



MANAGEMENT'S DISCUSSION & ANALYSIS

Three-month and nine-month periods ended September 30, 2022

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2022

The following management discussion and analysis (the "MD&A") of the operations and financial position of Niobay Metals Inc. ("NioBay" or the "Company") for the three-month and nine-month periods ended September 30, 2022, should be read in conjunction with NioBay's audited consolidated financial statements as at and for the year ended December 31, 2021 (the "Annual Financial Statements"). The MD&A is intended to supplement and complement the Company's unaudited condensed interim consolidated financial statements and related notes as of September 30, 2022, and for the three-month and nine-month periods ended September 30, 2022 and 2021 (the "Financial Statements").

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). Consequently, all comparative financial information presented in the MD&A reflects the consistent application of IFRS.

NioBay's management ("Management") is responsible for the preparation of the Financial Statements and other financial information relating to the Company included in this MD&A. The Board of Directors (the "Board") is responsible for ensuring that Management fulfills its responsibilities for financial reporting. In furtherance of the foregoing, the Board has appointed an Audit Committee composed of a majority of independent directors. The Audit Committee meets with Management in order to discuss results of operations and the financial condition of the Company prior to making recommendations and submitting the financial statements to the Board for its consideration and approval for issuance to shareholders. The information included in the MD&A is as of November 16, 2022, the date when the Board approved the Financial Statements, following the recommendation of the Audit Committee. All monetary amounts included in this report are expressed in Canadian dollars ("C\$"), the Company's reporting and functional currency, unless otherwise noted.

DESCRIPTION OF BUSINESS

NioBay is a mineral resource company. The business of the Company consists of acquiring, exploring, evaluating and developing mining properties. NioBay has not yet determined whether its properties contain economically viable mineral deposits. NioBay will be a leader in the Environment, Social, Governance and Indigenous ("ESGI") inclusion supporting the development of smart mine(s) with low carbon consumption and responsible water and wildlife management practices. Critical to our success will be the consent and full participation of the Indigenous communities' territories where we operate.

NioBay's assets are all located in Canada. The Company owns a 100% interest in the James Bay Niobium Project located 42 km south of Moosonee, Ontario (the "James Bay Project" or the "Project"). NioBay also holds through its 72.5%-owned subsidiary Crevier Minerals Inc ("CMI"), the Crevier niobium and tantalum project (the "Crevier Project") located 53 km north of the municipality of Girardville, Québec and a grass root exploration project: Gouin West and East (the "Gouin Properties") located at the Gouin reservoir accessible from Lac St-Jean, Québec and/or by LaTuque, Québec.

The Company's common shares are listed on the TSX Venture Exchange ("TSX-V") under the symbol "NBY" and on the OTCQB Venture Market, a U.S. market operated by OTC Markets Group Inc. in New York, under the symbol "NBYCF".

JAMES BAY NIOBIUM PROJECT

In June 2016, the Company acquired the James Bay Project from Barrick Gold Inc., James Bay Columbian Ltd. and Goldcorp Inc. This property is located in the James Bay Lowlands in northeastern Ontario, and covers an area of 8,833 ha. These property rights are held through a Crown mining lease recorded in the name of the Company. As of March 1, 2018, the mining lease was renewed for a term of ten (10) years. Osisko Gold Royalties Ltd ("Osisko") owns a 1.0% royalty on all products to be produced from the James Bay Project.

The James Bay Project was discovered in 1966 by Consolidated Morrison Explorations Limited. At that time, exploratory and detailed drilling totaled over 14,000 meters, outlining the deposit to a maximum depth of 275 meters. The deposit was drilled along a strike of 730 meters. An exploration shaft was sunk to investigate ground conditions and to provide a 225 ton bulk sample. Subsequent pilot plant operations demonstrated an excellent quality pyrochlore concentrate with low impurities, with a high recovery rate of 78%.

Following the acquisition of the James Bay Project, the Company gathered and compiled all of the historical data. Geologists cleaned and re-logged the historical drill core and over 600 samples from twelve (12) representative historical drill holes were re-assayed. In May 2017, the Company reported the results of preliminary metallurgical testing conducted by SGS Lakefield ("SGS") using core from the historical drilling program. In November 2017, the Company announced an initial Mineral Resource Estimate ("MRE") which estimate was updated in November 2018 (the "2018 MRE") and in July 2020 (the "2020 MRE") as described below under the "*Mineral Resource Estimate*" heading. In November 2020, the Company filed a National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") independent Preliminary Economic Assessment ("PEA") on the James Bay Project as described below under the "*Preliminary Economic Assessment*" heading.

The Protection Agreement

As part of the process to obtain the exploration permit for the drilling program completed in 2020 (the "2020 Drilling Program"), the Company and the Ontario Ministry of Energy, Northern Development and Mines (the "MENDM") reached out to all impacted stakeholders in the area of the James Bay Project, including the Moose Cree First Nation (the "MCFN"). On January 29, 2019, the MENDM issued the exploration permit to the Company.

The Company concluded a protection agreement with the MCFN which was updated in February 2021 (the "Updated PA"). These agreements provide a framework for the building of a mutually cooperative, respectful, and beneficial relationship between the Company and the MCFN (collectively, the "Parties"), including a mechanism for effective communication, information exchange, environmental protection and the inclusion of MCFN businesses while respecting MCFN aboriginal and treaty rights.

On March 17, 2022, the Company received a letter from the MCFN announcing the result of a small survey of the population which indicated an intent to preserve the South Bluff Creek area from any development. This area is where NioBay's mining lease for the James Bay Project is located and where drilling activities were ongoing. Based on the results of this small survey, the MCFN requested a meeting with NioBay regarding ceasing its permitted exploration. In order to address the MCFN concerns and evaluate all options to the Company, NioBay suspended all of its exploration activities at the James Bay Project pending a meeting with MCFN. Subsequent to this meeting and following support received from certain MCFN members, NioBay tabled a request of support and a plan to return to complete the exploration work originally expected to be completed in 2022. Following the latest Ontario Provincial election, NioBay and the Ontario Ministry of Mines held discussions to identify areas where the Provincial Government can facilitate in the consultation process between the Company and the MCFN in order to advance exploration activities.

Exploration Drilling Program

As NioBay's 2021 exploration drilling program (the "2021 Program") did not commence fully during the year, on December 7, 2021, NioBay and MCFN signed the Updated PA to cover the exploration work to be completed in 2022 (the "2022 Drill Program"). On February 23, 2022, the Company announced that Forage G4 Drilling, with the support of Expedition Helicopters and Expedition Camps and Logistics had completed the mobilisation of the first drill rig and commenced drilling. All three companies are in joint ventures with MCFN registered businesses.

The 2022 Drill Program targeted a potentially high-grade zone to the north in an unexplored zone at vertical depths between 200 and 400 meters and was expected to last 15-18 weeks. The 2022 Drill Program is primarily an infill drill program to be used to maximize the conversion of resources from the inferred to indicated category, as required for prefeasibility reporting. This 12,000 meters infill drill program (approximately 30 holes) was initiated in February 2022 and was expected to be completed in the second quarter of 2022, prior to its suspension as described under the "*The Protection Agreement*" heading above.

On August 11, 2022, the Company announced the discovery of significant extensions to the mineralized zone at the James Bay Project, from the results obtained from the 2022 Drill Program's first 3 holes, which confirmed:

- Presence of high-grade mineralization and intersections in the unexplored zone at depth to the north;
- Expansion of the mineralized zone;
- The presence of mineralization (in field) on the west side of the deposit;
- Potential to significantly increase the resource.

A surface plan showing the location of drilled and planned holes is shown in Figure 1 and Table 1 provides details of the drill results.

