Management's Discussion and Analysis

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") of Niocan ("Niocan" or the "Company") is a narrative explanation, through the eyes of Niocan's management, on how the Company performed during the three-month and the nine-month periods ended September 30, 2014 (third quarter of 2014) as compared to the three month and the nine-month period ended September 30, 2013 (third quarter of 2013).

This MD&A has been prepared in accordance with Regulation 51-102 and supplements the unaudited condensed interim financial statements for the period ended September 30, 2014 but does not form part of them. It is intended to help the reader understand and assess the significant trends, risks and uncertainties related to the results of operations. All amounts in this MD&A are in Canadian dollars unless otherwise indicated. This MD&A contains information available to November 5, 2014. Prior to publication, the Board of Directors, on the recommendation of the audit committee, approved Niocan's unaudited condensed interim financial statements and this MD&A.

The Company's headquarters are located in Montreal, Canada. Niocan is listed on the TSX Venture Exchange ("TSX-V") under the symbol NIO. Additional information relating to the Company can be found on SEDAR at www.sedar.com.

Forward Looking Statements

This document contains forward-looking statements, which reflect the Company's current expectations regarding certain future events. To the extent that any statements in this document contain information that is not historical, the statements are essentially forward-looking and are often identified by words such as "anticipate", "expect", "estimate", "intend", "project", "plan" and "believe". In the interest of providing shareholders and potential investors with information regarding Niocan, including management's assessment of future plans and operations, certain statements in this MD&A are forward-looking and are subject to the risks, uncertainties and other important factors that could cause the Company's actual performance to differ materially from that expressed in or implied by such statements. The Company disclaims any obligation to update these forward-looking statements unless required to do so by applicable Securities laws. All subsequent forward-looking statements, whether written or orally attributable to the Company or persons acting on its behalf, are expressly qualified in their entirety by these cautionary statements.

For information identifying known risks and uncertainties, relating to the issuance by the Ministry of Sustainable Development, Environment and Parks ("MSDEP") of the Certificate of Authorization ("CA") to build the mine in Oka, financial resources, market prices, exchange rates, politico-social conflicts, competition, the purchase of the old St-Lawrence Columbium mine site from the Municipality of Oka should the CA be issued, and other important factors that could cause actual results to differ materially from those anticipated in the forward-looking statements, please refer to the Risk and Uncertainties Section of this Management's Discussion and Analysis. Consequently, actual results may differ materially from the anticipated results expressed in these forward-looking statements.

1 Description of Activities

1.1 Summary

Niocan's mission is to become a ferroniobium producer as soon as possible, following the issuance of a CA from the MSDEP. In the long term, the Company plans to recover some by-products from the ore mineral resources and produce ferroalloys, as well as other related products. The Company has no significant income at this stage.

The Oka project involves the development of a mining complex based on an underground mine, a concentrator and a converter for the production of ferroniobium. The project has completed all exploration phases, including two drilling campaigns in 1995, 1996, and 1997 for a total of 22,204 meters, to define two resource ore bodies: the S-60 and the HWM-2 (historical resources). Numerous metallurgical concentration tests and analyses were undertaken throughout the exploration period. These tests, on the various mineralized facies of the principal resource mineral prospect, the S-60, allow for the development of an optimal pyrochlore recovery process. Pyrochlore is the niobium-bearing mineral.

In 2004, Niocan acquired a property with three mineral prospects (historical resources) of magnetite ore, located near the Great Whale River (the "Great Whale Iron Property").

1.2 Projects

a) Oka Niobium Mine Project

In February 2010, the Company announced its report on the mineral resources at its Oka property as per the National Instrument 43-101 ("NI 43-101") and the CIM mineral resources classifications. This report was prepared by Mr. Serge Lavoie M.A. Sc., P .Eng., geological engineer, independent consulting geological engineer and qualified person (the "qualified person"), in order to reproduce the Oka Niobium ore resources, which were subject of a feasibility study completed by Met-Chem/Pellemont in 1998 as well as an update in January 2000 of this study by Met-Chem/SNC-Lavalin, since these two studies were completed prior to the entry into force of NI 43-101 requirements. Mr. Lavoie was a geologist at the former St. Lawrence Columbium property in Oka when it was in operation.

