required volume of surface runoff to manage. It varies with the catchment area of the co-disposal storage facilities. Over time, a total of 14 water collection ponds will be required to manage the surface runoff on the Whabouchi Mine site.

The final effluent will release water in Nemiscau River with regular monitoring of flow and water quality.

The Corporation has developed a novel industrial process for extracting lithium from spodumene to produce lithium hydroxide monohydrate and lithium carbonate.

Compared to other hard rock lithium extraction processes, the Corporation will not use soda ash (sodium carbonate) and will not generate salt cake (sodium sulfate) that is normally a by-product of lithium extraction from spodumene. The use of flash calcination will reduce fuel costs compared to the traditional rotary kiln process. Recovery and recycling of sulfuric acid, generated in the electromembrane process, has a significant impact on the operating costs by substantially lowering both the sulfuric acid, the lime requirements and the by-production of gypsum cake, which must be disposed. The electromembrane process permits the synthesis of lithium hydroxide directly from lithium sulfate solution, making use of Québec's advantageous electricity prices. Multiple purification steps will allow the production of high purity final products. The flexibility to produce both lithium hydroxide and lithium carbonate allows both markets to be serviced depending on evolving market dynamics.

Extensive laboratory and pilot test work have been used to develop multiple new processing technologies and de-risk the Whabouchi Project.

A large proportion of the required permits for construction and operation have already been secured for both sites.

MC-DRA and the various QPs have examined the technical and economic aspects of the Whabouchi Project within the level of precision of a feasibility study. The Technical Report is a feasibility study in accordance with the standards required by NI 43-101 and Form 43 101F1.

A computed cash flow analysis was developed by MC-DRA from the technical aspects and based on metal prices projections made for lithium hydroxide and carbonate from a reputable market study firm.

As it stands, the Whabouchi Mine contains mineral reserves.

Consequently, MC-DRA concludes that the Whabouchi Project is technically feasible as well as economically viable. The authors of the Technical Report consider the Whabouchi Project to be sufficiently robust to warrant moving it to the implementation phase.

Risk Evaluation

Most aspects of the Whabouchi Project are well defined. However, some risks remain. In the Technical Report, the Authors of the Technical Report have proposed several recommendations that should be followed in the next phase to mitigate these risks.

The most significant risks identified in the Whabouchi Project were in technology, markets and environment, as explained in the following paragraphs.

Whabouchi Mine and Concentrator

On the mining side, although moderate, a potential risk exists concerning the stability of the pit slopes and underground openings. Mitigation measures include re-evaluation of the final pit walls after a few years of operation and prepare a detail geotechnical study for the stability of the underground infrastructure and open stopes.

The Concentrator uses a very high internal water recirculation rate. The impact of chemical builds up cannot be assessed. It could be detrimental to the project performance. However, the process was modified significantly to reduce chemicals usage and the only process section that needs reagents is the flotation of spodumene. The other concentration methods are done by physical separation (hydro-separation, DMS and magnetic separation) which will not be impacted by the chemicals present. This risk is therefore limited.

The Concentrator design is very flexible and can be adapted during operation to optimize the performance in terms of recovery and final product quality. The grade and recoveries projected from individual tests done by various laboratories and suppliers at bench scale or pilot scale have been used to predict the process plant performance that is stated in the Technical Report. This has not been specifically demonstrated into a formal pilot plant test in its final flow sheet version as it is comprised of a high number of unit operations that are very difficult to size and operate at that scale. Where feasible, full scale equipment were tested by manufacturers which increased the confidence in the expected performance. There is a risk that the performance recovery or the grade cannot be reached if some unforeseen factor affects the total plant performance. The Concentrator should however meet the total spodumene production output with the design factors used to select equipment.

Shawinigan Electrochemical Plant

Process Risk

The process of making lithium hydroxide monohydrate from spodumene concentrate has been developed and demonstrated in lab/pilot scale by the Corporation. The process proposed and deployed by the Corporation will be done by using known industrial unit operations such as flash calciner, pugmill, indirect fired acid bake kiln, chemical reactors, filters, electromembrane cells, crystallizers and acid concentrators. However, the process of assembling these industrial units has not been presently deployed on a commercial basis and contains the inherent risk related to new process development. Many of these risks have been mitigated with test work and mass balance modeling.

It is difficult to predict the complex interplay of different areas of the Shawinigan Electrochemical Plant resulting from differences from the expected operating conditions, upset conditions, planned and unplanned maintenance, and ramp up times, and can lead to reduced production. Existing mitigation measures include static availability analysis, addition of buffers between plant areas, and reserving space in the layout for additional buffers should they be required. Future mitigation measures include dynamic simulation of the process to confirm buffer sizing and operating practices.

It is important that high grade Whabouchi concentrate, similar to that used in the test work, be produced by the Concentrator. Should the concentrate produced by the Concentrator be significantly different with respect to composition, mineralogy or other properties, it is possible that certain plant areas observe operating problems or reduced efficiency which could result in reduced capacity or increased operating costs. Similarly, due to lack of data on the variability of impurities in the ore over the life of the mine, and the resulting impurities in the concentrate, no sensitivity analysis has been performed on the expected variability in the feed to the Concentrator. Future mitigation measures include maintaining Concentrator scope during execution to allow the production of high quality concentrate, inclusions of key impurities in the mine plan, adequate mine planning to level out peaks in impurity levels (should these exist), and blending at the mine site.

Flash calciners are used widely in various industries and offer many benefits over the more traditional rotary kiln. The use of flash calciners for the calcination of spodumene will be an industry first and contains risk related to operational performance, notably related to build-up of deposits within the calciner that can hinder operation, as well as due to the relatively short residence times which can result in reduced efficiency of conversion. Multiple pilot runs at two (2) reputable suppliers have been used to evaluate this risk and provide mitigation measures to include in the design. These mitigation measures include increased residence times to allow full conversion, supply of air canons and clean out ports to eliminate build-up should this occur, and issuing basic engineering packages to the vendors to advance their engineering.

A significant amount of test work has been performed to determine the acid mixing, acid bake, and leach conditions to carry forward in the commercial design. Nevertheless, due to budget and time constraints, repeat tests have not been performed on all test work results to ensure their reproducibility under the selected design conditions and for a wide variety of feed material. This results in the possibility of some variability in the exact extraction rates of lithium and impurities and/or filterability of residues. Existing mitigation measures include increased design factors on the leach and purification filters, and reserving space for additional impurity removal reactors should they be required. Future mitigation measures include, where warranted, performing confirmatory test work.

Acid concentration technologies are used in other industries, but will be operated commercially for the first time under the current lithium containing conditions. Laboratory and pilot test work has been performed at multiple suppliers to determine appropriate design parameters. Nevertheless, unforeseen issues could affect production capacity. Future mitigation strategies include obtaining firm price bids, and if recommended by the selected vendors, performing further test work to confirm detailed engineering design.

