



**ANNUAL GENERAL MEETING
OF SHAREHOLDERS**

TO BE HELD ON JUNE 19, 2019,

**NOTICE OF MEETING AND
MANAGEMENT PROXY AND INFORMATION CIRCULAR**

THIS NOTICE OF MEETING AND MANAGEMENT INFORMATION CIRCULAR IS FURNISHED IN CONNECTION WITH THE SOLICITATION BY THE MANAGEMENT OF NEW MILLENNIUM IRON CORP. OF PROXIES TO BE VOTED AT THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF NEW MILLENNIUM IRON CORP. TO BE HELD ON JUNE 19, 2019.

**TO BE HELD AT:
The offices of Borden Ladner Gervais LLP
1000 De La Gauchetière St W
Suite 900
Montreal, Quebec H3B 5H4**

At 10:00 AM

Dated: May 15, 2019

NEW MILLENNIUM IRON CORP.

**NOTICE OF ANNUAL GENERAL
MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 19, 2019**

NOTICE IS HEREBY GIVEN THAT AN ANNUAL GENERAL MEETING (the “**Meeting**”) of holders of common shares of New Millennium Iron Corp. (the “**Company**”) will be held at the offices of Borden Ladner Gervais, LLP, Suite 900, 1000 De La Gauchetière St W, Montreal, Quebec, H3B 5H4, at 10:00 am (EDT), on June 19, 2019, for the following purposes:

1. to receive and consider the consolidated financial statements of the Company for the financial years ended December 31, 2018, and 2017, and the report of the auditor thereon;
2. to fix the number of directors of the Company to be elected at the Meeting at seven (7);
3. to elect the Board of Directors of the Company for the ensuing year;
4. to appoint the auditor of the Company for the ensuing year and to authorize the Board of Directors to fix the auditor’s remuneration; and
5. to transact such other business as may be properly brought before the meeting or any adjournment thereof.

DATED this 15th day of May 2019.

BY ORDER OF THE BOARD OF DIRECTORS

“*Mario Caron*”

Mario Caron
Acting Chief Executive Officer

IMPORTANT

It is desirable that as many shares as possible be represented at the Meeting. If you do not expect to attend the Meeting and would like your shares represented, please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose. All proxies, to be valid, must be received by Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1 at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

NEW MILLENNIUM IRON CORP.
MANAGEMENT INFORMATION CIRCULAR

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR (“MANAGEMENT INFORMATION CIRCULAR”) IS PROVIDED IN CONNECTION WITH THE SOLICITATION BY MANAGEMENT OF NEW MILLENNIUM IRON CORP. (THE “COMPANY” or “NML”) of proxies from the holders of common shares (the “Common Shares”) for the annual general meeting of the shareholders of the Company (the “Meeting”) to be held on June 19, 2019, at the offices of Borden Ladner Gervais, LLP, Suite 900, 1000 De La Gauchetière St W, Montreal, Quebec, H3B 5H4, at 10:00 am (EDT), or at any adjournment thereof for the purposes set out in the accompanying notice of meeting (“Notice of Meeting”).

Although it is expected that the solicitation of proxies will be primarily by mail, proxies may also be solicited personally or by telephone, facsimile or other proxy solicitation services. In accordance with National Instrument 54-101, arrangements have been made with brokerage houses and other intermediaries, clearing agencies, custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of the Common Shares held of record by such persons and the Company may reimburse such persons for reasonable fees and disbursements incurred by them in doing so. The costs thereof will be borne by the Company.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named (the “Management Designees”) in the enclosed instrument of proxy (“Instrument of Proxy”) have been selected by the directors of the Company and have indicated their willingness to represent as proxy the shareholder who appoints them. A shareholder has the right to designate a person (whom need not be a shareholder) other than the Management Designees to represent him or her at the Meeting. Such right may be exercised by inserting in the space provided for that purpose on the Instrument of Proxy the name of the person to be designated and by deleting therefrom the names of the Management Designees, or by completing another proper form of proxy and delivering the same to the transfer agent of the Company. Such shareholder should notify the nominee of the appointment, obtain the nominee’s consent to act as proxy and should provide instructions on how the shareholder’s shares are to be voted. The nominee should bring personal identification with him to the Meeting. In any case, the form of proxy should be dated and executed by the shareholder or an attorney authorized in writing, with proof of such authorization attached (where an attorney executed the proxy form). In addition, a proxy may be revoked by a shareholder personally attending at the Meeting and voting their shares.

A form of proxy will not be valid for the Meeting or any adjournment thereof unless it is completed and delivered to the Company’s transfer agent, Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in his discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy. In addition to revocation in any other manner permitted by law, a proxy may be revoked by depositing an instrument in writing executed by the shareholder or by his authorized attorney in writing, or, if the shareholder is a corporation, under its corporate seal by an officer or attorney thereof duly authorized, either at the registered office of the Company or with Computershare Trust Company of Canada, Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, at any time up to and including the last business day preceding the date of the Meeting, or any adjournment thereof at which the proxy is to be used. In addition, a proxy may be revoked by the shareholder personally attending the Meeting and voting his shares or submitting a later dated proxy, provided it has been validly completed and filed prior to the proxy delivery deadline stipulated above.

ADVICE TO BENEFICIAL SHAREHOLDERS

The information set forth in this section is of significant importance to many shareholders, as a substantial number of shareholders do not hold Common Shares in their own name. Shareholders who hold their Common Shares through their brokers, intermediaries, trustees or other persons, or who otherwise do not hold their Common Shares in their own name (referred to in this Management Information Circular as “**Beneficial Shareholders**”) should note that only proxies deposited by shareholders who appear on the records maintained by the Company’s registrar and transfer agent as registered holders of Common Shares will be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a Beneficial Shareholder by a broker, those Common Shares will, in all likelihood, not be registered in the shareholder’s name. Such Common Shares will more likely be registered under the name of the shareholder’s broker or an agent of that broker. In Canada, the vast majority of such shares are registered under the name of CDS & Co. (the registration name for The Canadian Depository for Securities Limited, which acts as nominee for many Canadian brokerage firms). Common Shares held by brokers (or their agents or nominees) on behalf of a broker’s client can only be voted (for or against resolutions) at the direction of the Beneficial Shareholder. Without specific instructions, brokers and their agents and nominees are prohibited from voting shares for the broker’s clients. **Therefore, each Beneficial Shareholder should ensure that voting instructions are communicated to the appropriate person well in advance of the Meeting.**

Existing regulatory policy requires brokers and other intermediaries to seek voting instructions from Beneficial Shareholders in advance of shareholders’ meetings. The various brokers and other intermediaries have their own mailing procedures and provide their own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. The form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is substantially similar to the Instrument of Proxy provided directly to registered shareholders by the Company. However, its purpose is limited to instructing the registered shareholder (i.e., the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The vast majority of brokers now delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions Inc. (“**Broadridge**”) in Canada. Broadridge typically prepares a machine-readable voting instruction form, mails those forms to Beneficial Shareholders and asks Beneficial Shareholders to return the forms to Broadridge, or otherwise communicate voting instructions to Broadridge (by way of the Internet or telephone, for example). Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at the Meeting. **A Beneficial Shareholder who receives a Broadridge voting instruction form cannot use that form to vote Common Shares directly at the Meeting. The voting instruction forms must be returned to Broadridge (or instructions respecting the voting of Common Shares must otherwise be communicated to Broadridge) well in advance of the Meeting in order to have the Common Shares voted. If you have any questions respecting the voting of Common Shares held through a broker or other intermediary, please contact that broker or other intermediary for assistance.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of their broker, a Beneficial Shareholder may attend the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. **Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxyholder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker’s agent) in accordance with the instructions provided by such broker.**

All references to shareholders in this Management Information Circular and the accompanying Instrument of Proxy and Notice of Meeting are to registered shareholders unless specifically stated otherwise.

VOTING OF PROXIES

Each shareholder may instruct their proxy how to vote their Common Shares by completing the blanks on the Instrument of Proxy. All Common Shares represented at the Meeting by properly executed and filed

proxies will be voted or withheld from voting (including the voting on any ballot), and where a choice with respect to any matter to be acted upon has been specified in the Instrument of Proxy, the Common Shares represented by the proxy will be voted in accordance with such specification.

In the absence of any such specification as to voting on the Instrument of Proxy, the Management Designees, if named as proxy, will vote in favour of the matters set out therein. In the absence of any specification as to voting on any other form of proxy, the Common Shares represented by such form of proxy will be voted in favour of the matters set out therein.