Additional drilling of the main ore body at Oka, the S-60 deposit, was made by Niocan in 1995-1997 with 59 DDH, for a total of 21,976 meters. The steeply dipping cylindrical shaped deposit defined in the drilling campaign has an approximate dimension of 100m by 80m and extends 500 meters below surface. The deposit is still open at depth.

The revised mineral resources estimates calculated by Met-Chem under the supervision of the qualified person in December 2009 are:

Resources Classification at a 0.40% cut off grade Nb_2O_5	Tonnes (in millions)	Nb_2O_5 Content (in %)
Measured	4.28	0.72
Indicated	6.35	0.65
M & I Total	10.63	0.68
Inferred	3.22	0.61

Met-Chem is in the opinion that more resources could be further identified with additional drilling from mineralized satellite lenses in the immediate proximity of the S-60 deposit. According to preliminary information, this additional drilling could increase the S-60 mineral resource base by up to 30 percent, according to Met-Chem.

The metallurgical testworks were first performed between 1996 and 1998 by the Centre de Recherche Minéral du Québec (CRM, now COREM) on core samples for the S-60 deposit. The pyrochlore recovery was 76.5%, yielding a commercial grade of 51% Nb_2O_5 in the concentrate.

The following table sets forth additional historical resources of other known mineralized deposits on the property.

Other Mineralized Deposits	Historical Resources
HWM-2	5.9 millions tonnes at 0.56% Nb_2O_5
SLC unexploited ore below 300m plus zones 112 - 114	21.7 millions tonnes at 0.44% Nb_2O_5

These mineral resources are historical in nature and have not been validated by the qualified person. These mineral resources are not compliant with NI 43-101 and should not be relied upon.

The Company believes that these historical mineral resources estimates provide a conceptual indication of the potential of the property and are relevant to future exploration.

Niocan will also have all of its mineral resources recalculated with the lower cut off grades of 0.35% and 0.30% Nb_2O_5 for the NI 43-101. This activity will be completed in due course for the revised bankable feasibility study since the 0.40% cut off grade was first used when the FeNb price was at $6.50 USD per pound. This price and cut off grade were used in the 1998 and 2000 feasibility and updated feasibility studies completed by Met-Chem and SNC-Lavalin.

The following is an extract from The Economist, October 2nd, 2010, page 64: "*Rare earths and China. Since 2006 China has behaved in a way that resemble OPEC, the oil-producers' cartel, cutting exports by 5-10 % a year. Prices have soared: the cost of cerium oxide (often used as a catalyst) has increased sixfold since the start of the year, and is 20 times higher than in 2005*".

In the technical report, on table 15.18, the content of pyrochlore concentrate obtained in the test process of mineralization of the S-60 deposit is given, ie: 51.2% of Nb_2O_5 and 9% of cerium trioxide (refer to report «*Modèle géologique et estimation des ressources de Niobium dans la zone S-60, Oka, Québec*», reported by Serge Lavoie ing, on February 16, 2010).

Niocan has continued to request the CA from the MSDEP, which would allow the Company to build an underground mine in Oka. The Company has visited the mine site with senior officials from the Ministry of Natural Resources and has met with the mayor of Oka, Mr. Richard Lalonde. The Company has contacted the Environment Minister, the mayor of Oka and the Kanesatake Mohawk Council Chief in the past to ask advice and suggestions on how to interest the Mohawk Community to open discussions on an Impacts & Benefits Agreement between Kanesatake and Niocan. The Company has received to date no indication as to whether the MSDEP intends to issue the CA, nor the timing of such decision. However the Company has received a written confirmation from the MSDEP during the first quarter of 2008, as well as more recently, that the MSDEP was consulting the first nations in Kanesatake in relation to the Company's plan to build its mine in Oka.