The commissioning and ramp up to full production capacity has not been completely defined at this point. The required turn down to meet a gradual increase in capacity may introduce unforeseen operability problems and the potential addition of temporary equipment and by-passes not accounted for in the estimate. Existing mitigation measures include the strategic placement of surge vessels throughout the process which permit a plant area to operate at a different throughput to a neighboring plant area by providing buffering between plant areas. This will allow a plant area to continue operating, even while a neighboring plant area is experiencing a maintenance issue. Future mitigation strategies include the development of a detailed start-up strategy during execution.

Electromembrane Process Risk

In the electro-membrane process, membranes degrade over time and must be replaced when their efficiency decreases to an unacceptable performance level. Analogous information from the chlor-alkali industry, 1,000-hour tests, and experience of the technology suppliers have allowed an estimation of the membrane and electrode coatings, life to be in the order of two years, assuming high-quality brine feed. Nevertheless, membrane life is unknown as no test has been performed of sufficient duration under the required conditions. In addition, membrane life will be significantly affected by operating methods and electro-membrane feed quality. Should membranes degrade more rapidly than expected the operating costs will increase and production may decrease. Existing mitigation measures includes on-going confirmatory laboratory test work at the equipment vendor, specific programs of process and optimization support by the equipment vendor, issuing basic engineering packages at the vendor to advance the engineering, and reserving space in the layout for additional electrolyzers should these be required. Future mitigation strategies include development of detailed operating guidelines, and adequate sparing philosophy so that membranes and associated components are available if required.

Infrastructure Risk

The Shawinigan site was selected because of the readily available existing infrastructure (roads, rail, building, nearby Hydro-Québec power lines). The main risk associated with the re-use of this infrastructure is in the conversion of the older paper mill buildings to meet the new requirements. The estimate includes scope for some building upgrades based on preliminary assessment.

Receiving reagents and shipping product, aluminum-silicate and gypsum by truck will generate a significant amount of truck traffic. Mitigation strategies include performing a traffic study during detailed engineering.

The Shawinigan Electrochemical Plant is located near a residential area. The design will ensure that noise, dust and other emissions meet regulations. The Corporation has put together a social acceptance plan to avoid community issues.

Capital Cost Risk

The layout will make use of the existing Buildings #67 and #80. A preliminary assessment of these buildings has been completed but the final analysis will only be done upon reception of certified vendor information that will only happen after the award of purchase order for equipment. One of the mitigation measure taken is to award engineering purchase order for some of the major packages (electrolysis, LHM crystallizer, calciner). For the remaining sector the design is based on preliminary vendor information but provisions have been made in the capital estimate for the upgrade of the existing buildings.

No geotechnical investigation of the Shawinigan site has been performed to date, and as such certain assumptions based on as-built data have been made with respect to the type and quantity of civil and structural work required. However, the Corporation did have some information about the rock profile and develop the layout and plot plan for key structure based on the known information. Should the geotechnical properties of the site vary significantly from the assumptions, project capital costs could increase. Mitigation measures include rapidly performing the required geotechnical assessments.

The capital cost estimate does not include escalation or provision that could result from changing market conditions.

A detailed contingency analysis has not been performed but provisions have been included in the estimate for less developed scope items such as ventilation, HVAC, utilities and services.

Operating Costs Risk

Aluminum silicate by-product will be produced in large quantities by the Shawinigan Electrochemical Plant and could bring about significant capital and operating costs should the Corporation not find end-users capable of accepting the product as is. No capital or operating costs have been included to prepare the aluminum silicate for shipment, sale or disposal in regulated landfills. Mitigation strategies include on-going investigations by the Corporation of potential end users.

Overall Project Risk

Lithium is considered as an industrial mineral and the sales prices for the different lithium compounds are not public. Sales agreements are negotiated on an individual and private basis with each different end-user. Therefore, it is possible that the sales prices used in the financial analysis be different than the actual market when the Corporation is in fact in a position to sell lithium compounds. In addition, there are a limited number of producers of lithium compounds and it is possible that these existing producers try to prevent new comers in the chain of supply by increasing their production capacity and lowering their sales prices. In such cases, the economics of the Whabouchi Project could be affected.

The Corporation intends to produce mainly lithium hydroxide monohydrate to address the increasing demand for that compound favored in the making of cathodes for rechargeable batteries. If cathode manufacturers use less hydroxide than expected or if the demand for rechargeable batteries, mainly in the electric and hybrid vehicles, is less than forecasted, it could have an effect on the sales price of that compound and the need for new production.

Any delays to secure the Whabouchi Project financing required to start construction will delay the beginning of production of concentrate at the Whabouchi Property. This may allow competing project to begin production before the Corporation and therefore reduce the market opportunity that the Corporation is targeting and could impact sales level and project economics.

Opportunities

a) Electro-membrane Demonstration Plant – Phase 1 Plant – 2017

The Phase 1 Plant is a 1/65 scale demonstration plant of the electro-membrane process for producing high quality LHM from spodumene and recycled lithium sulfate salts. It has a nameplate capacity of 500 t/y of LHM crystal production from recycled lithium sulfate salts and 100 t/y of LHM from spodumene concentrate. The Phase 1 Plant design is based on comparable industries (namely chlor-alkali), the traditional spodumene processing flow sheet, internally developed technologies, and know-how from reputable technology suppliers. Its design basis and technologies were established through extensive laboratory and pilot scale testing described earlier and realized under the supervision of the Corporation's own technical team and/or designated engineering firms at independent testing and suppliers' facilities since 2011. The Phase 1 Plant is designed for continuous operation with complete instrumentation and DCS allowing automated and safe operation.

The total budget to build and operate the Phase 1 Plant for two years is \$38 M.

The timeline for the Phase 1 Plant is as follows:

- September 2016 – Start construction;
- February 2017 – Start Electrolysis on recycled lithium sulfate solution;
- April 2017 – First tonne equivalent of $\text{LiOH-H}_2\text{O}$ solution produced from recycled lithium sulfate solution;
- June 2017 – First tonne of $\text{LiOH-H}_2\text{O}$ crystals produced from recycled lithium sulfate solution;
- October 2017 – Start processing spodumene concentrate feed; and
- December 2017 – First tonnes of $\text{LiOH-H}_2\text{O}$ crystals produced from spodumene concentrate.

The Phase 1 Plant includes the following key unit operations:

- Acid bake pug mixer, kiln, and cooler;
- Leaching reactor and filter;
- PIR reactors and filter;
- SIR reactors and filter;
- TIR reactors and filter;
- IX columns;
- To scale electromembrane cells within a pilot size electrolyzer;
- Crude and pure LHM crystallizer; and
- Services.

When running on recycled lithium sulfate solution, the acid bake and leaching steps are bypassed, and impurity removal is adapted for the specific feedstock.

Lithium carbonate precipitation system for treatment of purge solution is installed and remains to be commissioned. LHM crystal drying is in planning stages.

Figure: Overview Picture of Purification and Crystallization Unit Operation



The spodumene concentrate was sourced from the Whabouchi Property. Spodumene calcination was performed offsite by third-party suppliers using various technologies.