The enclosed Instrument of Proxy confers discretionary authority upon the Management Designees, or other persons named as proxy, with respect to amendments to or variations of matters identified in the Notice of Meeting and any other matters which may properly come before the Meeting. In the event that other matters come before the Meeting, then the Management Designees intend to vote in accordance with the judgment of management of the Company.

Voting by Internet

Shareholders of the Company may use the internet site at www.computershare.com to transmit their voting instructions. Shareholders should have the form of proxy in hand when they access the web site and will be prompted to enter their Control Number, which is located on the form of proxy. If shareholders vote by internet, their vote must be received at least forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the Meeting or any adjournment thereof. The website may be used to appoint a proxy holder to attend and vote on a shareholder's behalf at the Meeting and to convey a shareholder's voting instructions. Please note that if a shareholder appoints a proxy holder and submits their voting instructions and subsequently wishes to change their appointment, a shareholder may resubmit their proxy and/or voting direction on the website, prior to the deadline noted above. When resubmitting a proxy on the website, the most recently submitted proxy will be recognized as the only valid one, and all previous proxies submitted will be disregarded and considered as revoked, provided that the last proxy is submitted on the website by the deadline noted above.

QUORUM

The by-laws of the Company provide that a quorum of shareholders is present at a meeting of shareholders of the Company if at least two persons are present at the Meeting, holding or representing by proxy not less than five (5%) percent of the outstanding shares of the Company entitled to vote at the Meeting.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Company is authorized to issue an unlimited number of Common Shares and an unlimited number of preferred shares. As at the effective date of this Management Information Circular (the "**Effective Date**"), which is May 8, 2019, the Company has 181,054,146 Common Shares issued and outstanding.

There are no other shares of any class issued or outstanding. The Common Shares are the only shares entitled to be voted at the Meeting, and holders of Common Shares are entitled to one vote for each Common Share held.

Holders of Common Shares of record at the close of business on May 15, 2019 (the "**Record Date**") are entitled to vote such Common Shares at the Meeting on the basis of one vote for each Common Share held except to the extent that, (a) the holder has transferred the ownership of any of their Common Shares after the Record Date, and (b) the transferee of those Common Shares produces properly endorsed share certificates, or otherwise establishes that he owns the Common Shares, and demands not later than ten (10) days before the day of the Meeting that his name be included in the list of persons entitled to vote at the Meeting, in which case the transferee will be entitled to vote his Common Shares at the Meeting.

To the knowledge of the directors and the executive officers of the Company, as at the Effective Date, no person or company beneficially owns, directly or indirectly, or controls or directs, voting securities carrying 10% or more of the voting rights attached to any of the voting securities of the Company, except for:

Name	Number of Common Shares Owned or Controlled as of the Effective Date	Percentage of Outstanding Common Shares at the Effective Date
Tata Steel Global Minerals Holdings Pte Ltd.	47,402,908	26.2%

Note:

- (1) Sandip Biswas, Dibyendu Bose and Prasanto Kumar Ghose, directors of the Company, are employees of Tata Steel Limited or of a subsidiary, indirect holder of approximately 26.2% of the Company's total issued Common Shares.

EXECUTIVE COMPENSATION

The Corporate Governance and Compensation Committee

The responsibilities of the Corporate Governance and Compensation Committee in respect of compensation matters include determining the compensation for the Named Executive Officers (“NEOs”) based on their performance and other factors. The Committee is currently comprised of the following directors of the Company, being Daniel P. Owen (Chair), Mario Caron, H. Dean Journeaux and W. Scott Leckie. The Committee did not meet in the financial year ended December 31, 2018, as governance and compensation matters were handled directly by the board of directors.

Relevant Education and Experience

Daniel P. Owen

Mr. Owen is an investor and entrepreneur. He is currently Chairman and Chief Executive Officer of a private investment management company, Chairman and CEO of a private aerodrome management company, and a former Senior Vice President, Operations, of the Canada Development Corporation (later named Polysar Energy & Chemical Corporation). Mr. Owen has served on the boards of directors and on all the committees of a number of Canadian public companies.

Mario Caron

Mr. Caron has 40 years of wide-ranging mining industry experience in project development, operations, the capital markets, and governance/disclosure best practices. He is currently on the boards of directors of Algold Resources Ltd., Falco Resources Ltd., and Alloycorp Mining Inc., of which he serves as Non-Executive Chairman.

Mr. Caron has also been president, CEO and a director of several companies involved in the exploration and development of metals and minerals in the Americas, Africa, Turkey and Southeast Asia, including Aldridge Minerals Inc., Axmin Inc., Tiberon Minerals Ltd. and Defiance Mining Corporation. Earlier in his career, Mr. Caron was Vice President Mining and Infrastructure for PricewaterhouseCoopers Securities Inc. He received a B. Eng. in Mining from McGill University, and is a member of the Quebec Order of Engineers as well as the Association of Professional Engineers of Ontario.

H. Dean Journeaux

Mr. Journeaux is a founder of NML and, between August 2003 and August 2015, served successively as Chief Operating Officer, President and Chief Executive Officer, and Executive Vice Chairman. He was also on the Board of Directors during that period and returned as an independent director in June 2017.

Mr. Journeaux has over five decades of experience in the mining industry. He held various engineering, operations and management positions with Quebec Cartier Mining Company (now ArcelorMittal Mines Canada) and MET-CHEM Canada Inc. Among his responsibilities was construction management of the Mont Wright iron ore project at Fermont, Quebec. Beginning in 1999, as an independent consultant, Mr. Journeaux worked on various international projects, including in India and Egypt.

He received a Bachelor of Engineering (Mining) from McGill University in 1960. He is a Member of the Ordre des ingénieurs du Québec (retired), a Member of the Association of Iron and Steel Engineers, and a life member of the Canadian Institute of Mining, Metallurgy and Petroleum.

W. Scott Leckie

Mr. Leckie is an experienced value investor, Portfolio Manager, and a founding partner of several companies. Mr. Leckie is an original partner of Aquilon Capital Corporation, a registered investment dealer and portfolio management firm which was organized in September 1990 and sold to National Bank Financial in March 2008. Mr. Leckie is currently the Principal of Takota Asset Management Inc., registered with the Ontario Securities Commission (OSC) as an investment fund manager (IFM), a portfolio manager (PM) and an exempt market dealer (EMD).

Compensation Discussion and Analysis

Historically, the Company's compensation policy was to pay management a total compensation amount competitive with other companies' managements in the mining industry (with a particular focus on junior iron ore companies) and consistent with the experience and responsibility level of the management. Over the course of 2017, iron ore market circumstances forced the Company to reduce development activity and adjust the size of its workforce and management accordingly, with the result that there are now two remaining executive officers on a consulting basis as follows:

Ernest Dempsey, Chief Executive Officer: The Company entered into a consulting agreement (the "**Dempsey Consulting Agreement**") effective January 1, 2017, and extended December 6, 2017, with Ernest Dempsey, which provides that Mr. Dempsey will supply the services to act as Chief Executive Officer of the Company, on a part-time basis. The Dempsey Consulting Agreement may be terminated by the Company or Mr. Dempsey, at any time, for any reason, without cause or entitlement to severance or termination pay, upon 30 days' notice. The Dempsey Consulting Agreement may also be terminated by the Company, at any time, for any reason, without cause or entitlement to severance or entitlement pay, should Mr. Dempsey fail to meet the professional standards or ethical requirements expected by a competent consultant in the exercise of his services as Chief Executive Officer. The Dempsey Consulting Agreement is in effect until December 31, 2019, with additional terms as may be agreed upon by the Company and Mr. Dempsey, and may be terminated, as set forth above. Since March 14, 2019, Mr. Dempsey has been on medical leave. As a result, Mr. Mario Caron, Chairman of the Board, is Acting CEO.

Mark Freedman, Chief Financial Officer: The Company entered into a consulting agreement (the "**Freedman Consulting Agreement**") effective February 10, 2016, with Balance Consultants Inc., which provides that Balance Consultants Inc. will supply the services of Mark Freedman to act as Chief Financial Officer of the Company. The Freedman Consulting Agreement was terminated on November 6, 2018, at which time Mr. Freedman also resigned as CFO of the Company.