The Company's management has met with the Mohawks Council of Kanesatake on two occasions, in February and April 2008, and has also held a public presentation for the community of Kanesatake in April 2008 in relation to the underground mine design including the hydrological Golder Study. The objective of these meetings was to comfort the Mohawks community concerning the alleged environmental issues and the underground water effects potentially related to the mine project in the Ste-Sophie range of Oka located 6 kilometers from Kanesatake. The Mohawk Council of Kanesatake issued a press release on September 24, 2009 indicating that it is "*demanding a full Environmental Assessment be conducted immediately by the Federal Government in regard to a niobium mine planned for the area. Federal involvement is essential due to the safety concerns, aboriginal rights and fiduciary responsibility issues."* The Company responded to such press release by letter to Grand Chief Paul Nicholas dated October 1, 2009, reiterating the Company's invitation to meet with the Council to provide all pertinent technical information which, in the Company's view, would bring comfort to the Mohawk Council of Kanesatake. The Company is of the opinion that numerous studies performed over the past years as well as two (2) Bureau d'Audiences Publiques sur l'Environnement (BAPE) reports have indicated that the Oka Niobium

Mine Project is environmentally safe. In addition, the Company believes that the federal government does not have jurisdiction over such matters. The Company has in fact received letters in 2001, 2002 and 2003 from the Canadian Environmental Assessment Agency stating that Environment Canada, Health Canada, Natural Resources Canada, Fisheries and Oceans Canada and the Canadian Commission on Nuclear Security have confirmed their absence of "*trigger*" as per Section 5 of the Canadian Environmental Assessment Act, following their analysis of the Oka Niobium Mine Project. However, the Company will be required to comply with Canadian environmental regulations with respect to rejected waters from metallic mines.
On June 9, 2010, the Mohawks Council of Kanesatake issued a press release, reiterating its opposition to the Company's mine project, based on alleged environmental issues. The Company has not responded publicly but has reiterated its offer to open a data room for the perusal of their experts on any subject pertinent to the niobium mine project in the Ste-Sophie range of Oka, six kilometers downstream of Kanesatake.

Met-Chem, on Niocan's request, has produced a short niobium market study in February 2008. The main producers are located in Brazil (CBMM and Mineraçao Catalao) with a production of 77 300 tonnes in 2007 (2008 P; 97 500 T) and Niobec has a constant production of 3 500 tonnes annually. There are also some small producers of 25-200 T/yr. in Australia, Nigeria, Rwanda, Mozambic and Congo. The important users are Germany (41%), USA (27%), Japan (19%) and China (13%).

Also, there is an increased interest for rare earths (National Post, September 11, 2008). According to a report on the Company's Niobium property prepared by Les Consultants Protec inc. on November 5, 1997, Niocan's pyrochlore concentrate contains 14% rare earths. A conceptual study made by J. R. Goode and Associates Metallurgical Consulting dated December 18, 2000 for Niocan considered the processing of unleashed pyrochlore (mineral containing the niobium) concentrate to produce a high grade niobium product (about 99% pure) plus an intermediate grade tantalum product (about 80% grade), a semi-refined cerium oxide (95%) grade) and a mineral rare earth product (about 80% total rare earths). Since China has announced the cutting of their rare earth exports in December 2009, it could be interesting for Niocan to examine the possibility of treating the pyrochlore of zone S-60 to produce ferroniobium and/or pure niobium plus rare earths. New test work, market studies and further engineering work will be needed to determine if the proposed products could be produced and sold or if it would be better to produce different products or purities.

On March 31, 2010, the Company announced an update of the capital and operating costs ("*capex/opex*") for its Oka niobium project. A recent engineering and financial review by Met-Chem of the capex/opex concluded to the enhanced economics of the Oka niobium mine project.

b) Great Whale Iron Property ("GWIP")

In October 2012, the Company adopted a Work Program which consisted in the staking of additional claims, as further described herein, as well as in a regional airborne magnetics survey which was conducted in the vicinity of the GWIP, followed by a detailed airborne MAG-EM survey on the primary targets. The airborne surveys were conducted during the last quarter of 2012 and the first quarter of 2013. An analysis of this new data will help the Company delineate targets of greater interest for ground and field based follow-up.

During the second quarter of 2013 the results of the airborne survey were received and analyzed. Management is presently evaluating its options for the future development of the property.