The Corporation's objectives in building and operating the Phase 1 demonstration plant in advance of starting commercial scale operation were multiple:

- To demonstrate its ability to repeatedly produce lithium hydroxide according to quality specifications as defined by customers including battery customers.
- To qualify its products with customers and sign off-take agreements before starting operation of the Shawinigan Electrochemical Plant.
- For the development of staff skills and internal processes and to provide strong foundations for the integration of new staff in the Shawinigan Electrochemical Plant.
- Process improvements made during the life of the Phase 1 Plant and operational lessons learned can be integrated in the engineering of the Shawinigan Electrochemical Plant.
- The Corporation will also process lithium sulfate solution that is produced by some customers in their industrial processes and convert it into lithium hydroxide, demonstrating the versatility of the process.

Since the beginning of its operation in Q1 2017, many of those objectives and milestones were achieved:

- Phase 1 Plant was operated in several campaigns and produced approximately 24 tonnes of lithium hydroxide monohydrate crystals from lithium sulfate solution. The Phase 1 Plant was deliberately run at lower than nameplate capacity to ramp up and stabilize operation and adapt operation to match the availability of feedstock. This material qualified as battery grade as per typical market specifications.

Table: Nemaska Lithium LiOH-H₂O Produced at P1P from Recycled Lithium Sulfate Solution

Element	Unit	Market LiOH-H ₂ O Specs* Span of Max Values	Nemaska LiOH-H ₂ O Product
LiOH	% w/w	54.8 - 56.5	
Ca	mg/kg	10 - 100	< 1
Na	mg/kg	20 - 500	< 20
K	mg/kg	10 - 250	< 10
Mg	mg/kg	10	< 1
Fe	mg/kg	5 - 21	< 5
Al	mg/kg	10	< 1
CO ₂	% w/w	0.035 - 0.35	< 0.2
Cl	mg/kg	15 - 100	< 10
SO ₄	mg/kg	50 - 300	< 150
Cr	mg/kg	5 - 100	< 1
Cu	mg/kg	1 - 5	< 1
Ni	mg/kg	1 - 10	< 1
Si	mg/kg	20 - 30	< 10
Zn	mg/kg	10	< 1
Sol. Acid	mg/kg	40 - 1,000	< 50

* Data from publicly available company product list

- Since the end of 2016, engineers, process specialists, support teams, key management staff, and 24 technical operators have been hired and trained to operate Phase 1 Plant. These highly skilled technicians have educational backgrounds in mechanical, chemical, and electrical disciplines as well as a range of technical work experience including chemical plant start-up. Both process safety reviews during engineering and skilled personnel proved to be efficient at preventing accidents during commissioning, start-up, and operation of the Phase 1 Plant, leading to no recordable injury up to now. This phase allowed the development of important internal processes and know-how required for the commercial phase.
- Learnings from Phase 1 Plant operation were transferred and integrated to the process and engineering design of the Shawinigan Electrochemical Plant. This mitigates many of the technical risks associated with new process development.
- Continued operation of Phase 1 Plant until start-up of the Shawinigan Electrochemical Plant will allow the production of commercial samples for future clients, accelerating the qualification process. It will also continue to bring sustained learnings and serve as a training platform for the future members joining the Corporation for the commercial operations.

In October 2017, the Phase 1 Plant started to process spodumene concentrate from the Whabouchi Property. The Phase 1 Plant will continue to process spodumene in 2018 to further demonstrate and optimize the process, qualify product with clients, and to develop the know-how of the workers in advance of the start-up of the full scale commercial process.

Recommendations

Based on the Whabouchi Project's demonstrated economic, it is recommended to proceed to the implementation phase once the Whabouchi Project is financed.

For the Whabouchi Property site, site work has already been started and engineering is progressed with the available funds that the Corporation already has. It has allowed the various parties involved to develop a clear detailed execution plan that fits the proposed schedule. A total budget of \$270 M is needed to complete construction of the Whabouchi Mine and Concentrator, and allow the Corporation to produce concentrate to feed the Shawinigan Electrochemical Plant.

For the Shawinigan Electrochemical Plant, engineering is not as advanced as for the mine site, but engineering is underway to meet the schedule outlined in the Technical Report. The initial budget to complete all engineering and construction related activities for the Shawinigan Electrochemical Plant is \$531 M.

Specific elements that need to be monitored or done are listed below.

For Whabouchi Site

- Prepare drill program for the definition of the eastern extension of the Doris zone and the inferred portions of the Doris and InterDoris zones within the optimised pit shell;
- Continue to advance detailed engineering as budget allows for faster project delivery once financing is secured;
- Pursue discussions with proper authorities and the operating company to finalize the trans-shipment site in the Chibougamau area; and
- Continue environmental permitting to comply with regulations.

For Electrochemical Plant

Process

- Monitor the development of the Concentrator to ensure that the quality of the concentrate is maintained for processing in the Shawinigan Electrochemical Plant.
- Investigate variability of impurities across the deposit, to allow, if required, the development of mitigation plans in the Shawinigan Electrochemical Plant.
- Perform dynamic simulation of the Shawinigan Electrochemical Plant operations to optimize buffer tank sizing and operability considerations.
- Perform outstanding test work required to finalize design of concentrate crushing system, materials of construction, and ion exchange.
- Perform supplementary test work on acid bake and leach to confirm final design parameters.
- Once firm price bids are received and equipment vendors selected, perform any recommended test work required to finalize design of equipment.

- Prepare firm price request for quotes for the acid concentration equipment and establish base case technology configuration.
- Develop a detailed start-up strategy to meet target ramp up times.

Electro-membrane Process

- Continue studies of optimization of systems peripheral to the electrochemical cells to reduce capital cost; and
- Continue studies of membrane and coating lifetimes as a function of impurity profile and other process variables.

Capital Cost

- Obtain firm price for the acid baking kiln and cooler, and acid concentration equipment;
- Award long lead items as soon as the financing is secured to allow the master schedule to be maintained;
- Perform remaining geotechnical surveys to optimize civil work;
- Upon reception of key vendor information refine design and update material quantities; and
- Perform a detailed contingency analysis as design progresses to allow proper trending of costs.

Operating Cost

- Pursue work on aluminum-silicate by-product characteristics to confirm their attractiveness for potential clients.

TECHNICAL INFORMATION HIGHLIGHTS

As additional information to the disclosure provided in the Technical Report and as of the date of this Prospectus, all 33 claims are in good standing. However, amongst the 33 claims, two claims (numbers 2137247 and 2137248) are in the process of being divided and renumbered following the conversion of portions thereof into the Mining Lease. The Corporation needs to comply with certain obligations in connection with the Mining Lease, including:

- to pay the rent annually in accordance with the Mining Lease and any applicable legislation or regulations;
- to commence the mining operations on the land subject to the Mining Lease within the period established by the Mining Act;
- to use the surface of the land subject to the Mining Lease for mining uses only; and
- to pay any applicable taxes, annual duties and royalties in accordance with the applicable legislation or regulations; and
- to comply with the requirements established by the Mining Act and any other applicable legislation or regulations.