Figure 1: James Bay Niobium Project Geological Surface Plan

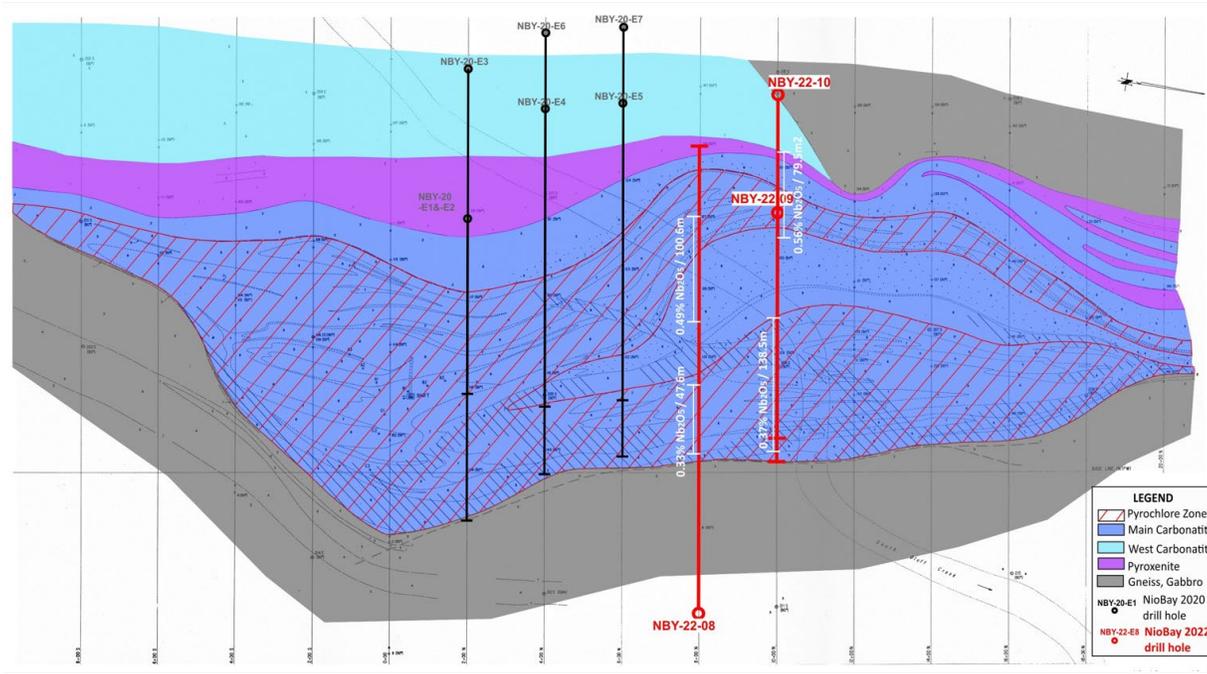


Table 1: Significant intervals in diamond drilling assay results

<u>Name of hole</u>	<u>From (m)</u>	<u>To (m)</u>	<u>Length (m)</u>	<u>% Nb₂O₅</u>
NBY-22-08	178.2	225.8	47.6	0.33
NBY-22-08	293.0	342.0	49.0	0.32
NBY-22-08	361.0	461.6	100.6	0.49
Including	404.0	459.3	55.3	0.59
NBY-22-09	161.0	218.0	57.0	0.32
NBY-22-09	224.0	299.5	75.5	0.43
Including	227.0	253.7	26.7	0.55
NBY-22-10	53.4	132.5	79.1	0.56
Including	53.4	75.0	21.6	0.76
Including	90.0	114.0	24.0	0.68

Hole NBY-22-08, drilled on section 8N, 60 meters north of the last section drilled in 2020, demonstrates the extension at depth of the East and West branches of the deposit, with a widening and high grade of the West branch.

Holes NBY-22-09 and NBY-22-10, 60 meters further north on section 10N, confirm the extension of the East branch at depth and a significant enrichment in Nb₂O₅ for the West branch compared to the results obtained in the 60s.

The high-grade mineralized zone (0.50 to 0.70% Nb₂O₅) which dips to the north was not intercepted by these three holes which were mainly aimed at extending the indicated resources. Deeper drilling is planned on sections 4N, 6N, 8N and 10N will aim at this target.

Visual observations of the drill core continue to indicate the presence of very coarse grains of pyrochlore, the niobium mineral, which portends an exceptional recovery, as shown by previous metallurgical tests.

Mineral Resource Estimate

In November 2017, the Company had reported an initial MRE for its James Bay Project prepared in accordance with NI 43-101 following the re-logging and re-sampling program of representative historical drill holes. In November 2018, the Company reported an increase to the initial MRE due to a revised tonnage factor. The initial, 2018 and 2020 MREs were prepared by Roscoe Postle Associates Inc. ("RPA"). The effective date of the 2020 MRE is July 9, 2020 and the supporting NI 43-101 technical report is filed on SEDAR.

Highlights of the 2020 MRE:

Category	Tonnes (Mt)	Grade (%Nb ₂ O ₅)	Contained Nb ₂ O ₅ (Mkg)
Indicated	29.7	0.53	158
Inferred	33.8	0.52	177

Notes:

1. CIM (2014) Definitions Standards were followed for Mineral Resources.
2. Mineral Resources are reported at a cut-off grade of 0.3% Nb₂O₅ based on an underground mining scenario, an operating cost of C\$70/tonne and a metallurgical recovery of 70%.
3. Mineral Resources are estimated using a long-term niobium price of US\$40/kg and a US\$/C\$ exchange rate of 1:1.2.
4. Bulk density of 2.93 g/cm³ was used.
5. A minimum mining width of approximately 7.5 m was used.
6. Resources situated in a 46 m thick crown pillar have been excluded.
7. The RPA Qualified Persons for the estimate are Dorota El Rassi, P.Eng. and Paul Chamois, P.Geo.

Preliminary Economic Assessment

On November 27, 2020, NioBay filed the PEA for the James Bay Project which was prepared with the independent engineering firm G Mining Services Inc. ("G Mining"). Because of the geometry and location of the deposit, supported by the Company's ESGI principles, three mining scenarios were evaluated: open pit (scenario #1), underground (scenario #3) and a hybrid of both mining methods (scenario #2). Details of the financial and technical highlights of all three scenarios are available on the Company's website and the supporting NI 43-101 technical report is filed on SEDAR.

PEA Highlights

	Open Pit	Open Pit + UG	Underground
Pre-Tax Internal Rate of Return (IRR)	33.6%	33.4%	26.0%
Pre-Tax Net Present Value (NPV) 8%	\$1,475 M	\$1,268 M	\$1,104 M
Pre-Tax Payback (years)	2.6 years	2.5 years	3.8 years
After-Tax IRR	27.5%	27.0%	21.6%
After-Tax NPV 8%	\$1,008 M	\$856 M	\$733 M
After-Tax Payback (years)	3.2 years	3.1 years	4.3 years
Pre-Production CAPEX (incl. 25% Contingency)	\$510.5 M	\$482.0 M	\$579 M
Life of Mine ("LOM")	30 years	23 years	23 years
Average Annual LOM Niobium Production	5,470 t Nb	6,213 t Nb	6,283 t Nb
Total Mineral Resources Mined	70.8 Mt	53.7 Mt	53.6 Mt
Average Grade Mined	0.44 % Nb ₂ O ₅	0.51 % Nb ₂ O ₅	0.51 % Nb ₂ O ₅
Gross Revenue After Royalties (LOM)	\$9,264 M	\$8,360	\$8,454
After-tax Operating Cash Flow (LOM)	\$3,581 M	\$2,696 M	\$2,536 M
C1 Costs over LOM*	US\$16.10/kg Nb \$48.48/t	US\$18.45/kg Nb \$63.85/t	US\$19.11/kg Nb \$66.94
All-in Costs (sustaining CAPEX + Closure + OPEX)	US\$17.58/kg Nb \$52.93/t	US\$20.52/kg Nb \$70.98/t	US\$21.43/kg Nb \$75.08/t
LOM Niobium Price	US\$45/kg Nb	US\$45/kg Nb	US\$45/kg Nb
Exchange Rate (C\$/US\$)	1.30	1.30	1.30

