



Dear Shareholder:

The board of directors and management of Noront Resources Ltd. (the “**Company**”) cordially invite you to attend the Company’s 2019 Annual and Special Meeting of Shareholders. The meeting will take place at the Company’s offices located at 212 King St. W, Suite 501, Toronto, ON M5H 1K5, at 10:00 a.m. EST on September 3, 2020.

In connection with this meeting, you will find enclosed the notice of meeting, management information circular and form of proxy for the meeting. The Company’s Annual Financial Statements and Management’s Discussion and Analysis for the year ended December 31, 2019 is available on the SEDAR website at www.sedar.com and the Company’s website at www.norontresources.com.

In order to deal with the impact of the COVID-19 pandemic on public health and mitigate risks to the health and safety of our employees, communities and shareholders, the Company encourages Shareholders not to attend the meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing. Instead, the Company is offering its Shareholders the opportunity to participate in the meeting by way of teleconference in accordance with the dial-in information provided in the accompanying notice of meeting and management information circular.

It is important that all shareholders be represented at the meeting. Therefore, please take a moment to complete, date and sign the enclosed form of proxy, and return it as instructed, or follow the instructions included with the form of proxy to vote by telephone or over the internet.

We look forward to welcoming you at the meeting.

Yours truly,

(signed) “Alan Coutts”

Alan Coutts

President and Chief Executive Officer



NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

Notice is hereby given that the Annual and Special Meeting of Shareholders of Noront Resources Ltd. (“**Noront**” or the “**Company**”) will be held at the Company’s offices located at 212 King St. W, Suite 501, Toronto, ON M5H 1K5, at 10:00 a.m. EST on September 3, 2020 (the “**Meeting**”), for the following purposes:

1. to receive the consolidated financial statements of the Company prepared in accordance with International Financial Reporting Standards for the year ended December 31, 2019 and the Auditors’ Report thereon;
2. to elect directors of the Company;
3. to re-appoint PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Company and to authorize the directors of the Company to fix their remuneration;
4. to consider and, if thought advisable, to re-approve by ordinary resolution the Company’s amended 2007 incentive stock option plan (the “**Stock Option Plan**”), as described in the management information circular (the “**Circular**”) of the Company accompanying and forming part of this notice;
5. to consider and, if thought advisable, to pass an ordinary resolution of the disinterested shareholders of the Company amending the 2012 Share Award Plan to increase the number of Common Shares that may be granted thereunder by 6,000,000 Common Shares, to a maximum of 10,000,000 Common Shares, as further described in the Circular; and
6. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

Particulars of the foregoing matters are set forth in the Circular. The Company has elected to use the notice-and-access provisions under National Instrument 54-101 and National Instrument 51-102 (“**Notice-and-Access Provisions**”) for this Meeting. Notice-and-Access Provisions are a set of rules developed by the Canadian Securities Administrators that reduce the volume of materials that must be physically mailed to shareholders of the Company by allowing the Company to post the Circular and any additional materials online. Shareholders will still receive a form of proxy (“**Form of Proxy**”) and may choose to receive a hard copy of the Circular. The Company will not use procedures known as ‘stratification’ in relation to the use of Notice-and-Access Provisions.

This year, in order to deal with the impact of the COVID-19 pandemic on public health and mitigate risks to the health and safety of our employees, communities and shareholders, the Company asks that, in considering whether to attend the Meeting in person, Shareholders follow the instructions of the Public Health Agency of Canada (PHAC) (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>). **The Company encourages shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing.** The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak, including, placing restrictions on in-person attendance (precluding the attendance of guests, for example), limiting access to essential personnel or postponing or adjourning the Meeting.

Accordingly, registered shareholders and duly appointed proxyholders will be able to attend, participate and ask questions at the Meeting via teleconference in accordance with the following dial-in numbers:

Toll Free Dial-In Number: (888) 241-0551, International Dial-In Number: (647) 427-3415. Conference ID 3654997 to be given verbally to the operator.

Shareholders will have an equal opportunity to participate at the Meeting through this method regardless of their geographic location. The Company encourages Shareholders to participate in the Meeting by dialing in to the

teleconference in accordance with the information provided above. **Shareholders will not have the ability to vote at the Meeting through the teleconference. Accordingly, the Company encourages its registered Shareholders and duly appointed proxyholders to vote their Common Shares in advance of the Meeting and complete, sign and date the accompanying form of proxy in accordance with the instructions provided therein and in the Circular and return it in accordance with the instructions and timelines set forth in the Circular.**

Please review the Circular carefully and in full prior to voting in relation to the matters set out above, as the Circular has been prepared to help you make an informed decision on such matters. The Circular is available on the website of the Company's transfer agent at www.envisionreports.com/NOTQ2020, on the website of the Company at www.norontresources.com and under the Company's profile on SEDAR at www.sedar.com. Any shareholder who wishes to receive a paper copy of the Circular should contact the Company's transfer agent, Computershare Investor Services Inc., at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, Fax: (416) 263-9524, toll-free: 1-866-962-0498, international (514) 982-8716. A registered shareholder may call 1-866-964-0492 to obtain additional information about the Notice-and-Access Provisions. Non-registered (or beneficial) shareholders of the Company may call 1-855-887-2244 to obtain additional information about the Notice-and-Access Provisions or 1-877-907-7643 to request to receive a paper copy of the Circular.

In order to be represented by proxy at the Meeting, registered shareholders of the Company must complete, date and sign the Form of Proxy, or other appropriate form of proxy and, in either case, (i) deliver the completed proxy to the Company's transfer agent, Computershare Investor Services Inc., 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1 in the addressed prepaid envelope enclosed; or (ii) submit the completed proxy to Computershare Investor Services Inc., facsimile number (416) 263-9524 or 1-866-249-7775 by no later than 10:00 a.m. on **Tuesday September 1st, 2020** or, if such meeting is adjourned, at the latest 48 hours prior to the adjourned meeting, excluding Saturdays, Sundays and statutory holidays. Registered shareholders of the Company may also vote by telephone or over the internet. Instructions on how to vote by telephone or over the internet are provided in the Circular and Form of Proxy. Non-registered shareholders of the Company should follow the instructions on how to complete their voting instruction form or form of proxy and vote their shares on the forms that they receive or contact their broker, trustee, financial institution or other nominee for instructions.

BY ORDER OF THE BOARD OF DIRECTORS

DATED the 24th day of July 2020 in Toronto, Ontario

(signed) "Alan Coutts"

Alan Coutts
President and Chief Executive Officer

**NORONT RESOURCES LTD.
MANAGEMENT INFORMATION CIRCULAR**

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FORWARD-LOOKING INFORMATION

This Management Information Circular (the “**Circular**”) includes certain “forward-looking information” within the meaning of applicable Canadian securities legislation. All information, other than statements of historical facts, included in this Circular that address activities, events or developments that the Company expects or anticipates will or may occur in the future, including such things as future business strategy, competitive strengths, goals, expansion and growth of the Company’s businesses, operations, plans and other such matters, are forward-looking information.

When used in this Circular, the words “estimate”, “plan”, “anticipate”, “expect”, “intend”, “believe” and similar expressions are intended to identify forward-looking information. This information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking information.

Examples of such forward-looking information include information regarding results and expectations for 2020 and future time periods, including, but not limited to, availability of financing, interpretation of drill results, the geology, grade and continuity of mineral deposits and conclusions of economic evaluations, metal prices, demand for metals, currency exchange rates, cash operating margins, expenditures on property, plant and equipment, increases and decreases in exploration activity, changes in project parameters, joint venture operations, resources and anticipated grades and recovery rates and are or may be based on assumptions and/or estimates related to future economic, market and other factors and conditions.

MANAGEMENT INFORMATION CIRCULAR

This Circular is furnished in connection with the solicitation of proxies by and on behalf of the management (the “**Management**”) of Noront Resources Ltd. (“**Noront**” or the “**Company**”) for use at the Annual and Special Meeting of Shareholders (the “**Meeting**”) of the Company to be held at the Company’s offices located at 212 King St. W, Suite 501, Toronto, ON M5H 1K5, at 10:00 a.m. EST on September 3, 2020 for the purposes set out in the notice of meeting (“**Notice of Meeting**”) filed under the Company’s profile at www.sedar.com.

SOLICITATION OF PROXIES

The provided form of proxy (“**Form of Proxy**”) is being solicited by the Management of the Company. The solicitation is being made primarily by mail, subject to the use of Notice-and-Access Provisions (as hereinafter defined) in relation to the delivery of the Circular, but proxies may also be solicited by employees or agents of the Company, personally, in writing, by e-mail or by telephone. The entire cost of the solicitation will be borne by the Company.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Each shareholder of record will be entitled to one (1) vote for each common share registered in the name of such shareholder.

Only the holders of record of the common shares of the Company (the “**Common Shares**”) at the close of business on July 24, 2020 (the “**Record Date**”) will be entitled to receive notice of the Meeting and to vote at the Meeting.

The authorized capital of the Company presently consists of an unlimited number of Common Shares, of which **415,203,568** Common Shares are issued and outstanding as fully paid and non-assessable as of the Record Date. The

Common Shares of the Company are listed on the TSX Venture Exchange (the “**TSX-V**”), as a Tier 1 company, under the symbol “**NOT**”.

To the knowledge of the directors and executive officers of the Company, there are no parties who beneficially own, or exercise control or direction, directly or indirectly, over securities carrying 10% or more of the voting rights attached to any class of securities of the Company, with the exception of Resource Capital Fund V L.P. and Resource Capital V Annex Fund L.P. (together “**RCF**”) which together holds 92,044,160 Common Shares, constituting approximately 22.17% of the Common Shares. RCF has the right to nominate two directors to the board of directors of the Company (the “**Board**”) of which one of their nominees must be independent of RCF. Currently, RCF has two nominees on the Board. Baosteel Resources International Co. Ltd. (“**Baosteel**”) has the right to nominate one director to the Board. The respective nominees to the Board currently are: Gregory Honig (RCF nominee), Matthew Quinlan (RCF nominee) and Bo Liu (Baosteel nominee). Please refer to “Particulars of Matters to be Acted Upon – Election of the Board of Directors” herein for additional information.

NOTICE AND ACCESS

“Notice-and-Access Provisions” means provisions concerning the delivery of proxy-related materials to shareholders found in section 9.1.1 of National Instrument 51-102 - Continuous Disclosure Obligations (“**NI 51-102**”), in the case of registered shareholders, and section 2.7.1 of National Instrument 54-101 - Communication with Beneficial Owners of Securities of a Reporting Issuer (“**NI 54-101**”), in the case of non-registered (or beneficial) shareholders (“**Non-Registered Shareholders**”), which would allow an issuer to deliver an information circular forming part of proxy-related materials to shareholders via certain specified electronic means provided that the conditions of NI 51-102 and NI 54-101 are met.

The Notice-and-Access Provisions are a mechanism which allows reporting issuers other than investment funds to choose to deliver proxy-related materials to registered holders and beneficial owners of securities by posting such materials on a non-SEDAR website (usually the reporting issuer’s website and sometimes the transfer agent’s website) rather than delivering such materials by mail. The Notice-and-Access Provisions can be used to deliver materials for both special and general meetings. Reporting issuers may still choose to continue to deliver such materials by mail, and beneficial owners will be entitled to request delivery of a paper copy of the information circular at the reporting issuer’s expense.

The use of the Notice-and-Access Provisions reduces paper waste and mailing costs to the Company. In order for the Company to use the Notice-and-Access Provisions to deliver proxy-related materials by posting the Circular (and if applicable, other materials) electronically on a website that is not SEDAR, the Company must send a notice-and-access notification (the “**Notification**”) to shareholders, including Non-Registered Shareholders, indicating that the proxy-related materials have been posted and explaining how a shareholder can access them or obtain a paper copy of those materials from the Company. This Circular has been posted in full on the Company’s transfer agent’s website at <http://www.envisionreports.com/NOTQ2020>, on the Company’s website at www.norontresources.com and under the Company’s profile on SEDAR at www.sedar.com. In order to use Notice-and-Access Provisions, a reporting issuer must set the record date for notice of the Meeting to be on a date that is at least 40 days prior to the Meeting in order to ensure there is sufficient time for the materials to be posted on the applicable website and other materials to be delivered to shareholders. The Notification, which requires the Company to provide basic information about the Meeting and the matters to be voted on, explain how a shareholder can obtain a paper copy of the Circular and any related financial statements and MD&A, and explain the Notice-and-Access Provisions process. The Notification has been delivered to shareholders by the Company, along with the applicable voting document (the Form of Proxy in the case of registered shareholders or a voting instruction form in the case of Non-Registered Shareholders).

The Company will not rely upon the use of ‘stratification’.

The Company will not send proxy-related materials directly to Non-Registered Shareholders and such materials will be delivered to Non-Registered Shareholders through their broker or other intermediary. The Company intends to pay for the intermediary to deliver to objecting Non-Registered Shareholders the proxy-related materials and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary* of NI 54-101.

Any registered shareholder who wishes to receive a paper copy of this Circular must make contact with the Company's transfer agent, Computershare Investor Services Inc. (the "**Transfer Agent**") at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, Fax: (416) 263-9524, toll-free: 1-866-962-0498, international: (514) 982-8716. Any Non-Registered Shareholder of the Company who wishes to receive a paper copy of this Circular may call 1-877-907-7643. In order to ensure that a paper copy of the Circular can be delivered to a requesting shareholder in time for such shareholder to review the Circular and return a proxy or voting instruction form prior to the deadline to receive proxies, it is strongly suggested that a shareholder ensure their request is received in advance of 10:00 a.m. on Tuesday September 1st, 2020.

All registered shareholders may call 1-866-964-0492 (toll-free) in order to obtain additional information regarding the Notice-and-Access Provisions. Non-Registered Shareholders of the Company may call 1-855-887-2244 to obtain additional information about the Notice-and-Access Provisions.

VOTING INFORMATION

Voting by Proxy

Voting by proxy means that you are giving the person or people named on your Form of Proxy (the "**Proxy Holder**") the authority to vote your Common Shares for you at the Meeting or any adjournment thereof. A Form of Proxy has previously been provided.

You can choose from three different ways to vote your shares by proxy:

1. by mail or delivery;
2. by telephone; or
3. on the internet.

A shareholder has the right to appoint a person, who need not be a shareholder, other than the persons designated in the Form of Proxy, to attend and act on behalf of the shareholder at the Meeting. Unless you appoint someone else to be your Proxy Holder in accordance with the instructions provided herein, the directors or officers who are named on the Form of Proxy will vote your Common Shares for you. If you appoint someone else, he or she must be present at the Meeting to vote your Common Shares.

If you are voting your Common Shares by proxy, the Transfer Agent must receive your completed Form of Proxy by no later than 10:00 a.m. on Tuesday September 1st, 2020 or, if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the adjourned meeting.

Registered and Non-Registered (or Beneficial) Shareholders

You are a registered shareholder if your name appears on your share certificate. You will receive the Form of Proxy if you are a registered shareholder.

You are a non-registered (or beneficial) shareholder if your bank, trust company, securities broker or other financial institution holds your shares for you (your nominee). If you are a non-registered (or beneficial) shareholder, you will receive a voting instruction from the Company, the institution that holds your shares or their respective agents.

How to Vote — Registered Shareholders

1. By proxy:
 - (a) By mail or delivery
 - (i) To vote by mail or delivery, your paper proxy must be completed, signed, dated and returned in accordance with the instructions on the Form of Proxy.

- (b) By telephone
 - (i) To vote by telephone, call the toll-free number shown on the Form of Proxy. Using a touch-tone telephone to select your voting preferences, follow the instructions of the “vote voice” and refer to the directions on the Form of Proxy.
 - (ii) Note that voting by telephone is not available if you wish to appoint a person as a Proxy Holder other than the persons named on the Form of Proxy. In such a case, your proxy should be voted by mail, delivery or the internet.
- (c) On the internet
 - (i) To vote your proxy on the internet, visit the website address as shown on the Form of Proxy. Follow the on-line voting instructions given on the Form of Proxy.
- (d) By appointing another person to go to the Meeting and vote your Common Shares for you
 - (i) This person does not have to be a shareholder.
 - (ii) Strike the names that are printed on the Form of Proxy and write the name of the person you are appointing in the space provided. Complete your voting instructions, date and sign the Form of Proxy, and return it to the Transfer Agent as instructed.
 - (iii) Make sure that the person you appoint is aware that he or she has been appointed and attends the Meeting.
 - (iv) At the Meeting, the person appointed should see the scrutineers from the Transfer Agent at the registration table.

2. In person at the Meeting:

While it is the Company’s intention to resume holding in-person meetings under normal circumstances, this year, the Company is holding a hybrid meeting of Shareholders in order to deal with the impact of the COVID-19 pandemic on public health and mitigate risks to the health and safety of our employees, communities and shareholders. Accordingly, the Company asks that, in considering whether to attend the Meeting in person, Shareholders follow the instructions of the Public Health Agency of Canada (PHAC) (<https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection.html>). **The Company encourages Shareholders not to attend the Meeting in person if experiencing any of the described COVID-19 symptoms of fever, cough or difficulty breathing.** The Company may take additional precautionary measures in relation to the Meeting in response to further developments in the COVID-19 outbreak, including, placing restrictions on in-person attendance (precluding the attendance of guests, for example), limiting access to essential personnel or postponing or adjourning the Meeting.