As of the date of the Prospectus, in addition to the Mining Lease, the Corporation owns the following mining claims:

Table: List of the Property Mining Claims as of the Date Hereof⁽¹⁾

SNRC	Area (ha)	Title	Title #	Status	Registration Date	Expiration Date	Renewals Done	Titleholder
32O12	52.269	CDC	101251	Active	03-11-2005	02-11-2019	6	Corporation 100%
32O12	53.38	CDC	101252	Active	03-11-2005	02-11-2019	6	Corporation 100%
32O12	53.41	CDC	101253	Active	03-11-2005	02-11-2019	6	Corporation 100%
32O12	53.4 ⁽²⁾	CDC	2137247 ⁽³⁾	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.4 ⁽²⁾	CDC	2137248 ⁽³⁾	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	32.377	CDC	2137249	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	45.108	CDC	2137250	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	27.093	CDC	2137251	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	58.08	CDC	2137252	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.38	CDC	2137253	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.38	CDC	2137254	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.38	CDC	2137255	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.38	CDC	2137256	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.38	CDC	2137257	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.38	CDC	2137258	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.37	CDC	2137259	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.37	CDC	2137260	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.37	CDC	2137261	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.37	CDC	2137262	Active	26-11-2007	25-11-2019	5	Corporation 100%
32O12	53.41	CDC	2141913	Active	24-01-2008	23-01-2020	5	Corporation 100%
32O12	51.42	CDC	2141920	Active	24-01-2008	23-01-2020	5	Corporation 100%
32O12	53.4	CDC	2141921	Active	24-01-2008	23-01-2020	5	Corporation 100%
32O12	53.39	CDC	2141927	Active	24-01-2008	23-01-2020	5	Corporation 100%

SNRC	Area (ha)	Title	Title #	Status	Registration Date	Expiration Date	Renewals Done	Titleholder
32O12	53.39	CDC	2141928	Active	24-01-2008	23-01-2020	5	Corporation 100%
32O12	53.38	CDC	2141933	Active	24-01-2008	23-01-2020	5	Corporation 100%
32O12	53.38	CDC	2141934	Active	24-01-2008	23-01-2020	5	Corporation 100%
32O12	53.41	CDC	2202355	Active	21-01-2010	20-01-2020	4	Corporation 100%
32O12	53.4	CDC	2202356	Active	21-01-2010	20-01-2020	4	Corporation 100%
32O12	53.39	CDC	2202357	Active	21-01-2010	20-01-2020	4	Corporation 100%
32O12	53.41	CDC	2203107	Active	25-01-2010	24-01-2020	4	Corporation 100%
32O12	53.128	CDC	2203108	Active	25-01-2010	24-01-2020	4	Corporation 100%
32O12	53.39	CDC	2203109	Active	25-01-2010	24-01-2020	4	Corporation 100%
32O12	53.39	CDC	2203110	Active	25-01-2010	24-01-2020	4	Corporation 100%

Notes:

- (1) The information provided in the above table is updated as of the date of the Prospectus as compared to the information in the table provided in the Technical Report. Such update is required due to the change of certain claims' limits following the grant of the Mining Lease.
- (2) The claims identified were impacted by the Mining Lease and do not cover 100% of its corresponding area as stated above; see figure "Whabouchi Mine Mineral Titles".
- (3) The claims identified are in the process of being divided and renumbered following the conversion of portions thereof into the Mining Lease.

CONSOLIDATED CAPITALIZATION

Since December 31, 2017, there have been no material changes in the Corporation's share or loan capital, other than:

- (i) the issuance of an aggregate of 100,000 Common Shares of the Corporation following the exercise of an aggregate of 100,000 options, for an aggregate cash consideration of \$120,000; and
- (ii) the issuance of an aggregate of 1,188,856 Common Shares of the Corporation following the exercise by brokers of an aggregate of 1,188,856 warrants, for an aggregate cash consideration of \$1,532,639.

USE OF PROCEEDS FROM PREVIOUS FINANCINGS

The following comparison table discloses how the Corporation used the proceeds and its other available funds (other than working capital) derived from its previous financings as opposed to the initial intended use of proceeds previously disclosed:

Summary of the Investments			(A)		(B)		(A + B)		Actual Completion as at December 31, 2017
2016 Feasibility Study (2016 FS)	2018 Feasibility Study (including sunk costs as at November 30, 2017) (2018 FS)	2016 FS (\$ '000)	2018 FS (\$ '000)	(%) vs 2016 FS	(%) vs 2016 FS	(%) vs 2016 FS	(%) vs 2016 FS		
Whabouchi Site									
Direct Costs									
Mobile equipment and related costs	16,783	6,711	-	0.0%	0.0%	-	0.0%	-	-
Open Pit Development	4,163	1,656	0	0.0%	0.0%	-	0.0%	51.8%	858
Buildings, Piping, Automation and Mechanical Infrastructures	65,772	63,393	9,723	14.8%	19.5%	12,797	34.2%	13.9%	8,824
Power, Communication and Monitoring	8,220	16,219	4,535	55.2%	44.8%	3,685	100.0%	89.8%	14,557
Site preparation	13,907	63,944	3,692	26.6%	68.2%	9,480	94.7%	20.2%	12,911
Equipment and Freight	45,128	77,596	5,900	13.1%	0.0%	-	13.1%	7.5%	5,840
Indirect Costs and Contingency									
EPCM	14,743	32,975	6,000	40.7%	23.9%	3,528	64.6%	37.4%	12,346
Corporation's Costs	45,066	25,768	4,400	9.8%	7.9%	3,571	17.7%	48.9%	12,612
Closure / Rehabilitation Costs	3,669	6,905	-	0.0%	0.0%	-	0.0%	66.7%	4,603
Contingency	21,745	38,185	0	0.0%	0.0%	-	0.0%	0.0%	-
Total Costs Whabouchi Mine Site	239,197	333,352	34,251	14.3%	13.8%	33,061	28.1%	21.8%	72,552

Shawinigan Site		2016 FS (\$ '000)	2018 FS (\$ '000)	(%) vs 2016 FS	(\$ '000)	(%) vs 2016 FS	(\$ '000)	(%) vs 2016 FS	(\$ '000)	(%) vs 2018 FS	(\$ '000)
Direct Costs											
Buildings, Automation Infrastructures	Piping, and Electrical, Mechanical	98,602	64,991	0.7%	728	0.5%	448	1.2%	1,176	3.7%	2,390
Equipment and Freight		131,595	309,887	2.7%	3,600	0.0%	-	2.7%	3,600	0.0%	-
Indirect Costs and Contingency											
Project Development		5,405	8,132	8.7%	473	42.2%	2,279	50.9%	2,752	2.9%	232
EPCM		25,171	57,000	15.9%	4,000	2.0%	500	17.9%	4,500	10.3%	5,844
Corporation's Costs		14,983	30,770	21.4%	3,200	16.0%	2,398	37.4%	5,598	18.2%	5,605
Contingency		34,469	70,617	0.0%	-	0.0%	-	0.0%	0	0.0%	-
Total Costs Shawinigan Site		310,224	541,397	3.9%	12,000	1.8%	5,625	5.7%	17,625	2.6%	14,070
Total Costs Whabouchi Mine Site and Shawinigan Site		549,421	874,749	8.4%	46,251	7.0%	38,686	15.5%	84,937	9.9%	86,622

