Open Letter to the Moose Cree First Nation Members

August 16, 2017

Greetings,

My name is Harry Rickard. For those of you that don’t know me, I was born and raised in Moose Factory and am a member of the Moose Cree First Nation. I currently am living with my daughter Melanie and near my son David in the city of Winnipeg. This is where the opportunity is at the moment and enjoying my time with my grandkids.

There had been some talk about the James Bay Niobium Project (NioBay Metals Inc.) up South Bluff Creek. So rather than listen to hearsay, I took it on myself to get some factual information from President, Claude Defresne of NioBay Metals Inc. himself and his team, so that I would be informed of the proposed project as well. I am sure you will not find all the answers to your questions on the information that I asked for and is attached here, but it is a start if you choose to decide to find out more about it.

As you are aware on May 12th, 2017, a Band Council Resolution (BCR) stating a decision has been made by the Moose Cree First Nation Chief and Council that the “Moose Cree First Nation has unanimously rejected a drilling project...” This was done on your behalf, whether you agreed or not with all or some of the content or the BCR. That simply means that every member of the First Nation is opposed to the proposed Project. Personally, I couldn’t have been able to say “yes” or “no” to the project as I did not know all the details of the Drilling Project or the details of a mine being developed close by. I have a very good idea of the Drilling Project now and what it is all about, but until that stage is reached and the details are discussed, I don’t know if the findings will be feasible to develop a mine or not.

We were told that it at a Membership Meeting on Tuesday, May 30, 2017, that the mine would be an “open pit” mine. I asked the President, Claude Dufresne of Niobay Metals Inc. about this and was told it would not be an open pit mine. The mine shaft cavity would be filled back in with a combination of cement and inert rock. Like most people I wasn’t aware of this, that’s why I asked. I am not crazy about open pit mines as well.

As I understand it, NioBay wanted to have a drilling Project to validate the quality of the mineral. I was not able to come down to hear what was said or to ask questions at the information Workshop in Moosonee about the potential risks for a negative environmental impact, what the potential economic benefits could be and in general what the project would mean to the community in the short and long term.
The information I am sharing here is just that, “Information”. It is not asking you to make a decision about the drilling program or allowing a mining project to go ahead. Only the findings will determine whether the project is feasible or not. I am sure that there are many more questions yet to be asked, hopefully, there will be an opportunity to have them answered as well. When this information is shared it is with the hopes that the rumors will subside and that we actually understand what the Project is about.

Many times we see our Leaders say publicly in the courts that Governments must fulfill their constitutional obligations to “consult and accommodate” the First Nations if the development of any kind is being proposed within the First Nations territory. I believe that the members of the Moose Cree First Nation should be consulted and accommodated as well by their community Leaders. The Leadership should not make decisions without first consulting and accommodating their membership. That’s the only way you can honestly say that it is the wish of the community. My understanding is that the “Free, Prior and Informed Consent” term is commonly used by our First Nation Leaders to hold the Government and Industry accountable as well. We too should establish bottom up participation and consultation of our members prior to development within our territory. We all need relevant information to be shared with the members so that we are equally and respectfully informed. It is the right thing to do.

Having said all of this, I respectfully share the information with you so that you will know what I know about the Project. I am sure there are many more questions yet to be asked and as members of the Moose Cree First Nation, we should rightfully be consulted and accommodated with as well.

Respectfully submitted

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Why You Are Receiving This Information Document?

- NioBay is the proponent of the James Bay Niobium Project, situated in the Traditional Home Lands of Moose Cree First Nation.

- NioBay have been contacted by a number of Moose Cree members about the Project. Members want to understand the Project and we want to share the information, and arrange meeting to explain opportunities.

- NioBay is still trying to get the authorization to hold an Information Session in Moose Factory. We are looking forward to that opportunity and get the chance to know you and answer all of your questions.

- NioBay will fully respect the traditional land, culture, the environment and the water. NioBay also strongly believes that the Project will create important economic benefits to all Moose Cree members in the short, medium and long-term.
WHAT’S IN IT FOR MOOSE CREE MEMBERS?

- **RESPECT OF TRADITIONAL LAND**: NioBay believes the project will have minimum impact on harvesting and traditional activities;
- **WATER**: North French River watershed remains **untouched** and the risk to contaminate the South Bluff Creek is improbable;
- **APPRENTICESHIPS, EMPLOYMENT, TRAINING & EDUCATION** opportunities during the whole process of construction, and for the full life-of-mine (+20 years);
- **RELATED ECONOMIC DEVELOPMENT** opportunities for all local communities and businesses;
- **PARTNERSHIP** agreement to be discussed and negotiated;
- **NIOBIUM** is a **green** metal and processing uses **limited** reagent;
- **REMEDIATION** plan for all land impacted will be put in place.
- **POSSIBLE** catalyst for a **permanent** road to link Cochrane.
WHAT IS THE PROJECT HISTORY

- Discovered in 1966 by **Consolidated Morrison Explorations** in a three party agreement that also included Argor Explorations & Goldray Mines;
- Major exploration work carried out in 1968 & 1969;
- Drill-core storage facility located in Moosonee.
- 85 holes of drilling at an average depth of 170 meters, total of 14,000 meters;
- Historical estimates of 62 million tonnes. (min +20 years)
- Exploration shaft (~40m depth) & a 76m gallery;
- The site has been rehabilitated.
WHAT ARE THE STEPS