The GWIP includes three (3) mineral prospects (historical resources) that were visited by geologists from Met-Chem and Niocan in July and August 2006. Met-Chem has delivered a Technical Report on GWIP as per NI 43-101 dated August 31, 2006. (Technical report on Great Whale Iron Property, Final Report August 2006, authors Mary Jean Buchanan Eng.M.Env, Raynald Jean Geol., Alain Dorval Eng., et Lionel Poulin, Eng.. In this report, Met-Chem stated the following: "*It should also be understood that resources presented in this technical report consist in historical estimates that were not verified by more recent data*

and as such may not be categorized or relied upon. However, Met-Chem believes that these historical estimates provide a conceptual indication of the potential of the property and are relevant to planning of future exploration programs and to the assessment of the property."

This property of 17,098 acres, with an average of 36% Fe magnetite content indicated by drilling in 1957-1960, was acquired by Niocan on February 10, 2004. The GWIP is located 80 kilometres from the twin villages of Kuujjuarapik-Whapmagoostui at the South East end of the Hudson Bay. Intensive exploration carried out in the 1960's indicated an estimate of 942,000,000 tonnes from 3 open pit shells defined as Deposits A, D and E (still open at depth and laterally) of iron historical resources (Great Whale Iron Mine Limited for Belcher Mining Corporation Limited; November 1960 by L. M. Scofield). According to the compilation report prepared by Met-Chem on August 31, 2006, it is mentioned: "*In the 1960's, such calculation method was considered reliable. However today mineral resources or reserve calculations are generally based on mining software which are more robust and can perform 3D calculation. It will be necessary to twin some historic holes with new ones in order to establish a correlation between historic information and new ones before being able to use concentration tests indicator for new mineral resource or reserve estimates for compliance with NI 43-101"*.

Niocan has not established new drilling campaign and converted the past historical resource into mineral resources. The past historical resource is not considered as mineral resources or reserves under NI 43-101 and new drilling is needed. In addition, since no qualified person has performed sufficient work required to classify the historical estimate as current mineral resources or mineral reserves, Niocan is not treating the historical estimate as current mineral resources or mineral reserves as defined in sections 1.2 and 1.3 of NI 43-101, and therefore, the historical estimate should not be relied upon.

Niocan must update the estimates and studies made in the 50's and 60's to demonstrate the feasibility of a contemporary iron mine in order to interest one or more partners in this potential project. Once the scoping-study project is started, the Company expects that it would take up to three (3) calendar seasons to conduct this study.

From July 1st to July 10, 2009, the Company proceeded to an expedition to the GWIP to collect new core samples to proceed to metallurgic tests. In February 2010, the Company announced that it has received positive preliminary metallurgical testing results. Eleven (11) short boreholes were drilled under Met-Chem Canada Inc supervision, 9 boreholes on Deposit A and 1 borehole on respectively Deposits D and E. The preliminary metallurgical testwork realized on new core drilling, performed during 2009 by Corem laboratory under Met-Chem directives, indicates positive results and a quality grade concentrate with no contaminant.

The testwork on Deposit A (36% - 41% Fe, mainly magnetite) responded well to low intensity magnetic separation and the first indication of the iron recovery are in the 90%+ with a percentage Fe in the concentrate of 65% to 68%. The testwork on Deposits D and E with coarser magnetic grains indicates similar to reach liberation. At this stage it is anticipated that a high quality concentrate could be produced at industrial scale. It is worthy to mention that the potential contaminants in the concentrate such as phosphorous are low (0.05%) because it appears that they could be easily removed (Technical Report on Metallurgical Tests of the Great Whale Iron Property, Final Report, May 2010, authors Raynald Jean Geol. and Alain Dorval Eng.).

The conceptual-scoping study would cost about approximately $ 6,000,000 and will include: preliminary environmental base line, stakeholders and native issues, geological mapping, diamond drill on deposit A (45 DDHs, 13,000 meters), bulk sampling, additional metallurgical tests to better define the concentration and the pelletizing process as well as the preliminary Capex and Opex of this project.

The construction of a 250 kilometers road between Radisson (James Bay, LG2 hydroelectric project), and the twin villages at the discharge of the Great Whale River, is planned by the Ministry of Transport of Quebec (News: Nunavick November 12th, 2009, Jane George). Credible information obtained by Niocan indicates that this road will pass at 3 kilometers South-East from Niocan's GWIP Deposit A.

Niocan will first concentrate its scoping-conceptual study on Deposit A (historical resources inside a design pit shell of 530,000,000T) before performing additional works on Deposit D (historical resources in a design pit shell of 145,000,000T) and Deposit E (historical resources in a design pit shell of 265,000,000T).

