



ANNUAL INFORMATION FORM

For the Fiscal Year Ended June 30, 2024

October 25, 2024

IBC Advanced Alloys Corp.

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Preliminary Notes

Effective Date of Information

This annual information form (“AIF”) of IBC Advanced Alloys Corp. is dated October 25, 2024. The information in this AIF is as of June 30, 2024 unless otherwise indicated. As used in this AIF, the terms “IBC”, the “Company”, “we”, “us”, and “our” mean IBC Advanced Alloys Corp., unless otherwise indicated.

Cautionary Note Regarding Forward-Looking Statements

This AIF and certain documents incorporated by reference contain forward-looking statements. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “expects”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or variations (including negative and grammatical variations) of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur or be achieved. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause our actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits we will obtain from them. These forward-looking statements reflect management’s current views and are based on certain assumptions and are effective only as of October 25, 2024. These assumptions, which include, management’s current expectations, estimates and assumptions about certain projects and the markets we operate in, the global economic environment, interest rates, exchange rates and, our business strategy, plans, outlook and shareholder value, projections, targets and expectations and our ability to manage our assets and operating costs, may prove to be incorrect.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause our actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking statements, including:

- our estimates regarding capital requirements;
- future production, future cash and total costs of production for our manufacturing operations;
- our expectations with respect to future acquisitions and joint venture transactions with third parties;
- changes in general economic conditions, the financial markets and the demand of our products;
- changes in, and the effects of, the laws, regulations and government policies affecting operations, particularly laws, regulations and policies; and
- uncertainties in the market price for minerals and metals, such as copper, and exchange rates.

Although we have attempted to identify factors that would cause actual actions, events or results to differ materially from those disclosed in the forward-looking statements or information there may be other factors that cause actual results, performances, achievements or events not to be anticipated, estimated or intended. Other factors that could cause actual results to differ materially include, but are not limited to, those set forth herein under “Risk Factors”. Additionally, many of the factors are beyond the Company’s control. Accordingly, readers should not place undue reliance on forward-looking statements or information. We undertake no obligation to reissue or update forward-looking statements or information

as a result of new information or events after the date hereof except as may be required by law. All forward-looking statements and information made in this AIF are qualified by this cautionary statement.

Information Incorporated by Reference

The information contained in the following documents is incorporated by reference as part of this AIF:

- (1) our audited consolidated annual financial statements as at June 30, 2024, together with the auditor's report and management's discussion and analysis;
- (2) our management information circular dated November 15, 2023, pertaining to our annual general and special meeting of shareholders held on December 29, 2023;
- (3) all documents, including material change reports and quarterly interim financial statements, including management's discussion and analysis, as filed with securities commissions in accordance with the requirements of National Instrument 51-102 Continuous Disclosure Obligations ("NI 51-102").

These documents are available for viewing on SEDAR+ at www.sedarplus.ca under IBC's profile. Copies are also available upon request from our offices. All financial information in this AIF has been prepared in accordance with accounting policies consistent with International Financial Reporting Standards ("IFRS").

Purpose

This AIF is prepared in accordance with Form 51-102F2 and NI 51-102 established by the Canadian Securities Administrators, for the limited purpose of providing material information about us and our business at a certain point in time, in the context of its historical and possible future developments.

Currency

Financial amounts, other than amounts per share or per pound, are presented in thousands of United States dollars ("\$\$") unless indicated otherwise. Canadian dollar amounts are denoted by "C\$". Exchange rates between the United States dollar and the Canadian dollar were:

	2024	2023
At June 30, \$1.00 =	C\$1.3687	C\$1.3240
Average for the year ended June 30, \$1.00 =	C\$1.3551	C\$1.3397