*C1 Cost is mine site and transport

Capital Costs

Capital Costs by Area (in C\$M)	Open Pit	OP + UG	Underground
Infrastructure	133.58	133.58	112.61
Power & Electrical	31.49	31.49	31.49
Water & Tailings	31.41	13.58	20.48
Mining Equipment OP	29.41	29.41	-
Process Plant	69.99	69.99	99.99
Other Equipment	5.61	5.61	5.61
Construction Indirect	35.02	32.70	34.77
General Services	40.41	37.73	40.12
Pre-Prod, Startup, Commission	31.46	31.49	117.73
Contingency	102.09	96.39	115.74
Total CAPEX	510.45	481.95	578.69
Sustaining Costs	283.16	359.12	416.08
Closure Costs	32.42	23.99	20.69

Operating Costs

Operating Costs by Area (C\$/t)	Open Pit	OP + UG	Underground
Mining Costs*	12.39	26.47	29.44
Processing Costs	14.60	14.62	14.62
Converter Costs	11.48	12.76	12.89
G&A	10.00	10.00	10.00
Total	48.47	63.85	66.94
US\$/kg Nb	16.10	18.45	19.11

*Unit mining cost of \$4.43/t based on 1.8 strip ratio and including stockpile rehandle.

The PEA is preliminary in nature, includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves, and there is no certainty that the PEA will be realized. Mineral resources that are not mineral reserves do not have demonstrated economic viability.

Opportunities to Enhance Value

Trade-off studies will be performed to determine the most suitable mining scenario among the three contemplated. Below are examples of items and programs to enhance the Project's value to be included in an eventual feasibility study:

- Initial metallurgical results indicate that there is a likelihood to improve the overall recovery rate above 80%.
- The Federal & Provincial governments announced a billion-dollar program to support infrastructure development in northern Ontario. The Company believes that capital costs associated with the road access and power line may qualify for these programs.
- Future drilling programs will test the high-grade zone raking north as described below, under "*Exploration Potential*" heading. This high grade zone may lead us to work the underground scenario.
- Geotechnical studies and drilling will be required to establish design criteria for open pit slopes which could potentially steepen angles and reduce the strip ratio (scenarios #1 and #2). Similarly, for the underground, the crown pillar thickness will be evaluated, and could potentially be reduced and increase ore recovery (scenario #3).
- Incorporation of automation to reduce personnel requirements (scenarios #2 and #3). It is believed that the underground scenario will be more socially accepted.
- Mine production is expected to be set at a maximum of 5% of the ferro-niobium world market share. However, the deposit is suitable to provide additional material to market to maintain market share in a growing market.

Exploration Potential

The 2020 Drilling Program clearly demonstrated a large high-grade zone raking 20 to 30 degrees to the north in the center of the deposit. The results of these seven drill-holes produced an increase of 14% of the Indicated Resources and a 37% in the Inferred category. Management believes that this high-grade zone could continue to extend at depth under a series of shallow historical drill holes to the north and this sector will be a high priority target for the next drilling campaign. If this geological hypothesis is confirmed, such a high-grade zone could be beneficial to the underground scenario and will be fully evaluated.

Mining

The PEA detailed the open pit mining under scenario #1 using an owner operated fleet, however, the two other mining scenarios are as interesting as the scenario #1.

Open pit mining is possible given that the orebody sub-crops in the basement formation overlain by sediments and overburden ranging from 10 to 20 meters in thickness. A stream flows over the deposit which will require relocation to the north outside of the mining footprint by the third year of operation.

The open pit will be mined for 24 years during which time low grade material will be stockpiled and processed at the end of the mine life. A cut-off grade of 0.12% Nb₂O₅ was applied for the open pit resulting in 70.8 Mt of mill feed. A total of 198 Mt of material will be mined for an average LOM strip ratio of 1.8.

During pre-production a total of 5 Mt is mined to supply construction materials for the tailings storage facility and to strip overburden. The initial mining rate is then established at 7 Mt/year for the first 4 years and increases to a peak of 10 Mt/year by the 8th year of operation. The mining fleet will consist of 64 t rigid trucks matched with hydraulic excavators with 7 m³ buckets supported by front-end loaders.

Metallurgy and Processing

The selected process has been developed using available technology and retaining some aspects of past work done. The process flowsheet and design criteria are based on the interpretation of preliminary metallurgical test work results and industry practice. The process scenario description is for a nominal throughput of 2.4 Mt/yr and a process plant availability of 93%. The scenario retained includes an intermediary gravity circuit removing close to 42% of the mass with limited niobium losses. This particularity of the process minimizes energy requirements and considerably reduces the volume of pulp thereby lowering reagent costs. The reagents consumption has been estimated on the preliminary metallurgical results.

The low grinding index of the ore and coarse grind required for good liberation of the niobium mineral minimizes the power requirement for grinding. A total of 1,900 kw has been estimated for the entire grinding stage to prepare the ore for processing. The process will have two stages of grinding with the gravity interstage followed by pulp desliming, magnetic separation, three steps of specific minerals removal prior to the niobium flotation. The niobium concentrate will be leached, filtered and a gravity separation will be done to generate two different concentrate grades. The final concentrates will be dried and bagged to respond to the feed of a converter process.

A series of metallurgical tests were performed at SGS during the year with results confirming a recovery rate of 78% and high niobium grade in the concentrate and low impurities, item as the pilot plant results performed in the 1960's. NioBay has succeeded in producing Niobium Oxyde when performing bench tests (small scale) with the ore obtained in the 2020 Drilling Program. A new series of metallurgical test work will be planned with ore from the 2022 Drill Program.

Proposed Infrastructure

Access to the mine site will be via a 38.0 km all season road from Moose River East bank south of Moosonee. A 4.0 km one lane tunnel is planned to cross Moose River and a final 2.6 km road segment will connect to the existing road to Moosonee near the Hydro One Renison substation. From Moosonee, the Ontario Northland Railway connects to Cochrane and from there onto the Ontario Highway 11.

Power will be provided from the Hydro One grid with a connection from the Renison substation. This substation provided power onto the Five Nations Energy Inc. transmission line servicing the now closed DeBeers Victor Diamond Mine.

The mining activities and processing facility will be supported by ancillaries located at site including a maintenance shop, warehouse, mine dry, explosives storage, fuel storage, administration building, and an operations camp. Other infrastructure is planned to be in Moosonee such as a material transit terminal, laboratory, and administrative building for support functions such as accounting, human resources and other.

Environment and Closure Plan

It is anticipated that the Project will require a review under the Federal Impact Assessment Act coordinated along with provincial Class Environmental Assessment. NioBay would be proposing the active participation of identified impacted First Nation communities in the design, baseline data collection and follow up environmental monitoring. Only under Scenario #1 is it anticipated to be a federal Department of Fisheries and Oceans permit for a creek re-alignment. Examples of other provincial permits that will be required would include: Permit(s) to Take Water; Lands and Rivers Improvement Act; and Environmental Compliance Approval(s)(air and water).

In Ontario, a mine must file a closure plan prior to commencing construction. It is anticipated that with the active participation of identified impacted First Nation communities, the closure plan will be integrated into the mine design and initial environmental approvals. The closure plan must also include financial assurance that the operation will be closed out and remediated.

Stakeholder Engagement

Stakeholder engagement includes individuals and communities interested in or impacted by the potential development. However, there will be a distinct negotiated engagement plan with potentially impacted First Nation communities. This is in recognition of their established Treaty and Aboriginal Rights. NioBay will collaborate with the First Nation community to design a plan of engagement to ensure that the environmental approvals are fully aligned with their values. As future exploration and/or baseline environmental work proceeds, the MCFN may want another longer-term agreement that speaks to both their environmental and business involvement with the Project.