2 Major events

On April 11, 2014, Niocan announced that its board of directors was reviewing various alternatives to maintain an uninterrupted trading platform for its shares. The board of directors of the Company still believed that it was in the best interests of the shareholders of Niocan that the shares continue to have a forum for trading in an orderly fashion.

Niocan has received notice from the Toronto Stock Exchange ("TSX") that the TSX has commenced a review of the eligibility for continued listing of the Company's securities on the TSX. The TSX has advised Niocan that it did not meet certain of its listing requirements, including the minimum requirement for expenditures on exploration and/or development work, and the minimum market value of "freely-tradable" listed securities of $2 million for 30 consecutive trading days.

The Company was granted 120 days to comply with all the TSX requirements. If the Company was unable to demonstrate on or before August 5, 2014 that it met the TSX requirements for continued listing, the securities would be delisted 30 days from such date. On October 3, 2014, the Company announced it had been granted an additional 30-day period prior to be delisted from the TSX.

On October 10, 2014, the Company announced amendments to its Stock Option Plan. Such amendments, amongst others, included the total number of common shares which may be issued following the exercise of options not to exceed 10% of the issued and outstanding common shares at the time of any Option grant on a "rolling" basis, the exercise price of an option not be lower than the TSX-V's Discounted Market Price based on the last closing market price of the common shares before the date of the grant of the option, subject to a minimum exercise price of $0.05, and the life of the options not to exceed 5 years.

The Plan must receive shareholder and Stock Exchange approval annually, at the Company's annual meeting of shareholders. The Amended Plan came into force upon its approval by the Company's Board of Directors and will be presented to the Company's shareholders for ratification, at the next annual meeting of shareholders.

On October 27, 2014, Niocan announced that the Company's common shares were to be listed for trading on the TSX-V (Tier 2) as of the opening of the market on October 28, 2014 after being delisted from TSX effective at the close of the market on October 27, 2014.

3 Results of Operations

3.1 Summary

a) Oka Niobium Project

The Company has for many years been awaiting the receipt of a CA from the MSDEP which would allow it to exploit its Oka mine project. The Company considers that it has produced all information required by the MSDEP for the issuance of a CA; however, in spite of the Company's repeated attempts to obtain an indication from the MSDEP as to its intentions relatively to the CA, the Company has not received conclusive information to this effect. During 2010, the Company met with different stakeholders in the Oka region to obtain additional support to convince the MSDEP to issue the CA, which would allow the Company to build its underground Niobium mine in the Ste. Sophie range of Oka, Quebec as soon as possible. In February 2010, representatives of the Company met with representatives of the Deputy

Minister of Sustainable Development, Environment and Parks to further discuss the issuance of the CA. While the Company believes that this meeting was constructive and positive, the Company has not received further information as to if and when the CA will be issued by the MSDEP.

During the third quarter of 2009, Niocan granted a mandate to Met-Chem for the formal update of the capital/operating costs of the projected mine complex in Oka. This project was completed during the first quarter of 2010 and a press release was issued on this subject in March 2010.

Moreover, the update to the 2000 socio-economic study performed by KPMG relative to the Oka Niobium Project was completed during the first quarter of 2010 to provide additional new information to all the Company's stakeholders, shareholders, government officials and departments and the regional communities. A press release was issued on this subject on March 17, 2010.

As further detailed above, the Company announced a revaluation. Niocan plans to complete the remaining segments of the feasibility study as per NI 43-101 only when the CA is issued by the MSDEP, and this information will be needed at that time for financing purposes. The Company considers that an update of the complete feasibility study which would be compatible with NI 43-101 would require approximately six (6) months and would cost over $500,000.

To date, $5,512,019 has been capitalized in the Company's financial statements relative to exploration and evaluation assets for this project. These essentially consist in geotechnical studies, feasibility studies and studies for the design of the Oka Niobium mining project.

b) Great Whale Iron Property

On August 31, 2006, Met-Chem produced its technical report which recommends a plan of action on the Great Whale project for the period comprised between 2006 and 2008, which totalised seven million three hundred thousand dollars ($7,300,000). The Company has not started this work.