Corporate Structure

Name, Address and Incorporation

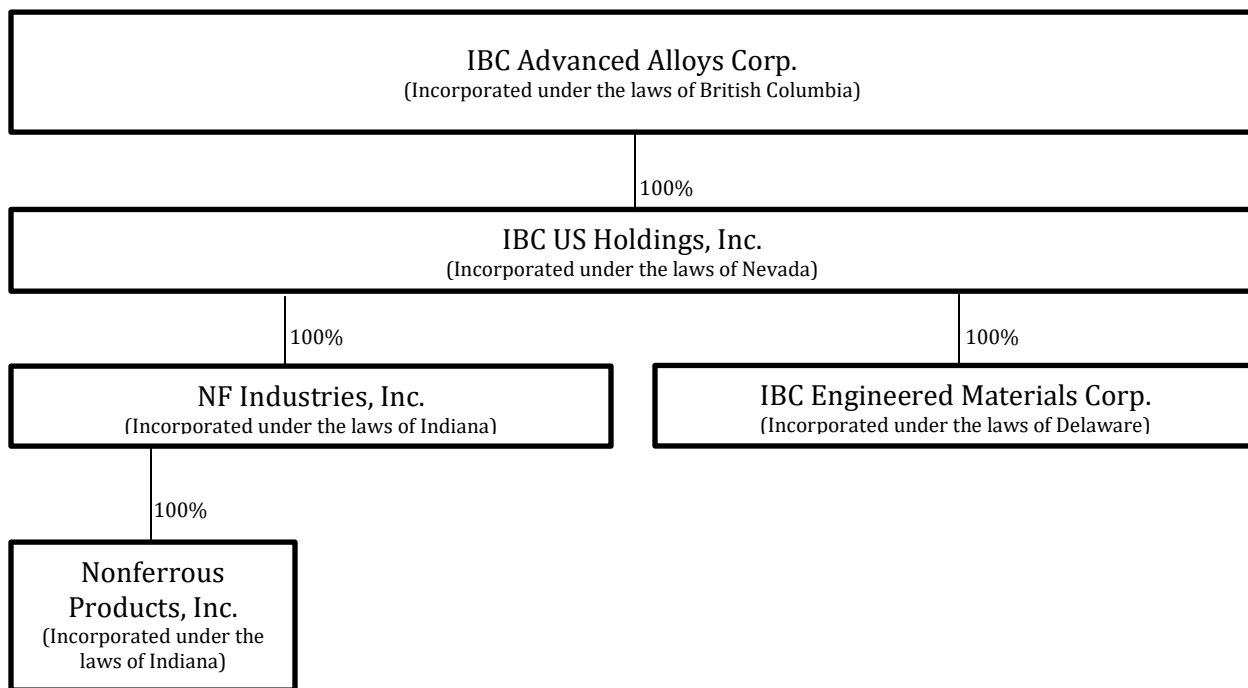
IBC Advanced Alloys Corp. ("IBC") was incorporated under the British Columbia Business Corporations Act (the "BCBCA") on December 11, 2002 as 659975 BC Ltd. and, on November 10, 2003, we changed our name to Janina Resources Limited. On November 23, 2007, operating as Janina Resources Limited, we completed a business combination with Horn Rare Metals Ltd. ("HRM"). The transaction was affected by way of a statutory amalgamation with HRM. HRM was incorporated under the BCBCA on June 6, 2006. In connection with the amalgamation, we changed our name from Janina Resources Limited to International Beryllium Corporation. On March 2, 2009, we changed our name to IBC Advanced Alloys Corp.

Our corporate office address is 401 Arvin Road, Franklin, IN 46131 and our common shares trade on the TSX Venture Exchange (the "TSX-V") under the symbol "IB" and on the OTCQB International under the

symbol (“IAALF”). Our registered and records office at the date of this AIF is 595 Burrard St Suite 2600, Vancouver, BC V7X 1L3.

Intercorporate Relationships

The following is an organizational chart that represents the current intercorporate relationships among us and our significant subsidiaries.



NF Industries, Inc. and its subsidiaries are operationally known as our Copper Alloys division. IBC Engineered Materials Corp. is our Engineered Materials division.

General Development of the Business

We manufacture and distribute a wide variety of forged (wrought) copper alloys, including aluminum bronzes, beryllium copper, chrome copper, copper nickels, oxygen-free high-conductivity copper as plate, discs, bar, rods, rings and specialty copper alloy forgings for various markets and applications. These products are sold directly to end users and serve various markets through a network of established dealers and distributors. Our products are manufactured in Franklin, Indiana, where we maintain foundry, forge (hammer, press and ring rolling), heat-treating, and machining operations.

IBC has strong technical and manufacturing engineering resources in the highly specialized copper alloy industry. Our foundry in Indiana has furnaces and associated equipment that have been adapted to meet the specialized requirements of copper alloy manufacturing. We offer our customers a full range of manufacturing and support services, including master alloy products, semi-continuous cast input billets, and wrought products. We also manufacture beryllium alloys utilizing certified beryllium-copper master alloy.

IBC produces material and also buys other billets and slabs from independent third-party foundries and mills. Copper alloys are sourced as cast billet, slab, or ingot from mills in North America, Europe, and Asia, and converted into usable industrial products serving the industrial welding, oil and gas, plastic mold, metal melting, marine defense, electronic, and industrial equipment markets. We also provide tooling components for the North American automotive industry, the European and North American consumer plastic tooling producers, the global oil and gas service industry, the prime North American submarine and aircraft carrier producers and repair facilities including the U.S. Navy, electronics industries, and general equipment manufacturers.

Until June 2024, our Engineered Materials (“EM”) division supplied high-performance beryllium-aluminum components to defense, aerospace, high-tech manufacturing, and other sectors. We manufactured the Beralcast® family of metal matrices used in commercial and defense applications that require complex, lightweight, and high-stiffness parts.