NioBay provided updates to the MCFN in relation to drilling and other potential activities at site, as discussed above under the heading, "*The Protection Agreement*", despite COVID-19, as discussed below under the "*Coronavirus (COVID-19)*" heading. Throughout the pandemic the Company remained in virtual contact with the MCFN counsel. In September 2021, the Company held a formal information session in person with the community. Additional efforts have been made to provide project information (flyers) directly to MCFN members and NioBay also increased activities on social media and on the corporate web site. The Company's Indigenous Advisor completes regular visits to Moose Factory providing information on NioBay, our drilling program and the use of niobium.

NioBay believes that its projects can support the Truth and Reconciliation Commission call for economic reconciliation.

Independent Qualified Persons

The PEA was prepared for NioBay by G Mining, and other industry consultants, all Qualified Persons ("QP") under NI 43-101. The Company and independent QPs include:

- G Mining: Louis-Pierre Gignac P. Eng, M.Sc.A, CFA, Antoine Champagne P. Eng, Paul Murphy, P. Eng., Carl Michaud P. Eng.
- NioBay: Jacquelin Gauthier, P. Geo, Pierre Pelletier P. Eng (Consultant Metallurgy). Effective October 23, 2022, Jacquelin Gauthier ceased to act as Vice President, Geology of NioBay.

Battery Grade Niobium

In April 2021, the Company announced the beginning of a series of hydrometallurgical process testing for the production of battery grade niobium at the James Bay Project. NioBay further announced the initiation of additional testwork to produce precursor material for niobium batteries from the Crevier Project. This first phase of testing, performed by SGS Lakefield Inc, consisted of producing a niobium concentrate, similar to the previous tests done on the James Bay Project's ore.

The results demonstrated a 3% improvement from the Company's PEA recovery, reaching up to 81.3% while producing a niobium concentrate of 61.7%. In addition, the lack of deleterious material and low silicate content should translate in a significant reduction in acid consumption for the battery-grade niobium oxide production. The first phase of metallurgical testing also contributed to optimizing the parameters and flowsheet design.

The second phase of the metallurgical program will focus on the optimisation of the beneficiation flow-sheet from the previous metallurgical test work and also to work on the production of niobium battery grade and consist of a hydrometallurgical treatment to purify the concentrate to +99% Nb₂O₅ (battery-grade Niobium oxide), at a larger scale. This phase of the metallurgical program will commence subsequent to the completion of the 2022 Drill Program.

SOQUEM JOINT VENTURE

In January 2008, the Company had entered into a joint venture agreement (the "Joint Venture") with SOQUEM Inc. ("SOQUEM") for certain mineral titles located in Québec, including the Clairly, Lac Shortt and L'Espérance properties.

On October 20, 2021, the Company executed a letter of agreement for the sale to SOQUEM of the rights and interests of NioBay in the Lac Shortt, L'Espérance, Le Tac and Clairly properties for a total cash purchase price of \$950,000. In addition, NioBay will retain a 2% NSR on the Clairly property, half of which (1% NSR) will be redeemable at any time by SOQUEM in consideration of a payment to NioBay of \$1.0 million in cash. NioBay will also have the right to buy back a 50% interest in any project containing a mineral resource that has been identified and confirmed by a 43-101 technical report in consideration of a cash payment equal to the total of 200% of exploration expenditures and 100% of the amount paid by SOQUEM for the property concerned. This transaction closed on January 20, 2022.

CREVIER PROJECT

The Crevier Project is held through CMI, a private company 72.5% owned by the Company and 27.5% owned by Niobec Inc., a wholly-owned subsidiary of Magris Resources Inc. and is located north of Lac St-Jean in the MRC Maria Chapdelaine, Québec. The Crevier deposit was discovered in 1975 by SOQUEM. In 2010, a PEA of the development of the niobium-tantalum resource was prepared by Met-Chem Canada Inc. after which several feasibility-stage studies were conducted including a pilot plant process.

In January 2019, the Company initiated desktop evaluation work on the Crevier Project. Following this work, NioBay initiated a series of metallurgical tests. From the fifteen-tonne bulk sample extracted from the deposit in early June 2019, a portion was shipped to the COREM research and development center in Québec City. Metallurgical tests were initiated to test innovative technologies with a focus on pre-concentration technologies and new reagents developed over the last few years. The additional metallurgical testing to be performed use new and innovative techniques and equipment, with a view of increasing niobium and tantalum grades in concentrates and overall recovery. Results were originally expected late in the third quarter of 2020, however COREM had temporarily shut down its operations due to COVID-19. The Company resumed the testwork in March 2021 and received the results during the fourth quarter of 2021.

Following the work completed in 2021, NioBay commenced new testwork with SGS to confirm some successful recipes on a larger scale. These results may lead the Company to conduct a larger program. In parallel, in October 2021, NioBay returned to this property in order to produce a 9 mt bulk sample for future use by SGS.

At surface, the Crevier Project has benefitted from major forestry activity that has facilitated site access. In September 2022, NioBay commenced a drilling campaign using the services of First Nations Drilling of Mashteuiash on the Crevier Property Extension (the "Crevier Program"). Several new drill targets had been identified following assay results of up to 0.30% Nb₂O₅ and 200 ppm Ta₂O₅ in newly discovered carbonate boulders and carbonate dykes. These boulders and dykes were identified in the vicinity of topographic lineaments sub-parallel to the Main Zone, within a radius of 0.5 to 2.0 km from the Main Zone. The 43-101 resource estimate for the Main Zone totals 25.4 Mt at 0.20% Nb₂O₅ and 234 ppm Ta₂O₅ (Measured and Indicated - SGS July 2010). The Crevier Program will use a diamond drill and the geological supervision was entrusted to the firm IOS Services Géo Scientifique. Note that they were involved in the drilling campaign of the Main Zone approximately ten years ago.

The Crevier Program follows up very encouraging prospecting results that took place this summer in areas where logging had recently been completed. Angular glacial boulders and small dykes were discovered in the vicinity of major topographic lineaments, such as lakes, rivers and streams, all sub-parallel to the Main Zone. The samples collected were mainly composed of more or less carbonated syenite. These lineaments are topographic troughs that could be occupied by more strongly carbonated rocks and/or carbonatites. The various glacial events that impacted the region could have deepened these rock types which are much softer than the surrounding rocks. These lineaments have therefore become new priority drilling targets.

A total of 32 samples were sent to ALS laboratories for multi-element (ppm) geochemical analysis. All results of greater than 1,000 ppm Nb and more than 100 ppm Ta were reanalyzed quantitatively, for Nb₂O₅ and Ta₂O₅ respectively, for confirmation (%). Table 2 shows the best results obtained.

Figure 2 shows the location of the samples and assay results on a background of an August 2021 satellite image. It also shows the location of the main zone, the old holes and those planned for the Crevier Program.

Drilling at the Crevier Project was completed on November 5, 2022, with a total of 10 holes and 4,000 meters of drilling completed. No assay results are available at this time and NioBay expects to receive the results of the first holes by the end of November 2022.

It should be noted that following positive metallurgical tests already obtained for the Main Zone, the Crevier Project will be dedicated exclusively to the production of niobium oxide for battery manufacturers.