In July 2009, the Company collected new drilled core samples and cores drilled in 1957-60 by Belcher Mining Corporation Ltd from the A, D and E iron mineralized (36% Fe magnetite) sites on the GWIP (17,098 acres) located 80 kilometers from the twin villages of Kuujjuarapik – Whapmagoostui on the Hudson Bay. The objective of the 2009 program, for which $183,000 was spent in 2009, was to perform modern metallurgical tests to confirm the optimum ore grain size of the prospects (historical resources) for maximum iron liberation. The Company announced in February 2010 the delivery of this report, the results of which are further detailed above.

As at September 30, 2014, $817,363 was capitalized in the Company's Financial Statements relatively to exploration and evaluation assets for this project. These essentially consist in the study prepared by Met-Chem and fees relating to the land survey made by the Company, as well as costs engaged during the third and fourth quarters of 2009 for the metallurgical testing at Corem and more recently the work program which started in the fall of 2012.

c) Segmented Expenditures per Property

To date, the Company has spent the following on its mineral properties:

	Oka property $	Great Whale property $	Total $
Cost as at December 31, 2012	6,357,019	610,065	6,967,084
Additions:			
Exploration	—	206.486	206,486
Consulting	—	812	812
Cost as at December 31, 2013	6,357,019	817,363	7,174,382
Changes for the period	—	—	—
Cost as at September 30, 2014	**6,357,019**	**817,363**	**7,174,382**

3.2 Results of Operations for the three-month and the nine-month periods ended September 30, 2014

Revenues for the third quarter of 2014 ended September 30, 2014 were $null, and consisted of rent totalling $3,000 for the nine-month period ended September 30, 2014 as compared with $3,000 for the third quarter of 2013 and for the nine-month period ended September 30, 2013. Interest income of $1,144 was included in net finance expenses during the third quarter of 2014 as compared with $2,690 recorded during the third quarter of 2013; Interest income of $4,514 was included in net finance expenses during the nine-month period ended September 30 2014 as compared with $6,520 for the same period from the previous year.

The operating expenses incurred for the third quarter ended September 30, 2014 were $128,818 as compared with $100,542 in the third quarter of 2013. The increase of $28,276 in the operating expenses was attributable to higher professional fees engaged to maintain the listing of the shares and higher registration fees related to the renewal of mining claims. The operating expenses incurred for the nine-month period ended September 30, 2014 were $347,856 as compared with $444,743 during the same period in 2013. The decrease of $96,887 in the operating expenses was attributable to lower professional and management fees.

Finance expenses for the third quarter of 2014 were $29,878 compared with $36,327 in the third quarter of 2013, the decrease of $6,449 in the current quarter was attributable to the decrease of the fair value of the warrants. The finance expenses incurred for the nine-month period ended September 30, 2014 were $103,824 as compared with $217,441 during the same period in 2013. The decrease of $113,617 in the finance expenses was attributable to accretion fees related to the convertible debentures.

The net loss and the comprehensive loss for the third quarter of 2014 was $159,696 or $0.00 per share, compared to a loss of $133,869 or $0.00 per share, for the third quarter of 2013. For the nine-month period, the net loss was $448,680 or $0.02 per share, compared to a loss of $659,184, or $0.03 per share, for the same period from the previous year.

3.3 Balance Sheet

The Company's assets on September 30, 2014 totalled $8,318,128 (2013 - $8,883,857 The current assets totalled $636,859 (2013 - $1,202,588) the shareholders' equity totalled $6,247,050 (2013 - $6,901,418) and the cash and cash equivalents totalled $513,923 (2013 - $989,240,).

3.4 Selected Quarterly Financial Information

The following table presents certain extracts of the unaudited condensed quarterly financial statements:

(in $)	2014 Q3	Q2	Q1	2013 Q4	Q3	Q2	Q1	2012 Q4
Statement of Loss								
Revenues	—	3,000	—	6,600	3,000	—	—	6,601
Net Loss	159,696	143,879	145,106	242,887	133,869	166,699	358,616	399,624
Net Loss, per share	(0.00)	(0.01)	(0.01)	(0.01)	(0.00)	(0.01)	(0.02)	(0.02)

Since the Company has no mining operations at the present time, the Company had no significant revenues over the past years. The variations in net losses result mainly from variations in expenditures relating to professional and special committee fees incurred in connection with private placements and other matters explored by the special committee.