Accordingly, registered shareholders and duly appointed proxyholders will be able to attend, participate and ask questions at the Meeting via teleconference in accordance with the following dial-in numbers:

**Toll Free Dial-In Number: (888) 241-0551, International Dial-In Number: (647) 427-3415.
Conference ID 3654997 to be given verbally to the operator.**

Shareholders will have an equal opportunity to participate at the Meeting through this method regardless of their geographic location. The Company encourages Shareholders to participate in the Meeting by dialing in to the teleconference in accordance with the information provided above. **Shareholders will not have the ability to vote at the Meeting through the teleconference. Accordingly, the Company encourages its registered Shareholders and duly appointed proxyholders to vote their Common Shares in advance of the Meeting and complete, sign and date the accompanying form of proxy in accordance with the**

instructions provided therein and in the Circular and return it in accordance with the instructions and timelines set forth in the Circular.

If you have received a form of proxy and wish to attend the Meeting or have someone else attend on your behalf, you must insert your name, or the name of the person you wish to attend on your behalf, in the blank space provided on the form of proxy. You must make sure that your completed and signed proxy form is received by the Transfer Agent by the established proxy cut-off date before the time set for the Meeting, or any adjournment or postponement thereof, if applicable. You, or such other designated person if applicable, may then vote your Common Shares at the Meeting.

Should you decide to attend the Meeting in person:

- (a) You do not need to complete or return the Form of Proxy.
- (b) You should see a representative of the Transfer Agent before entering the Meeting to register your attendance at the Meeting.
- (c) Voting in person at the Meeting will automatically cancel any proxy you completed and submitted earlier.

How to Vote — Non-Registered (or beneficial) Shareholders

The Company has elected to distribute copies of the Notice of Meeting, this Circular and the Form of Proxy (collectively the “**Meeting Materials**”) directly to Non-Registered Shareholders utilizing the Notice-and-Access Provisions. Intermediaries often use service companies to forward the Meeting Materials to non-registered owners of the Common Shares.

If you are a non-registered owner of Common Shares and the Company or its agent has sent the Meeting Materials directly to you, your name and address and information about your holdings of Common Shares have been obtained in accordance with applicable securities regulatory requirements from the intermediary holding Common Shares on your behalf. In such case, the Company (and not the intermediary holding Common Shares on your behalf) assumes responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the Form of Proxy.

If you have received the Meeting Materials indirectly through your nominee or your nominee’s agent, you will receive the nominee’s form of proxy, which is substantially similar to the Form of Proxy, the sole purpose of which is to instruct the registered holder of the Common Shares (i.e. the nominee) how to vote on your behalf (the “**Voting Instruction Form**”).

1. By proxy:

- (a) Please contact your nominee or the Company if you have not received a Voting Instruction Form or the Form of Proxy.
- (b) In most cases, you will receive a Voting Instruction Form that allows you to provide your voting instructions by telephone, on the internet or by mail or delivery. If you want to provide your voting instructions on the internet, go to the website noted on your Voting Instruction Form or Form of Proxy and follow the instructions on the screen.
- (c) Some Voting Instruction Forms may be required to be completed and returned, as directed in the instructions provided; or have been pre-authorized by your nominee indicating the number of shares to be voted, which is to be completed, dated, signed and returned to the Transfer Agent by mail.

2. In person at the Meeting:

Non-Registered Shareholders are encouraged to follow the guidelines described above with respect to attending the Meeting in-person. Non-Registered Shareholders will also be able to attend, participate and ask questions at the Meeting via teleconference in accordance with the following dial-in numbers:

Toll Free Dial-In Number: (888) 241-0551, International Dial-In Number: (647) 427-3415. Conference ID 3654997 to be given verbally to the operator.

Non-Registered Shareholders will have an equal opportunity to participate at the Meeting through this method regardless of their geographic location.

Should Non-Registered Shareholders decide to attend the Meeting in person, the following information should be considered:

- (a) The Transfer Agent does not have access to the names or holdings of our Non-Registered Shareholders. That means you can only vote your Common Shares in person at the Meeting if you appoint yourself Proxy Holder by printing your name in the space provided on the Voting Instruction Form or Form of Proxy provided to you.
- (b) Your vote will be taken and counted at the Meeting.
- (c) Prior to the Meeting, you should see the scrutineers from the Transfer Agent at the registration table.

Completing the Form of Proxy

On any ballot that may be called for at the Meeting, the Common Shares represented by the enclosed Form of Proxy will be voted or withheld from voting in accordance with the instructions of the shareholder indicated thereon and, where a choice is specified, the Common Shares will be voted accordingly.

You can choose to vote “For”, “Against” or “Withhold”, depending on the items listed on the Form of Proxy.

When you sign the Form of Proxy, you authorize Paul Parisotto, Alan Coutts or Gregory Rieveley, who are directors and/or officers of the Company, or the individual that you have named on the Form of Proxy in accordance with the instructions provided herein, to vote or withhold from voting your Common Shares for you at the Meeting according to your instructions on any ballot that may be called for. If you specify a choice on the Form of Proxy with respect to any matter to be acted upon at the Meeting, your Common Shares will be voted accordingly. **If you return the Form of Proxy and do not tell us how you want to vote your Common Shares, your vote will be counted: (i) FOR the election of the nominees for director listed under “Election of Directors”; (ii) FOR the appointment of the auditors named under “Appointment of Auditors”; and (iii) FOR the ordinary resolution re-approving the Stock Option Plan as described in this Circular.**

Your Proxy Holder will also vote your Common Shares as s/he sees fit on any amendment or variation to matters identified in the Notice of Meeting or any other matter that may properly come before the Meeting. As of the date of this Circular, Management is unaware of any such amendment, variation or other matter proposed or likely to come before the Meeting.

If you have appointed a person other than Paul Parisotto, Alan Coutts or Gregory Rieveley to vote your Common Shares and you do not specify how you want your Common Shares voted, your Proxy Holder will vote your Common Shares as he or she sees fit on each item and on any other matter that may properly come before the Meeting.

If you are an individual shareholder, you or your authorized attorney must sign the Form of Proxy. If you are a corporation or other legal entity, an authorized officer or attorney must sign the Form of Proxy.

Changing your Vote

You can revoke a vote you made by proxy by:

- voting again by telephone or on the internet by no later than 10:00 a.m. on Tuesday September 1st, 2020 or, if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the adjourned Meeting;
- completing a form of proxy that is dated later than the form of proxy you are changing and mailing it or faxing it to the Transfer Agent or sending a notice to Noront Resources Ltd., 212 King Street West, Suite 501, Toronto, ON M5H 1K5, so that it is received by no later than 10:00 a.m. on Tuesday September 1st, 2020 or, if the Meeting is adjourned, at the latest 48 hours (excluding Saturdays, Sundays and statutory holidays) prior to the adjourned Meeting; and
- giving a notice in writing to the Chairperson of the Meeting, at the Meeting or any adjournment thereof. The notice can be from you or your authorized attorney.

REVOCATION OF PROXIES

You have the right to revoke your proxy at any time before it is exercised. Relevant provisions of the *Business Corporations Act* (Ontario) provide that you may revoke a proxy by depositing an instrument in writing, executed by yourself or by an attorney authorized in writing, at, or by transmitting, by telephonic or electronic means or any other manner permitted by law, a revocation to, the registered office of the Company at any time up to and including the last business day preceding the day of the Meeting, or any adjournment thereof, or by depositing such instrument with the Chairperson of the Meeting on the day of the Meeting, or any adjournment thereof, or in any other manner permitted by law.

EFFECTIVE DATE

The effective date of this Circular is July 24, 2020.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

None of the directors or executive officers of the Company, no proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last completed financial year, and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting other than the election of directors and the appointment of auditors, or approval of incentive plans, except as disclosed herein.

PARTICULARS OF MATTERS TO BE ACTED UPON

Presentation of Financial Statements

The audited financial statements for the year ended December 31, 2019 and the year ended December 31, 2018 (the "Audited Financial Statements") and the report of the auditors thereon will be submitted to the Meeting. Receipt at the Meeting of the auditors' report and the Audited Financial Statements for its last completed fiscal period will not constitute approval or disapproval of any matters referred to therein. The Audited Financial Statements and the Management's Discussion and Analysis ("MD&A") for the year ended December 31, 2019 and year ended December 31, 2018 have been mailed to shareholders of record and non-objecting beneficial shareholders. A copy of these financial statements can be obtained at www.sedar.com. In the alternative, upon receiving a written request to the address on the first page of this Circular, the Company will mail a copy of the financial statements to you.

Election of the Board of Directors

The shareholders of the Company have by special resolution empowered the Board of Directors to determine from time to time the number of directors within the minimum and maximum numbers provided in the Article of the Company. The board of directors of the Company presently consists of seven (7) directors. **Unless otherwise directed, the persons named in the enclosed Form of Proxy intend to vote for the election as directors of the Company, the seven (7) nominees whose names are set forth below.** Management does not contemplate that any of the nominees will be unable to serve as a director, but if that should occur for any reason prior to the Meeting, the persons named in the enclosed Form of Proxy reserve the right to vote for another nominee in their discretion. Each director elected will hold office until the next annual meeting or until his or her successor is duly elected, unless his or her office is earlier vacated in accordance with the by-laws of the Company.

The following table and notes thereto state the names of all the persons proposed to be nominated for election as directors, all of the positions and offices with the Company now held by them, their present principal occupations or employments and the number of Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, by each of them as of July 24, 2020. The information as to Common Shares beneficially owned has been furnished to the Board by the respective nominees.

<p>Mr. Alan Coutts Age: 58 Toronto, Ontario President, Chief Executive Officer and Director Since 2013 900,375 Shares Owned or Controlled 6,741,729 Options Owned or Controlled 1,777,070 Share-Based Awards</p>	<p>Mr. Coutts was appointed President and Chief Executive Officer of Noront effective October 1, 2013. Mr. Coutts is a mining executive with over 30 years of experience in all aspects of exploration, feasibility, construction and production of mineral deposits. He has worked both domestically and abroad in a variety of roles and across multiple commodities. Most recently, he was the Managing Director of Xstrata Nickel Australasia based in Perth, Australia. He was General Manager at the Brunswick Mine, Canada before relocating to Australia. Previous to that, Mr. Coutts occupied roles that included General Manager, Manager of Mining, Chief Geologist and Regional Exploration Manager, mostly with Falconbridge.</p> <p>Mr. Coutts holds an Honours degree in Geology from the University of Alberta and has Professional Geoscientist (P.Ge) status in the province of Ontario.</p>
<p>Mr. Jean-Paul Gladu Independent Director Age: 46 Toronto, Ontario Director Since April 7, 2017 1,000,000 Options Owned or Controlled Member of the Audit Committee Member of the Environment, Health, Safety and Sustainability Committee</p>	<p>Jean Paul (JP) Gladu joined the Board of Directors on April 7, 2017. He is currently serving as the Principal for Mokwateh, an executive consulting firm. He is the former President and CEO of the Canadian Council for Aboriginal Business (CCAB) based in Toronto. Anishinaabe from Thunder Bay, Mr. Gladu is a member of Bingwi Neyaashi Anishinaabek located on the eastern shores of Lake Nipigon in Ontario. He has more than two decades of experience in the natural resource sector, including work with Aboriginal communities and organizations, environmental NGOs, industry and governments. JP sits on the Board of Mikisew Group of Companies, a leading oil sands partner specializing in site services, maintenance, logistics and construction.</p> <p>Mr. Gladu received an Executive MBA from Queens University, a Bachelor of Science degree in Forestry from Northern Arizona University, a Forestry Technician diploma from Sault College of Applied Arts and Technology and has completed the Institute of Corporate Directors, Director Education Program and obtained the ICD.D designation from the Institute.</p>

<p>Mr. Gregory Honig Independent Director Age: 38 Toronto, Ontario Director Since: February 27, 2020 Chairman of Environment, Health, Safety and Sustainability Committee</p>	<p>Gregory Honig joined the Board of Directors on February 20th, 2020. He is currently Director of Origination, Canada for Resource Capital Funds. Mr. Honig has over 15 years of experience in the mining industry with extensive capital markets, M&A, and corporate development experience. Prior to joining RCF, Gregory worked for Xstrata Nickel as Director - Business Development and for Orion Securities as a mining focused investment banker. He currently serves on the Board of Directors of First Drilling LLC and received his ICD.D designation from the Institute of Corporate Directors.</p>
<p>Mr. Bo Liu Independent Director Age: 44 Shanghai, China Director Since April 7, 2017 1,000,000 Options Owned or Controlled</p>	<p>Mr. Liu is the Senior Manager of Resources Development with Baosteel Resources Holding (Shanghai) Co. Previously, Mr. Liu held several positions within Baosteel Resources International Co. Ltd and Baosteel Resources Co. Ltd, including Senior Manager of Global Resources Development (November 2010 to August 2017), Senior Manager of Resources Planning and Developing Department (August 2008 to October 2010) and Senior Manager of Alloys Trading and Developing (August 2006 to July 2008). Mr. Liu joined Baosteel in 2001. Mr. Liu currently serves on the board of directors of Sprout Resource Holdings Inc.</p> <p>Mr. Liu graduated from Tongji University in Shanghai, China with a Master Degree of Business Management.</p>
<p>Mr. Paul A. Parisotto Independent Director Age: 59 Oakville, Ontario Chairman Director Since 2008 523,500 Shares Owned or Controlled 1,300,000 Options Owned or Controlled Chairman of the Board of Directors Member of the Audit Committee Chairman of the Compensation, Governance and Nomination Committee</p>	<p>Mr. Parisotto has over 35 years of capital markets and mining experience. He is currently the President and CEO of Coniston Investment Corp., a private company which provides management and advisory services to private and public companies. From 2004 to 2019, he served as President and CEO, of Arizona Star Resource Corp., Tamaka Holdings Inc, Chantrell Resource Corp, and Calico Resources.</p> <p>Previously he was Senior Vice-President, Corporate Finance for Marleau, Lemire Securities Inc. (January 1995 to January 1998); Vice-President and Director, Investment Banking for HSBC Securities (Canada) Inc. (March 1998 to June 1999); Manager, Original Listings at the Toronto Stock Exchange (1985 to 1994).</p>

<p>Mr. John Pollesel Independent Director Age: 56 Director Since 2017 Edmonton, Alberta 1,000,000 Options Owned or Controlled Chairman of the Audit Committee Member of the Compensation, Governance and Nomination Committee</p>	<p>Mr. Pollesel is currently CEO for Boreal Agrominerals Inc. and was recently Senior Vice President, Mining for Finning (Canada). Mr. Pollesel has 30 years of experience in the mining industry. He has been a member of several executive teams responsible for operations, engineering/projects, finance/administration, strategic planning and leading organizational transformation.</p> <p>In his previous role as Chief Operating Officer and Director for Vale’s North Atlantic Operations, John was responsible for one of the largest mining and metallurgical operations in Canada. Prior to Vale, he was the Chief Financial Officer for Compania Minera Antamina in Peru. He currently serves on the Boards of Directors of First Cobalt Corp. (Chair), and North American Construction Inc and chairs/participates on Audit, Operations, HSE, Governance and Compensation Committees. He has previously held Director positions at Northern Superior Resources, Calico Resources Corporation and numerous Not-for-Profit organizations including the Coal Association of Canada.</p> <p>He holds an Honours BA in Accounting and an MBA from the University of Waterloo and Laurentian University respectively. He is a Certified Public Accountant, Certified Management Accountant and a Fellow of CPA Ontario and the Society of Management Accountants of Ontario.</p>
<p>Mr. Matthew Quinlan Independent Director Age: 46 Vancouver, British Columbia Director Since: June 25, 2020 Member of the Compensation, Governance and Nomination Committee Member of the Environment, Health, Safety and Sustainability Committee</p>	<p>Mr. Quinlan is currently the Interim CFO for Trevali Mining Corporation. Mr. Quinlan has 25 years of experience in finance, capital markets and the global mining industry.</p> <p>He has been a member of senior leadership teams responsible for all aspects of finance & administration, strategic planning, corporate & commercial affairs, investor relations, and supply chain operations. Prior to Trevali, he was the CFO of Dominion Diamond Corporation, the world’s third largest diamond mining company. Over the course of a fifteen year career in investment banking he acted as lead advisor/underwriter in over \$40bn of transactions in the global mining industry and was Managing Director and Co-head of CIBC’s Global Mining investment banking group.</p> <p>He holds an BSc. (Honours) in Mechanical Engineering with Business Finance from University College London and The London School of Economics and Political Science. He is a Chartered Professional Accountant (CPA) and is a Chartered Financial Analyst (CFA).</p>

Directors' Recommendation

The Board recommends that all shareholders vote FOR the election of the above individuals as directors of the Company. Unless otherwise directed, the persons named in the enclosed Form of Proxy, if named as proxy, intend to vote FOR the election of each individual described above.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

None of the nominees for election as a director of the Company is, or was within the ten years prior to the date hereof, a director, chief executive officer or chief financial officer of any company that was subject to a cease trade order, an order similar to a cease trade order or an order that denied such company access to any exemption under securities legislation that was in effect for a period of more than 30 consecutive days and that was issued while that person was acting in such capacity or that was issued after that person ceased to act in such capacity and which resulted from an event that occurred while that person was acting in such capacity.