Table 2: Best analytical results of the survey

Sample	X	Y	Nb (ppm)	Nb ₂ O ₅ (%)	Ta (ppm)	Ta ₂ O ₅ (%)
D593418	661154	5485631	1635	0.22	127	0.02
D593425	660053	5481248	1175	0.17	140	0.02
D593420	661300	5484305	1090	0.16	52	-
D593415	658513	5483161	783	-	122	0.02
D593410	660388	5482745	777	-	200	0.03
D593421	661303	5484309	525	-	96	-

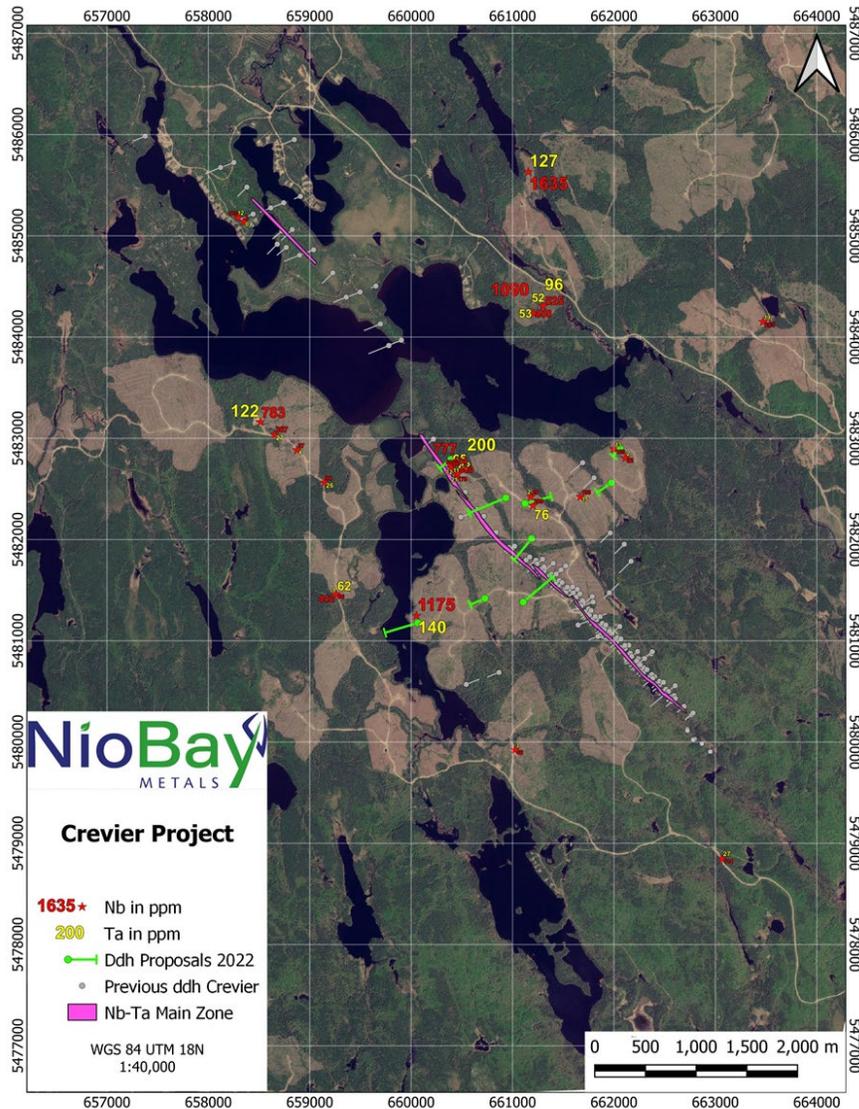


Figure 2: Location of anomalies, main zone and drill holes at the Crevier Project

GOUIN PROPERTIES

On May 7, 2021, the Company closed an option agreement (the "Option Agreement") with Les Ressources Tectonic inc. ("Tectonic") to acquire a 100% interest in the Gouin Properties. The Option Agreement calls for cash payments totaling \$190,000 and \$430,000 payable at the Company's option either in cash or in common shares of NioBay and \$1.65 million in work commitments, over a six-year period. The first installments, payable upon receipt of regulatory approvals, are \$10,000 in cash and \$20,000 represented by the issuance of 22,591 common shares of NioBay. In addition, the Option Agreement provides for a work commitment of \$50,000 to be incurred on the Gouin Properties by August 31, 2021. Upon exercise of this option, a 1% NSR royalty will be granted to Tectonic,

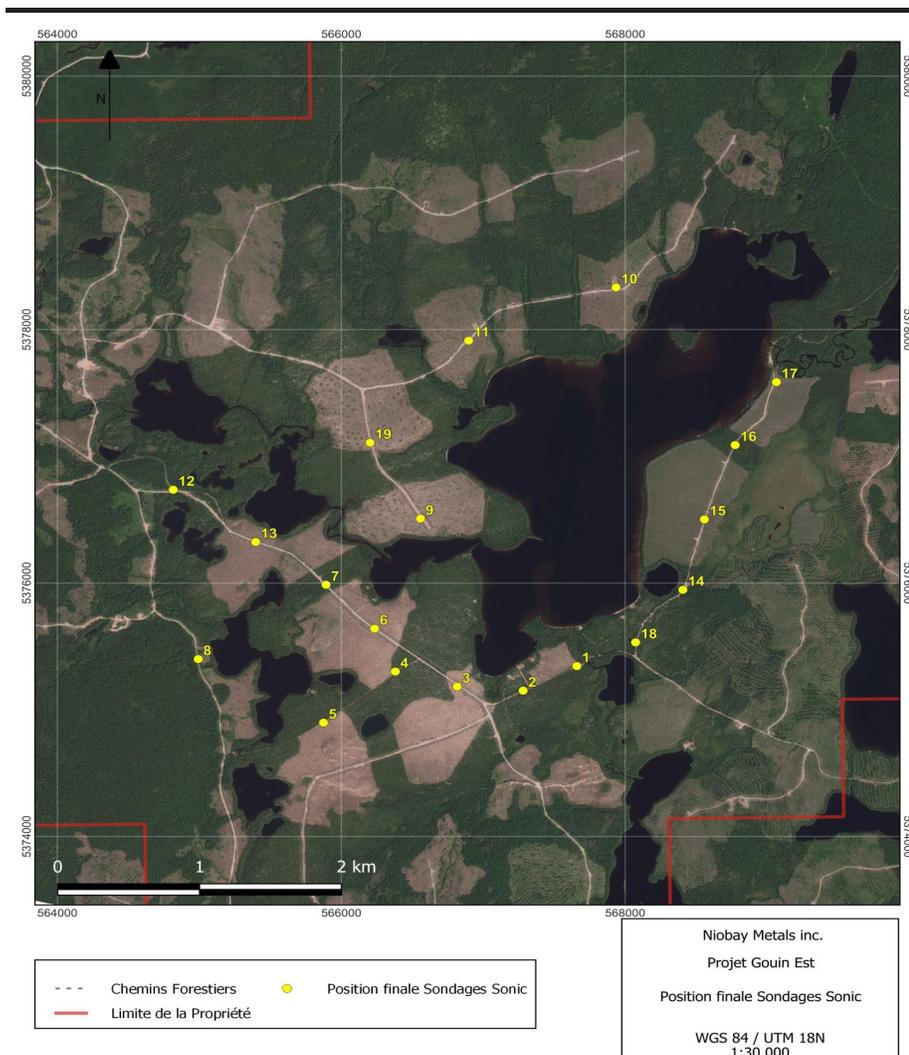
being redeemable by Niobay for \$250,000 at any time during the option period (or for \$1.5 million subsequent to the option period). In May 2022, the Company completed the second annual payment of \$50,000.

During August 2021, the Company completed prospecting activities, including sampling on the Gouin Properties. From these activities, the Company identified four interesting targets in Gouin West and six targets in Gouin East. In August 2022, the Company announced the start of an overburden drilling campaign to test the nature of the till and bedrock on the Gouin East property. This campaign follows encouraging prospecting results reaching 0.29%, 0.31%, 0.54% and 0.57% Nb₂O₅ in glacial blocks containing carbonate veinlets. Surface till sampling also revealed several niobium geochemical anomalies, mainly in the southern part of the property. These boulders and anomalous zones were detected around a large magnetic anomaly similar in size and structure to that of the Niobec mine in the Saguenay, the only commercial niobium operation outside of Brazil.

The Gouin East property is located approximately 190 km west of the Niobec mine and 150 km south of Chibougamau, just east of the Gouin Reservoir dam. It is located on the territory of the Opitciwan Atikamekw First Nation, whose main community of Obedjiwan is approximately 65 km northwest on the north shore of the Gouin Reservoir. All parts of the property are easily accessible via an extensive network of logging roads from Route 167, 75 km to the east. A high voltage power line runs only 20 km south of the property.