USE OF PROCEEDS AND OTHER AVAILABLE FUNDS

Unless otherwise specified in a particular Prospectus Supplement, the net proceeds from the sale of Securities will be used to fund the construction, commissioning, working capital and reserves funds of the Whabouchi Project and also for general corporate purposes. The Corporation also intends to raise the remainder of required funds to complete the construction and commissioning of the Whabouchi Project through a balanced approach combining loan facilities, the forward sale of lithium salts by way of streaming facilities and the issuance of debt and equity. Each Prospectus Supplement will contain specific information concerning the use of proceeds from that sale of Securities. See “Capital and Operating Costs – The Whabouchi Project” and “Risk Factors”.

The Corporation had negative operating cash flow for the financial year ended June 30, 2017. The average burn rate per month, including development capitalized costs not covered by grants and construction costs, for the 6 months period that ended December 31, 2017 was at an average of \$8.7 M and; as of February 28, 2018, the Corporation had an estimated working capital of approximately \$17 M based on the information available to the Corporation as at the date of the Prospectus. The Corporation anticipates it will continue to have negative cash flow until such time, if ever, that commercial production is achieved for the Whabouchi Project. To the extent that the Corporation has negative operating cash flows in future periods, the Corporation may need to allocate a portion of its existing working capital to fund such negative cash flow.

EARNINGS COVERAGE RATIOS

The Corporation had no revenue from operations and no debt bearing interest for the period of 12 months ended on June 30, 2017 and for the six-month period ended December 31, 2017.

DESCRIPTION OF COMMON SHARES

The holders of Common Shares are entitled to vote at all shareholder meetings. They are also entitled to dividends, if, as and when declared by the board of directors of the Corporation and, upon liquidation or winding-up of the Corporation, to share the residual assets of the Corporation. The Common Shares do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Common Shares, all of which rank equally as to all benefits which might accrue to the holders of the Common Shares.

DESCRIPTION OF DEBT SECURITIES

The following sets forth certain general terms and provisions of the Debt Securities. The particular terms and provisions of Debt Securities offered by a Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Debt Securities, will be described in such Prospectus Supplement.

The Debt Securities will be issued in series under one or more trust indentures to be entered into between the Corporation and a financial institution to which the Trust and Loan Companies Act (Canada) applies or a financial institution organized under the laws of any province of Canada and authorized to carry on business as a trustee. Each such trust indenture, as supplemented or amended from time to time, will set out the terms of the applicable series of Debt Securities. The statements in this prospectus relating to any trust indenture and the Debt Securities to be issued under it are summaries of anticipated provisions of an applicable trust indenture and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of such trust indenture, as applicable.

Each trust indenture may provide that Debt Securities may be issued thereunder up to the aggregate principal amount which may be authorized from time to time by the Corporation. Any Prospectus Supplement for Debt Securities will contain the terms and other information with respect to the Debt Securities being offered, including (i) the designation, aggregate principal amount and authorized denominations of such Debt Securities, (ii) the currency for which the Debt Securities may be purchased and the currency in which the principal and any interest is payable (in either case, if other than Canadian dollars), (iii) the percentage of the principal amount at which such Debt Securities will be issued, (iv) the date or dates on which such Debt Securities will mature, (v) the rate or rates at which such Debt Securities will bear interest (if any), or the method of determination of such rates (if any), (vi) the dates on which any such interest will be payable and the record dates for such payments, (vii) any redemption term or terms under which such Debt Securities may be defeased, (viii) any exchange or conversion terms, and (ix) any other specific terms.

Each series of Debt Securities may be issued at various times with different maturity dates, may bear interest at different rates and may otherwise vary.

The Debt Securities will be direct obligations of the Corporation. The Debt Securities will be senior or subordinated indebtedness of the Corporation as described in the relevant Prospectus Supplement

DESCRIPTION OF SUBSCRIPTION RECEIPTS

This section describes the general terms that will apply to any Subscription Receipts that may be offered pursuant to this Prospectus and the relevant Prospectus Supplement. Subscription Receipts may be offered separately or together with Common Shares, Debt Securities or Warrants, as the case may be. The Subscription Receipts will be issued under a subscription receipt agreement.

The applicable Prospectus Supplement will include details of the subscription receipt agreement covering the Subscription Receipts being offered. A copy of the subscription receipt agreement relating to an offering of Subscription Receipts will be filed by the Corporation with securities regulatory authorities in Canada after being entered into. The specific terms of the Subscription Receipts, and the extent to which the general terms described in this section apply to those Subscription Receipts, will be set forth in the applicable Prospectus Supplement. This description will include, where applicable:

- the number of Subscription Receipts;
- the price at which the Subscription Receipts will be offered;
- the procedures for the conversion of the Subscription Receipts into Common Shares, Debt Securities or Warrants;
- the number of Common Shares, Debt Securities or Warrants that may be issued upon conversion of each Subscription Receipt;
- the designation and terms of any other securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each security;
- terms applicable to the gross or net proceeds from the sale of the Subscription Receipts plus any interest earned thereon;
- material Canadian federal income tax consequences of owning the Subscription Receipts; and
- any other material terms and conditions of the Subscription Receipts.

The subscription receipt agreement covering the Subscription Receipts being offered will provide that any misrepresentation in this Prospectus, the applicable Prospectus Supplement, or any amendment hereto or thereto, will entitle each initial purchaser of Subscription Receipts to a contractual right of rescission following the issuance of the underlying Common Shares, Debt Securities or Warrants to such purchaser entitling the purchaser to receive the amount paid for the Subscription Receipts upon surrender of the underlying securities, provided that the remedy for rescission is exercised within the time frame stipulated by securities laws as set out in the subscription receipt agreement.

DESCRIPTION OF WARRANTS

This section describes the general terms that will apply to any Warrants for the purchase of Common Shares (the “**Equity Warrants**”) or for the purchase of Debt Securities (the “**Debt Warrants**”).

Warrants may be offered separately or together with other Securities, as the case may be. Each series of Warrants may be issued under a separate warrant indenture or warrant agency agreement to be entered into between the Corporation and one or more banks or trust companies acting as Warrant agent or may be issued as stand-alone contracts. The applicable Prospectus Supplement will include details of the Warrant agreements governing the Warrants being offered. The Warrant agent will act solely as the agent of the Corporation and will not assume a relationship of agency with any holders of Warrant certificates or beneficial owners of Warrants. The following sets forth certain general terms and provisions of the Warrants offered under this Prospectus. The specific terms of the Warrants, and the extent to which the general terms described in this section apply to those Warrants, will be set forth in the applicable Prospectus Supplement. A copy of any warrant indenture or any warrant agency agreement relating to an offering of Warrants will be filed by the Corporation with the securities regulatory authorities in Canada after it has been entered into.