None of the nominees for election as a director of the Company is, or has been within the ten years prior to the date hereof, a director or executive officer of any company that, while that person was acting in such capacity, or within a year of that person ceasing to act in such capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

None of the nominees for election as a director of the Company has within the ten years prior to the date hereof become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold his assets.

None of the nominees for election as a director of the Company has been subject to any penalties or sanctions imposed by or entered into a settlement agreement before, a court or regulatory body, including any securities regulatory authority.

At the Meeting, the shareholders will be asked to elect each of the above nominees to serve as a director of the Company until the next annual meeting of shareholders or until such time as their successors are duly elected or appointed.

Appointment of Auditors

The Board has determined that the Company wishes to re-appoint PricewaterhouseCoopers LLP, Chartered Accountants, as auditors of the Company. PricewaterhouseCoopers LLP, Chartered Accountants, has been the auditor of the Company since July 2010.

Directors' Recommendation

The Board recommends that shareholders vote in favour of the appointment of PricewaterhouseCoopers LLP, Chartered Accountants, as the Company's auditors for the ensuing year and in favour of granting the Board the authority to determine the remuneration to be paid to the auditors. Unless otherwise directed, the persons named in the enclosed Form of Proxy intend to vote FOR the appointment of PricewaterhouseCoopers LLP, Chartered Accountants as auditors of the Company, to hold office until the next annual meeting of shareholders and to authorize the directors of the Company to fix the auditors' remuneration.

Re-Approval of Stock Option Plan

The Company's amended 2007 incentive stock option plan (the "Stock Option Plan") was established on October 30, 2007, amended and restated and approved by the Company's shareholders on October 9, 2012 and further amended and restated and approved by the Company's shareholders on June 7, 2018. The Stock Option Plan is a "rolling" stock option plan such that the current maximum number of shares that may be reserved for issuance under the Stock Option

Plan and under any other share award plan of the Company, shall not exceed 10% of the common shares issued and outstanding (on a non-diluted basis) at any time and from time to time. 10% of the number of Common Shares of the Company issued and outstanding as of the Record Date of this Circular is equal to **41,520,356** Common Shares.

A copy of the Stock Option Plan, as amended and restated, is attached hereto as Appendix "B".

The material terms of the Stock Option Plan are as follows:

1. In no case may the issuance of shares under the Stock Option Plan and any other share compensation arrangement of the Company result in:
 - (a) the number of shares reserved for issuance pursuant to options granted:
 - (i) to any one person exceeding 5% of the Company's issued and outstanding share capital;
 - (ii) to insiders exceeding 10% of the Company's issued and outstanding share capital;
 - (iii) the number of shares issued within a one-year period:
 - A. to any optionee exceeding 5% of the Company's issued and outstanding share capital;
 - B. to any consultant exceeding 2% of the Company's issued and outstanding share capital.
2. The exercise price of any option issued under the Stock Option Plan shall not be less than the market value of the Common Shares as of the date of the grant, less the allowable discount by the TSX-V.
3. The expiry date of an option under the Stock Option Plan shall be the date so fixed by the Board on the date of the grant, provided such expiry date shall be no later than the tenth anniversary of the date of the grant.
4. Options issued under the Stock Option Plan expire no more than one year after the date the optionee ceases to be an employee, director or officer of the Company. Options issued under the Stock Option Plan may be exercised by the optionee's legal representative during said year.
5. The Stock Option Plan provides that the Board has the discretion to deem that an option be exercisable immediately, in full, notwithstanding that it has vesting provisions, upon the occurrence of certain events, such as a friendly or hostile takeover bid for the Company.
6. Options issued under the Stock Option Plan may not be assigned or transferred.

Adoption of the Stock Option Plan is subject to the prior approval of the TSX-V.

At the Meeting, the shareholders will be asked to consider and, if thought advisable, approve a resolution to approve the Stock Option Plan (the "**Stock Option Plan Resolution**"), the text of which is as follows:

"NOW THEREFORE BE IT RESOLVED THAT:

1. the Stock Option Plan is hereby approved, confirmed and ratified; and
2. any one director or officer of the Company be and is hereby authorized and directed to execute and deliver on behalf of the Company all such documents and instruments and to do all such other acts and things as in his or her opinion may be necessary or desirable in connection with the foregoing."

Directors' Recommendation

The Board recommends that all shareholders vote FOR the Stock Option Plan Resolution. The persons whose name appears in the attached Form of Proxy intend to vote FOR the Stock Option Plan Resolution. Unless otherwise directed, the persons named in the enclosed Form of Proxy, if named as proxy, intend to vote FOR the re-approval of the Stock Options Plan.

Amendment to Share Award Plan

The Company's share award plan (the "**Share Award Plan**") was established on August 14, 2012, approved by shareholders of the Company on October 9, 2012 and further amendments were approved by the shareholders of the Company on June 4, 2014. The purpose of the Share Award Plan is to advance the interests of the Company through the motivation, attraction and retention of senior executives, directors, employees (including prospective employees) and consultants of the Company and to secure for the Company and the shareholders of the Company the benefits inherent in ownership of common shares by senior executives' directors, employees and consultants of the Company.

Currently, the maximum number of Common Shares made available as awards pursuant to the Share Award Plan is 4,000,000 Common Shares. The Company will have a need to retain both existing directors, officers, employees as well as potentially attract new qualified directors, officers, employees and other key personnel. Greater capacity under the plan allows the Company greater flexibility to reduce cash compensation in light of working capital challenges that the Company has experienced periodically. As part of an overall compensation and incentive plan to retain and attract such qualified individuals, the Company believes a larger pool of Awards will be necessary.

Accordingly, the Company wishes to amend Section 4(a) of the Share Award Plan to increase the number of Common Shares made available as Awards under the Share Award Plan by 6,000,000 Common Shares, to a maximum of 10,000,000 Common Shares, representing 2.41% of the issued and outstanding Common Shares as of the Record Date. In addition to increasing the number of Common Shares, certain additional changes of a housekeeping nature were made to the Share Award Plan in order to comply with the requirements of the TSX-V. As of July 24, 2020, there are 1,146,244 Common Shares available to be awarded under the Share Award Plan and following the proposed amendment, there shall be 7,146,244 Common Shares available for further issuance as Awards under the Share Award Plan. A copy of the Share Award Plan, as amended, is attached hereto as Appendix "C."

In accordance with internal TSX-V policies, the amendment to the Share Award Plan will require disinterested shareholder approval, meaning Common Shares held by directors and officers and other insiders to whom awards may be granted under the Share Award Plan (as well as their respective affiliates and associates) will be excluded from voting on the approval of the amendment to the Share Award Plan. As of the Record Date, an aggregate of 2,376,458 common shares (or approximately 0.58% of the total issued and outstanding Common Shares) are held by directors and officers, and other insiders to whom awards may be granted under the Share Award Plan, as well as their respective affiliates and associates. Such shares will be excluded from voting on the approval of the amendment to the Share Award Plan.

Proposed New Section 4(a) of Share Award Plan

The proposed new amending provision will be substantively the same except with respect to the maximum number of Common Shares available for issuance as Awards pursuant to the Share Award Plan:

The maximum number of Common Shares made available as Awards pursuant to the Plan shall be 10,000,000 Common Shares. In the event that Common Shares made available as Awards granted pursuant to the Plan are subsequently cancelled, new Awards may be granted covering the Common Shares cancelled.

Amendment of the Share Award Plan is subject to the prior approval of the TSX-V.

At the Meeting, the shareholders will be asked to consider and, if thought advisable, approve a resolution to amend the Share Award Plan (the "**Share Award Plan Resolution**"), the text of which is as follows:

“NOW THEREFORE BE IT RESOLVED AS AN ORDINARY RESOLUTION OF THE DISINTERESTED SHAREHOLDERS OF THE COMPANY, THAT:

1. An amendment to the Share Award Plan to increase the aggregate number of Common Shares made available as Awards granted pursuant to the Share Award Plan by 6,000,000 Common Shares, to a maximum of 10,000,000 Common Shares is hereby authorized and approved;
2. Section 4(a) of the Share Award Plan is hereby deleted in its entirety and replaced with the following:

"The maximum number of Common Shares made available as Awards pursuant to the Plan shall be 10,000,000 Common Shares. In the event that Common Shares made available as Awards granted pursuant to the Plan are subsequently cancelled, new Awards may be granted covering the Common Shares cancelled."
3. The Share Award Plan and any amendment thereto shall remain in full force and effect, except as amended by this resolution which is deemed to be a part of the Share Award Plan; and
4. any one director or officer of the Company be and is hereby authorized and directed to execute and deliver on behalf of the Company all such documents and instruments and to do all such other acts and things as in his or her opinion may be necessary or desirable in connection with the foregoing."

Directors' Recommendation

The Board recommends that all shareholders vote FOR the Share Award Plan Resolution. The persons whose name appears in the attached Form of Proxy intend to vote FOR the Share Award Plan Resolution. Unless otherwise directed, the persons named in the enclosed Form of Proxy, if named as proxy, intend to vote FOR the approval of the Share Award Plan Resolution.

OTHER MATTERS

The information contained herein is given as of July 24, 2020, except where indicated. Management of the Company knows of no amendment of the matters referred to in the Notice of Meeting. However, if any amendment, variation or other business should properly be brought before the Meeting, the accompanying Form of Proxy confers discretionary authority upon the persons named therein to vote upon any amendment or variation of the matters referred to in such notice or on such other business in accordance with their best judgment.

ADDITIONAL INFORMATION

Financial information is provided in the Audited Financial Statements and any interim financial statements submitted subsequent to the filing of the Audited Financial Statements and the MD&A included in those statements. Copies of the Company's financial statements and related MD&A are available upon request from the Company's Corporate Secretary as well as on the Company's website. Additional information relating to the Company is also available on SEDAR at www.sedar.com.

EXECUTIVE COMPENSATION

The following provides information regarding all significant elements of compensation paid, payable, granted, given or otherwise provided by the Company to (i) Alan Coutts, Chief Executive Officer ("CEO") and President, (ii) Gregory Rieveley, Chief Financial Officer ("CFO") (iii) Stephen Flewelling, Chief Development Officer ("CDO") (iv) Mark Baker, Vice President Projects and (v) Ryan Weston, Vice President Exploration (collectively the "Named Executive Officers" or "NEOs").

Role of the Compensation, Governance and Nomination Committee

The Board administers the compensation programs of the Company with the assistance of the Compensation, Governance and Nomination Committee. The Committee is comprised of two independent directors comprised of

Mr. Parisotto (Chair) and Mr. Pollesel. The Committee members have significant experience in executive management, including compensation matters, and the mining industry. The process by which appropriate compensation is determined is through periodic and annual reports from the Committee to the Board on the Company's overall compensation and benefit philosophy and specific compensation recommendations to the Board in respect of each of the NEOs, with such compensation reflecting the responsibilities and risks of such positions. The members of the Committee have the skills and experience necessary to make decisions about the Company's compensation policies and practices.

The Compensation, Governance and Nomination Committee is responsible for: (a) developing the compensation philosophy and policy; (b) review and approval of goals and objectives relevant to the Chief Executive Officer's compensation, evaluating the performance of the Chief Executive Officer, and making recommendations to the Board for the Chief Executive Officer's compensation based on the evaluation; (c) reviewing and making recommendations to the Board with respect to compensation of other senior executives other than the Chief Executive Officer; (d) making recommendations to the Board with respect to the form of compensation for senior executives and directors; and (e) reviewing executive compensation disclosure.

Objectives of Compensation Programs

The Board recognizes that the NEOs are critical to achieve the vision and mission of the Company, the primary focus being the successful financing, development and operation of its Eagle's Nest nickel-copper-platinum-palladium project, its chromite projects as well as its other mineral projects, and that compensation plays a critical role in achieving the short and long-term objectives that drive success.

The Board, with the assistance of the Compensation, Governance and Nomination Committee, has established compensation policies reflecting the Company's philosophy regarding executive compensation that:

- Provide competitive compensation sufficient to attract, retain and motivate high-performing senior executives with the requisite skills to achieve the Company's strategy;
- Align compensation directly to achievements of corporate and personal performance objectives that are directly related to the Company's strategy;
- Encourage the execution of goals and objectives consistent with the Company's vision, mission and values; and
- Align with the interests of the Company's stakeholders.

Benchmarking

The Compensation, Governance and Nomination Committee benchmarks NEO and director compensation using companies in the same industry, of similar size and in similar stage of development, for all elements of compensation. Recognizing the unique characteristics of the Company, the Committee uses benchmarking as a broad guideline and does not target the elements of compensation at specific reference points within the benchmarks.

For 2019 compensation, the Company adjusted the group of companies used for benchmarking to more closely reflect the Company's stage of development and size characteristics. In particular, the Company added First Cobalt and removed Nevada Copper (now an operating entity). As a result, the group used for benchmarking purposes for fiscal 2019 included Trilogy Metals, First Cobalt, Polymet Mining, NorZinc, Aquila Resources, Liberty Gold, Almaden Minerals and Nickel Creek Platinum.

Elements of Compensation

Compensation for the Company's NEOs for the year ended December 31, 2019, consisted of the following components:

Base Salary

Base salary is designed to remunerate the NEOs for discharging their duties and responsibilities and therefore considers the position and responsibilities of the NEO, previous experience, prior performance and anticipated contribution. Salary levels are benchmarked against peer group companies at the direction of the Compensation, Governance and Nomination Committee. See “Benchmarking”, above.

Short-Term Incentive Compensation

In addition to base salary, the NEOs are eligible to receive an annual incentive bonus, payable in cash, options, other share awards or a combination thereof and based on the achievement of performance objectives which are linked to the Company’s strategy and short-term goals for each fiscal year.

Target bonus awards range from 40% to 75% of base salary and are again based on the position and responsibilities of the NEO. Target bonus levels are benchmarked against peer group companies at the direction of the Compensation, Governance and Nomination Committee. See “Benchmarking”, above.

Bonus awards are based on annual performance of key metrics that consider the long and short-term objectives established by Management and approved by the Board, as well as performance relative to the Company’s mission, vision and values.

Long-term Incentive Compensation

Long-term incentives are intended to align the interests of NEOs with the interests of stakeholders by motivating NEOs to increase shareholder value over the long-term. Targets for long-term incentives are benchmarked to the market for competitiveness; consider the value of the NEOs contribution to the long-term success of the Company and the percentage of compensation that the Compensation, Governance and Nomination Committee determine should be at risk. Long-term incentive awards in 2019 for the CEO, CFO and CDO was 25% of base salary and for the other NEOs was 10% of salary. The actual awards relative to targets are modified based on NEO performance, corporate performance and the anticipated contribution of the NEO.

Long-term incentive compensation may take the form of stock options, deferred share units (“**DSUs**”), restricted share units (“**RSUs**”), performance share units (“**PSUs**”) and other share-based awards.

The Company has a Stock Option Plan and a Share Award Plan which allows the Company to issue equity-based awards such as restricted stock, restricted stock units, performance shares, performance share units and other equity-based awards. Grant ranges have been established independently each time grants of stock options or Share Awards were made to provide competitive long-term incentive value, with significant recognition of the potential contribution of the individual. Options granted pursuant to the Stock Option Plan have a maximum ten-year term and an exercise price equal to market price at time of grant. The periodic awarding of Options and Share Awards under the Stock Option Plan and Share Award Plan is determined by the Board, is discretionary and takes into account previous Option and Share award grants.

For a detailed description of the Stock Option Plan, please refer to the disclosure relating to the Stock Option Plan in “Particulars of Matters to be Acted Upon” herein.

Grants of Stock Options to NEOs are benchmarked against peer group companies at the direction of the Compensation, Governance and Nomination Committee (see “Benchmarking”, above) with consideration to the NEO’s positions and their respective influence on the Company’s long-term goals.

The Company’s share award plan (the “**Share Award Plan**”) was established on August 14, 2012, approved by shareholders of the Company on October 9, 2012 and amendments approved by the shareholders of the Company on June 4, 2014 respectively. Awards issued under the Share Award Plan require board approval. The purpose of the Share Award Plan is also to advance the interests of the Company through the motivation, attraction and retention of senior executives, directors, employees (including prospective employees) and consultants of the Company and to

secure for the Company and the shareholders of the Company the benefits inherent in ownership of common shares by senior executives' directors, employees and consultants of the Company. The Board believes that share-based awards provide an effective tool for the Company to enable it to attract and retain key personnel in the face of competition from larger companies.