This campaign used Sonic drilling technology to sample the entire overburden without disturbing unconsolidated deposits and to recover bedrock core samples of approximately one to two metres. The 30-hole program is aimed to detect potential niobium dispersal trains in till up-ice of the surface anomalies and identify/analyze the bedrock where there is no rock outcrop within the magnetic anomaly. At the end of August 2022, the team completed this Sonic drilling campaign by completing 19 drill holes. In our opinion, these 19 holes adequately covered the territory we were to investigate. All the samples, sand/gravel and rock were sent to an accredited laboratory in early September 2022.

Figure 3: Location of Sonic drill holes at the Gouin Properties



QUALIFIED PERSON

Mr. Jean-Sebastien David, P. geo, acted as the QP as defined in NI 43-101. He reviewed and approved the technical and scientific content of this MD&A. Mr. David is NioBay's President and Chief executive officer ("CEO").

NIOBIUM MARKET

Niobium is used in various forms such as oxide, pure metal, nickel master-alloys and alloys with other noble metals and in its most used form, ferro-niobium, representing approximately 90% of the production of niobium. Ferro-niobium ("FeNb") is used as an additive in the production of high quality steels which are used mostly in the manufacturing of automobiles, bridges, skyscrapers and other large steel structures, pipelines and stainless steels. The addition of niobium in steel reinforces and lightens the steel, makes it more resistant to corrosion, facilitates its welding and helps it withstand forces under high pressure and high temperature. The addition of niobium therefore has a positive impact on the reduction of CO₂ emission in the atmosphere which gives it a "green" metal recognition. The demand for niobium is thus directly related to the manufacture of these steels and the development of new specialty steels.

Also, recent developments in battery manufacturing technology have involved using niobium as an anode material and as coating material for cathode materials, which provides an indication of an increase in the demand for battery grade niobium. The potential increase in market demand could be significant, and the Company intends to become an active participant in the electrification of vehicles and/or other devices.

Niobium is classified as a critical and strategic metal for the United States, Canada, Europe and certain Asian countries. There are only three major producers, CBMM and Catalao in Brazil and Niobec in Canada.

LIQUIDITY AND CAPITAL RESOURCES

As at September 30, 2022, the Company had a working capital of \$6,175,046, which includes cash and cash equivalents of \$6,023,983. The majority of the Company's financial liabilities have contractual maturities of less than 30 days and are subject to normal trade terms.

The Company has no history of revenues from its operating activities. The Company is not in commercial production on any of its mineral properties and accordingly does not generate cash from operations. The Company anticipates it will have negative cash flow from operating activities in future years.

The Company has, in the past, financed its activities by raising capital through equity issuances. Until NioBay can generate a positive cash flow position in order to finance its exploration programs, the Company will remain reliant on the equity markets for raising capital, in addition to adjusting spending, disposing of assets, and obtaining other non-equity sources of financing.

The Company believes it has sufficient cash resources and the ability to raise funds to meet its exploration and administrative overhead expenses and maintain its planned exploration activities for the next 12 months. However, there is no guarantee that the Company will be able to maintain sufficient working capital in the future due to market, economic, and commodity price fluctuations.

OUTLOOK

The Company's development strategy is focused on the development of economic critical & strategic mineral deposits, where the benefits of mining or selling the deposits, will ensure the Company's sustainability. Management, while implementing its development strategy, will take into account the context of global market conditions and the stock market.

As previously discussed in this MD&A, the Company completed its analysis of the drill results from the 2020 Drilling Program in May 2020, provided the results of the 2020 MRE on the James Bay Project in July 2020 and announced the results of its PEA on the James Bay Project in October 2020. Based on the results of the PEA, the Company planned the next steps in the development of the James Bay Project which include the 2022 Drill Program, on-going metallurgical testing, a new resource calculation, a pre-feasibility study and the implementation of certain environmental and cultural baseline studies to be included in an eventual pre-feasibility study. The 2022 Drill Program, consisting of a 12,000 m infill drill program was initiated in early 2022 and was expected to be completed in Q2-2022, prior to its suspension in March 2022. In addition, following these metallurgical results, the Company is planning for a pilot test at SGS to confirm and produce battery-grade material for testing partners.

The Company is also focusing on the potential production of battery-grade niobium from both the James Bay Project and the Crevier Project. A series of metallurgical tests have been completed and additional tests have begun.

Further, the Company continues to engage with the local first nation MCFN and the Company maintains communication with MCFN.

After a series of testing, using grants from the MERN and MEI in 2021, a second round of testing on the Crevier Project continues at SGS's facilities. The Company is reviewing the results of the current testing which could have a significant impact on the development of the Crevier Project. These results and the advanced prospection work has lead to the start of the Crevier Program which is expected to be completed by the end of November 2022, with first assay results to be received at the same time.

EXPLORATION AND EVALUATION EXPENSES

The Company incurred the following exploration and evaluation expenses by project:

Nine-months ended September 30, 2022	James Bay	Crevier	Gouin	Others	Total
	\$	\$	\$	\$	\$
Wages and consulting	322,969	-	-	-	322,969
Contractors	563,523	145,676	58,674	38,780	806,653
Drilling	983,236	135,964	164,799	-	1,283,999
Transportation	504,692	-	-	-	504,692
Studies	271,598	111,037	-	-	382,635
Mineral claims	-	10,957	640	1,220	12,817
Others	23,063	47,273	-	-	70,336
Total	2,669,081	450,907	224,113	40,000	3,384,101

Nine-months ended September 30, 2021	James Bay	Crevier	Others	Total
	\$	\$	\$	\$
Wages and consulting	425,511	15,340	37,500	478,351
Contractors	231,413	1,072	143,621	376,106
Winter trail construction	275,272	-	-	275,272
Studies	277,475	253,182	-	530,657
Mineral claims	14,299	2,953	22,647	39,899
Transportation	36,154	-	12,894	49,048
Administrative and others	55,642	1,000	-	56,642
Total	1,315,766	273,547	216,662	1,805,975

Results for the 3rd quarter ended September 30, 2022 ("Q3-2022") compared to the 3rd quarter ended September 30, 2021 ("Q3-2021")

The Company incurred a net loss of \$921,947 during Q3-2022 (\$0.01 per share) compared to a net loss of \$1,199,278 in Q3-2021 (\$0.02 per share). The net loss attributable to shareholders of the Company totaled \$799,773 in Q3-2022 compared to \$1,157,952 in Q3-2021. The operating loss for Q3-2022 was \$944,864 and decreased by \$298,230 as compared to Q3-2021. Exploration and evaluation expenses were consistent between periods.

Management and administration expenses totaled \$245,199 in Q3-2022 and decreased by \$96,690 as compared to Q3-2021 due primarily to the reduced corporate activities undertaken during Q3-2022 related to investor relations. Share-based compensation totaled \$12,070 during Q3-2022 (\$217,773 in Q3-2021). The decrease in share-based compensation between periods is due to the lower degree of vesting associated with stock options granted in the prior periods.

The Company had a loss on investments of \$9,690 in Q3-2022 (loss of \$24,225 in Q3-2021). Income related to the recognition of the deferred premium on flow-through shares in Q3-2022 amounted to \$64,563 (\$43,394 in Q3-2021).

Results for the nine-month period ended September 30, 2022 ("YTD-2022") compared to the nine-month period ended September 30, 2021 ("YTD-2021")

The Company incurred a net loss of \$3,370,984 during YTD-2022 (\$0.05 per share) compared to a net loss of \$2,911,644 in YTD-2021 (\$0.04 per share). The net loss attributable to shareholders of the Company totaled \$3,211,768 in YTD-2022 compared to \$2,843,039 in YTD-2021. The operating loss for YTD-2022 was \$3,579,009 and increased by \$454,595 as compared to YTD-2021. This increase from YTD-2021 is primarily due to the higher exploration and evaluation expenses incurred at the James Bay Project for the 2022 Drilling Program and for the Crevier Program as compared to the 2021 Program. Evaluation and evaluation expenditures totaled \$3,384,101 in YTD-2022 (\$1,805,975 in YTD-2021), the details of which can be seen in the tables above.