Robert Boisjoli, Chief Financial Officer : The Company entered into a consulting agreement (the "**Boisjoli Consulting Agreement**") effective November 7, 2018, with Robert Boisjoli & Associés S.E.C. which provides that Robert Boisjoli & Associés S.E.C. will supply the services of Robert Boisjoli to act as Chief Financial Officer of the Company. The Boisjoli Consulting Agreement may be terminated by the Company or Mr. Boisjoli, at any time, for any reason, without cause or entitlement to severance or termination pay, upon 90 days' notice.

Prior to 2017, the Company's compensation plan was comprised of base salaries, annual bonuses, option-based awards, a defined contribution pension plan and an insurance benefit plan. These arrangements are reflected in the 2018 **Summary Compensation Table** below.

The **Summary Compensation Table** reflects the Company's previous employment agreement (the "**Dempsey Employment Agreement**") dated February 11, 2015, with Ernest Dempsey, which provided that Mr. Dempsey would act in the capacity of Vice President Investor Relations & Corporate Affairs. Mr. Dempsey ceased to be Vice President Investor Relations & Corporate Affairs effective December 31, 2016, whereupon the "**Dempsey Consulting Agreement**" discussed above took effect.

Compensation Plan and Policies

Each element is presented below.

Base Salaries

The level of base salary for each NEO was determined by the level of responsibility and the importance of the position to the Company, within competitive industry ranges. The Corporate Governance and Compensation Committee made recommendations to the Board of Directors regarding base salaries of the NEOs at a level within ranges paid by comparable Canadian junior iron ore and other junior mining companies. In 2018, as consultants, Messrs. Dempsey, Freedman and Boisjoli received compensation in the form of fees for services in lieu of salaries.

Annual Bonuses

No annual bonuses were awarded in 2018.

Option-based Awards

The compensation program provides incentives to its management and directors to achieve long-term objectives through grants of stock options under the Plan. See "Incentive Plan Awards – Share Option Plan" for further information. During 2018, there were no stock options issued to any of the NEOs.

Defined Contribution Pension Plan

The Company sponsored an obligatory Direct Contribution Pension Plan for its employees that was terminated effective July 1, 2017. In 2018, as consultants, Messrs. Dempsey and Freedman were not eligible for the Defined Contribution Pension Plan.

Insurance Benefit Plan

The Company's NEOs who were also employees were members of the Company's benefits program that was terminated effective July 1, 2017. In 2018, as consultants, Messrs. Dempsey and Freedman were not eligible for the Insurance Benefit Plan.

Compensation Risk Management

In performing its duties, the Corporate Governance and Compensation Committee considers the implications of the possible risks associated with the Company's compensation policies and practices. This includes identifying any such policies or practices that may encourage executive officers to take inappropriate or excessive risks, identifying risks arising from such policies and practices that could have a material adverse effect on the Company and considering the possible risk implications of the Company's compensation policies and practices and any proposed changes to them.

The Corporate Governance and Compensation Committee periodically reviews and assesses the Company's compensation policies and practices in relation to such risks, including assessing such policies and practices in light of practices identified by the Canadian Securities Administrators as potentially encouraging executive officers to expose the Company to inappropriate or excessive risks. It is the Committee's view that the Company's compensation policies and practices do not encourage inappropriate or excessive risk-taking.

Summary Compensation Table

The following table sets forth all annual and long-term compensation for the three most recently completed financial years for services in all capacities to the Company and its subsidiaries, if any, in respect of individual(s) who were acting as, or were acting in a capacity similar to, a chief executive officer or chief financial officer and the most highly compensated executive officers whose total compensation exceeded \$150,000 per annum (the NEO's).

SUMMARY COMPENSATION TABLE									
Name and Principal Position	Year Ended Dec.31	Fees/ Salary (\$)	Share-Based Awards (\$)⁽¹⁾	Option-Based Awards (\$)⁽²⁾	Non-Equity Incentive Plan Compensation (\$)		Pension Value (\$)⁽⁴⁾	All Other Compensation (\$)⁽⁵⁾	Total Compensation (\$)
					Annual Incentive Plans ⁽³⁾	Long-Term Incentive Plans			
Ernest Dempsey ⁽⁶⁾ Chief Executive Officer	2018	111,420	Nil	Nil	Nil	Nil	Nil	Nil	111,420
	2017	143,548	Nil	Nil	Nil	Nil	Nil	Nil	143,548
	2016	211,888	Nil	Nil	Nil	Nil	6,553	104,827	323,268
Robert Boisjoli ⁽⁷⁾ Chief Financial Officer	2018	10,000	Nil	Nil	Nil	Nil	Nil	Nil	10,000
	2017	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	2016	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mark Freedman ⁽⁸⁾ Chief Financial Officer	2018	101,475	Nil	Nil	Nil	Nil	Nil	Nil	101,475
	2017	173,773	Nil	Nil	Nil	Nil	Nil	Nil	173,773
	2016	215,819	Nil	Nil	Nil	Nil	Nil	Nil	215,819

- (1) **"Share-Based Awards"** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) **"Option-Based Awards"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. The "grant date fair value" has been determined by using the Black-Scholes option pricing model. See discussion below.
- (3) Amounts referred to in this column are paid as cash bonuses and are attributable to the immediately preceding financial year.
- (4) Amounts referred to in this column are the Company's payments to the individual's defined contribution plan.
- (5) Amounts referred to in this column relate to insurance benefits paid by the Company on behalf of the individual as well as any severance paid in relation to termination of their employment.
- (6) Mr. Dempsey was appointed Chief Executive Officer effective January 1, 2017, and began receiving consulting fees as compensation from the Company. Prior to his appointment as Chief Executive Officer, Mr. Dempsey was Vice President, Investor Relations and Corporate Affairs.
- (7) The Company paid no salary directly to Mr. Boisjoli. The amounts disclosed represent compensation paid to Robert Boisjoli & Associés S.E.C., a company which employs Mr. Boisjoli, for consulting services provided to the Company, as per the Boisjoli Consulting Agreement.
- (8) The Company paid no salary directly to Mr. Freedman. The amounts disclosed represent compensation paid to Balance Consultants Inc., a company which is wholly owned by Mr. Freedman, for consulting services provided to the Company, as per the Freedman Consulting Agreement.

Narrative Discussion

Calculating the value of stock options using the Black-Scholes option pricing model is very different from a simple “in-the-money” value calculation. In fact, stock options that are well out-of-the-money can still have a significant “grant date fair value” based on the Black-Scholes option pricing model, especially where, as in the case of the Company, the price of the share underlying the option is highly volatile. Accordingly, caution must be exercised in comparing grant date fair value amounts with cash compensation or an in-the-money option value calculation.

Incentive Plan Awards

Stock Option Plan

The Plan was approved by shareholders of the Company on June 5, 2012. The Plan permits the granting of stock options (“**Options**”) to purchase Common Shares to directors, officers, employees of, and consultants to, the Company, its subsidiaries and affiliates. The Plan limits the total number of Common Shares that may be issued on exercise of Options outstanding under the Plan to 10% of the number of Common Shares outstanding from time to time, subject to the following additional limitations:

- (a) the aggregate number of Common Shares reserved for issuance to any one person under the Plan, shall be determined by the Board of Directors but no person shall be granted an option which exceeds the maximum number permitted by a relevant exchange or other regulatory body;
- (b) no single person may be granted Options to purchase a number of Common Shares equalling more than 5% of the issued Common Shares of the Company in any 12-month period unless the Company has obtained disinterested shareholder approval in respect of such grant;
- (c) the number of Common Shares issuable at any time to insiders (as such term is defined in the Securities Act (Alberta)) under the Plan, and any other security-based compensation arrangements of the Company, cannot exceed 10% of the issued and outstanding Common Shares;
- (d) the number of Common Shares issued to insiders, within any one-year period, under the Plan and any other security-based compensation arrangements, cannot exceed 10% of the issued and outstanding Common Shares of the Company;
- (e) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Common Shares in any 12-month period to any one consultant of the Company (or any of its subsidiaries); and
- (f) Options shall not be granted if the exercise thereof would result in the issuance of more than 2% of the issued Common Shares in any 12-month period to persons employed to provide investor relations activities. Options granted to consultants performing investor relations activities will contain vesting provisions such that vesting occurs over at least 12 months with no more than $\frac{1}{4}$ of the Options vesting in any three-month period.