Following the proposed amendment described above, the maximum number of Common Shares made available as awards pursuant to the Share Award Plan shall be 10,000,000 Common Shares. As of July 24, 2020, there are 1,146,244 Common Shares available to be awarded under the Share Award Plan and following the proposed amendment, there shall be 7,146,244 Common Shares available for further issuance as Awards under the Share Award Plan. In the event that Common Shares made available as Awards granted pursuant to the Plan are subsequently cancelled, new Awards may be granted covering the Common Shares cancelled.

Risk Mitigation

In carrying out its mandate, the Board reviews from time to time the risk implications of the Company's compensation policies and practices, including those applicable to the Company's executives. This review of the risk implications ensures that compensation plans, in their design, structures and application have a clear link between pay and performance and do not encourage excessive risk taking.

Key considerations regarding risk management include the following:

- (a) design of the compensation program to ensure all executives are compensated based on the same or, depending on the mandate and term of appointment of that particular executive, substantially equivalent performance goals;
- (b) balance of short-term performance incentives with equity-based awards that vest over time;
- (c) ensuring overall expense to the Company of the compensation program does not represent a disproportionate percentage of the Company's cash on hand, after giving consideration to the planned growth initiatives of the Company; and
- (d) utilizing compensation policies that do not rely solely on the accomplishment of specific tasks without consideration of longer-term risks and objectives.

The Board believes that the Company's current executive compensation policies and practices achieve an appropriate balance in relation to the Company's overall business strategy and do not encourage executives to expose the Company to inappropriate or excessive risks.

Financial Instruments

Currently, the Company does not have a policy that prohibits a Named Executive Officer or director from purchasing financial instruments (including, for greater certainty, prepaid variable forward contracts, equity swaps, collars, or units of exchange funds) designed to hedge or offset a decrease in the market value of equity securities of the Company granted as compensation or held directly or indirectly by the Named Executive Officer or director. The Board periodically assesses whether such a policy is necessary.

2019 Compensation for the Named Executive Officers

Over the past three years there have not been any NEO salary increases other than for cost of living. In light of the Company's working capital situation, the CEO, CDO and CFO deferred part of their salary during the year which was repaid just prior to the year-end once the Company closed a financing transaction.

The annual bonuses of the NEOs, other than the CEO, are determined by the Compensation, Governance and Nomination Committee based on the evaluation of their performance by the CEO. The CEO's annual bonus is determined based on his performance which is evaluated by the Compensation, Governance and Nomination

Committee, which includes the Chairman of the Board as a member. The evaluation process assesses the Named Executive Officer's performance relative to the NEO's objectives which cascade from the key objectives that were established and outlined in the Company's Annual Management Discussion and Analysis dated April 10, 2019.

The key objectives for fiscal 2019 were:

1. Support the First Nation proponents of the north-south all-season access road to the Ring of Fire project and obtain public commitments to infrastructure funding from the provincial and federal governments;
2. Finalize the Ferrochrome Production Facility (FPF) site selection and initiate a preliminary economic assessment (PEA) on the first chromite project;
3. Advance discussions with the primary First Nation communities in the Company's project area to conclude and sign a pre-development agreement in support of the Eagle's Nest Project while maximizing training and employment opportunities for their community members;
4. Conduct an ongoing systematic exploration program in the Ring of Fire, funded internally or through partnerships, focused on the copper / zinc, nickel and gold potential in the Ring of Fire; and
5. Pursue and acquire production / development stage properties and businesses that leverage the skill set of management and are complementary to the Company's current asset base.

The CEO, CFO and CDO's short-term compensation was determined through a performance evaluation process which considered the Company's performance in relation to the achievement of the above objectives. The calculation of the CEO, CFO and CDO bonuses are weighted 100% to the Company's performance. No cash bonuses were paid to the CEO, CFO or CDO. Rather, 100% of the earned bonuses were paid through the granting of stock options. RSU's were issued to the CEO, CFO and CDO in consideration for salary deferrals during part of the year.

The NEO's, short-term compensation, excluding the CEO, CFO and CDO was also determined through a performance evaluation process which considered the Company's and the individual's performance objectives. The calculation of the NEO's bonuses are weighted 50% to the Company's performance and 50% to individual performance objectives. No cash bonuses were paid to the NEO's, 100% of the earned bonuses were paid through the granting of stock options.

In order to quantify the Company performance, the CEO and the Corporate Governance and Compensation Committee ranked the achievement of each objective. A percentage was derived which was applied to the portion of their target bonus dependent on the Company performance. For 2019, the Company performance was determined to be 78% for the purposes of calculating the 2019 NEO bonuses.

During 2019, the Company chose Sault Ste. Marie, Ontario as the site for the Ferrochrome Production Facility and signed a land use and service agreement with Algoma Steel as well as an engineering support agreement with Hatch to advance the project. The Company signed an MOU with Aroland First Nation which is located at the southern terminus of the north-south road to the Ring of Fire making the community a shareholder of the Company. Both Marten Falls and Webequie First Nations continued to advance the Environmental Assessment processes for their sections of the all season access road and the two First Nations made significant progress along with the provincial government towards establishing the proponenty for the last leg of the road, north of Albany river. The Company was pleased to extend its debt arrangements with significant stakeholders Resource Capital Funds (RCF) and Franco-Nevada during the year. The RCF debt was extended to September 30, 2021 and the Franco-Nevada debt was extended to September 30, 2022. Finally, the Company continued to make significant improvements in our health and safety performance, reducing the Total Recordable Injury Frequency Rate (TRIFR) from 14 in 2018 to 0 in 2019.

Individual performance was determined by ranking the achievement of an individual based on objectives set by the individual and their supervisor. A percentage was derived which was applied to their individual portion of their target bonus.

Stock options issued to NEOs in relation to their 2019 bonuses vest immediately, have a term of five years from the date of grant and are exercisable into Common Shares of the Company at a price of \$0.145 per Common Share. Stock options were also issued as a long-term incentive which vest over a two-year period. Restricted Stock Units (RSUs) which are convertible into Common Shares at the time of vesting were issued to certain NEO's for agreeing to defer part of their salaries during the year. The number of RSU's issued was calculated by dividing half of the salary deferral by the market price of the Common Shares which was \$0.16 per Common Share at the time.

All stock options were valued using the Black-Scholes option pricing model using the same stock price as was used to determine the option value in the prior year which was significantly higher than the current stock price. This resulted in a higher option price resulting in less options issued than would have been issued if the current stock price was used. Stock options issued as long-term compensation vest over a two-year period, with a term of five years and are issued with an exercise price equal to the market price of the Company's stock at the date of grant.

2020 Annual Objectives for the Named Executive Officers

The CEO has defined, and the Board has approved key objectives for the year 2020 which are outlined in the Company's December 31, 2019 MD&A for fiscal 2019. The NEO's performance in 2020 will be evaluated against their specific objectives which cascade from the key objectives defined for the Company.

The Company's primary objectives for fiscal 2020 are:

1. Support the First Nation proponents of the north-south all-season access road to the Ring of Fire project and obtain public commitments to infrastructure funding from the provincial and federal governments. Develop a monitoring and facilitation plan so that clear schedules and milestones are established and managed;
2. Advance the Eagle's Nest project towards a construction decision. Initiate the update to the Eagle's Nest Feasibility Study focusing on revised metallurgical test work and the restructure of the Environmental Assessment to remove the road from the project terms of reference;
3. Initiate a preliminary economic assessment (PEA) on the first chromite project including the Blackbird Mine and Sault Ste. Marie Ferrochrome Production Facility. Work with government to advance the status of the Company's project as a strategic ferrochrome supply chain;
4. Continue to advance discussions with the primary First Nation communities in the Company's project area to conclude and sign a project advancement agreement in support of the Eagle's Nest Project, which would ultimately lead to an impact benefit agreement. while providing training and future employment opportunities; and
5. Actively pursue pre-development financing to fund development activities. Pursue and acquire production / development stage properties and businesses that leverage the skill set of management and are complementary to the Company's current asset base.

Summary Compensation Table

The following table (presented in accordance with National Instrument Form 51-102F6 – “**Form 51-102F6**”) sets forth all direct and indirect compensation provided to the Company’s Named Executive Officers, for each of the Company’s three most recently completed financial years.

NEO Name and Principal Position	Year	Salary (\$)	Share-Based Awards ⁽¹⁾⁽⁴⁾ (\$)	Option-Based Awards ⁽²⁾ (\$)	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)	All Other Compensation (\$)	Total Compensation (\$)
					Annual Incentive Plans ⁽⁵⁾ (\$)	Long-term Incentive Plans (\$)			
Alan Coutts, President and Chief Executive Officer	2019	343,332	32,910	168,560 ⁽³⁾	–	–	–	–	544,802
	2018	336,600	–	323,516 ⁽³⁾	–	–	–	–	660,116
	2017	330,000	–	291,217 ⁽³⁾	–	–	–	–	621,217
Gregory Rieveley, Chief Financial Officer	2019	234,090	22,439	94,893 ⁽³⁾	–	–	–	–	351,422
	2018	229,500	–	164,840 ⁽³⁾	–	–	–	–	394,310
	2017	225,000	–	147,770 ⁽³⁾	–	–	–	–	372,770
Stephen Flewelling, Chief Development Officer ⁽⁴⁾	2019	260,100	24,932	105,437 ⁽³⁾	–	–	–	–	390,469
	2018	255,000	–	185,162 ⁽³⁾	–	–	–	–	440,162
	2017	250,000	–	166,802 ⁽³⁾	–	–	–	–	416,802
Mark Baker, VP Projects	2019	182,528	–	48,663 ⁽³⁾	–	–	–	–	231,191
	2018	178,949	–	67,419 ⁽³⁾	20,739	–	–	–	267,107
	2017	175,440	–	60,223 ⁽³⁾	20,596	–	–	–	256,259
Ryan Weston, VP Exploration	2019	182,070	–	50,778 ⁽³⁾	–	–	–	–	232,848
	2018	178,550	–	73,051 ⁽³⁾	23,138	–	–	–	274,689
	2017	175,000	–	60,072 ⁽³⁾	20,544	–	–	–	255,616

Notes:

- (1) For share-based awards granted to NEOs, the grant date fair value is based on the current market price of the underlying stock, vesting provisions and performance provisions, if applicable.
- (2) For all option-based awards granted to NEOs, the Company uses the Black-Scholes model to calculate the grant date fair value of option-based awards. The model requires six key inputs: risk-free interest rate (1.30%-1.76%), exercise price of the Option (\$0.145-\$0.35), market price of the Common Shares at date of grant (\$0.145-\$0.35), expected dividend yield (0%), expected life (5 years) and share price volatility (64%-68%), all of which, except for the exercise price of the Option and market price of the Common Shares at date of grant, are estimates of Management.
- (3) Amounts represent stock options issued in lieu of cash for a portion of the value of NEO’s bonuses earned during the year and as options granted during the year as a long-term incentive.
- (4) Amounts represent restricted stock units which were issued for the deferral of base salaries during 2019.

Employment/Consulting Agreements of NEOs

Alan Coutts' target bonus is 75% of his base salary for the year in which the bonus is earned. His employment agreement provides that if his employment is terminated without just cause he will be entitled to continuation of monthly payments of his base salary for the lesser of twelve months plus an additional two months for each completed year of service to a maximum of twenty-four months or up to the date he secures alternate employment in which case he will be entitled to 50% of the remaining amount otherwise payable. If the Company gives Notice of Termination pursuant to a change of control or if he gives Notice of Termination pursuant to a change of control for good reason, he will be entitled to receive a payment equal to two times his base salary and the average of his bonus over the preceding two years multiplied by two.

Gregory Rieveley's target bonus is 50% of his base salary for the year in which the bonus is earned. His employment agreement provides that if his employment is terminated without just cause he will be entitled to a payment equal to his then current salary for six months plus two months for each completed year of service after December 31, 2009 to a maximum of eighteen months. If the Company gives Notice of Termination pursuant to a change of control or if he gives Notice of Termination pursuant to a change of control for good reason within six months of the change in control, he will be entitled to receive a payment equal to one and a half times his then current salary and target bonus multiplied by one and a half.

Stephen Flewelling's target bonus is 50% of his base salary for the year in which the bonus is earned. His employment agreement provides that if his employment is terminated without just cause he will be entitled to continuation of monthly payments of his base salary for the lesser of twelve months plus an additional two months for each completed year of service to a maximum of eighteen months or up to the date he secures alternate employment in which case he will be entitled to 50% of the remaining amount otherwise payable. If the Company gives Notice of Termination pursuant to a change of control or if he gives Notice of Termination pursuant to a change of control for good reason, he will be entitled to receive a payment equal to two times his base salary.

Mark Baker's target bonus is 40% of his base salary for the year in which the bonus is earned. His employment agreement provides that if his employment is terminated without just cause he will be entitled to a payment equal to his then current salary for four months plus two months for each completed year of service to a maximum of twelve months. If the Company gives Notice of Termination pursuant to a change of control or if he gives Notice of Termination pursuant to a change of control for good reason within six months of the change in control, he will be entitled to receive a payment equal to his then current salary for four months plus two months for each completed year of service to a maximum of twelve months' salary and target bonus.

Ryan Weston's target bonus is 40% of his base salary for the year in which the bonus is earned. His employment agreement provides that if his employment is terminated without just cause he will be entitled to a payment equal to his then current salary for three months plus two months for each completed year of service to a maximum of twelve months. If the Company gives Notice of Termination pursuant to a change of control or if he gives Notice of Termination pursuant to a change of control for good reason within twelve months of the change in control, he will be entitled to receive a payment equal to his then current salary.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Named Executive Officers:

Name	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options ⁽¹⁾ (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (\$)
Alan Coutts	300,000	0.55	Mar 31, 2020	–	–	–	–
	300,000	0.34	Mar 24, 2021	–	–	–	–
	220,000	0.31	Jul 5, 2021	–	–	–	–
	1,111,000	0.25	Feb 24, 2022	–	–	–	–
	1,432,200	0.35	Feb 22, 2023	–	137,500	–	–
	1,785,850	0.30	Feb 26,2024	–	311,666	–	–
Stephen Flewelling	1,500,000	0.44	Jun 18, 2020	–	–	–	–
	200,000	0.34	Mar 24, 2021	–	–	–	–
	83,333	0.31	Jul 5, 2021	–	–	–	–
	720,832	0.25	Feb 24, 2022	–	–	–	–
	827,500	0.35	Feb 22, 2023	–	104,166	–	–
	1,019,999	0.30	Feb 26,2024	–	236,110	–	–
Gregory Rieveley	200,000	0.55	Mar 31, 2020	–	–	–	–
	200,000	0.34	Mar 24, 2021	–	–	–	–
	648,750	0.25	Feb 24, 2022	–	–	–	–
	733,500	0.35	Feb 22, 2023	–	93,750	–	–
	907,800	0.30	Feb 26,2024	–	212,500	–	–
Mark Baker	25,000	0.55	Mar 31, 2020	–	–	–	–
	50,000	0.34	Mar 24, 2021	–	–	–	–
	58,450	0.31	Jul 5, 2021	–	–	–	–
	304,096	0.25	Feb 24, 2022	–	–	–	–
	296,405	0.35	Feb 22, 2023	–	29,240	–	–
	372,114	0.30	Feb 26,2024	–	66,277	–	–
Ryan Weston	300,000	0.33	Apr 13, 2021	–	–	–	–
	332,499	0.25	Feb 24, 2022	–	–	–	–
	295,662	0.35	Feb 22, 2023	–	29,166	–	–
	403,409	0.30	Feb 26,2024	–	66,110	–	–

Notes:

(1) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which is \$0.18 per Common Share, and the exercise or base price of the Option.

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value of all Options that vested during the year ended December 31, 2019 for each of the Named Executive Officers. There were no share-based awards that vested during the financial period ended December 31, 2019. There were no non-equity incentive plan compensation amounts.

NEO Name	Option-Based Awards value vested during the year (\$)⁽¹⁾	Share-Based Awards value vested during the year (\$)	Non-equity incentive plan compensation value earned during the year (\$)
Alan Coutts	11,000	–	–
Gregory Rieveley	7,500	–	–
Stephen Flewelling	8,333	–	–
Mark Baker	2,339	–	–
Ryan Weston	2,722	–	–

Notes:

- (1) The value of unexercised in-the-money Options on the date vested is based on the number of Options that became vested on the applicable date and is calculated on the difference between the market value of the common shares on the TSX-V as at the date of vesting and the exercise price of the Option.

For a detailed description of the incentive plans, please refer to the disclosure relating to the Stock Option Plan and the Share Award Plan in “Particulars of Matters to be Acted Upon” and “Executive Compensation – Compensation Discussion & Analysis – Elements of Compensation – Long-term Incentive Compensation”, respectively, herein.

Pension Plan Benefits

The Company does not have any form of pension plan, whether a defined benefit or deferred contribution plan, that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement. The Company does not have any form of deferred compensation plan.