The Corporation will not offer Warrants or other convertible or exchangeable Securities for sale separately (as opposed to part of a Unit offering) to any member of the public in Canada unless the offering is in connection with and forms part of the consideration for an acquisition or merger transaction or unless a Prospectus Supplement containing the specific terms of the Warrants or other convertible or exchangeable Securities to be offered separately is first approved for filing by the securities commissions or similar regulatory authorities in each of the provinces of Canada where the Warrants will be offered for sale.

Equity Warrants

The particular terms of each issue of Equity Warrants will be described in the relevant Prospectus Supplement. This description will include, where applicable:

- the designation and aggregate number of Equity Warrants;
- the price at which the Equity Warrants will be offered;
- the currency or currencies in which the Equity Warrants will be offered;
- the date on which the right to exercise the Equity Warrants will commence and the date on which the right will expire;
- the class and/or number of Common Shares that may be purchased upon exercise of each Equity Warrant and the price at which and currency or currencies in which the Common Shares may be purchased upon exercise of each Equity Warrant;
- the terms of any provisions allowing for adjustment in (i) the class and/or number of Common Shares that may be purchased, (ii) the exercise price per Common Share, or (iii) the expiry of the Equity Warrants;
- whether the Corporation will issue fractional shares;

- the designation and terms of any Securities with which the Equity Warrants will be offered, if any, and the number of the Equity Warrants that will be offered with each Security;
- the date or dates, if any, on or after which the Equity Warrants and the related Securities will be transferable separately;
- whether the Equity Warrants will be subject to redemption and, if so, the terms of such redemption provisions;
- whether the Corporation has applied to list the Equity Warrants and/or the related Common Shares on a stock exchange;
- material Canadian federal income tax consequences of owning the Equity Warrants; and
- any other material terms or conditions of the Equity Warrants.

Debt Warrants

The particular terms of each issue of Debt Warrants will be described in the relevant Prospectus Supplement. This description will include, where applicable:

- the designation and aggregate number of Debt Warrants;
- the price at which the Debt Warrants will be offered;
- the currency or currencies in which the Debt Warrants will be offered;
- the designation and terms of any Securities with which the Debt Warrants are being offered, if any, and the number of the Debt Warrants that will be offered with each Security;
- the date or dates, if any, on or after which the Debt Warrants and the related Securities will be transferable separately;
- the principal amount of Debt Securities that may be purchased upon exercise of each Debt Warrant and the price at which and currency or currencies in which that principal amount of Debt Securities may be purchased upon exercise of each Debt Warrant;
- the date on which the right to exercise the Debt Warrants will commence and the date on which the right will expire;
- the minimum or maximum amount of Debt Warrants that may be exercised at any one time;
- whether the Debt Warrants will be subject to redemption, and, if so, the terms of such redemption provisions;
- material Canadian federal income tax consequences of owning the Debt Warrants; and
- any other material terms or conditions of the Debt Warrants.

DESCRIPTION OF UNITS

This section describes the general terms that will apply to any Units that may be offered pursuant to this Prospectus.

Units are a security comprised of more than one of the other Securities described in this Prospectus offered together as a “Unit”. A Unit is typically issued so the holder thereof is also the holder of each Security included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each Security comprising the Unit. The agreement, if any, under which a Unit is issued may provide that the Securities comprising the Unit may not be held or transferred separately at any time or at any time before a specified date.

The particular terms and provisions of Units offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the Prospectus Supplement filed in respect of such Units. This description will include, where applicable: (i) the designation and terms of the Units and of the Securities comprising the Units, including whether and under what circumstances those Securities may be held or transferred separately; (ii) any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units; (iii) whether the Units will be issued in registered or global form; and (iv) any other material terms and conditions of the Units.

PLAN OF DISTRIBUTION

The Corporation may sell the Securities to or through underwriters, dealers or agents and, subject to applicable securities laws, may also offer the Securities directly to potential purchasers pursuant to applicable statutory exemptions at prices and upon terms negotiated between the purchasers (including any underwriters) and the Corporation.

The applicable Prospectus Supplement will state the terms of its corresponding offering, including the name or names of any underwriters, dealers or agents, the initial offering price (in the event that the offering is a fixed price distribution), the manner of determining the initial offering price(s) (in the event the offering is made at prices which may be changed at market prices prevailing at the time of the sale, at prices related to such prevailing market prices or at negotiated prices, including sales in transactions that are deemed to be “at-the-market distributions” as defined in Regulation 44-102 - *Shelf Distributions* (“**NI 44-102**”), including sales made directly on the TSX), the proceeds to the Corporation from the sale of the Securities, any underwriting discount or commission and any discounts, concessions or commissions allowed or reallocated or paid by any underwriter to other underwriters, dealers or agents. Any initial offering price and discounts, concessions or commissions allowed or reallocated or paid to dealers may be changed from time to time.

Underwriters, dealers or agents who participate in the distribution of the Securities may be entitled, under agreements to be entered into with the Corporation, to indemnification by the Corporation against certain liabilities, including liabilities under Canadian securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof. Such underwriters, dealers and agents may be customers of, engage in transactions with, or perform services for, the Corporation in the ordinary course of business.

The Corporation and, if applicable, the dealers, underwriters or agents reserve the right to reject any offer to purchase any Securities offered, in whole or in part. The Corporation also reserves the right to withdraw, cancel or modify the offering of any Securities under this Prospectus and any Prospectus Supplement without notice.

The Securities may be sold, from time to time in one or more transactions at a fixed price or prices which may be changed or at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at negotiated prices, including sales made directly on the TSX or other existing trading markets for the Securities. The prices at which the Securities may be offered may vary as between purchasers and during the period of distribution.

In connection with any offering of Securities, other than an “at-the-market distribution” (unless otherwise specified in a Prospectus Supplement) the dealers, underwriters or agents may, when acting as an agent, over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

The dealers, underwriters or agents, if applicable, may from time to time purchase and sell the Securities in the secondary market but are not obliged to do so. The Corporation's outstanding Common Shares are listed and posted for trading on the TSX under the symbol "NMX" and on the OTCQX under the symbol "NMKEF". Unless otherwise indicated in a Prospectus Supplement or pricing supplement, there is no market through which Debt Securities, Subscription Receipts, Warrants and Units may be resold and purchasers may not be able to resell the Securities purchased under this Prospectus. The offering price and other selling terms for any sales in the secondary market may, from time to time, be varied by the dealers, underwriters or agents.