As of the Effective Date, 995,000 Options (representing 0.55% of the issued and outstanding Common Shares) are granted to directors, officers, employees of, and consultants to, the Company (the “**Granted Options**”), leaving 17,110,415 Options 9.45% remaining available for grant.

The Plan provides that the exercise price shall be fixed by the Board at the time that the Option is granted, provided that such price shall not be less than the closing price of the Common Shares on the Toronto Stock Exchange (“**TSX**”) on the last day preceding the date of grant. Also, the Board of Directors may, in its sole discretion, determine the time during which Options shall vest and the method of vesting, or that no vesting restriction shall exist.

The Plan also includes a black out provision. Pursuant to the policies of the Company respecting restrictions on trading, there are a number of periods each year during which directors, officers and certain employees are precluded from trading in the Company’s securities. These periods are referred to as “blackout periods”. A black out period is designed to prevent a person from trading while in possession of material information that is not yet available to other shareholders. The TSX recognizes these blackout periods might result in an unintended penalty to employees who are prohibited from exercising their Options during that period because of their company’s internal trading policies. As a result, the TSX provides a framework for extending options that would otherwise expire during a black out period. The Plan includes a provision that should an Option expiration date fall within a black out period or immediately following a black out period, the expiration date will automatically be extended for 10 business days following the end of the blackout period.

The maximum length of any Option shall be ten (10) years from the date the Option is granted. Except as otherwise determined by the Board of Directors, a participant’s options will expire ninety (90) days after a participant ceases to act for the Company, other than by reason of death. Options of a participant that provides investor relations activities will expire 30 days after the cessation of the participant's services to the Company. In the event of the death of a participant, the participant's estate shall have twelve (12) months in which to exercise the outstanding options. The Options are not assignable, other than by reason of death.

If the number of outstanding Common Shares are increased, decreased, changed into or exchanged for a different number or kind of shares or securities of the Company or another Company or entity through a reorganization, amalgamation, arrangement, merger, re-capitalization, re-classification, stock dividend, subdivision, consolidation, or any adjustments relating to the Common Shares subject to Options or issued on exercise of Options and the exercise price per Common Share shall be adjusted by the Board of Directors, in its sole and absolute discretion.

The Board of Directors may terminate or discontinue the Plan at any time without the consent of the option holders provided that such termination or discontinuance shall not alter or impair any option previously granted under the Plan. In addition, the Board of Directors may by resolution amend the Plan any options granted under it without further shareholder approval, to the extent that such amendments relate to among other things:

- (a) altering, extending or accelerating the terms of vesting applicable to any Option or group of Options;
- (b) altering the terms and conditions of vesting applicable to any Option or groups of Options;
- (c) changing the termination provisions of an option, provided that the change does not entail an extension beyond the original expiry date of such Option;
- (d) accelerating the expiry date in respect of an Option;
- (e) determining the adjustment provisions pursuant to the Plan;
- (f) amending the definitions contained in within the Plan and other amendments of a “housekeeping” nature; and
- (g) amending or modifying the mechanics of exercise of the Options.

Under the Plan the Board of Directors will also not be entitled, in the absence of shareholder approval, to:

- (h) reduce the exercise price of an Option held by an insider of the Company;
- (i) extend the expiry date of an option held by an insider of the Company;
- (j) amend the limitations on the maximum number of Common Shares reserved or issued to insiders of the Company under the Plan;
- (k) increase the maximum number of Common Shares issuable pursuant to the Plan; or
- (l) amend the amendment provisions of the Plan.

Where shareholder approval is sought for amendments under items (a), (b) and (c) above, disinterested shareholder approval is required.

The Plan also includes a provision that provides the Company with authority to take steps for the deduction and withholding, or for the advance payment or reimbursement by an option holder to the Company, of any taxes or other required source deductions which the Company is required by law or regulation of any governmental authority whatsoever to remit in connection with the Plan, or any issuance of Common Shares.

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth details of all awards outstanding for each Named Executive Officer of the Company as of the most recent financial year end, including awards granted before the most recently completed financial year.

Name and Title	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⁾⁽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 (\$)
Ernest Dempsey Chief Executive Officer	144,000	0.44	May 21, 2019	N/A	N/A	N/A	N/A

Notes:

- (1) Unexercised "in-the-money" options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the difference between the market value of the Common Shares as at December 31, 2018, being \$0.075 per Common Share and the exercise price of the options.

None of the awards disclosed in the table above have been transferred at other than fair market value.

Incentive Plan Awards - Value Vested or Earned During the Year

No option-based awards and share-based awards vested or were earned during the most recently completed financial year for each Named Executive Officer.

Note:

- (1) Amounts referred to in this column represent the aggregate dollar value that would have been realized by the NEO if the stock options had been exercised on the vesting date. Where the share price on the vesting date is lower than the exercise price of the stock options a \$nil value is noted.

Pension Plan Benefits

The Company sponsored an obligatory defined contribution retirement plan for all its employees, including the NEOs, that was terminated effective July 1, 2017. In 2018, as consultants, Messrs. Dempsey and Freedman were not eligible for the Defined Contribution Pension Plan.

Termination and Change of Control Benefits

Other than as set forth below, the Company is not a party to any contract, agreement, plan or arrangement that provides for payments to a NEO, at, following or in connection with any termination (whether voluntary, involuntary or constructive), resignation, retirement, a change in control of the Company, its subsidiaries or affiliates or a change in a NEO's responsibilities.

The Dempsey Consulting Agreement may be terminated by the Company or Mr. Dempsey, upon 30 days' notice. The Dempsey Consulting Agreement may also be terminated by the Company, at any time, for any reason, without cause or entitlement to severance or entitlement pay, should Mr. Dempsey fail to meet the professional standards or ethical requirements expected by a competent consultant in the exercise of his services as Chief Executive Officer. The Dempsey Consulting Agreement is in effect until December 31, 2019, with additional terms as may be agreed upon by the Company and Mr. Dempsey, and may be terminated, as set forth above.

The Freedman Consulting Agreement was terminated on November 6, 2018.

The Boisjoli Consulting Agreement may be terminated by the Company or Mr. Boisjoli, at any time, for any reason, without cause or entitlement to severance or termination pay, upon 90 days' notice.

DIRECTOR COMPENSATION

During the year ended December 31, 2018, the Company had seven (7) directors that served for the whole year, none of which was also a Named Executive Officer. For a description of the compensation paid to the Named Executive Officers of the Company who also acted as directors of the Company, see "**EXECUTIVE COMPENSATION**".

Director Compensation Table

The following tables set forth all compensation provided to directors who are not also Named Executive Officers ("**Other Directors**") of the Company for the financial year ended December 31, 2018.

Current Directors

Name	Fees Earned (\$)	Share-Based Awards (\$) ⁽¹⁾	Option-Based Awards (\$) ⁽²⁾	Non-Equity Incentive Plan Compensation (\$)	Pension Value (\$)	All Other Compensation (\$)	Total (\$)
Sandip Biswas	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Dibyendu Bose	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Chanakya Chaudhary ⁽³⁾	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Mario Caron	\$50,000	Nil	Nil	Nil	Nil	Nil	\$50,000
W. Scott Leckie	\$30,000	Nil	Nil	Nil	Nil	Nil	\$30,000
Daniel P. Owen	\$30,000	Nil	Nil	Nil	Nil	Nil	\$30,000
H. Dean Journeaux	\$30,000	Nil	Nil	Nil	Nil	Nil	\$30,000

Notes:

- (1) **"Share-Based Awards"** means an award under an equity incentive plan of equity-based instruments that do not have option-like features, including, for greater certainty, common shares, restricted shares, restricted share units, deferred share units, phantom shares, phantom share units, common share equivalent units and stock.
- (2) **"Option-Based Awards"** means an award under an equity incentive plan of options, including, for greater certainty, share options, share appreciation rights and similar instruments that have option-like features. The "grant date fair value" has been determined by using the Black-Scholes option pricing model.
- (3) Mr. Chanakya Chaudhary resigned as a Director of the Company on May 15, 2019.