Termination and Change of Control Benefits

Except as disclosed above under “Employment/Consulting Agreements of NEOs” the Company and its subsidiaries have no contracts, agreements or arrangements that provide for termination payments to a Named Executive Officer. The following table summarizes the termination and change of control benefits that the Named Executive Officers would have received at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, change in control of the Company, or change in a Named Executive Officer’s responsibilities, determined as if termination occurred on December 31, 2019.

Name	Event	Amounts Due on Termination (as of December 31, 2019)					
		Contractual Severance		Benefits (\$)	Long-term incentives	Other (\$)	Total (\$)
		Salary (\$)	Annual Bonus (\$)		Options (\$)		
Alan Coutts	Termination with cause	–	–	–	–	–	–
	Termination without cause	686,664	–	17,874	–	–	704,538
	Resignation	–	–	–	–	–	–
	Death and Disability	686,664	–	17,874	–	–	704,538
	Change of Control	686,664	438,152	–	–	–	1,124,816
Gregory Rieveley	Termination with cause	–	–	–	–	–	–
	Termination without cause	351,135	–	13,261	–	–	364,396
	Resignation	–	–	–	–	–	–
	Death and Disability	351,135	–	13,261	–	–	364,396
	Change of Control	351,135	175,568	13,261	–	–	539,964
Stephen Flewelling	Termination with cause	–	–	–	–	–	–
	Termination without cause	390,150	–	11,213	–	–	401,363
	Resignation	–	–	–	–	–	–
	Death and Disability	390,150	–	11,213	–	–	401,363
	Change of Control	520,200	–	–	–	–	520,200
Mark Baker	Termination with cause	–	–	–	–	–	–
	Termination without cause	182,528	–	8,502	–	–	191,030
	Resignation	–	–	–	–	–	–
	Death and Disability	182,528	–	8,502	–	–	191,030
	Change of Control	182,528	73,011	8,502	–	–	264,041
Ryan Weston	Termination with cause	–	–	–	–	–	–
	Termination without cause	136,553	–	6,376	–	–	142,929
	Resignation	–	–	–	–	–	–
	Death and Disability	136,553	–	6,376	–	–	142,929
	Change of Control	182,070	–	8,502	–	–	190,572

DIRECTOR COMPENSATION

Director Compensation Table

The Company’s policy with respect to directors’ compensation was developed by the Compensation, Governance and Nomination Committee with reference to comparative data of companies in the same industry, of similar size and in similar stage of development. Directors fees paid during 2019 were based on the annual rates below:

- Annual cash retainer of \$35,000
- Annual Chairman of the Board retainer of \$12,500
- Annual Chairman’s retainer for Audit Committee of \$10,000
- Annual Chairman’s retainer for Compensation, Governance and Nomination Committees of \$5,000
- Annual Chairman’s retainer for Sustainability Committee of \$5,000
- Reimbursement of meeting expenses

In light of the company’s working capital situation, the Directors deferred their remuneration during the year which was repaid just prior to the year-end once the Company closed a financing transaction.

The Board of Directors may be issued stock options, deferred share units or share-based awards. Members of the Board of Directors up to this time have received annual grants of stock options. In determining the amount of such annual grants to be recommended to the Board for approval the Compensation, Governance and Nominating Committee considers, among other things, benchmarking against comparable companies (see “Benchmarking” above).

During 2016, the Board of Directors adopted share ownership requirements to ensure director alignment with shareholders. Members of the Board of Directors were required to purchase Common Shares of the Company with a minimum acquisition cost of \$50,000. In 2020, the Board changed the Company’s policy allowing the share ownership requirement to be satisfied by opting to take their board fees in deferred share units (DSU’s). Board members have three years from the date they joined the board in the case of new directors to comply with the minimum shareholding requirement. Mr. Coutts and Mr. Parisotto have met the minimum share ownership requirements. Mr. Pollesel and Mr. Gladu joined the Board in April and June 2017, however, due to the change in policy during the year their shareholding requirement has been extended to the end of 2021. Mr. Liu and Mr. Honig are exempt from the ownership requirements as a representative of Baosteel and Resource Capital Funds, respectively.

On June 25, 2020, Mr. Matthew Quinlan was appointed to the Board as one of RCF’s nominee’s.

The following table sets forth all amounts of compensation provided to the directors, who are each not also a Named Executive Officer, for the Company’s most recently completed financial year:

Director Name	Fees Earned (\$)	Share-Based Awards (\$)	Option-Based Awards (\$)⁽¹⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Jean-Paul Gladu	35,000	–	44,400	–	–	–	79,400
Bo Liu	–	–	44,400	–	–	–	44,400
Paul Parisotto	47,500	–	44,400	–	–	–	91,900
John Pollesel	50,000	–	44,400	–	–	–	94,400
Sybil Veenman ⁽²⁾	40,000	–	44,400	–	–	–	84,400

Notes:

- (1) For all option-based awards granted to Directors, the Company uses the Black-Scholes model to calculate the grant date fair value of option-based awards. The model requires six key inputs: risk-free interest rate (1.60%), exercise price of the Option (\$0.26), market price of the Common Shares at date of grant (\$0.26), expected dividend yield (0%), expected life (5 years) and share price volatility (67.5%), all of which, except for exercise price of the Option and market price of the Common Shares at date of grant, are estimates of Management.
- (2) Sybil Veenman was a director for the year-ended 2019, and subsequently stepped down from the board on February 27, 2020

Incentive Plan Awards – Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth information concerning all awards outstanding under incentive plans of the Company at the end of the most recently completed financial year, including awards granted before the most recently completed financial year, to each of the Directors who are not NEOs:

Name ⁽¹⁾	Option-Based Awards				Share-Based Awards		
	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Value of Unexercised In-the-Money Options ⁽²⁾ (\$)	Number of Shares or Units of Shares That Have Not Vested (#)	Market or Payout Value of Share-Based Awards That Have Not Vested (\$)	Market or Payout Value of Vested Share-Based Awards Not Paid Out or Distributed (\$)
Jean-Paul Gladu	300,000	0.23	Apr 7, 2022	–	–	–	–
	200,000	0.35	Feb 22, 2023	–	66,666	–	–
	300,000	0.26	Apr 12, 2024	–	200,000	–	–
Bo Liu	300,000	0.35	Jun 7, 2022	–	–	–	–
	200,000	0.35	Feb 22, 2023	–	66,666	–	–
	300,000	0.26	Apr 12, 2024	–	200,000	–	–
Paul Parisotto	100,000	0.55	Mar 31, 2020	–	–	–	–
	200,000	0.34	Mar 24, 2021	–	–	–	–
	300,000	0.25	Feb 24, 2022	–	–	–	–
	200,000	0.35	Feb 22, 2023	–	66,666	–	–
	300,000	0.26	Apr 12, 2024	–	200,000	–	–
John Pollesel	300,000	0.35	Jun 7, 2022	–	–	–	–
	200,000	0.35	Feb 22, 2023	–	66,666	–	–
	300,000	0.26	Apr 12, 2024	–	200,000	–	–
Sybil Veenman ⁽³⁾	300,000	0.35	Aug 25, 2020	–	–	–	–
	200,000	0.34	Mar 24, 2021	–	–	–	–
	300,000	0.25	Feb 24, 2022	–	–	–	–
	200,000	0.35	Feb 22, 2023	–	66,666	–	–
	300,000	0.26	Apr 12, 2024	–	200,000	–	–

Notes:

- (1) The table above does not include information with respect to Mr. Alan Coutts, who was a director and Named Executive Officer during the year ended December 31, 2019.
- (2) This amount is calculated based on the difference between the market value of the securities underlying the options at the end of the most recently completed financial year, which is \$0.18 per Common Share, and the exercise or base price of the option.
- (3) Sybil Veenman was a director for the year-ended 2019, and subsequently stepped down from the board on February 27, 2020

Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets out the value of all Options awards that vested during the year ended December 31, 2019 for each of the Directors. There were no Share-based awards outstanding during the year ended December 31, 2019. There were no non-equity incentive plan compensation amounts:

Director Name⁽¹⁾	Option-Based Awards value vested during the year (\$)⁽²⁾	Share-Based Awards value vested during the year (\$)	Non-equity incentive plan compensation value earned during the year (\$)
Jean-Paul Gladu	3,000	–	–
Bo Liu	–	–	–
Paul Parisotto	6,000	–	–
John Pollesel	–	–	–
Sybil Veenman ⁽³⁾	6,000	–	–

Notes:

- (1) The table above does not include information with respect to Mr. Alan Coutts, who was a director and Named Executive Officer during the year ended December 31, 2019.
- (2) The value of unexercised in-the-money options on date vested is based on the number of options that became vested on the applicable date and is calculated on the difference between the market value of the common shares on the TSX-V as at the date of vesting and the exercise price of the option.
- (3) Sybil Veenman was a director for the year-ended 2019, and subsequently stepped down from the board on February 27, 2020

Directors' and Officers' Liability Insurance

The Company has directors' and officers' liability insurance for the benefit of the directors and officers of the Company which provides coverage in the aggregate of \$10 million for the period from June 13, 2020 to June 13, 2021. The deductible amount on the policy is \$25,000 and the total premium is \$33,000.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information as of December 31, 2019 with respect to compensation plans under which equity securities of the Company are authorized for issuance. See also “Particulars of Matters to be Acted Upon – Re-Approval of the Stock Option Plan” for detail regarding the Stock Option Plan and “Executive Compensation – Compensation Discussion & Analysis – Elements of Compensation - Long-term Incentive Compensation” for detail regarding the Share Award Plan.

Plan	Number of securities to be issued upon exercise of outstanding options, warrants and rights (A)	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (A))
Equity compensation plans approved by security holders:			
1. Stock Options	21,928,722	\$0.32	14,777,250
2. Share Awards	3,465,483	Nil	534,517
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	25,394,205	\$0.32	15,311,767

INDEBTEDNESS OF OFFICERS AND DIRECTORS

No officer or director of the Company is indebted to the Company for any sum.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company (within the meaning of NI 51-102), no proposed nominee for election as a director of the Company, and no associate or affiliate of any of the foregoing, has any material interest, direct or indirect, in any transaction since the commencement of the Company’s last financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company or any of its subsidiaries, other than disclosed under the heading “Executive Compensation”.

AUDIT COMMITTEE AND RELATIONSHIP WITH AUDITORS

National Instrument 52-110 of the Canadian Securities Administrators (“NI 52-110”) requires the Company, as a Venture Issuer (as defined in NI 52-110), to disclose annually in its information circular certain information relating to the Company’s audit committee and its relationship with the Company’s independent auditors.

The Audit Committee’s Charter

The Company’s Audit Committee is governed by its Audit Committee Charter, a copy of which is annexed hereto as Appendix “A”.

Composition of the Audit Committee

The Company's Audit Committee is currently comprised of the following three directors: John Pollesel (Chair), Paul Parisotto and Jean-Paul Gladu. As defined in NI 52-110, Messrs. Pollesel, Parisotto and Gladu are independent. Also, as defined in NI 52-110, all the members of the Audit Committee are financially literate.

Relevant Education and Experience

For the relevant education and experience of each of the members of the Company's Audit Committee, please see the biographical summary of each of Messrs. Pollesel, Parisotto and Gladu under the heading "Election of the Board of Directors".

Audit Committee Oversight

Since the commencement of the Company's most recently completed fiscal year, the Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the effective date of NI 52-110, the Company has not relied on the exemptions contained in section 2.4 or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the audit committee must pre-approve all non-audit services to be provided by the auditors, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total fees payable to the auditors in the fiscal year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Pre-Approval Policies and Procedures

The Audit Committee has adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee approves the engagement of non-audit services as required.

External Auditors Service Fees (By Category)

The fees paid to the Company's external auditors in each of the last two fiscal periods for audit fees are as follows:

Financial Period Ending	Audit Fees	Audit Related Fees¹	Tax Fees²	All Other Fees³
December 31, 2019	\$73,456	\$858	\$17,010	Nil
December 31, 2018	\$99,719	\$1,365	\$19,950	21,684

Notes:

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under Audit Fees.
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.

Exemption

The Company is relying upon the exemption in section 6.1 of NI 52-110 for venture issuers which allows for an exemption from Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110 and allows for the short form of disclosure of audit committee procedures set out in Form 52-110F2.

CORPORATE GOVERNANCE

The securities regulatory authorities in Canada adopted National Instrument 58-101 - Disclosure of Corporate Governance Practices (“**NI-58-101**”) and National Policy 58-201 Corporate Governance Guidelines (“**NP-58-201**”), which contain a series of guidelines for effective corporate governance and related disclosure. The guidelines deal with such matters as the constitution and independence of corporate boards, their functions, the experience and education of board members and other items dealing with sound corporate governance.

The Company considers good corporate governance to be central to the effective and efficient operation of its business and is committed to implementing high standards of corporate governance and reporting. The Board reviews and formulates policies with respect to corporate governance issues. The Company attempts, so far as is practical and reasonable, given the nature of its business and available resources, to seek to adhere to the guidelines outlined in NP 58-201.

The Company reviews its corporate governance practices annually and can provide the following summary of its corporate governance policies:

1. **Board of Directors** — The Board is responsible for guiding and supervising the Company’s business and its affairs. The Board of Directors has adopted a written mandate which is available on the Company’s website. In this regard, the Board reviews, approves and provides guidance on key corporate matters, including the strategic business planning process and certain operations decisions such as acquisitions and dispositions, operating and capital budgets, major financings, significant policy decisions, the performance and compensation of senior Management including grants made pursuant to the Stock Option Plan, Share Award Plan, and approval of the annual financial statements. The Board facilitates its exercise of independent supervision over Management by ensuring a majority of the directors of the Company are independent. Currently six directors, being Paul Parisotto, John Pollesel, Jean-Paul Gladu, Bo Liu, Greg Honig and Matthew Quinlan are independent directors of the Company. As CEO, Alan Coutts is not considered independent.
2. **Directorships** — Mr. John Pollesel is also a director of First Cobalt Corp (Chair) and North American Construction Inc., Mr. Honig is also a director of First Drilling LLC. and Mr. Liu is also a director of Sprott Resource Holding Inc.
3. **Orientation and Continuing Education** — The Board has a process for the orientation of new board members which includes providing new directors with an extensive package of the Company’s governance, financial and business-related documents, as well as briefings by officers and other members of the Board, and offering opportunities to participate in certain briefing meetings and meetings with stakeholders.
4. **Ethical Business Conduct** — The Company is committed to maintaining high standards of integrity and accountability in conducting its business. The directors understand their fiduciary obligations as directors of a public company and have developed a code of business conduct and ethics which is available on the Company’s website.
5. **Nomination of Directors** — The Board, with the assistance of the Compensation, Governance and Nominating Committee, identifies new candidates for the Board including members to fill any vacancies on the Board. The Board considers required skills identified during the annual skills assessment review of the board when considering new appointments. It will consider candidates submitted by directors, officers, employees, shareholders and others and may retain search firms for the purposes of identifying suitable candidates who meet the level of personal and professional integrity and ability it deems appropriate for directors of the Company.
6. **Compensation** — The Board reviews the compensation of directors and officers including the granting of stock options based on recommendations from the Compensation, Governance and Nominating Committee. Compensation is determined with reference, in part, to compensation of officers and directors in similar industries performing similar functions. See also “Executive Compensation – Benchmarking” for additional

detail regarding the role of the Compensation, Governance and Nomination Committee and the process of determining compensation.

7. **Other Board Committees** — Currently the Board has established the Compensation, Governance and Nomination Committee and the Environmental, Health, Safety and Sustainability Committee along with its Audit Committee. The Compensation, Governance and Nomination Committee supplies direction to the Board in all matters pertaining to: (i) the compensation, benefits and performance of the executive officers of the Company; (ii) overseeing and supervising any share purchase plan, share option plan, bonus participation plan, incentive compensation plan or other equity based plan; (iii) all matters of corporate governance, new director nominations, salary, size and composition of the Board and committees of the Board. The Environmental, Health, Safety and Sustainability Committee oversees the development and implementation by management of policies, programs and systems relating to environmental; health; safety; sustainable issues; performance and monitoring of current and future legal and regulatory issues to ensure compliance with applicable legislation, rules and regulations and best management practices with a commitment to sustainable development.
8. **Assessments** — The Compensation, Governance and Nominating Committee reviews the corporate governance practices and policies of the Company annually and carries out an annual review, including through the completion of detailed evaluation questionnaires or interviews of individual directors by the Chair of the Committee, to assess whether the Board, its committees, and its individual directors are performing effectively.

APPROVAL OF DIRECTORS

The Circular and the mailing of same to shareholders has been approved by the Board.

BY ORDER OF THE BOARD OF DIRECTORS

DATED the 24th day of July 2020 in Toronto, Ontario

(signed) “Alan Coutts”

Alan Coutts
President and Chief Executive Officer

APPENDIX “A” – CHARTER OF THE AUDIT COMMITTEE
(Adopted by the Board of Directors, July 9, 2013; revised and reapproved April 8, 2020)

I. PURPOSE

The Board of Directors (the “Board”) of Noront Resources Ltd. (“Noront”) has established an Audit Committee (the “Committee”) to assist the Board in fulfilling its financial reporting and oversight responsibilities to the shareholders of Noront and the investment community.