Short Term:

1. Provide Information to MCFN leadership and all MCFN members for drilling program;
2. Small drilling campaign on the property to validate historical data;
3. Resource calculation based on drilling results to be shared with investors and MCFN community members*;
4. Preliminary Economic Assessment (determines the economic viability of the deposit)*;

Mid/Long Term:

5. Negotiations with MCFN on Partnership Agreement;
6. Environmental and Social Base Line studies, Canadian Environmental Assessment Agency evaluation and permitting;
7. Feasibility Study;
8. Site preparation and Infrastructure;
9. Engineering & Construction;

* In the event the resources are not confirmed or if the Project does not meet economic viability, the Project will be put on hold.
In order to validate the historical data, NioBay needs to conduct a small resource validation program.

This means:

- Drilling 10 to 12 holes
- 4 to 6 weeks of work in the field
- One drill on site with 3-4 persons per shift
- Transport by helicopter (minimizes impact)

Observation & monitoring of the drilling will be allowed, subject to health and safety requirements. Helpers will be required (temporary jobs opportunity)
Niobium helps to make lighter and safer vehicles, which contributes to reduce global carbon footprint.

In the USA alone, Niobium contributes to a yearly reduction of **62 megatons CO₂**, equivalent to half of Ontario CO₂ emissions per year.
Niobay plans to have an Underground operation

We are planning for an underground mine for many environmental and economical reasons.

Advantages of an Underground Mine
- Reduced environmental footprint
- Reduced noise, dust and waste water problems
- Possibility for paste backfill with inert rock material disposal
TYPICAL SIMPLIFIED NIOBIUM PROCESSING

Rock / Ore from underground mine

Crushing

Possible Dry Storage

Inert rocky material

20%

Surface pad

Cement 80%

Back underground

Paste backfill

Inert rock from the mill is mixed with cement and sent back into the mine to fill the openings already mined

Water

Water Separation

Niobium Concentration

Reagents:
✓ flotation collectors
✓ pH control agent

Niobium Concentrate
To Moosonee/Cochrane
One of the most important aspects in the development of the project will be to assess the impact on the environment, including:

- Water and soils – Plants and trees – Fish, animals and birds

NioBay intends to carry out the environmental impact assessment with the full participation of the local communities. Traditional ecological knowledge will be a priority which will include discussing with all MCFN Elders.
NioBay is conscious of the importance of the water for the environment and for the communities and their traditions (harvesting, etc..);

The Project is **outside** the North French watershed i.e. **no impact**;

Water management will be a priority, including in the design of the mine. Our focus will be to reuse and to minimize the use of the water;

Tests, studies and design will be performed in **full cooperation** with the communities to assess and mitigate potential impact on wildlife;

Niobium processing is not known to harm the environment due to the types of reagents used and the nature of the ore.
FOOTPRINT COMPARISON

Niobium mine, Quebec – Underground: about 1.7 x 2 km (after 40 years)

Gold mine, Ontario – Open-pit + expansion: about 5 x 9 km

Diamond mine, Ontario – Open-pit: about 3.8 x 6 km

James Bay NioBay mine expected footprint – Underground: approx. 1.25 x 2 km

Source: Google Earth
MAJOR EMPLOYMENT OPPORTUNITIES

- Typical niobium mine employs about 200 people during operations (+20 years) and more during construction.
  - **Jobs in the mine for skilled workforce:** *i.e.:* miners, electricians, mechanics, pipefitters, welders, mill operators, carpenters, etc.
  - **Jobs in related areas:** *i.e.:* transportation, logistics, administration, janitorial, food services, site security, repair and maintenance, etc.
  - **Apprenticeship** Training programs, education and skill set capacity building provided to local interested communities.

- **Additional advantage:** Because of the proximity to Moose Factory and Moosonee, daily transport services, to and from the worksite will enable all workers to return to their homes at the end of a workday and be with their families.

- NioBay wants to enter into a *true partnership agreement* with Moose Cree for the project development and ownership;

- Aspects to be discussed in the partnership would include *economic benefits* as well as the mitigation of any impact of the Project, including:
  - Project monitoring and mitigation;
  - Wildlife preservation;
  - Support for the community, including traditional concerns;
  - Contracting and Procurement opportunities;
  - Employment;
  - Apprenticeship Training & Career development;
  - Financial participation;
  - Other issues, as identified during the negotiations.
NIOBAY CARES ABOUT YOUR ENVIRONMENT & YOUR WATER.

NIOBAY WANTS TO BUILD THIS PROJECT IN FULL CONSULTATION AND PARTICIPATION WITH ALL OF THE MCFN AND COMMUNITY MEMBERS.

NIOBAY WANTS TO MEET WITH ALL OF YOU & ANSWER ALL OF YOUR QUESTIONS AND FULLY ADDRESS YOUR CONCERNS.

NIOBAY LOOKS FORWARD TO ENGAGING WITH THE MCFN MEMBERS AND HAVING A MEANINGFUL CONVERSATION.

NIOBAY THANKS YOU FOR THE OPPORTUNITY TO PROVIDE YOU WITH THIS INFORMATION.

Claude Dufresne, President & CEO & The NioBay Project Team
For any questions/clarification, please contact us via Facebook Page or email

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