Narrative Discussion

During the financial year ended December 31, 2018, directors of the Company, each received annual retainer fees of \$30,000 for Board and Board Committee representation, as listed above. In 2018, the Board decided on an additional compensation. The Chair receives an additional yearly compensation of \$15,000 since January 1, 2018. The Chair of the Audit Committee receives an additional compensation of \$5,000 per year. On December 18, 2018, the Corporation formed an ad hoc Special Committee. The Special Committee is comprised of two independent directors who receive an additional compensation of \$4,000 per month for as long as it is in effect. The mandate of the Special Committee is to review business opportunities aimed at diversifying the Company iron ore and infrastructure interests. The Board can terminate the mandate of the Special Committee at any time. In 2018, the total aggregate cash compensation (which includes director's fees and consulting fees for non-executive services) paid to the directors for services rendered in their capacity as directors and consultants was \$140,000. In addition, directors are reimbursed for reasonable expenses incurred in respect of their activities as directors.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following tables set forth details of all awards outstanding for each Other Director of the Company as of the most recent financial year end, including awards granted before the most recently completed financial year.

Current Directors

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⁾⁽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 (\$)
Sandip Biswas	70,000	0.44	May 21, 2019	N/A	N/A	N/A	N/A
Dibyendu Bose	70,000	0.44	May 21, 2019	N/A	N/A	N/A	N/A
Chanakya Chaudhary ⁽³⁾	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Mario Caron	Nil	N/A	N/A	N/A	N/A	N/A	N/A
W. Scott Leckie	Nil	N/A	N/A	N/A	N/A	N/A	N/A
Daniel P. Owen	Nil	N/A	N/A	N/A	N/A	N/A	N/A
H. Dean Journeaux	275,000	0.44	May 21, 2019	N/A	N/A	N/A	N/A

Notes:

- (1) Unexercised “in-the-money” options refer to the options in respect of which the market value of the underlying securities as at the financial year end exceeds the exercise or base price of the option.
- (2) The aggregate of the difference between the market value of the Common Shares as at December 31, 2018, being \$0.075 per Common Share and the exercise price of the options.
- (3) Mr. Chanakya Chaudhary resigned as a Director of the Company on May 15, 2019.

Incentive Plan Awards - Value Vested or Earned During the Year

The following tables set forth the values of option-based awards and share-based awards which vested or were earned during the most recently completed financial year for Other Directors of the Company.

Current Directors

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 (\$)
Sandip Biswas	Nil	Nil	Nil
Dibyendu Bose	Nil	Nil	Nil
Chanakya Chaudhary ⁽²⁾	Nil	Nil	Nil
Mario Caron	Nil	Nil	Nil
W. Scott Leckie	Nil	Nil	Nil
Daniel P. Owen	Nil	Nil	Nil
H. Dean Journeaux	Nil	Nil	Nil

Notes:

- (1) Amounts referred to in this column represent the aggregate dollar value that would have been realized by the Directors if the stock options had been exercised on the vesting date. Where the share price on the vesting date is lower than the exercise price of the stock options a Nil value is noted.
- (2) Mr. Chanakya Chaudhary resigned as a Director of the Company on May 15, 2019.

Other Compensation

Other than as set forth herein, the Company did not pay any other compensation to executive officers or directors (including personal benefits and securities or properties paid or distributed which compensation was not offered on the same terms to all full-time employees) during the last completed financial year other than benefits and perquisites which did not amount to \$10,000 or greater per individual.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth securities of the Company that are authorized for issuance under equity compensation plans as at the end of the Company's most recently completed financial year.

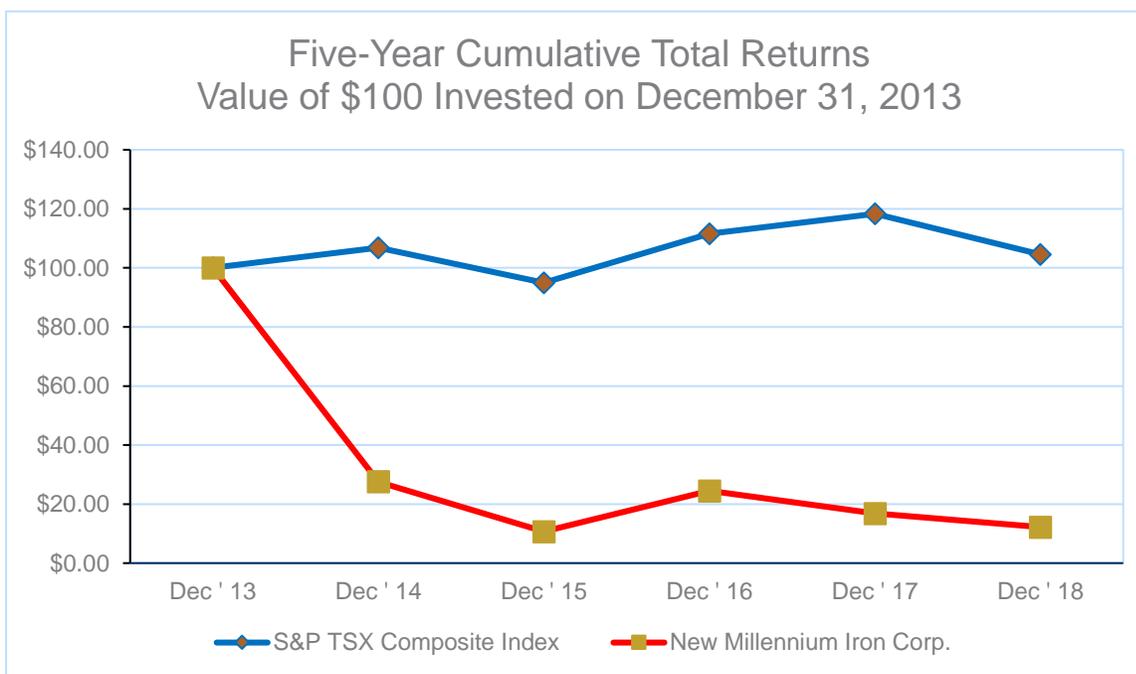
<u>Plan Category</u>	<u>Number of securities to be issued upon exercise of outstanding options, warrants and rights</u>	<u>Weighted-average exercise price of outstanding options, warrants and rights</u>	<u>Number of securities remaining available for future issuance under equity compensation plans (excluding outstanding securities reflected in Column 1)⁽¹⁾</u>
Equity compensation plans approved by security holders	995,000 Common Shares	\$0.44 per Common Share	17,110,415 Common Shares
Equity compensation plans not approved by security holders	Nil	Nil	Nil
Total	995,000 Common Shares	\$0.44 per Common Share	17,110,415 Common Shares

Note:

(1) The aggregate number of Common Shares that may be reserved for issuance under the Plan shall not exceed 10% of the Company's issued and outstanding shares. Accordingly, the number of Common Shares remaining available for future issuance will increase as the outstanding number of Common Shares increases. During 2018, there were no options that were exercised for Common Shares. At December 31, 2018, 181,054,146 Common Shares were issued and outstanding.

PERFORMANCE GRAPH

The following graph compares the yearly change in cumulative shareholder return over a five-year period (assuming that a \$100 investment was made on December 31, 2013) on the Common Shares of the Company with the cumulative total return of the S&P/TSX Index from December 31, 2013, to December 31, 2018.



The trend in the performance graph does not correlate to the trend of the compensation paid to the Named Executive Officers. The Company has concluded that management must be compensated based on competitive market conditions and the value of the services provided, irrespective of Common Share price movements. The trading price of the Common Shares directly impacts benefits from the equity incentive plans.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No director, executive officer, employee or former director, executive officer or employee of the Company or its subsidiaries nor any of their associates or affiliates, is, or has been at any time since the beginning of the last completed financial year, indebted to the Company or its subsidiaries nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding, provided by the Company.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as disclosed below, management of the Company is not aware of any material interests, direct or indirect, by way of beneficial ownership of securities or otherwise, of any director or executive officer, proposed nominee for election as a director or any shareholder holding more than 10% of the voting rights attached to the Common Shares or any associate or affiliate of any of the foregoing in any transaction in the preceding financial year or any proposed or ongoing transaction of the Company which has or will materially affect the Company.

Mr. Biswas, Mr. Bose and Mr. Ghose are employees of Tata Steel Limited or of a subsidiary, the Company's strategic partner and indirect holder, through **TSG**, of approximately 26.2% of the total issued Common Shares. On December 30, 2011, the closing of the transfer of assets into Tata Steel Minerals Canada Ltd. (previously defined as "**TSMC**") was completed which resulted in TSG owning 80% of TSMC and the Company owning the remaining 20%. Currently, the Company's ownership interest in TSMC is 4.32%. TSG has also entered into a binding heads of agreement dated March 6, 2011 (the "**Taconite HOA**") with the Company pursuant to which TSG has exercised its exclusive right to negotiate and settle a proposed transaction in respect of the Company's LabMag and KéMag Projects (collectively, the "**Taconite Project**").