The Securities have not been, and will not be, registered under the 1933 Act or the securities laws of any states in the United States and, subject to certain exceptions, may not be offered or sold or otherwise transferred or disposed of in the United States absent registration or pursuant to an applicable exemption from the 1933 Act and applicable state securities laws. In addition, until 40 days after closing of an offering of Securities, an offer or sale of the Securities within the United States by any dealer (whether or not participating in such offering) may violate the registration requirement of the 1933 Act if such offer or sale is made other than in accordance with an exemption under the 1933 Act.

PRIOR SALES

During the 12-month period prior to the date of this Prospectus, the Corporation issued securities as follows:

Issue Date	Number and Class of Securities	Issue Price or Exercise Price per Security
March 13, 2018	75,000 options	\$1.34
January 15, 2018	400 Common Shares ⁽²⁾	\$1.50
January 10, 2018	716,129 Common Shares ⁽²⁾	\$1.15
January 10, 2018	100,000 Common Shares ⁽¹⁾	\$1.20
January 9, 2018	268,300 Common Shares ⁽²⁾	\$1.50
January 8, 2018	2,027 Common Shares ⁽²⁾	\$1.50
January 8, 2018	350,000 options	\$2.39
January 5, 2018	75,000 options	\$2.32
January 4, 2018	202,000 Common Shares ⁽²⁾	\$1.50
December 21, 2017	179,033 Common Shares ⁽²⁾	\$1.50
December 18, 2017	14,705,883 Common Shares ⁽²⁾	\$0.48
December 13, 2017	2,000 Common Shares ⁽²⁾	\$1.50
December 11, 2017	4,411,765 Common Shares ⁽²⁾	\$0.48
December 11, 2017	179,032 Common Shares ⁽²⁾	\$1.15
December 5, 2017	805,646 Common Shares ⁽²⁾	\$1.50
December 5, 2017	1,611,292 Common Shares ⁽²⁾	\$1.15
December 6, 2017	250,500 Common Shares ⁽²⁾	\$1.50
December 5, 2017	125,000 Common Shares ⁽¹⁾	\$0.92
November 15, 2017	125,000 Common Shares ⁽¹⁾	\$0.92
November 15, 2017	150,000 Common Shares ⁽¹⁾	\$0.40
October 24, 2017	358,065 Common Shares ⁽²⁾	\$1.15
October 24, 2017	15,000 Common Shares ⁽¹⁾	\$0.125
October 13, 2017	100,000 options	\$1.43

Issue Date	Number and Class of Securities	Issue Price or Exercise Price per Security
September 25, 2017	300,000 options	\$1.41
September 21, 2017	25,000 Common Shares ⁽¹⁾	\$0.92
September 15, 2017	300,000 Common Shares ⁽¹⁾	\$0.425
August 14, 2017	100,000 options	\$1.19
July 31, 2017	125,000 Common Shares ⁽¹⁾	\$0.12
June 29, 2017	47,620,000 Common Shares ⁽³⁾	\$1.05
May 15, 2017	150,000 Common Shares ⁽¹⁾	\$0.40
May 11, 2017	350,000 options	\$1.11
April 28, 2017	192,500 Common Shares ⁽²⁾	\$0.27
April 28, 2017	1,663,500 Common Shares ⁽²⁾	\$0.20
April 28, 2017	1,857,500 Common Shares ⁽²⁾	\$0.22
April 27, 2017	25,000 Common Shares ⁽²⁾	\$0.20
April 27, 2017	1,373,000 Common Shares ⁽²⁾	\$0.22
April 26, 2017	2,070,500 Common Shares ⁽²⁾	\$0.22
April 25, 2017	1,223,000 Common Shares ⁽²⁾	\$0.22
April 24, 2017	411,000 Common Shares ⁽²⁾	\$0.22
April 21, 2017	452,650 Common Shares ⁽²⁾	\$0.20
April 21, 2017	1,362,000 Common Shares ⁽²⁾	\$0.22
April 19, 2017	40,000 Common Shares ⁽²⁾	\$0.22
April 17, 2017	120,000 Common Shares ⁽²⁾	\$0.22
April 11, 2017	25,000 Common Shares ⁽²⁾	\$0.20

Notes:

- (1) Issued upon the exercise of options.
- (2) Issued upon the exercise of warrants.
- (3) Issued pursuant to the June 2017 Short Form Prospectus Offering.

TRADING PRICE AND VOLUME

The Common Shares of the Corporation are listed and posted for trading on the TSX under the symbol “NMX”.

The following table sets forth trading information for the Common Shares on the TSX (as reported by web.tsxmoney.com) during the 12-month period prior to the date of the Prospectus.

Month	High (\$) ⁽¹⁾	Low (\$) ⁽²⁾	Trading volume ⁽³⁾
March 2017	1.43	1.25	14,463,846
April 2017	1.36	1.15	11,345,809
May 2017	1.28	0.95	21,611,114
June 2017	1.23	0.98	14,060,448
July 2017	1.31	0.95	15,146,907
August 2017	1.30	1.10	13,570,195

Month	High (\$) ⁽¹⁾	Low (\$) ⁽²⁾	Trading volume ⁽³⁾
September 2017	1.50	1.24	30,327,350
October 2017	1.84	1.40	37,453,505
November 2017	2.06	1.56	39,001,939
December 2017	2.40	1.94	37,169,738
January 2018	2.44	1.64	56,397,757
February 2018	1.85	1.31	33,232,301
March 1 st , 2018 to March 28, 2018	1.48	1.02	38,457,688

Notes:

- (1) Includes intra-day high prices.
- (2) Includes intra-day low prices.
- (3) Total volume traded in the relevant period.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement may describe certain Canadian federal income tax considerations generally applicable to investors described therein of purchasing, holding and disposing of applicable Securities, including, in the case of an investor who is not a resident of Canada, Canadian non-resident withholding tax consideration.

RISK FACTORS

In addition to the risk factors set forth herein, additional risk factors relating to the Corporation's business are discussed in the AIF and in the MD&As, which risk factors are incorporated herein by reference. An investment in the Securities offered hereby involves certain risks. Before investing, purchasers of Securities should carefully consider the information contained in this Prospectus as well as the other information contained in and incorporated by reference in this Prospectus and in the applicable Prospectus Supplement before purchasing the Securities offered hereby. If any event arising from these risks occurs, the Corporation's business, prospects, financial condition, results of operations or cash flows, or your investment in the Securities could be materially adversely affected.

Risk related to An Offering of Securities

No Market for the Securities

There is currently no trading market for any Debt Securities, Subscription Receipts, Warrants or Units that may be offered. No assurance can be given that an active or liquid trading market for these securities will develop or be sustained. If an active or liquid market for these securities fails to develop or be sustained, the prices at which these securities trade may be adversely affected. Whether or not these securities will trade at lower prices depends on many factors, including liquidity of these securities, prevailing interest rates and the markets for similar securities, the market price of the Corporation, general economic conditions and the Corporation's financial condition, historic financial performance and future prospects.