Management and administration expenses totaled \$837,373 in YTD-2022 (\$1,005,018 in YTD-2021). The decrease between periods is due primarily to the reduced corporate activities undertaken during YTD-2022 related to investor relations. The other costs are consistent between periods. Share-based compensation totaled \$220,256 during YTD-2022 (\$299,986 in YTD-2021). The decrease in share-based compensation between periods is due to the lower degree of vesting associated with stock options granted in the prior periods.

As discussed above under the "SOQUEM Joint Venture" heading, in YTD-2022 the Company sold properties to SOQUEM for \$950,000. Income related to the recognition of the deferred premium on flow-through shares in YTD-2022 amounted to \$220,137 (\$130,593 in YTD-2021). In addition, the Company had an unrealized loss on investments of \$28,262 in YTD-2022 (unrealized gain of \$29,645 in YTD-2021).

Selected Quarterly Financial Information

The following is a summary of the Company's financial results for the past eight quarters:

Period ended	Net finance income (loss)	Net gain (loss)	Net gain (loss) attributable to shareholders of the Company	Basic and diluted gain (loss) per share
	\$	\$	\$	\$
September 30, 2022	(31,957)	(921,947)	(799,773)	(0.01)
June 30, 2022	26,505	(1,301,646)	(1,282,662)	(0.02)
March 31, 2022	21,627	(1,147,391)	(1,129,333)	(0.02)
December 31, 2021	14,987	(1,159,586)	(1,126,064)	(0.02)
September 30, 2021	15,372	(1,199,278)	(1,157,952)	(0.02)
June 30, 2021	13,379	(399,685)	(374,940)	(0.01)
March 31, 2021	16,114	(1,312,681)	(1,310,147)	(0.02)
December 31, 2020	4,680	1,704,488	1,706,064	0.03

The elevated net losses in the three-months ended March 31, 2021 and from September 30, 2021 to September 30, 2022, coincides with the completion of the 2020 Drilling Program, the 2020 MRE, the execution of the PEA at the James Bay Project and the starts of the 2021 Program and 2022 Drill Programs in addition to the Crevier Program. From October 1, 2020 to December 31, 2020, the Company had a gain on the sale of a royalty to Osisko for \$1.6 million and a gain on the sale of a property of \$0.8 million.

Capital Management

In managing its capital, the objective of the Company is to preserve its ability to continue its mining exploration while maintaining the current exploration programs and evaluation of mining assets, to provide sufficient working capital to meet its current commitments and to pursue potential investments. At September 30, 2022, the capital of the Company consists of equity attributable to shareholders of the Company of \$7,139,208 (\$10,103,720 at December 31, 2021). The Company manages its capital structure and makes adjustments in accordance with the aforementioned objectives, as well as in light of changes in economic conditions and the risk characteristics of the underlying assets.

Transactions with Related Parties

The remuneration awarded to directors and to key management personnel, including the President and CEO and the Chief Financial Officer, is as follows:

	Three-months ended September 30,		Nine-months ended September 30,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Salaries, professional fees and other				
short-term benefits	90,000	157,000	271,000	346,000
Share-based compensation	5,000	196,000	192,000	257,000
	95,000	353,000	463,000	603,000

Off-Balance Sheet Arrangements

As at September 30, 2022, the Company has no off-balance sheet arrangements.

Outstanding Share Data

As at November 16, 2022, the Company has 71,301,524 common shares, 5,047,455 Warrants, 672,653 Compensation Warrants and 5,250,001 stock options outstanding.

OTHER RISKS AND UNCERTAINTIES

An investment in the Company's common shares is subject to a number of risks and uncertainties. An investor should carefully consider the risks described below and the other information filed with the Canadian securities regulators (www.sedar.com), before investing in the Company's common shares. If any of the described risks occur, or if others occur, the Company's business, operating results and financial condition could be seriously harmed and investors may lose a significant proportion of their investment.

The following risk factors may not be a definitive list of all risk factors associated with an investment in NioBay or in connection with the business and operations of NioBay.

Industry Conditions

The exploration for and development of mineral deposits involve significant risks and while the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. All of NioBay's properties are in the exploration stage and NioBay is presently not exploiting any of its properties and its future success will depend on its capacity to generate revenues from an exploited property.

The discovery of mineral deposits depends on a number of factors, including the professional qualification of its personnel in charge of exploration. Whether a mineral deposit will be commercially viable depends on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, land tenure, land use, importing and exporting of minerals and environmental protection. In the event that NioBay wishes to commercially exploit one of its properties, the exact effect of these factors cannot be accurately predicted, but the combination of these factors may result in NioBay not receiving an adequate return on invested capital. NioBay's operations will be subject to all the hazards and risks normally encountered in the exploration and development of mineral deposits. Mining operations generally involve a high degree of risk, including unusual and unexpected geologic formations. There can be no guarantee that sufficient quantities of minerals will be discovered or that one of NioBay's properties will reach the commercial production stage.

Regulatory Matters

NioBay's activities are subject to governmental laws and regulations. These activities can be affected at various levels by governmental regulation governing prospecting and development, price control, taxes, labour standards and occupational health, expropriation, mine safety and other matters. Exploration and commercialization are subject to various federal, provincial and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of wastewater and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively rehabilitate mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents.

Failure to comply with applicable laws and regulations may result in civil or criminal fines or penalties or enforcement actions, including orders issued by regulatory or judicial authorities enjoining or curtailing operations or requiring corrective measures, installation of additional equipment or remedial actions, any of which could result in significant expenditures. NioBay may also be required to compensate private parties suffering loss or damage by reason of a breach of such laws, regulations or permitting requirements. It is also possible that future laws and regulations, or more stringent enforcement of current laws and regulations by governmental authorities, could cause additional expense, capital expenditures, restrictions on or suspensions of NioBay's activities and delays in the exploration of properties.

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on NioBay and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

NioBay's operations are subject to financing risks and additional financing may result in dilution or partial sale of assets

NioBay's operations are subject to financing risks. At the present time, NioBay does not have any producing projects and no sources of revenue. NioBay's ability to explore for and find potential economic projects, and then to bring them into production, is highly dependent upon its ability to raise equity and debt capital in the financial markets. Any projects that NioBay develops will require significant capital expenditures. To obtain such funds, NioBay may sell additional securities including, but not limited to, NioBay common shares or some form of convertible security, the effect of which could result in a substantial dilution of the equity interests of the NioBay Shareholders. Alternatively, NioBay may also sell a part of its interest in an asset in order to raise capital. There is no assurance that NioBay will be able to raise the funds required to continue its exploration programs and finance the development of any potentially economic deposit that is identified on acceptable terms or at all. The failure to obtain the necessary financing could have a material adverse effect.

Economics of developing mineral properties

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of an ore body may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines. There is no assurance that any exploration properties will be commercially mineable.

Should any mineral resources exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercially viable mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (a) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (b) availability and costs of financing; (c) ongoing costs of production; (d) metal prices; (e) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (f) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

Community relations, social license and land claim

Maintaining a positive relationship with the communities in which NioBay operates is critical to its business operations and the development of the James Bay Project.

NioBay may come under pressure to demonstrate that other stakeholders (including employees, communities surrounding operations and the countries in which they respectively operate) benefit and will continue to benefit from its commercial activities, and/or that it operates in a manner that will minimize any potential damage or disruption to the interests of those stakeholders.

Erosion of social licence or activities of third parties seeking to call into question social licence may have the effect of slowing down the development of new projects and potentially may increase the cost of constructing and operating these projects. Productivity may be reduced due to restriction of access, proceedings initiated or delays in permitting and there may also be extra costs associated with improving the relationship with the surrounding communities.