MANAGEMENT CONTRACTS

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

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, no director or executive officer of the Company or any proposed nominee of management of the Company for election as a director of the Company, nor any associate or affiliate of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in matters to be acted upon at the Meeting.

AUDIT COMMITTEE

Audit Committee Charter

The Company's Audit Committee Charter is attached as Schedule "A" to the Annual Information Form dated March 26, 2019, for the year ended December 31, 2018, and filed on SEDAR at www.sedar.com on March 27, 2019, which is incorporated by reference herein.

Audit Committee Composition

As at the date hereof, the Audit Committee is comprised of the following members:

Mario Caron ⁽²⁾	Independent ⁽¹⁾	Financially literate ⁽¹⁾
H. Dean Journeaux	Independent ⁽¹⁾	Financially literate ⁽¹⁾
W. Scott Leckie	Independent ⁽¹⁾	Financially literate ⁽¹⁾

Notes:

- (1) As defined by National Instrument 52-110 ("NI 52-110").
- (2) Chairman of the Audit Committee.

Relevant Education And Experience

All of the members of the Audit Committee have been either directly or indirectly involved in the preparation of the financial statements, filing of quarterly and annual financial statements, dealing with auditors, or as a member of the Audit Committee. All members of the Audit Committee have the ability to read, analyze and understand the complexities surrounding the issuance of financial statements.

Mario Caron

Mr. Caron has 40 years of wide-ranging mining industry experience in project development, operations, the capital markets, and governance/disclosure best practices. He is currently on the boards of directors of Algold Resources Ltd., Falco Resources Ltd., and Alloycorp Mining Inc., of which he serves as Non-Executive Chairman.

Mr. Caron has also been president, CEO and a director of several companies involved in the exploration and development of metals and minerals in the Americas, Africa, Turkey and Southeast Asia, including Aldridge Minerals Inc., Axmin Inc., Tiberon Minerals Ltd. and Defiance Mining Corporation. Earlier in his career, Mr. Caron was Vice President Mining and Infrastructure for PricewaterhouseCoopers Securities Inc. He received a B. Eng. in Mining from McGill University, and is a member of the Quebec Order of Engineers as well as the Association of Professional Engineers of Ontario.

H. Dean Journeaux

Mr. Journeaux is a co-founder of NML in August 2003 and until August 2015, served successively as Chief Operating Officer, President and Chief Executive Officer, and Executive Vice Chairman. He was also a member of the Board of Directors during that period. He returned as an independent director in June 2017.

Mr. Journeaux has over five decades of experience in the mining industry. He held various engineering, operations and management positions with Quebec Cartier Mining Company (now ArcelorMittal Mines Canada) and MET-CHEM Canada Inc. Among his responsibilities was construction management of the Mont Wright iron ore project at Fermont, Quebec, and a pellet plant at Port Cartier. Amongst his many projects was the 7.5 million tonne Kudremukh Iron Ore Project in India with a 67km slurry pipeline to the Port of Mangalore. Beginning in 1999, as an independent consultant, Mr. Journeaux worked on various international projects, including bauxite in India and an iron ore mine and steel plant Egypt until his joining NML.

He received a Bachelor of Engineering (Mining) from McGill University in 1960. He is a Member of the Ordre des ingénieurs du Québec (retired), a Member of the Association of Iron and Steel Engineers, a Fellow and Life Member of the Canadian Institute of Mining, Metallurgy and Petroleum (CIM).

He currently is a Trustee of the CIM Foundation with a mandate dedicated to support education in earth sciences.

W. Scott Leckie

Mr. Leckie is an experienced value investor, Portfolio Manager, and a founding partner of several companies. Mr. Leckie is an original partner of Aquilon Capital Corporation, a registered investment dealer and portfolio management firm which was organized in September 1990 and sold to National Bank Financial in March 2008. Mr. Leckie is currently the Principal of Takota Asset Management Inc., registered with the OSC as an IFM, a PM and an EMD.

Audit Committee Oversight

At no time since the commencement of the Company's financial year ended December 31, 2018, was a recommendation of the Committee to nominate or compensate an external auditor not adopted by the Board of Directors.

Reliance On Certain Exemptions

At no time since the commencement of the Company's financial year ended December 31, 2018, has the Company relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110 (securities regulatory authority exemption).

Pre-Approval Policies And Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services other than the general requirements under the heading "External Auditor" of the Audit Committee Terms of Reference which states that the Audit Committee must pre-approve any non-audit services to the Company and the fees for those services.

External Auditor Service Fees

The aggregate fees billed by the Company's external auditor in each of the two fiscal years noted below for audit and other fees are as follows:

Financial Year Ending	Audit Fees⁽¹⁾	Audit Related Fees⁽²⁾	Tax Fees⁽³⁾	All Other Fees⁽⁴⁾
2018	\$41,730	\$4,655	Nil	Nil
2017	\$87,426	\$11,624	Nil	Nil

- (1) These fees include professional services provided by the external auditors for audits of the annual financial statements and related regulatory filings.
- (2) These fees relate to the review of interim financial statements and related regulatory filings.
- (3) These fees include professional services for tax compliance and tax advice.
- (4) These fees include any other permitted services not included in any of the above-stated categories.

CORPORATE GOVERNANCE

Corporate governance relates to the activities of the Board of Directors, the members of which are elected by and are accountable to the shareholders, and takes into account the role of the individual members of management who are appointed by the Board of Directors and who are charged with the day-to-day management of the Company. The Board of Directors is committed to sound corporate governance practices which are both in the interest of its shareholders and contribute to effective and efficient decision-making.

National Instrument 58-101 “Disclosure of Corporate Governance Practices” (“**NI 58-101**”) requires that if management of an issuer solicits proxies from its security holders for the purpose of electing directors that certain prescribed disclosure respecting corporate governance matters be included in its management information circular. The TSX also requires listed companies to provide, on an annual basis, the corporate governance disclosure which is prescribed by NI 58-101.

Board of Directors

The Board of Directors is currently comprised of seven members, of which seven are nominated for election at the Meeting, including Messrs. Caron, Journeaux, Owen and Leckie as independent directors.

Also nominated are Messrs. Biswas, Bose and Ghose, who are employees of Tata Steel Limited or of a subsidiary, the Company’s strategic partner and indirect holder, through TSG of approximately 26.2% of the total issued Common Shares. On December 30, 2011, the closing of the transfer of assets into TSMC was completed which resulted in TSG owning 80% of TSMC and the Company owning the remaining 20% (which, as disclosed above, has been reduced to 4.32%). TSG has also entered into the Taconite HOA with the Company pursuant to which TSG has exercised its exclusive right to negotiate and settle a proposed transaction in respect of the Taconite Project. As a result, Messrs. Biswas, Bose and Ghose are not independent directors under NI 58-101.

NI 58-101 suggests that the Board of Directors of a public company should be constituted with a majority of individuals who qualify as “independent” directors. An “independent” director is a director who has no direct or indirect material relationship with the Company. A material relationship is a relationship which could, in the view of the Board of Directors, reasonably interfere with the exercise of a director’s independent judgment. As disclosed above, the Board of Directors is comprised of a majority of independent directors. The independent judgment of the Board of Directors in carrying out its responsibilities is the responsibility of all directors. The Board of Directors of the Company facilitates independent supervision of management through meetings of the Board of Directors. In addition, the Board of Directors have free access to the Company’s external auditor, legal counsel and to any of the Company’s officers.

The Board ensures open and candid discussion among its independent directors by continuously monitoring situations where a conflict of interest or perceived conflict of interest with respect to a director may exist. In cases where such a conflict of interest or perceived conflict of interest is identified, it is

addressed in accordance with the *Business Corporations Act* (Alberta). The Board may determine that it is appropriate to hold an in camera session excluding a director with a conflict of interest or perceived conflict of interest or such director may consider that it is appropriate to recuse himself from considering and voting with respect to the matter under consideration.

Directorships and Meeting Attendance

The following table sets forth: (i) the name of each reporting issuer, other than the Company, of which a director of the Company is also a director; and (ii) the attendance record for each director for the 6 meetings of the Board of Directors held during the year ended December 31, 2018.