3.5 Current assets

On September 30, 2014 the current assets totalled $636,859 compared to $1,202,588 as of September 30, 2013.

The Company invests solely in liquid, high-grade securities.

The Company considers that these funds are sufficient to respect all its current commitments. However, additional finding will be required to finance the Company's two main projects, being the Great Whale project and the Oka project. As for the Oka project, the Company currently will have to raise additional funds to update the feasibility study as per NI 43-101 once the CA is issued by the MSDEP, before raising substantial funds to proceed to the construction of the mine and the plant.

3.6 Liquidity and capital resources

The Company had $513,923 of cash and cash equivalents as of September 30, 2014, compared to $989,240 as of September 30, 2013.

Operating Activity Cash Flows
Cash flow used in operating activities was $237,364 for the nine-month period ended on September 30, 2014, a decrease of $158,998 from $396,362 used in the corresponding period of 2013. The decrease of the operating expenses explains this variation in cash flows from operating activities.

Financing Activity Cash Flows
Financing activities resulted in a cash outflow of $90,000 for the nine-month period ended on September 30, 2014, following the payment of interest. During the same period of previous year, the net cash inflow was $1,020,564 following the issuance of debentures and warrants, slightly offset by the payment of interest.

Investing Activity Cash Flows
Cash flow from investing activities was $null for the nine -month period ended on September 30, 2014; during the same period of 2013, cash flow used in investing activities was $207,298 following investments on the GWIP.

3.7 Commitments

The Company has a lease commitment for its premises expiring February 28, 2016 with a company affiliated with a director. Future minimum lease payments total $30,600 and include the following payments over the next two years:

	$
1 year	**21,600**
Over 1 year	**9,000**

4 Related party transactions

Key management personnel compensation

Key management personnel corresponds to the directors of the Company, including the Chief Executive Officer who is remunerated through a salary agreement.

During the nine-month period ended September 30, the Company incurred the following expenses with key management personnel:

	2014	2013
	$	$
Salary and management fees included in office and administration	**45,000**	72,000
Directors' fees	**24,312**	69,667

The Company has the following amounts owing to related parties as at September 30:

	2014	2013
	$	$
Debentures:		
Major shareholder	**1,139,540**	1,082,864

In March 2012, the Company signed a sublease agreement with a company affiliated with a director. During the nine-month period, the Company incurred $16,200 (2013 - $13,500) of rent expenses related to this agreement.

5 Going concern

The Company is in a development stage and has mineral exploration and development properties in the province of Québec. Substantially, all of the Company's efforts are currently devoted to financing, developing and obtaining permits for its niobium property in Oka (the "Oka Niobium Project") and for its Great Whale property.

Financial statements have been prepared on a going concern basis which supposed that the Company will pursue its activities in a foreseeable future and will be able to realize its assets or discharge its obligations in the ordinary course of operations. The Company is in the process of exploring and evaluating its mineral properties and projects and has not yet determined whether its properties and projects contain ore reserves that are economically recoverable. The Company does not have any revenues coming from its operations that would enable the Company to discharge its obligations in the ordinary course of its operations.

With respect to the Oka Niobium Project, the Company has determined in 1999 that the property contains ore resources which provide a conceptual indication of the potential of the property. The Company's

application is under study with the Québec MSDEP and the community of Oka in order to obtain all permits, certificates and other authorizations to allow the Company to operate the Oka Niobium Project.

The ability of the Company to meet its commitments as they become payable, including the acquisitions of mineral properties and the development of projects, is dependent on its ability to obtain necessary financing. The recoverability of amounts shown for mineral properties and exploration and evaluation assets is dependent upon the ability of the Company to obtain necessary authorizations and financing to complete the acquisition, exploration and development thereof, and upon future profitable production or proceeds from the disposal of properties. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. The financial statements do not reflect the adjustments to the carrying values of assets and liabilities that would be necessary if the Company were unable to realize its assets or discharge its obligations in the ordinary course of operations.