While the Company is committed to operating in a socially responsible manner there is no guarantee that its efforts will meet all of third parties' expectations, which could have a material adverse effect on the Company's business, financial position and operations.

Competition

NioBay's activities are directed towards the exploration and evaluation of mineral deposits. There is no certainty that the expenditures to be made by NioBay will result in discoveries of commercial quantities of mineral deposits. There is aggressive competition within the mining industry for the discovery and acquisition of properties considered to have commercial potential. NioBay will compete with other interests, many of which have greater financial resources than it will have, for the opportunity to participate in promising projects. Significant capital investment is required to achieve commercial production from successful exploration efforts, and NioBay may not be able to successfully raise funds required for any such capital investment.

NioBay may be subject to liability or sustain loss for certain risks and hazards against which it does not or cannot economically insure

Mining is capital intensive and subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, earthquakes, pit wall failures and cave-ins) and encountering unusual or unexpected geological conditions. Such risk and hazards might impact NioBay's business. Consequently, many of the foregoing risks and hazards could result in damage to, or destruction of, NioBay's mineral properties or future processing facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of their exploration or development activities, delay in or inability to receive required regulatory approvals, or costs, monetary losses and potential legal liability and adverse governmental action. NioBay may be subject to liability or sustain loss for certain risks and hazards against which it does not or cannot insure or against which it may reasonably elect not to insure because of the cost. This lack of insurance coverage could result in material economic harm to NioBay.

Information systems and cyber security

NioBay relies on its IT infrastructure to meet its business objectives. NioBay uses different IT systems, networks, equipment and software and has adopted security measures to prevent and detect cyber threats. However, NioBay and third-party service providers and vendors may be vulnerable to cyber threats, which have been evolving in terms of sophistication and new threats are emerging at an increased rate. Unauthorized third parties may be able to penetrate network security and misappropriate or compromise confidential information, create system disruptions or cause shutdowns to NioBay or its counterparties. Although NioBay has not experienced any losses relating to cyber-attacks or other information security breaches, there can be no assurance that there will be no such loss in the future. Significant security breaches or system failures of NioBay or its counterparties, especially if such breach goes undetected for a period of time, may result in significant costs, fines or lawsuits and damage to reputation. The significance of any cyber security breach is difficult to quantify, but may in certain circumstances be material and could have a material adverse effect on NioBay's business.

Coronavirus (COVID-19)

NioBay faces risks related to health epidemics and other outbreaks of communicable diseases, which could significantly disrupt, directly or indirectly, its operations and may materially and adversely affect its business and financial conditions.

NioBay's business could be adversely impacted by the effects of the coronavirus or other epidemics. In December 2019, a novel strain of the coronavirus emerged in China and the virus has spread to several other countries in 2020, including Canada and the U.S., and infections have been reported globally. The extent to which the coronavirus impacts NioBay's business, including its operations and the market for its securities, will depend on future developments, which are highly uncertain and cannot be predicted at this time, and include the duration, severity and scope of the outbreak and the actions taken to contain or treat the coronavirus outbreak. In particular, the continued spread of the coronavirus globally could materially and adversely impact NioBay's business including without limitation, employee health, workforce productivity, increased insurance premiums, limitations on travel, the availability of industry experts and personnel, operations and business of third party operators, and other factors that will depend on future developments beyond NioBay's control, which may have a material and adverse effect on its business, financial condition and results of operations. There can be no assurance that NioBay's personnel will not be impacted by these pandemic diseases and ultimately see its workforce productivity reduced or incur increased medical costs / insurance premiums as a result of these health risks.

In addition, a significant outbreak of coronavirus could result in a widespread global health crisis that could adversely affect global economies and financial markets resulting in an economic downturn that could have an adverse effect on the demand for precious metals and NioBay's future prospects.

Fluctuation in market value of NioBay common shares

The market price of NioBay common shares is affected by many variables not directly related to the corporate performance of NioBay, including the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of the NioBay common shares in the future cannot be predicted.

Factors beyond the control of NioBay

The potential profitability of mineral properties is dependent upon many factors beyond NioBay's control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined ore (assuming that such mineral deposits are known to exist) may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways NioBay cannot predict and are beyond NioBay's control, and such fluctuations will impact profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of NioBay and they may also negatively impact the project schedule.

Financial Risks

The Company's activities expose it to a variety of financial risks: market risks (including foreign currency risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's performance.

A description of the financial risks are included in the Annual Financial Statements, filed on SEDAR (www.sedar.com).

Internal Control Disclosure

In November 2007, the Canadian Securities Administrators exempted issuers on the TSX-V, such as the Company, from certifying disclosure controls and procedures, as well as internal controls over financial reporting as of December 31, 2007, and thereafter. The Company is required to file basic certificates. The Company makes no assessment relating to establishment and maintenance of disclosure controls and procedures as defined under National Instrument 52-109.

Basis of Presentation of Financial Statements

The Financial Statements have been prepared in accordance with the IFRS as issued by the IASB applicable to the preparation of interim financial statements, including International Accounting Standard 34, Interim Financial Reporting. The Financial Statements should be read in conjunction with the Annual Financial Statements, which have been prepared in accordance with IFRS as issued by the IASB.

The Board has approved the Financial Statements on November 16, 2022.

The significant accounting policies of NioBay, as well as the accounting standards issued but not yet effective, are detailed in the notes to the Annual Financial Statements, filed on SEDAR (www.sedar.com).

Critical Accounting Estimates and Judgments

Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The determination of estimates requires the exercise of judgment based on various assumptions and other factors such as historical experience and current and expected economic conditions. Actual results could differ from those estimates.

Critical judgments in applying the Company's accounting policies are detailed in the Annual Financial Statements, filed on SEDAR (www.sedar.com).

Financial Instruments

All financial instruments are required to be measured at fair value on initial recognition. The fair value is based on quoted market prices, unless the financial instruments are not traded in an active market. In this case, the fair value is determined by using valuation techniques like the Black-Scholes option pricing model or other valuation techniques. Measurement in subsequent periods depends on the classification of the financial instrument.

A description of financial instruments and their fair value is included in the in the Annual Financial Statements filed on SEDAR (www.sedar.com).

Cautionary Statement Regarding Forward-Looking Statements

Statements contained in this document that are not historical facts are regarded as forward-looking statements. These statements may involve risk, uncertainties and other factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements. Many factors could cause such differences, including: volatility in market metal prices; changes in foreign currency exchange rates and interest rates; unexpected variations in geological conditions of a property or erroneous geological data; environmental risks including increased regulatory constraints; unexpected adverse mining conditions; adverse political conditions, and changes in government regulations and policies. Although NioBay has attempted to identify important factors that could cause actual plans, actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause plans, actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual plans, results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

Additional Information and Continuous Disclosure

This MD&A has been prepared as at November 16, 2022. Additional information on the Company is available through regular filings of press releases, financial statements and MD&A on SEDAR (www.sedar.com) and on the Company's website (www.niobaymetals.com).

(Signed) Jean-Sebastien David
Jean-Sebastien David
President & Chief Executive Officer

(Signed) Anthony Glavac
Anthony Glavac
Chief Financial Officer

November 16, 2022

Corporate Information

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Serge Savard, Chairman
Dawn Madahbee Leach
Jean-Sébastien David
Raymond Legault
Mathieu Savard

Officers

Jean-Sebastien David, President and Chief Executive Officer
Anthony Glavac, Chief Financial Officer
Marc Pothier, Vice President, Legal Affairs and
Corporate Secretary

Legal Counsel

Lavery, de Billy LLP

Auditors

PricewaterhouseCoopers LLP/s.r.l./s.e.n.c.r.l.

Transfer Agent

TSX Trust Company

Exchange listing

TSX-V: NBY
OTCQB: NBYCF