<u>Name</u>	<u>Name of Reporting Issuers</u>	<u>Attendance Record at the Company's 2018 Board Meetings</u>
Dibyendu Bose	None	4/6 (67%)
Sandip Biswas	None	0/6 (0%)
Chanakya Chaudhary ⁽¹⁾	None	1/6 (17%)
Mario Caron	Algold Resources Ltd. Falco Resources Ltd.	6/6 (100%)
H. Dean Journeaux	None	6/6 (100%)
W. Scott Leckie	None	5/6 (84%)
Daniel Owen	None	6/6 (100%)

Note:

(1) Mr. Chanakya Chaudhary resigned as a Director of the Company on May 15, 2019.

Board Mandate

The mandate of the Board of Directors is set out as Exhibit 1 to the Company's Management Information Circular dated May 10, 2015, and filed on SEDAR at www.sedar.com on May 20, 2015, which is incorporated by reference herein.

Position Descriptions

The Board of Directors has developed written position descriptions for the Chairman. The Company also has a written description for its committee chair positions.

The Board of Directors, with the input from the Corporate Governance and Compensation Committee, has developed a written position description for the Chief Executive Officer.

Orientation and Continuing Education

The Company has prepared a Board Policy Manual which provides a comprehensive introduction to the Board and its committees. New directors are also expected to meet with management of the Company to discuss and better understand the Company's business and will be advised by counsel to the Company of their legal obligations as directors of the Company. The Board Policy Manual is expected to be reviewed on an annual basis and a revised copy will be given to each director.

The orientation and education process is reviewed on an annual basis by the Corporate Governance and Compensation Committee, with suitable recommendations made to the Board of Directors, and is revised as necessary.

Ethical Business Conduct

The Board of Directors has adopted a written code of business conduct and ethics which affirms that the Company will adhere to the highest ethical standards in all of their business activities, and all of the Company's directors and officers and Company's employees and consultants are expected to maintain these standards. The Company's directors, officers, employees and consultants are expected to strive to deal fairly with the Company's security holders, customers, suppliers and competitors.

The Board of Directors has established a Whistle Blower Policy and established the complaint procedure for concerns about any aspect of the Company's activities and operations. An anonymous email address is established as part of the complaint procedure and receives all confidential communication to provide the Company's representative with any complaint.

Conflicts of Interest

The Board of Directors has found that the fiduciary duties placed on individual directors by the Company's governing corporate legislation and the common law and the restrictions placed by applicable corporate legislation on an individual director's participation in decisions of the Board of Directors in which the director has an interest have been sufficient to ensure that the Board operates independently of management and in the best interests of the Company.

Under corporate legislation, a director is required to act honestly and in good faith with a view to the best interests of the Company and exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In addition, as some of the directors of the Company also serve as directors and officers of other companies engaged in similar business activities, directors must comply with the conflict of interest provisions of the *Business Corporations Act* (Alberta), as well as the relevant securities regulatory instruments, in order to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or officer has a material interest. Any interested director would be required to declare the nature and extent of his interest and would not be entitled to vote at meetings of directors which evoke such a conflict.

Nomination of Directors

The terms of reference for the Corporate Governance and Compensation Committee (which is constituted of all independent directors) provides that the director nomination process be undertaken by the Corporate Governance and Compensation Committee in the absence of the appointment of a nominating committee.

Compensation

The Company has a Corporate Governance and Compensation Committee. See "**EXECUTIVE COMPENSATION**" above. The responsibilities of the Corporate Governance and Compensation Committee in respect of corporate governance matters include reviewing and providing recommendations to the Board on the following matters:

1. Preparing the Company's response to applicable securities laws or stock exchange rules when required, and explaining as required any differences between the Company's governance system and policies and the recommended governance standards by securities regulators;
2. Developing and monitoring the Company's general approach to corporate governance issues as they may arise;
3. Proposing changes as necessary from time to time to respond to particular governance recommendations or guidelines from regulatory authorities and ensuring that all appropriate or necessary governance systems remain in place and are periodically reviewed for effectiveness;

4. Ensuring that all members of the Board have been informed of and are aware of their duties and responsibilities as a director of the Company;
5. Ensuring that the Company has in effect adequate policies and procedures to allow the Company to meet all of its continuous disclosure requirements;
6. Ensuring that the Company has in effect adequate policies and procedures to identify and manage the principal risks of the Company's business;
7. Developing and monitoring the Company's policies relating to trading in securities of the Company by insiders as well as communication and confidentiality;
8. Annually reviewing areas of potential personal liability of directors and ensuring reasonable protective measures are in place;
9. Causing the Board to annually review its definition of an "independent" director;
10. Developing written corporate governance guidelines and mandate for the Board in which it explicitly acknowledges responsibility for the stewardship of the Company and considers (i) measures for receiving feedback from stakeholders and (ii) expectations and responsibilities of directors, including basic duties and responsibilities with respect to attendance at Board meetings and advance review of meeting materials;
11. Developing clear position descriptions for the Chairman of the Board and the Chair of each Board Committee, and together with the CEO, developing a clear position description for the CEO, which includes delineating management's responsibilities and developing the corporate goals and objectives that the CEO is responsible for meeting;
12. Assessment of the Board, its committees and each individual director in respect of effectiveness and contribution;
13. Developing a comprehensive orientation and continuing education program for all directors;
14. Developing a written code of business conduct and ethics that is applicable to all directors, officers and employees of the Company;
15. Considering the appointment of a nominating committee in respect of the recruitment of prospective directors (or the establishment of a nominating function within an existing Board Committee) and if thought appropriate, developing a written charter or terms of reference for such committee in developing a process for selecting, recruiting and evaluating the performance of new directors; and
16. Periodically considering the need for special policies of the Company, initiated by the Board, in unique or emerging policy areas such as corporate ethics, gender equality and sexual harassment.

The Corporate Governance and Compensation Committee has unrestricted access to the Company's personnel and documents and is provided with the resources necessary, including, as required, the engagement and compensation of outside advisors, to carry out its responsibilities.

Other Board Committees

The Company has no other standing Board committees at this time (other than the Audit Committee and the Corporate Governance and Compensation Committee, each discussed above).

Assessments

The Board of Directors had previously implemented a process for assessing its effectiveness, including an annual performance assessment survey for the Board, Board Committees and individual directors. As a result of the Company reducing its expenditures and the focus on considering strategic alternatives, the assessment process has been suspended for 2018.

Director Term Limits and Other Mechanisms of Board Renewal

The Company has not adopted term limits for the directors on its Board. When considering the composition of the Board of Directors, the Chairman and the other members of the Board take into consideration the skill matrix of all Board members to ensure that the Board possesses the requisite experience, expertise and business and operational insight to effectively guide the Company.

Policies Regarding the Representation of Women on the Board

The Company has not adopted a written policy relating to the identification and nomination of women directors. The Company is committed to a merit-based system for board composition, while recognizing the benefits of providing diversity on its Board, be it in the form of gender, age, cultural heritage or geographic representation. The Board of Directors, when considering qualified director nominees, takes the background of all directors into consideration.

Consideration of the Representation of Women in the Director Identification and Selection Process

The Board of Directors includes the gender of a potential candidate as one component in the overall list of factors it considers when considering director nominations for election and re-election.

Consideration Given to the Representation of Women in Executive Officer Appointments

When considering executive officer appointments, the Chief Executive Officer, and the Corporate Governance and Compensation Committee consider the number of women currently employed in senior executive positions, both on an absolute basis and also on a relative basis compared to the number of senior executives. As in the director selection process, the gender of a potential candidate is one component in the overall list of factors that the Corporate Governance and Compensation Committee, and the President and Chief Executive Officer consider when selecting candidates.

Company's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions

The Board of Directors has not adopted a target regarding women on the Board of Directors or in senior executive positions. Given the size of the Company, the number of senior executives and the stage of the Company's development, the Board of Directors is committed to selecting candidates that the Board considers best suited to the Company's strategy, risk and operations.

Number of Women on the Board and in Executive Officer Positions

There are currently no women on the Board nor holding executive officer positions with the Company.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Board of Directors of the Company, the only matters to be brought before the meeting are those matters set forth in the accompanying Notice of Meeting.

1. Report and Financial Statements

The Board of Directors of the Company has approved all of the information in the audited consolidated financial statements of the Company for the years ended December 31, 2018, and 2017 and the report of the auditor thereon.