II. COMPOSITION

The Committee will be comprised of a minimum of three directors as the Board may from time to time determine. Each Committee member shall be an “independent director” as defined by applicable laws, including the requirements of National Instrument 52-110 of the Canadian Securities Administrators (“NI 52-110”), as such rules are revised, updated or replaced from time to time.

All members shall, to the satisfaction of the Board, be “financially literate”, and at least one member shall have accounting or related financial management expertise sufficient to qualify as a “financial expert” as such qualifications are interpreted by the Board in light of applicable laws and stock exchange rules, including the requirements of NI 52-110, as revised, updated or replaced from time to time.

No director may serve as a member of the Committee if such director serves on the audit committee of more than two other public companies unless the Board determines that such simultaneous service would not impair the ability of such director to effectively serve on the Committee, and this determination is disclosed in the annual management information circular.

Committee members will be appointed annually, at the first meeting of the Board following the annual general shareholders meeting.

The Board may remove a member of the Committee at any time in its sole discretion by resolution of the Board. Unless a Chair for the Committee is appointed by the Board, the members of the Committee may designate a Chair of the Committee by majority vote of the full membership of the Committee.

III. DUTIES OF MANAGEMENT, EXTERNAL AUDITORS AND THE COMMITTEE

Management is responsible for the preparation, presentation and integrity of Noront’s financial statements and to establish, document, maintain and review systems of internal control and maintain the appropriate accounting and financial reporting principles and policies designed to assure compliance with accounting standards and applicable laws. Absent knowledge to the contrary (the details of which when known shall be promptly reported to the Board), each member of the Committee is entitled to rely on the accuracy of the financial and other information provided to the Committee by management and the external auditors and any representations made by management or the external auditors as to any non-audit services provided to Noront or any of its subsidiaries.

External auditors are responsible for planning and carrying out a proper audit of Noront’s annual financial statements and related procedures. The external auditors shall submit annually to Noront and the Committee a formal written statement of the fees billed in compliance with the disclosure requirements of Form 52-110F1 of NI 52-110.

The Committee is responsible to provide independent and objective oversight of Noront’s financial reporting process on behalf of the Board and to report the results of its activities to the Board. It is the responsibility of the Committee, to oversee the planning and conduct of financial audits and to recommend approval of Noront’s financial statements to the Board.

IV. RESPONSIBILITIES AND POWERS

Responsibilities and powers of the Committee include:

- Subject to the powers of the Board and the shareholders under Noront’s articles and by-laws and under the Business Corporations Act (Ontario), the Committee is responsible for the selection, appointment, oversight, evaluation, compensation, retention and, if necessary, the replacement of the external auditors who prepare or issue an auditor’s report or perform other audit, review or attest services for Noront.
- Overseeing procedures relating to the receipt, retention and treatment of complaints received by Noront regarding accounting, internal accounting controls or auditing matters and the confidential anonymous submission of concerns regarding accounting or auditing matters, pursuant to Noront’s Whistleblower Policy, or otherwise.
- Approving the appropriate audit engagement fees and the funding for payment of the external auditors’ compensation and any advisors retained by the Committee.
- Requiring that the external auditors report directly to the Committee and be accountable to the Board and the Committee, as representatives of the shareholders to whom the external auditors are ultimately responsible.
- Reviewing the independence of the external auditors, which will require the external auditors to submit a formal written statement delineating all relationships between the external auditors and Noront and any other factors that might affect the independence of the external auditors and the basis for these conclusions.
- Requiring the external auditors to provide the Committee with all reports which the external auditors are required to provide to the Committee or the Board under rules, policies or practices of professional or regulatory bodies applicable to external auditors.
- Reviewing and approving any non-audit engagements of the external auditors in accordance with applicable laws; approving any associated fees; and ensuring such review will not affect the independence of the external auditors.
- Obtaining from the external auditors in connection with any audit a timely report relating to Noront’s annual audited financial statements describing all critical accounting policies and practices used, all alternative treatments within generally accepted accounting principles for policies and practices related to material items that have been discussed with management, ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the external auditors; any material written communications between the external auditors and management, such as any “management” letter or schedule of unadjusted differences; and any other matters as may be required under legal, regulatory or stock exchanges or by the Committee.
- Meeting with the external auditors and financial management of Noront to review the scope of the proposed audit for the current year, and the audit procedures to be used.
- Reviewing with management and the external auditors:
 - Noront’s annual and interim financial statements and related notes, management’s discussion and analysis, earnings releases and the annual information form, for the purpose of recommending approval by the Board (except in the case of interim financial reporting, which may be approved by the Audit Committee instead of the Board) prior to being released or filed with regulators

- reviewing with management, significant judgments affecting the financial statements, including any disagreements between the external auditors and management
 - discussing among the members of the Committee, without management or the external auditors present, the information disclosed to the Committee
 - receiving the assurance of both management and the external auditors that Noront's financial statements are fairly presented in conformity with International Financial Reporting Standards ("IFRS") in all material respects
 - discussing with management the use of "pro forma" or "non IFRS information" in Noront's continuous disclosure documents
 - discussing with management and legal counsel any matter, including any litigation, claim or other contingency (including tax assessments) that could have a material effect on the financial position or operating results of Noront or the compliance policies of Noront and the manner in which such matter has been described in the financial statements.
- Reviewing the effect of any regulatory and accounting initiatives, including any off balance sheet structures, on Noront's financial statements.
 - Reviewing any transactions between Noront and any officer, director or other "related party" (including any significant shareholder) or any entity in which any person has a financial interest and any potential conflicts of interest and the financial reporting thereon.
 - Approving any significant changes in the external auditors' audit plan.
 - Reviewing and approving the interim financial statements and related notes, management's discussion and analysis and earnings releases.
 - With respect to accounting principles and policies, financial reporting and internal control over financial reporting:
 - require management and the external auditors to provide to the Committee a timely analysis of significant issues and practices relating to accounting principles and policies, financial reporting and internal control over financial reporting
 - consider any reports or communications (and management's and/or the internal audit department's responses thereto) submitted to the Committee by the external auditors, including reports and communications related to:
 - deficiencies, including significant deficiencies or material weaknesses, in internal controls over financial reporting;
 - detection of fraud or illegal acts in connection with financial matters;
 - the external auditors' responsibility under generally accepted auditing standards;
 - any restriction on audit scope;
 - significant accounting policies as applied to Noront's financial statements;
 - management judgments and accounting estimates;
 - any accounting adjustments arising from the audit that were noted or proposed by the external auditors but were passed (as immaterial or otherwise);

- the responsibility of the external auditors for other information in documents containing audited financial statements;
 - external auditor's disagreements with management;
 - consultation by management with other accountants;
 - difficulties encountered by external auditors with management in performing the audit;
 - the external auditors' judgments about the quality of Noront's accounting principles; and
 - reviews of interim financial information conducted by the external auditors.
- Satisfying itself that adequate procedures are in place for the review of Noront's public disclosure of financial information extracted or derived from Noront's financial statements, and assessing the adequacy of such procedures periodically.
 - Reviewing with the external auditors and management the adequacy and effectiveness of the financial and accounting controls of Noront.
 - Reviewing the quality and appropriateness of Noront's accounting policies and the clarity of financial information and disclosure practices adopted by Noront and considering the external auditor's judgments about the quality and appropriateness of Noront's accounting principles and financial disclosure practices, as applied in its financial reporting and whether the accounting principles and underlying estimates are common or minority practices.
 - Establishing procedures: (i) for receiving, handling and retaining of complaints received by Noront regarding accounting, internal controls, or auditing matters, and (ii) for employees to submit confidential anonymous concerns regarding accounting or auditing matters.
 - Reviewing with the external auditors any audit problems or difficulties and management's response.
 - Resolving disagreements between management and the external auditors.
 - Making inquiries of management and the external auditors to identify significant, financial and control risks and exposures and assess the steps management has taken to minimize any such risk or exposure to Noront.
 - Assessing the overall process for identifying principal financial and control risks and providing its views on the effectiveness of this process to the Board.
 - Reviewing reports of compliance with Noront's policies on internal controls.
 - Discussing any earnings guidance provided to analysts and rating agencies.
 - Reviewing any significant tax exposures and tax planning initiatives intended to promote compliance with applicable laws while minimizing tax costs.
 - At least annually obtaining and reviewing a report prepared by the external auditors describing
 - the external auditors' internal quality-control procedures;
 - any material issues raised by the most recent internal quality-control review, or peer review, of the external auditors, or by any inquiry of investigation by governmental or

- professional authorities, within the preceding five years, respecting one or more independent audits carried out by the external auditors, and any action taken to deal with any such issues; and
 - (to assess the auditors' independence) all relationships between the external auditors and Noront including each non-audit service provided to Noront.
- Setting hiring policies for partners, employees or former partners and former employees of the external auditors;
 - Reviewing and discussing with the Chief Executive Officer and Chief Financial Officer the procedure with respect to the certification of Noront's financial statements pursuant to National Instrument 52-109 *Certification of Disclosure in Issuer's Annual and Interim Filings* and any other applicable law or stock exchange rule;
 - Reviewing disclosure respecting the mandate of the Committee and the Committee's activities included in Noront's annual report, any management information circular and Noront's annual information form.

V. MEETINGS

The Committee shall meet as frequently as required, but at least quarterly.

The Committee may invite such other persons to its meetings, as it deems necessary.

The external auditors should be invited to make presentations to the Audit Committee as appropriate.

The Committee shall, at least annually, meet separately with each of Noront's senior management, chief financial officer and external auditors to discuss any matters that the Committee or each of these groups believes should be discussed privately.

In all respects, save and except as noted above, proceedings and meetings of the Committee will be governed by the provisions of General by-law relating to the regulation of the meetings and proceedings of the Board insofar as they are applicable and not inconsistent with this Charter and other provisions adopted by the Board in regards to committee composition and organization.

APPENDIX “B” – AMENDED 2007 INCENTIVE STOCK OPTION PLAN

1. **PURPOSE:** The purpose of this Stock Option Plan (the “Plan”) is to encourage common stock ownership in Noront Resources Ltd. (the “Company”) by directors, officers, employees (including part-time employees employed by the Company for less than (20) hours per week) and consultants (including individuals whose services are contracted through a wholly-owned personal holding company) of the Company or any Affiliate, as that term is defined in the Securities Act (Ontario), of the Company or by wholly owned personal holding companies of any such officers, directors or employees or by registered retirement savings plans established by any such officers, directors or employees (hereinafter referred to as “Optionees”) who are primarily responsible for the management and profitable growth of its business and to advance the interests of the Company by providing additional incentive for superior performance by such persons and to enable the Company to attract and retain valued directors, officers and employees by granting options (the “Options” or “Option”) to purchase common shares of the Company on the terms and conditions set forth in this Plan and any Stock Option Agreements entered into between the Company and the Optionees in accordance with the Plan. Any Options granted to a wholly-owned personal holding company shall be cancelled immediately upon any change in control of such personal holding company, save and except in the event of the death of the principal of such personal holding company, in which case, subject to the terms of the Stock Option Agreement, the provisions of subparagraph 5(f)(iii) shall apply.
2. **ADMINISTRATION:** The Plan shall be administered by the Board of Directors from time to time of the Company (the “Administrator”). No member of the Board of Directors shall by virtue of such appointment be disentitled or ineligible to receive Options. The Administrator shall have full authority to interpret the Plan and to make such rules and regulations and establish such procedures as it deems appropriate for the administration of the Plan, taking into consideration the recommendations of management, and the decision of the Administrator shall be binding and conclusive. The decision of the Administrator shall be binding, provided that notwithstanding anything herein contained, the Administrator may from time to time delegate the authority vested in it under this clause to the President who shall thereupon exercise all of the powers herein given to the Administrator, subject to any express direction by resolution of the Board of Directors of the Company from time to time and further provided that a decision of the majority of persons comprising the Board of Directors in respect of any matter hereunder shall be binding and conclusive for all purposes and upon all persons. The senior officers of the Company are authorized and directed to do all things and execute and deliver all instruments, undertakings and applications as they in their absolute discretion consider necessary for the implementation of the Plan.
3. **NUMBER OF SHARES SUBJECT TO OPTIONS:** The Board of Directors of the Company will make available that number of common shares for the purpose of the Plan that it considers appropriate except that the number of common shares that may be issued pursuant to the exercise of Options under the Plan and under any other stock options of the Company or under any other share compensation arrangement of the Company shall not, in the aggregate, exceed 10% of the common shares issued and outstanding (on a non-diluted basis) at any time and from time to time. In the event that Options granted under the Plan, and under any other stock options of the Company which may be in effect at a particular time, are surrendered, terminate or expire without being exercised in whole or in part, new Options may be granted covering the common shares not purchased under such lapsed Options.
4. **PARTICIPATION:** Options shall be granted under the Plan only to Optionees as shall be designated from time to time by the Administrator and shall be subject to the approval of such regulatory authorities as the Administrator shall designate, which shall also determine the number of shares subject to such Option. Optionees who are consultants of the Company or an Affiliate of the Company must either perform services for the Company on an ongoing basis or provide, or be expected to provide, a service of value to the Company or to an Affiliate of the Company. The Company represents that no Option shall be granted to any Employee or Consultant who is not a bona fide employee or consultant.

5. TERMS AND CONDITIONS OF OPTIONS: The terms and conditions of each Option granted under the Plan shall be set forth in written Stock Option Agreements between the Company and the Optionee. Such terms and conditions shall include the following, as well as such other provisions, not inconsistent with the Plan, as may be deemed advisable by the Administrator:
- (a) Number of Shares subject to Option to any one Optionee: The number of shares subject to an Option shall be determined from time to time by the Administrator; but no one Optionee shall be granted an Option which when aggregated with any other options or common shares allotted to such Optionee under the Plan and under any other stock options of the Company or under any other share compensation arrangement of the Company exceeds 5% of the issued and outstanding common shares of the Company (on a non-diluted basis), the total number of Options granted to any one Optionee in any 12 month period shall not exceed 5% of the issued and outstanding common shares of the Company (on a non-diluted basis) unless the Company has obtained disinterested shareholder approval, the total number of Options granted to all Insiders (as defined by the TSX Venture Exchange) in any 12 month period shall not exceed 10% of the issued and outstanding common shares of the Company (on a non-diluted basis). The total number of options granted to any one consultant in any 12-month period shall not exceed 2% of the issued and outstanding common shares of the Company (on a non-diluted basis). The total number of options granted to all persons, including employees, providing investor relations activities to the Company in any 12-month period shall not exceed 2% of the issued and outstanding common shares of the Company (on a non-diluted basis). The Option Price per common share shall be determined in accordance with subparagraph (b) below. Options granted to persons providing investor relations activities must vest over a 12-month period with no more than 25% of the options vesting in any quarter.
 - (b) Option Price: The Option Price of any shares in respect of which an Option may be granted under the Plan shall be not less than the Market Price less the allowable discount permitted by the TSX Venture Exchange or in accordance with the pricing rules of any other stock exchange on which the common shares of the Company may trade in the future. In the resolution allocating any Option, the Administrator may determine that the date of grant aforesaid shall be a future date determined in the manner specified by such resolution and the Option Price shall be determined at such future date. The Administrator may also determine that the Option Price per share may escalate at a specified rate dependent upon the year in which any Option to purchase common shares may be exercised by the Optionee. No options granted to Insiders (as defined by the TSX Venture Exchange) may be repriced without the approval of a majority of disinterested shareholders of the Company exclusive of any Insiders.
 - (c) Payment: The full purchase price of shares purchased under the Option shall be paid in cash upon the exercise thereof. A holder of an Option shall have none of the rights of a stockholder until the shares are issued to him. All common shares issued pursuant to the exercise of Options granted or deemed to be granted under the Plan, will be so issued as fully paid and non-assessable common shares. No Optionee or his legal representatives, legatees or distributees will be, or will be deemed to be, a holder of any common shares subject to an Option under this Plan, unless and until certificates for such common shares are issued to him or them under the terms of the Plan.
 - (d) Term of Options: Options may be granted under this Plan exercisable over a period not exceeding ten (10) years. Each Option shall be subject to earlier termination as provided in subparagraph (f) below.
 - (e) Exercise of Options: The exercise of any Option will be contingent upon receipt by the Company at its head office of a written notice of exercise, specifying the number of common shares with respect to which the Option is being exercised, accompanied by cash payment, certified cheque or bank draft for the full purchase price of such common shares with respect to which the Option is exercised. An Option may be exercised in full or in part during any year of the term of the Option as provided in the written Stock Option Agreement; provided, however, that except as expressly otherwise provided herein or as provided in any valid Stock Option Agreement approved by the Administrator, no Option may be exercised unless that Optionee is then a director and/or in the

employ of the Company. This Plan shall not confer upon the Optionee any right with respect to continuance as a director, officer, employee or consultant of the Company or of any affiliate of the Company.