Although the Company has taken steps to verify title to mineral properties in which it has an interest in accordance with industry standards for the current stage of exploration of such properties, these procedures do not guarantee the Company's title. Property title may be subject to unregistered prior agreements and non-compliance with regulatory requirements.

6 Basis of preparation:

Statement of compliance
The condensed interim financial statements for the three-month and the nine-month periods ended September 30, 2014 have been prepared in accordance with International Financial Reporting Standards (''IFRS''), as issued by the International Accounting Standards Board (''IASB'') under international accounting standard IAS 34, Interim Financial Reporting, using the same basis of presentation, accounting policies and methods of computation that were applied for the annual financial statements for the year ended December 31, 2013.

The condensed interim financial statements were authorized for issue by the Board of Directors on November 5, 2014.

Basis of measurement
The financial statements have been prepared on the historical cost basis, except for the warrants, which are measured at fair value through profit or loss.

Functional and presentation currency
These financial statements are presented in Canadian dollars, which is the Company's functional currency.

Use of estimates and judgements
The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in Note 3 with regards to the determination of capitalizable costs as exploration and evaluation assets (Note 3 c)), and management's intention to become or not a producer in the future with respect to refundable credit on mining duties (Note 3 g)).

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Notes 3 and 7 - recoverability of mining properties and other exploration and evaluation assets;
- Note 3 - assessment of refundable tax credits for resources.

7 Significant accounting policies:

The accounting policies have been applied consistently to all years presented in these financial statements. The Company's significant accounting policies and estimates under IFRS are disclosed in the audited annual financial statements for the year ended December 31, 2013.

8 Number of Shares Issued

As at September 30, 2014, the number of nominal and fully diluted number of shares of the Company was as follows:

Common shares issued and outstanding	**22,979,868**
Options granted	**1,474,000**
Warrants	**1,000,000**
Total	**25,453,868**

9 Capital Management

The Company's objectives when managing its capital are to safeguard the Company's ability to continue as a going concern in order to support ongoing exploration programs and development of its mining assets, to provide sufficient working capital to meet its ongoing obligations and to pursue potential investments.

The Company manages its capital structure and makes adjustments to it in accordance with the aforementioned objectives, as well as in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, acquire or dispose of assets or adjust the amount of cash and cash equivalents and short-term investments. There is no dividend policy. The Company is not subject to externally imposed capital requirements. The Company's management of capital remained unchanged since the last period.

10 Risks and uncertainties

The Company needs to obtain a Certificate of Authorization from the MSDEP in order to build the Oka mine project. There is no assurance that the MSDEP will issue this CA or that the CA will be issued in the near future.

The Company needs to secure new equity and debt financing in order to ultimately realize the Oka Project and pursue the exploration/development of other properties it has acquired, particularly that of the Great Whale Iron mineral prospect. Given the nature of the speculative investment it is seeking in the capital markets, there is no assurance that the required financing will be available.

Management serves to maintain a sufficient amount of cash and cash equivalents, and to ensure that the Company has at its disposal sufficient sources of financing such as private placements. The Company establishes cash budgets to ensure it has the necessary funds to fulfill its obligations. Being able to obtain new funds allows the Company to pursue its activities and even though the Company was successful in the past, there is no guarantee that it will succeed in the future.

There are many factors that could affect the Company's results that are not controlled by management, such as market prices, exchange rates, politico-social conflicts, competition and regulatory approvals.

The Company has not renewed its option to the purchase part of the old St-Lawrence Columbium mine site from the Municipality of Oka, which expired on June 30, 2008, pending a decision from the MSDEP relating to the issuance of the Certificate of Authorization. While the Company has a verbal understanding with the municipality of Oka that the parties will wait for the issuance of the CA before finalizing the purchase agreement, there is no assurance that the municipality of Oka will accept to extend this offer to purchase in the future should the Certificate of Authorization be issued by the MSDEP.

The Company takes great care to minimize these risks by carefully choosing consultants and advisors that are experienced leaders in their field of environment, mining engineering and law.

11 Other

The reader is referred to financial statements and notes to financial statements for more details. These are filed on SEDAR at www.sedar.com. Additional information relating to the Company, including the Company's Annual Information Form, may be consulted on SEDAR at www.SEDAR.com.

(signed)
Hubert Marleau
Chairman, President and Chief Executive Officer
November 5, 2014