2. Fix Number of Directors to be Elected at the Meeting

Shareholders of the Company will be asked to consider and, if thought appropriate, to approve and adopt an ordinary resolution fixing the number of directors to be elected at the Meeting. In order to be effective, an ordinary resolution requires the approval of a majority of the votes cast by shareholders who vote in respect of the resolution.

At the Meeting, it will be proposed that seven (7) directors be elected to hold office until the next annual general meeting or until their successors are elected or appointed. **Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote in favour of the ordinary resolution fixing the number of directors to be elected at the Meeting at seven (7).**

3. Election of Directors

The Company currently has seven (7) directors, of which seven (7) are being nominated for re-election. The following table sets forth the name of each of the persons proposed to be nominated for election as a director, all positions and offices in the Company presently held by such nominee, the nominee's municipality of residence, principal occupation at the present and during the preceding five years, the period during which the nominee has served as a director, and the number and percentage of Common Shares of the Company that the nominee has advised are beneficially owned by the nominee, directly or indirectly, or over which control or direction is exercised, as of the Effective Date.

On March 28, 2013, the Board of Directors approved an amendment to the Corporate Governance Guidelines to include a majority voting policy for the election of directors for non-contested shareholder meetings. Pursuant to the majority voting policy, any director nominee who receives from the votes cast a greater number of votes "withheld" from his or her election than votes "for" his or her election must submit his or her resignation, to take effect upon acceptance by the Board. The Board is then required to publicly disclose in a press release its decision whether or not to accept a director's offer of resignation.

Unless otherwise directed, it is the intention of the Management Designees, if named as proxy, to vote for the election of the persons named in the following table to the Board of Directors. Management does not contemplate that any of such nominees will be unable to serve as directors; however, if for any reason any of the proposed nominees do not stand for election or are unable to serve as such, proxies held by Management Designees will be voted for another nominee in their discretion unless the shareholder has specified in his form of proxy that his Common Shares are to be withheld from voting in the election of directors. Each director elected will hold office until the next annual general meeting of shareholders or until his successor is duly elected, unless his office is earlier vacated in accordance with the by-laws of the Company or the provisions of the *Business Corporations Act* to which the Company is subject.

Name, Municipality of Residence, Office and Date Became a Director	Present Occupation and Positions Held During the Last Five Years	Number and Percentage of Common Shares Held or Controlled as at the Effective Date ⁽¹⁾⁽²⁾
Sandip Biswas Mumbai, India Director since October 27, 2011	Group Executive Vice President Finance of Tata Steel Limited. Has held various positions within Tata Steel Limited since 2005.	Nil
Dibyendu Bose Kolkata, India Director since December 6, 2013	Vice President Supply Chain of Tata Steel Limited. Has held various positions within Tata Steel Limited since 1986.	Nil
Mario Caron ⁽³⁾⁽⁴⁾⁽⁵⁾ Toronto, Ontario Director since November 15, 2015	Director of Algold Resources Ltd., Falco Resources Ltd., and Alloycorp Mining Inc., of which he serves as Non-Executive Chairman.	Nil
Prasanto Kumar Ghose Montreal, Quebec Director since May 15, 2019	Chief Executive Officer and Managing Director of Tata Steel Minerals Canada. Has held various positions within Tata Steel Limited.	Nil
H. Dean Journeaux ⁽³⁾⁽⁴⁾ Rockland, Ontario Director since June 21, 2017	Mr. Journeaux is principal and owner of Journeaux International, a consulting firm, since 2002. He was President and Chief Executive Officer of the Company from July 1, 2011 to January 13, 2014, and Chief Operating Officer of the Company from August 8, 2003, to July 1, 2011.	3,171,538 (1.75%)
W. Scott Leckie ⁽³⁾⁽⁴⁾⁽⁵⁾ Toronto, Ontario Director since June 23, 2016	Mr. Leckie is an experienced value investor, Portfolio Manager, and a founding partner of several companies. Mr. Leckie is an original partner of Aquilon Capital Corporation, a registered investment dealer and portfolio management firm which was organized in September 1990 and sold to National Bank Financial in March 2008. Mr. Leckie is currently the Principal of Takota Asset Management Inc., registered with the OSC as an IFM, a PM and an EMD.	182,518 ⁽⁶⁾ (0.10%)
Daniel P. Owen ⁽⁴⁾ Toronto, Ontario Director since June 23, 2016	Mr. Owen is an investor and entrepreneur. He is currently Chairman and Chief Executive Officer of a private investment management company, Chairman and CEO of a private aerodrome management company, and a former Senior Vice President, Operations, of the Canada Development Corporation (later named Polysar Energy & Chemical Corporation). Mr. Owen has served on the boards of directors and on all the committees of a number of Canadian public companies.	1,075,220 (0.59%)

Notes:

- (1) Common Shares beneficially owned, directly or indirectly, or over which control or direction is exercised, as at the Effective Date, based upon information furnished to the Company by the above individuals and/or management.
- (2) Assumes a total of 181,054,146 Common Shares issued and outstanding as of the Effective Date.
- (3) Member of the Audit Committee (Messrs. Caron, Journeaux and Leckie).
- (4) Member of the Corporate Governance and Compensation Committee (Messrs. Caron, Journeaux, Leckie and Owen).
- (5) Member of the Special Committee (Messrs. Caron and Leckie)
- (6) This amount does not include 8,391,163 Common Shares owned or controlled by investment funds managed by Takota Asset Management Inc., an investment management firm controlled by Mr. W. Scott Leckie, a director of the Corporation.

Cease Trade Orders

No proposed director, within 10 years before the date of this Management Information Circular, has been a director, chief executive officer or chief financial officer of any company that:

- (a) was subject to: (i) a cease trade order; (ii) an order similar to a cease trade order; or (iii) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (collectively, an “**Order**”) that was issued while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcies

No proposed director, other than indicated below, within 10 years before the date of this Management Information Circular, has been a director or executive officer of any company that, while the proposed director was acting in that capacity, or within a year of the proposed director ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Mr. Scott Leckie, was a director of Groupe Bikini Village Inc., which filed a notice of intention to make a proposal under the Bankruptcy and Insolvency Act on February 17, 2015.

Personal Bankruptcies

No proposed director has, within 10 years before the date of this Management Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of such proposed director.

Penalties and Sanctions

No proposed director, other than indicated below, has been subject to:

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

other than a settlement agreement entered into before December 31, 2000, that would likely not be important to a reasonable security holder in deciding whether to vote for a proposed director.

On June 30, 2005, Mr. Scott Leckie agreed to pay a fine of \$100,000 under a settlement agreement with Market Regulation Services Inc. with regard to certain trading activities.

4. Appointment of Auditor

The shareholders of the Company will be asked to vote for the re-appointment of MNP SENCRL, SRL/LLP (“MNP”), as auditor of the Company. **Unless directed otherwise by a proxy holder, or such authority is withheld, the Management Designees, if named as proxy, intend to vote the Common Shares represented by any such proxy in favour of a resolution appointing MNP LLP, as auditor of the Company for the next ensuing year,** to hold office until the close of the next annual general meeting of shareholders or until MNP LLP is removed from office or resigns as provided by the Company's by-laws, and the Management Designees also intend to vote the Common Shares represented by any such proxy in favour of a resolution authorizing the Board of Directors to fix the compensation of the auditor.

OTHER BUSINESS

While there is no other business other than that business mentioned in the Notice of Meeting to be presented for action by the shareholders at the Meeting, **it is intended that the proxies hereby solicited will be exercised upon any other matters and proposals that may properly come before the Meeting or any adjournment or adjournments thereof, in accordance with the discretion of the persons authorized to act thereunder.**

GENERAL

Unless otherwise directed, it is management’s intention to vote proxies in favor of the resolutions set forth herein. All special resolutions to be brought before the Meeting require, for the passing of the same, a two-thirds majority of the votes cast at the Meeting by the holders of Common Shares. All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the holders of Common Shares.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on SEDAR at www.sedar.com. Financial information is provided in the Company's comparative financial statements and management discussion and analysis available on SEDAR. A shareholder may contact the Company at 1000 Sherbrooke Street West, Suite 1120, Montreal, Quebec H3A 3G4, Attention: Acting CEO, to obtain a copy of the Company's most recent financial statements and management discussion and analysis or obtain it through the Company's website at www.nmliron.com.

BOARD APPROVAL

The contents and the sending of this Management Information Circular have been approved by the Board of Directors of the Company.