- (f) Termination of Options: Any Option granted pursuant hereto, to the extent not validly exercised, and save as expressly otherwise provided herein, will terminate on the earlier of the following dates:
 - (i) the date of expiration specified in the Stock Option Agreement, being not more than ten (10) years after the date the Option was granted;
 - (ii) the date of termination of the Optionee's employment or upon ceasing to be a director and/or officer of the Company or up to a period not exceeding one (1) year thereafter for any cause other than by retirement, permanent disability or death unless the Optionee was retained to provide Investor Relations Activities in which case up to a period not exceeding thirty (30) days thereafter;
 - (iii) one (1) year after the date of the Optionee's death during which period the Option may be exercised only by the Optionee's legal representative or the person or persons to whom the deceased Optionee's rights under the Option shall pass by will or the applicable laws of descent and distribution, and only to the extent the Optionee would have been entitled to exercise it at the time of his death if the employment of the Optionee had been terminated by the Company on such date; or
 - (iv) one (1) year after termination of the Optionee's employment by permanent disability or retirement under any Retirement Plan of the Company during which one (1) year period the Optionee may exercise the Option to the extent he was entitled to exercise it at the time of such termination.
 - (g) Non-transferability of Options: No Option shall be transferable or assignable by the Optionee other than by will or the laws of descent and distribution and shall be exercisable during his lifetime only by him.
 - (h) Applicable Laws or Regulations: The Company's obligation to sell and deliver stock under each Option is subject to such compliance by the Company and any Optionee as the Company deems necessary or advisable with all laws, rules and regulations of Canada and the United States of America and any Provinces and/or States thereof applying to the authorization, issuance, listing or sale of securities and is also subject to the acceptance for listing of the common shares which may be issued in exercise thereof by each stock exchange upon which shares of the Company are listed for trading.
6. ADJUSTMENT IN EVENT OF CHANGE IN STOCK: Each Option shall contain uniform provisions in such form as may be approved by the Administrator to appropriately adjust the number and kind of shares covered by the Option and the exercise price of shares subject to the Option in the event of a declaration of stock dividends, or stock subdivisions or consolidations or reconstruction or reorganization or recapitalization of the Company or other relevant changes in the Company's capitalization (other than issuance of additional shares) to prevent substantial dilution or enlargement of the rights granted to the Optionee by such Option. The number of common shares available for Options, the common shares subject to any Option, and the Option Price thereof shall be adjusted appropriately by the Administrator and such adjustment shall be effective and binding for all purposes of the Plan.
7. ACCELERATION OF EXPIRY DATES: Upon the occurrence of any event, including a reorganization, acquisition, amalgamation or merger (or a plan of arrangement in connection with any of the foregoing), other than solely involving the Company and one or more of its affiliates (as such term is defined in the Securities Act (Ontario)), with respect to which all or substantially all of the persons who were the beneficial owners of the common shares, immediately prior to such reorganization, amalgamation, merger or plan of

arrangement do not, following such reorganization, amalgamation, merger or plan of arrangement, beneficially own, directly or indirectly more than 50% of the resulting voting shares on a fully-diluted basis (for greater certainty, this shall not include a public offering or private placement out of treasury) or the sale to a person other than an affiliate of the Company of all or substantially all of the Company's assets (collectively, a "Change of Control"), all Options shall be deemed to have immediately vested.

8. **AMALGAMATION, CONSOLIDATION OR MERGER:** If the event that the Company is a consenting party to a Change of Control, outstanding Options shall be subject to the agreement affecting such Change of Control and Optionees shall be bound by such Change of Control agreement. Such agreement, without the Optionees' consent, may provide for:
- (a) the continuation of such outstanding Options by the Company (if the Company is the surviving or acquiring corporation);
 - (b) the assumption of the Plan and such outstanding Options by the surviving entity; or
 - (c) substitution or replacement by the surviving or acquiring corporation or its parent of options with substantially the same terms for such outstanding Options.

The Company may provide in any agreement with respect to any such Change of Control that the surviving, new or acquiring corporation shall grant options to the Optionees to acquire shares in such corporation or its parent with respect to which the excess of the fair market value of the shares of such corporation immediately after the consummation of such Change of Control over the exercise price therefore shall not be less than the excess of the value of the common shares over the Exercise Price of the Options immediately prior to the consummation of such Change of Control.

9. **APPROVALS:** The obligation of the Company to issue and deliver the common shares in accordance with the Plan is subject to any approvals which may be required from any regulatory authority or stock exchange having jurisdiction over the securities of the Company. If any common shares cannot be issued to any Optionee for whatever reason, the obligation of the Company to issue such common shares shall terminate and any Option exercise price paid to the Company will be returned to the Optionee.
10. **STOCK EXCHANGE RULES:** The rules of any stock exchange upon which the Company common shares are listed shall be applicable relative to Options granted to Optionees.
11. **AMENDMENT AND DISCONTINUANCE OF PLAN:** Subject to regulatory approval, the Board of Directors may from time to time amend or revise the terms of the Plan or may discontinue the Plan at any time provided, however, that no such right may, without the consent of the Optionee, in any manner adversely affect his rights under any Option theretofore granted under the Plan.
12. **EFFECTIVE DATE AND DURATION OF PLAN:** The Plan shall remain in full force and effect from the date of shareholder approval hereof and from year to year thereafter until amended or terminated in accordance with Paragraph 11 hereof and for so long thereafter as Options remain outstanding in favour of any Optionee.
13. **REPLACEMENT OF PREVIOUS PLAN:** The Plan replaces and supersedes the Plan approved by an ordinary resolution of the shareholders of the Company on October 9, 2012.

**APPENDIX "C" – AMENDED SHARE AWARD PLAN
APPENDIX "C"**

NORONT RESOURCES LTD.

AMENDED SHARE AWARD PLAN

1. Purpose of the Plan

The Noront Resources Ltd. 2012 Share Award Plan provides for the acquisition of Common Shares by Participants for the purpose of advancing the interests of the Company through the motivation, attraction and retention of key officers, directors, employees (including prospective employees) and consultants of the Company and the Designated Affiliates and to secure for the Company and the shareholders of the Company the benefits inherent in the ownership of Common Shares by key officers, directors, employees and consultants of the Company and its Designated Affiliates, it being generally recognized that share award plans can aid in attracting, retaining and encouraging officers, directors, employees and consultants due to the opportunity offered to them to acquire a proprietary interest in the Company.

2. Definitions

Unless otherwise defined herein, the following terms used in this Plan have the meaning given to them below:

"**Affiliate**" means the following:

a Company is an Affiliate of another Company if:

- (a) one of them is the Subsidiary of the other; or
- (b) each of them is controlled by the same Person.

In addition, a Company is "controlled" by a Person if:

- (c) voting shares of the Company are held, directly or indirectly, other than by way of security only, by or for the benefit of that Person; and
- (d) the voting shares, if voted, entitle the Person to elect a majority of the directors to the Company;

"**Associate**" has the meaning given to it in the *Securities Act* (Ontario), as amended from time to time;

"**Award**" means an award made pursuant to the Plan;

"**Award Agreement**" means a written document by which each Award is evidenced;

"**Blackout Period**" means the period during which Participants cannot trade securities of the Company pursuant to the Company's policy respecting restrictions on trading which is in effect at that time (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an insider, that insider, is subject);

"**Blackout Period Expiry Date**" means the date on which a Blackout Period expires;

"**Board**" and "**Board of Directors**" mean the board of directors of the Company;

"**Certificate**" means a share certificate (or other appropriate document or indicia of ownership) representing Common Shares of the Company;

"**Committee**" means the compensation committee appointed by the Board of Directors to administer this Plan. All references in this Plan to the Committee means the Board of Directors if no such compensation committee has been appointed;

"**Common Shares**" means the Common Shares of the Company or, in the event of an adjustment contemplated in Section 10, such other shares to which a Participant may be entitled as a result of such adjustment;

"**Company**" means Noront Resources Ltd., any successor of it, and where the context so requires, any subsidiary of Noront Resources Ltd.;

"**Consultant**" means an individual, other than an Eligible Employee of the Company, that:

- (a) is engaged to provide ongoing consulting, technical, management, advisory or other services on a *bona fide* basis to the Company or to a subsidiary of the Company under a Consulting Contract;
- (b) in the reasonable opinion of the Company, spends or will spend a significant amount of time and attention on the affairs and business of the Company or a subsidiary of the Company; and
- (c) has a relationship with Company or an Affiliate of the Company that enables the individual to be knowledgeable about the business and affairs of the Company.

"**Consulting Contract**" means a written contract between a Consultant (or a company or partnership of which the individual Consultant is an employee or a shareholder or partner) and the Company, governing the terms with respect to the provision of the Consultant's services to the Company;

"**Date of Grant**" means the date a Participant is granted an Award;

"**Designated Affiliate**" means the Affiliates of the Company designated by the Committee for purposes of the Plan from time to time;

"**Directors**" means the directors of the Company from time to time;

"**Eligible Directors**" means the Directors or the directors of any Designated Affiliate to whom Awards can be granted in reliance on a prospectus exemption under applicable securities law from time to time;

"**Eligible Employees**" means:

- (a) an individual who is considered an employee under the Income Tax Act (Canada) (such as an individual for whom income tax, employment insurance and Canadian Pension Plan deductions must be made at the source);
- (b) an individual who works full-time for the Company or any Designated Affiliate thereof providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Designated Affiliate thereof over the details and methods of work as an employee of the Company or any Subsidiary thereof, but for whom income tax deductions are not made at the source; or
- (c) an individual who works for the Company or any Designated Affiliate thereof on a continuing and regular basis for a minimum amount of time per week providing services normally provided by an employee and who is subject to the same control and direction by the Company or any Designated Affiliate thereof over the details and methods of work as an employee of the Company or any Designated Affiliate thereof, but for whom income tax deductions are not made at the source

"**Employment Contract**" means any contract between the Company or any Designated Affiliate and any Eligible Employee, Eligible Director or Other Participant relating to, or entered into in connection with, the employment or

departure of the Eligible Employee, the appointment or election of the Eligible Director or the engagement of the Other Participant or any other agreement to which the Company or a Designated Affiliate is a party with respect to the rights of such Participant in respect of a change in control of the Company or the termination of employment, appointment, election or engagement of such Participant;

"**Disability**" for purposes of this Plan means permanent and total disability as determined in the sole discretion of the Committee;

"**Fair Market Value**" means, with respect to a Common Share on any day, the market price (as defined in the Corporate Finance Manual of the Stock Exchange);

"**Insider**" means:

- (a) an insider of the Company as defined in the *Securities Act* (Ontario), as amended from time to time, other than a person who falls within such definition solely by virtue of being a director or senior officer of a subsidiary of the Company; and
- (b) an Associate of any person who is an insider by virtue of clause (i) of this definition;

"**Investor Relations Activities**" has the meaning given to it in the Corporate Finance Manual of the Stock Exchange, as amended from time to time;

"**Market Price**" has the meaning given to it in the Corporate Finance Manual of the Stock Exchange, as amended from time to time;

"**Other Participants**" shall mean any person or Company engaged to provide ongoing management or consulting services for the Company or a Designated Affiliate, or any employee of such person or Company, other than an Eligible Director or an Eligible Employee;

"**Participant**" shall mean each Eligible Director, Eligible Employee, Consultant and any Other Participant;

"**Plan**" means this share award plan, as amended from time to time;

"**Share Compensation Arrangement**" means a stock option, stock option plan or any other compensation or incentive mechanism involving the issue or potential issue of securities of the Company to one or more Other Participants, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guaranty or otherwise;

"**Stock Exchange**" means the TSX Venture Exchange or any other stock exchange on which the Common Shares may trade in the future; and

"**Subsidiary**" of an other entity means an entity that would be deemed to be a subsidiary of the other entity of the purposes of the Securities Act (Ontario) other than Part XX of that Act.

3. Eligibility

Awards shall be granted only to bona fide Participants. Participation in this Plan shall be limited to Participants who are designated from time to time by the Committee. Participation shall be voluntary and the extent to which any Participant shall be entitled to participate in this Plan shall be determined by the Committee.

4. Types of Awards Under Plan

Grants under the Plan may be made in the form of Awards, which Awards may include the following: (i) share appreciation rights, (ii) restricted shares, (iii) restricted share units, (iv) performance shares and performance share units, and (v) other equity-based or equity related awards that the Committee determines to be consistent with the purpose of the Plan and the interests of the Company.

5. Number of Common Shares Available for Awards

- (a) The maximum number of Common Shares made available as Awards pursuant to the Plan shall be 10,000,000 Common Shares. In the event that Common Shares made available as Awards granted pursuant to the Plan are subsequently cancelled, new Awards may be granted covering the Common Shares cancelled.
- (b) Limits with respect to number of Common Shares available for Awards:
 - (i) General: The number of Common Shares made available as Awards granted to any one individual pursuant to the Plan and reserved for issuance under any other Share Compensation Arrangement shall not exceed, within any 12 month period, 5% of the outstanding Common Shares at the time of the grant;
 - (ii) Insiders: The aggregate number Common Shares made available as Awards granted to Insiders pursuant to the Plan and reserved for issuance under any other Share Compensation Arrangement shall not exceed 10% of the outstanding Common Shares. Insiders shall not be issued, pursuant to this Plan and any other Share Compensation Arrangement, within any 12 month period, a number of Common Shares which exceeds 10% of the outstanding Common Shares;
 - (iii) Directors: The aggregate number of Common Shares made available as Awards granted to all of the Directors as a group pursuant to the Plan and reserved for issuance under any Share Compensation Arrangement shall not exceed 5% of the outstanding Common Shares during any 12 month period.
 - (iv) Consultants: The number of Common Shares made available as Awards granted to any one Consultant in a 12 month period pursuant to the Plan and reserved for issuance under any other Share Compensation Arrangement shall not exceed 2% of the outstanding Common Shares, calculated at the date the Award was granted to the Consultant.

For purposes of this section, the number of Common Shares then outstanding shall mean the number of Common Shares outstanding on a non-diluted basis immediately prior to the proposed grant of the applicable Award or issue of Common Shares, as the case may be, excluding Common Shares issued pursuant to any Share Compensation Arrangement over the preceding one-year period.

6. Agreements Evidencing Awards

Each Award granted under this Plan shall be evidenced by a written document which shall contain such provisions and conditions as the Committee in its discretion deems appropriate. The Committee may grant Awards in tandem with or, subject to pre-clearance with the Stock Exchange, in substitution for any other Award granted under this Plan. By accepting an Award pursuant to the Plan, a Participant thereby agrees that the Award shall be subject to all of the terms and conditions of this Plan and the applicable Award Agreement.

7. No Rights as a Shareholder

No Participant shall have any of the rights of a shareholder of the Company with respect to Common Shares subject to such Award until the issuance of a Certificate for such Common Shares. Except as otherwise provided in Section 10, no adjustments shall be made for dividends, distributions or other rights (whether ordinary or extraordinary, and whether in cash, securities or other property) for which the record date is prior to the date such Certificate is issued.

8. Awards

- (a) The Committee shall advise each Participant of the type and number of Awards that such Participant is entitled to, the terms of such Award (which may not exceed ten years from the relevant Date of Grant) and the vesting schedule, if applicable, of such Award.
- (b) Each Award granted to a Participant shall be evidenced by an Award Agreement setting out terms and conditions consistent with the provisions of the Plan, which terms and conditions need not be the same in each case and which terms and conditions may be changed from time to time.
 - (i) Share Appreciation Rights

The Committee may grant share appreciation rights to Participants in such amounts and subject to such terms and conditions as the Committee shall determine in its discretion. The grantee of a share appreciation right shall have the right, subject to the terms of the Plan and the applicable Award Agreement, to receive from the Company an amount equal to (a) the excess of the Fair Market Value of a Common Share on the date of exercise of the share appreciation right, over (b) the exercise price of such right as set forth in the Award Agreement, multiplied by (c) the number of Common Shares with respect to which the share appreciation right is exercised. Payment upon exercise of a share appreciation right may be in cash, Common Shares (valued at Fair Market Value), or any combination thereof, all as the Committee shall determine in its discretion.

- (ii) Restricted Shares

The Committee may grant Awards of restricted shares to Participants in such amounts and subject to such terms and conditions as the Committee may determine in its discretion, as follows:

- A. At the time of the grant, the Committee may determine when a restricted share will become vested and may determine that the restricted share shall be vested in instalments on such terms as the Committee deems advisable. Unless otherwise provided by the Committee, restricted shares will vest as to 1/6 of the restricted shares granted on each of the six month and one year anniversary of the Date of Grant and 1/3 of the restricted shares granted on each of the second and third year anniversaries of the Date of Grant, provided that the Participant is an Eligible Employee, Eligible Director, Consultant or Other Participant at the time of vesting.
- B. Promptly after a Participant accepts an Award of restricted shares and executes an Award Agreement, the Company shall issue in the Participant's name a Certificate for the number of Common Shares granted as restricted shares. Upon the issuance of such Certificate, the Participant shall have the rights of a shareholder with respect to the restricted shares, subject to any restrictions and conditions as the Committee in its discretion may include in the applicable Award Agreement. Unless the Committee shall otherwise determine, any Certificate issued evidencing Common Shares which are restricted shares shall remain in the possession of the

Company or its designated agent until such Common Shares are free of any restrictions specified in the applicable Award Agreement.