Use of Proceeds

While information regarding the use of proceeds from the sale the Securities will be described in the applicable Prospectus Supplement, the Corporation will have broad discretion over the use of the net proceeds from an offering of Securities. Because of the number and variability of factors that will determine the use of such proceeds, the Corporation's ultimate use might vary substantially from its planned use. Purchasers of Securities may not agree with how the Corporation allocate or spend the proceeds from an offering of Securities. The Corporation may pursue acquisitions, collaborations or other opportunities that do not result in an increase in the market value of our securities, including the market value of our Common Shares, and that may increase our losses.

Risks Related to the Corporation

Uncertainty of Additional Funding

To continue its activities and complete the construction and operation of the Whabouchi Project, the Corporation will require additional capital which will depend on the Corporation's ability to obtain financing through the forward sale of lithium salts by way of streaming facilities, debt, equity or other means. The Corporation's ability to meet its obligations and maintain its construction and operational plans is contingent upon successful completion of additional financing arrangements. Although the Corporation has been successful in raising funds to date, there is no assurance that the Corporation will be successful in obtaining the required financing in the future or that such financing will be available on terms acceptable to the Corporation. In addition, any future financing may also be dilutive to existing shareholders of the Corporation.

LEGAL MATTERS

Unless otherwise specified in the Prospectus Supplement relating to an offering of Securities, certain legal matters relating to the offering of Securities will be passed upon on behalf of the Corporation by Stein Monast L.L.P. with respect to matters of Canadian law. In addition, certain legal matters in connection with any offering of Securities will be passed upon for any underwriters, dealers or agents by counsel to be designated at the time of the offering by such underwriters, dealers or agents with respect to matters of Canadian and, if applicable, United States or other foreign law.

EXEMPTION FROM THE REGULATION

The Corporation has applied for an exemption pursuant to Section 11.1 of NI 44-102 requesting relief from the requirement under Section 6.3(1)3 to include a prospectus certificate signed by each agent or underwriter with respect to the Securities offered by any Prospectus Supplement to the extent that such agent or underwriter is not a registered dealer in any Canadian jurisdiction (a "**Foreign Dealer**"). Accordingly, such Foreign Dealer would not, directly or indirectly, solicit offers to purchase or sell any Securities in Canada and all sales of Securities pursuant to a Prospectus Supplement to Canadian residents would solely be made through other agents or underwriters that are duly registered in the applicable Canadian jurisdictions where any offer of Securities will be made (the "**Canadian Dealers**"); and the Prospectus Supplement would include a certificate signed by each Canadian Dealer in compliance with Section 6.3(1)3 of NI 44-102 and Section 5.9(1) of NI 44-101. The granting of the exemption will be evidenced by issuance of a receipt in respect of the Prospectus. No application for exemptive relief was sought in any other jurisdiction of Canada as, in the Corporation's view, there would be no "distribution" of Securities in those other jurisdictions (within the meaning ascribed to such term under applicable securities laws in such other jurisdictions) in connection of a foreign offering.

AUDITORS, TRANSFER AGENT AND REGISTRAR

KPMG LLP are the Corporation's current auditors and have confirmed that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

The Corporation's transfer agent and registrar for the Common Shares is Computershare Investor Services Inc. 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1.

INTERESTS OF EXPERTS

The names of each person or company who has prepared or certified a report, valuation, statement or opinion in this Prospectus, either directly or in a document incorporated by reference, and whose profession or business gives authority to the report, valuation, statement or opinion made by the person or company, are set forth below.

As of the date of this Prospectus, the “designated professionals” (as such term is defined in Form 51-102F2 - Annual Information Form) of Stein Monast L.L.P. beneficially own, directly or indirectly, less than 1% of the Corporation’s securities or properties.

Certain information of a scientific or technical nature in respect of the Whabouchi Project contained in the Prospectus is based on the Technical Report. Each of the Authors of the Technical Report, being Messrs. Maxime Dupéré, P. Geo, Patrick Perez, P. Eng., M. Sc., Anthony Boyd, P. Eng., Ph. D., James Anson, P. Eng., Ph. D., Pierre Girard, P. Eng., Dominic Tremblay, P. Eng., M.A. Sc., Martin Stapinsky, P. Geo., M. Sc., Ph. D., Alain Michaud, P. Eng., Michel Tremblay, P. Eng. and Rock Gagnon, P. Eng. is a “qualified person” within the meaning of NI 43-101. As of the date hereof, the aforementioned persons had no beneficial or registered interests, direct or indirect, in the Corporation’s securities or properties.

The mineral resources estimate included in the Revised MD&A is based on a memorandum dated January 23, 2014 and received by SGS Geostat. Such memorandum was prepared by Jean-Philippe Paiement, P.Geo., M.Sc. Mr. Paiement is a “qualified person” within the meaning of NI 43-101. As of the date hereof, M. Paiement beneficially own, directly or indirectly, less than 1% of the Corporation’s securities or properties.

STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION

Unless provided otherwise in a Prospectus Supplement, the following is a description of a purchaser's statutory rights.

Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two (2) business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces and territories, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that such remedies for rescission, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for the particulars of these rights or consult with a legal adviser.

Original purchasers of Securities which are convertible, exchangeable or exercisable for other securities of the Corporation will have a contractual right of rescission against the Corporation in respect of the conversion, exchange or exercise of such Securities. The contractual right of rescission will entitle such original purchasers to receive, upon surrender of the underlying securities, the amount paid for the applicable convertible, exchangeable or exercisable Securities in the event that this Prospectus, the relevant Prospectus Supplement or an amendment thereto contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of such Securities under this Prospectus and the applicable Prospectus Supplement; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of such Securities under this Prospectus and the applicable Prospectus Supplement. This contractual right of rescission shall be subject to the defences, limitations and other provisions described under Title VIII of the *Securities Act* (Québec), and is in addition to any other right or remedy available to original purchasers of Securities which are convertible, exchangeable or exercisable under sections 217 to 219 of the *Securities Act* (Québec) or otherwise at law.

Original purchasers of Securities which are convertible, exchangeable or exercisable for other securities of the Corporation are further cautioned that the statutory right of action for damages for a misrepresentation contained in a prospectus is limited, in certain provincial and territorial securities legislation, to the price at which the convertible, exchangeable or exercisable Securities are offered to the public under the offering. This means that, under the securities legislation of certain provinces and territories, if the purchaser pays additional amounts upon exercise of the convertible, exchangeable or exercisable securities, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces and territories. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of this right of action for damages or consult with a legal adviser.

CERTIFICATE OF THE CORPORATION

Dated: March 29, 2018

This Prospectus, together with the documents incorporated by reference, will, as of the date of the last supplement to this Prospectus relating to the securities offered by this Prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this Prospectus and the supplement(s) as required by the securities legislation of each of the provinces and territories of Canada.

"Guy Bourassa"
President and Chief Executive Officer

"Steve Nadeau"
Chief Financial Officer

On behalf of the Board of Directors of the Corporation

"Michel Bari"
Director

"Paul-Henri Couture"
Director