(iii) Restricted Share Units

The Committee may grant Awards of restricted share units to Participants in such amounts and subject to such terms and conditions as the Committee shall determine in its discretion. A Participant who is granted a restricted share unit will have only the rights of a general unsecured creditor of the Company until payment of Common Shares, cash or a combination thereof is made as specified in the applicable Award Agreement. On the payment date, the Participant of each restricted share unit not previously forfeited under the terms of the applicable Award Agreement shall receive Common Shares, cash, securities or other property equal in value to the Common Shares or a combination thereof, as specified by the Committee.

(iv) Performance Shares and Performance Share Units

The Committee may grant Awards of performance shares to Participants in the form of (a) Common Shares or (b) performance share units having a value equal to an identical number of Common Shares, in such amounts and subject to such terms and conditions as the Committee shall determine in its discretion. A Participant who is granted a performance share unit will have only the rights of a general unsecured creditor of the Company until payment of Common Shares, cash or a combination thereof is made as specified in the applicable Award Agreement. In the event that a Certificate is issued in respect of an Award of performance shares, such Certificate shall be registered in the name of the Participant but shall be held by the Company or its designated agent until the time the performance shares are earned in accordance with the terms of the grant. The Committee shall determine in its sole discretion whether performance shares and performance share units shall be paid in Common Shares, cash, securities or other property, or a combination thereof.

(v) Other Equity-Based Awards

The Committee may grant other types of equity-based or equity-related Awards to Participants (including the grant of unrestricted Common Shares) in such amounts and subject to such terms and conditions as the Committee shall in its discretion determine. Such Awards may entail the transfer of actual Common Shares to Participants, or payment in cash or otherwise of amounts based on the value of Common Shares, and may include, without limitation, Awards designed to comply with or take advantage of the applicable local laws of foreign jurisdictions.

9. Withholding of Tax

If the Company determines that under the requirements of applicable taxation laws it is obliged to withhold for remittance to a taxing authority any amount as a condition of the issuance of any Common Shares pursuant to any Awards, the Company may, prior to and as a condition of issuing the Common Shares, require the Participant to pay to the Company, in addition to and in the same manner as the purchase price for the Common Shares, such amount as the Company is obliged to remit to such taxing authority in respect of the issuance of the Common Shares. Any such additional payment shall, in any event, be due no later

than the date as of which any amount with respect to the issuance of the Common Share exercise must be remitted by the Company to such taxing authority. Payment may be in cash or, with the prior approval of and upon conditions established by the Committee, by withholding or tendering of Common Shares, valued at the closing trading price of the Common Shares on the Stock Exchange for the previous day prior to the date in question.

10. Adjustment in Shares

- (a) The number of Common Shares subject to this Plan, the number of Common Shares available as Awards and cash value allocated to Awards shall be adjusted from time to time, in such manner and by such procedure deemed appropriate by the Committee, subject to applicable law and the applicable rules and policies of the Stock Exchange to reflect adjustments in the number of Common Shares arising as a result of rights offering, consolidation, subdivision or reclassification of Common Shares, the payment of stock dividends by the Company or other relevant changes in the authorized or issued capital of the Company.
- (b) If there is a consolidation, merger or statutory amalgamation or arrangement of the Company with or into another corporation, a separation of the business of the Company into two or more entities or a sale, lease exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to another entity (the right to do so being hereby expressly reserved), any Common Share receivable on the vesting of an Award shall be converted into the securities, property or cash which the Participant would have received upon such consolidation, merger, amalgamation, arrangement, separation or transfer, if the Participant had been vested in the Award immediately prior to the effective date of such consolidation, merger, amalgamation, arrangement, separation or transfer, subject to applicable law and the applicable rules and policies of the Stock Exchange, and such adjustment shall be binding for all purposes of the Plan, unless the Committee otherwise determines the basis upon which such Award shall be converted.
- (c) In the event of a change in the Company's currently authorized Common Shares which is limited to a change in the designation thereof, the shares resulting from any such change shall be deemed to be Common Shares within the meaning of the Plan.
- (d) In the event of any other change affecting the Common Share, such adjustment, if any, shall be made as may be deemed equitable by the Committee to properly reflect such event.
- (e) No fractional Common Shares shall be issued on the vesting of an Award. Accordingly, if, as a result of any adjustment under this Section 10, a Participant would become entitled to a fractional Common Share, the Participant shall have the right to acquire only the adjusted number of full Common Shares and no payment or other adjustment will be made with respect to the fractional Common Shares so disregarded.

11. Required Consents

- (a) If the Committee shall at any time determine that any consent (as hereinafter defined) is necessary or desirable as a condition of, or in connection with, the granting of any Award, the issuance of Common Shares or the delivery of any cash, securities or other property under the Plan, or the taking of any other action thereunder (each such action being hereinafter referred to as a "plan action"), then such plan action shall not be taken, in whole

or in part, unless and until such consent shall have been effected or obtained to the full satisfaction of the Committee.

- (b) The term "consent" as used herein with respect to any plan action includes (i) any and all listings, registrations or qualifications in respect thereof upon any stock exchange or under any applicable law, rule or regulation, (ii) any and all written agreements and representations by the grantee with respect to the disposition of shares, or with respect to any other matter, which the Committee shall deem necessary or desirable to comply with the terms of any such listing, registration or qualification or to obtain an exemption from the requirement that any such listing, qualification or registration be made and (iii) any and all other consents, clearances and approvals in respect of a plan action by any governmental or other regulatory body or any stock exchange or self-regulatory agency having jurisdiction.

12. Transfer and Assignment

Except to the extent otherwise provided in the applicable Award Agreement, no Award or right granted to any person under the Plan shall be sold, exchanged, transferred, assigned, pledged, hypothecated or otherwise disposed of (including through the use of any cash-settled instrument) other than by will or by the laws of descent and distribution in accordance with Section 13, and all such Awards and rights shall be exercisable during the life of the grantee only by the grantee or the grantee's legal representative.

13. Effect of Death.

If a Participant or, in the case of an Other Participant which is not an individual, the primary individual providing services to the Company or Designated Affiliates on behalf of the Other Participant, shall die, any Award that would have vested within 12 months after the date of such death of the Participant or Other Participant shall immediately vest notwithstanding section 8(b)(ii)(A), respectively, and such Awards shall vest in whole or in part only by the person or persons to whom the rights of the Award holder under the Award shall pass by the will of the Award holder or the laws of descent and distribution for a period of six months (or such other period of time as is otherwise provided in an Employment Contract) after the date of death of the Award holder, and then only to the extent that such Award holder was entitled to exercise the Award at the date of the death of such Award holder in accordance with Section 20 of this Plan.

14. Employment and Board Position Non-Contractual

The granting of an Award to a Participant under this Plan does not confer upon the Participant any right to continue as an Eligible Employee, Eligible Director, Consultant or Other Participant, as the case may be, nor does it interfere in any way with the right of the Participant or the Company to terminate the Participant's employment or a Consulting Contract at any time, or the shareholders' right to elect or remove Directors.

15. Administration of Plan

- (a) The Plan shall be administered by the Committee. Subject to any limitations of the Plan and regulatory requirements the Committee shall have full authority to administer the Plan including the authority to interpret and construe any provision of the Plan and to adopt, amend and rescind such rules and regulations for administering the Plan as the Committee may deem necessary or desirable in order to comply with the requirements of the Plan. All actions taken and all interpretations and determinations made by the Committee in good faith shall be final and conclusive and shall be binding on the Participants and the Company. No member of the Committee shall be personally liable for any action taken or

determination or interpretation made in good faith in connection with the Plan and all members of the Committee shall, in addition to their rights as Directors, be fully protected, indemnified and held harmless by the Company with respect to any such action taken or determination or interpretation made. The appropriate officers of the Company are hereby authorized and empowered to do all things and execute and deliver all instruments, undertakings and applications and writings as they, in their absolute discretion, consider necessary or desirable for the implementation of the Plan and of the rules and regulations established for administering the Plan. All costs incurred in connection with the Plan shall be for the account of the Company.

- (b) Any determination by the Committee shall be final and conclusive on all persons affected thereby unless otherwise determined by the Board of Directors.
- (c) The day to day administration of this Plan may be delegated to such officers and employees as the Committee shall determine.

16. Acceleration on Take-over Bid, Consolidation, Merger, etc.

In the event that:

- (a) the Company seeks or intends to seek approval from the shareholders of the Company for a transaction which, if completed, would constitute an Acceleration Event (as defined below); or
- (b) a person makes a bona fide offer or proposal to the Company or the shareholders of the Company which, if accepted or completed, would constitute an Acceleration Event,

the Company shall send notice to all Participants of such transaction, offer or proposal as soon as practicable and, provided that the Committee has determined that no adjustment will be made pursuant to section 10(b) hereof, (i) the Committee may, by resolution and notwithstanding any vesting schedule applicable to any Award or section 8(b)(ii)(A) hereof, permit all Awards outstanding which have restrictions on their exercise to become immediately exercisable during the period specified in the notice (but in no event later than the applicable expiry date of an Award), so that the Participant may participate in such transaction, offer or proposal, and (ii) the Committee may accelerate the expiry date of such Awards and the time for the fulfillment of any conditions or restrictions on such exercise.

In this section 15, an Acceleration Event means:

- (a) the acquisition by any "offeror" (as defined in section 89 of the Securities Act (Ontario) as of the date hereof) of beneficial ownership of more than 50% of the votes attached to the outstanding voting securities of the Company, by means of a take-over bid or otherwise;
- (b) any consolidation, merger, statutory amalgamation or arrangement involving the Company and pursuant to which the Company will not be the continuing or surviving corporation or pursuant to which the Common Shares will be converted into cash or securities or property of another entity, other than a transaction involving the Company and in which the shareholders of the Company immediately prior to the completion of the transaction will have the same proportionate ownership of the surviving corporation immediately after the completion of the transaction;
- (c) a separation of the business of the Company into two or more entities;

- (d) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the assets of the Company to another entity; or
- (e) the approval by the shareholders of the Company of any plan of liquidation or dissolution of the Company.

17. Securities Exchange Take-over Bid.

In the event that the Company becomes the subject of a take-over bid (within the meaning of the Securities Act (Ontario)) as a result of which all of the outstanding Common Shares are acquired by the offeror through compulsory acquisition provisions of the incorporating statute or otherwise, and where consideration is paid in whole or in part in equity securities of the offeror, the Committee may send notice to all Participants requiring them to surrender their Awards within 10 days of the mailing of such notice, and the Participants shall be deemed to have surrendered such Awards on the tenth day after the mailing of such notice without further formality, provided that:

- (a) the Committee delivers with such notice an irrevocable and unconditional offer by the offeror to grant replacement awards to the Participants on the equity securities offered as consideration;
- (b) the Committee has determined, in good faith, that such replacement awards have substantially the same economic value as the Awards being surrendered; and
- (c) the surrender of Awards and the granting of replacement awards can be effected on a tax free rollover basis under the *Income Tax Act* (Canada).

18. Notices

All written notices to be given by the Participant to the Company may be delivered personally or by registered mail, postage prepaid, addressed as follows:

Noront Resources Ltd.
110 Yonge Street
Suite 400
Toronto, ON
M5C 1T4

Attention: Chief Financial Officer

Any notice given by the Participant pursuant to the terms of the Award shall not be effective until actually received by the Company at the above address. Any notice to be given to the Participant shall be sufficiently given if delivered personally or by postage prepaid mail to the last address of the Participant on the records of the Company and shall be effective seven days after mailing.

19. Corporate Action

Nothing contained in this Plan or any Award granted shall be construed so as to prevent the Company or any subsidiary of the Company from taking corporate action which is deemed by the Company or the subsidiary to be appropriate or in its best interest, whether or not such action would have an adverse effect on this Plan or on any Award granted.

20. Termination of Awards under the Plan

- (a) If (X) a Participant's employment with the Company terminates, whether for or without cause and whether with or without reasonable notice, or (Y) a Participant who is an Eligible Director, Consultant or Other Participant ceases to be an Eligible Director, Consultant or Other Participant, as the case may be, due to:
- (i) (A) normal retirement under the Company's then existing policies; (B) early retirement at the request of the Company; (C) death; or (D) Disability, then there shall be immediate vesting upon the effective date such employment is terminated or a Participant who is an Eligible Director, Consultant or Other Participant ceases to be an Eligible Director, Consultant or Other Participant, as the case may be (and not at the date any period of reasonable notice would expire in the case of termination by the Company) (the "**Termination Date**") of the Awards that would otherwise have vested in the 12 month period following the Termination Date, and all Awards that would have vested after such 12 month period following the Termination Date shall expire or be forfeited, as the case may be. All Awards that have vested by such Participant shall be exercisable or receivable during the period which is the shorter of: (x) the remainder of the applicable vesting period in respect of Awards; and (y) 180 days after the Termination Date, after which period, such Awards may no longer vest and will be deemed to be forfeited, as the case may be; or
 - (ii) any reason other than those specified in item (i) (A) to (D), inclusive, then the Awards that have vested (but not yet expired) before the Termination Date shall be receivable during the period which is the shorter of: (x) the applicable vesting period in respect of Awards, and (y) 90 days after the Termination Date, after which period, the Awards may no longer be exercised and will be deemed to be forfeited, as the case may be. Any Awards, that have not vested before the Termination Date shall expire on the Termination Date.

21. Amendment of the Plan

- (a) The Committee may amend, suspend or terminate the Plan at any time, provided that no such amendment, suspension or termination may:
 - (i) be made without obtaining any required regulatory approvals; or
 - (ii) adversely affect the rights of any holder of an Award who holds an Award at the time of any such amendment, without the consent of the Award holder.
- (b) The Committee may from time to time, in the absolute discretion of the Committee and without shareholder approval, make the following amendments to the Plan or any Award granted under the Plan:
 - (i) an amendment to the purchase price of any Award, unless the amendment is a reduction in the purchase price of an Award held by an Insider;
 - (ii) an amendment to the date upon which an Award may expire, unless the amendment extends the expiry of an Award held by an Insider;
 - (iii) an amendment to the vesting provisions of the Plan and any Award Agreement granted under the Plan;

- (iv) an addition to, deletion from or alteration of the Plan or an Award that is necessary to comply with applicable law or the requirements of any regulatory authority or the Stock Exchange;
 - (v) any amendment of a "housekeeping" nature, including, without limitation, amending the wording of any provision of the Plan for the purpose of clarifying the meaning of existing provisions or to correct or supplement any provision of the Plan that is inconsistent with any other provision of the Plan, correcting grammatical or typographical errors and amending the definitions contained within the Plan respecting the administration of the Plan,
 - (vi) any amendment respecting the administration of the Plan, and
 - (vii) any other amendment that does not require shareholder approval under Section 21(c).
- (c) Disinterested shareholder approval will be required for the following amendments to the Plan:
- (i) any increase in the maximum number of Common Shares made available as an Award pursuant to the Plan as a fixed percentage of the Company's outstanding Common Shares;
 - (ii) to an amending provision within the Plan; and
 - (iii) any change which would materially modify the requirements as to eligibility for participation in the Plan.
- (d) Disinterested shareholder approval will be required for the following amendments to the Plan:
- (i) to remove or exceed the Insider participation limit; and
 - (ii) any reduction in the purchase price or the extension of the expiry of an Award held by Insiders;

22. Governing Law

This Plan is established under the laws of Ontario and the rights of all parties and the construction and effect of each provision of this Plan shall be according to the laws of Ontario and the laws of Canada applicable in Ontario.

23. Government Regulation

The Company's obligation to issue and deliver Common Shares under any Award is subject to:

- (a) the satisfaction of all requirements under applicable securities law in respect thereof and obtaining all regulatory approvals as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;
- (b) the admission of such Common Shares to listing on any stock exchange in Canada or the United States on which Common Shares may then be listed; and

- (c) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Common Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction.

In this connection, the Company shall take all reasonable steps to obtain such approvals and registrations as may be necessary for the issuance of such Common Shares in compliance with applicable securities laws and for the listing of such Common Shares on a stock exchange in Canada or the United States on which the Common Shares are then listed.

24. Approvals

This Plan shall be subject to shareholder approval and acceptance by the Stock Exchange in compliance with all conditions imposed by the Stock Exchange. Any Awards granted prior to such acceptance shall be conditional upon such acceptance being given and any conditions complied with and no Common Shares made available pursuant to Awards issued under the Plan may be issued unless such acceptance is given and such conditions are complied with.

25. Independent Advice

Each Participant acknowledges that he or she has been advised to retain independent legal, tax and financial advisors at his or her own expense and agrees that any failure on his or her part to retain legal, tax or financial advisors shall not affect the validity of this Plan.