We ceased production at our Massachusetts beryllium-aluminum alloy plant because of insufficient long-term demand for cast beryllium-aluminum alloy products and to focus on our profitable Copper Alloys Division in Franklin. The Company's decision to close its EM division was driven primarily by insufficient long-term demand for cast beryllium-aluminum alloy products and the resulting continuing losses. EM's net losses depleted available working capital for the Copper Alloys division at a time when demand for copper alloy products was growing,

Three-Year History

On July 29, 2021, we replaced our line of credit facilities with BMO Harris Bank with an accounts sale and purchase (“ASPA”) agreement and a line of credit facility with other financial institutions. The line of credit agreement is with Iron Horse Credit, LLC with a facility limit of \$4,000,000 which bears interest at 1.166% per month. We also entered into an account sale and purchase agreement (“ASPA”) to provide \$4,000,000 in advance purchase financing between Sallyport Commercial Finance LLC and our subsidiaries. The ASPA bears interest at the prevailing prime rate plus 2% per year. The initial term of both the line of credit and the ASPA is 12 months with an inter-creditor facility between Iron Horse Credit, LLC and Sallyport Commercial Finance LLC which requires that we maintain a minimum debt service coverage and positive cash flows as it pertains to the Company's operations.

On October 4, 2021, we entered into a financing agreement among Utica Leaseco LLC and Utica Equipment Finance, LLC (collectively, “Utica”) and certain of our U.S. subsidiaries. With the financing agreement with Utica, we granted a security interest in certain equipment located on our premises in exchange for \$900,000 in connection with a term loan for a four-year term. We will make 51 monthly payments of \$24,390, with the monthly payments increasing by 1.00% for every 0.25% increase to the prime rate of Comerica Bank. We used the proceeds of the financing to fund the Copper Alloys consolidation and expansion and for working capital purposes.

On October 14, 2021, we completed a second definitive funding agreement with the Lind Partners for an initial amount of \$1,500,000 less a \$75,000 closing fee. We have executed a convertible security funding agreement (the “Agreement”) for the issue of a convertible security in the principal amount of \$1,500,000 (the “Convertible Security”) to Lind Global Fund II, LP, managed by the Lind Partners, LLC (together, the “Investor” or “Lind”). The Convertible Security will have a principal amount of \$1,500,000 with prepaid interest amount of \$187,500 for an aggregate face value of \$1,687,500 (the “Face Value”) and have a 24-month term. The Principal Amount will be convertible into our common shares at the option of the

Investor at a fixed conversion price per share of C\$0.21. We will make monthly repayments of \$75,000 commencing four months after the closing of the investment and issuance of the \$1,500,000 Convertible Security. In connection with the issuance of the Convertible Security, the Investor received 4,270,591 common share purchase warrants with an exercise price equal to C\$0.21 which expire in October 2023. The Investor will have the right to invest another \$750,000 with an additional interest amount of \$93,750 with pro-rata terms and fees.

In October 2021, we named Ben Rampulla to serve as our Chief Technology Officer and appointed Mark Doelling, a 30-year veteran of the specialty alloy industry, to lead our Engineered Materials division, replacing Mr. Rampulla. Mr. Doelling has worked for more than 30 years to grow companies in the turbine engine and industry markets that supply Original Equipment Manufacturers.

In January 2022, we completed the payments on the \$1,700,000 term loan with BMO Harris Bank, fully satisfying the obligations on this mortgage.

In April 2022, we entered into an amendment and extended our credit and security agreement with Iron Horse Credit, LLC through July 28, 2023. Additionally, we entered into an amendment and extended the accounts sale and purchase agreement with Sallyport Commercial Finance, LLC. The inter creditor facility between Sallyport Commercial Finance LLC and Iron Horse Credit, LLC continues.

In April 2022, we satisfied the principal obligations with Lind Global Macro Fund per the second funding under the definitive convertible security funding agreement with the issuance of shares upon Lind Global Macro Fund 's conversion with an issue date value of C\$513,000.

In July 2022, we entered into an Amendment no. 2 to the Credit and Security agreement with Iron Horse Credit, LLC where the maximum revolver amount has been increased from \$4,000,000 to \$5,000,000. All other terms are substantially the same as the original agreement.

In August 2022, we entered into a credit facility agreement with Mark A. Smith, CEO, and chairman of the board of the directors. The non-revolving credit facility in the amount of up to \$1,200,000 included an establishment fee of 2.5% of the amount drawn down with a term expiring on February 19, 2023. The credit facility bears interest at 10% per annum calculated monthly in arrears and is payable on the date of the repayment of the loan. We drew down the full amount of the credit facility in August 2022. The maturity date was subsequently extended to December 31, 2024.

In October 2022, we received a purchase order valued at \$2,900,000 to supply specialized copper alloy forged components to a customer working as part of a classified U.S. Department of Defense program.

In October 2022, we entered into an agreement to supply BeAl alloy components to L3Harris Technologies (NYSE:LHX) for use in an undisclosed aerospace application.

In June 2023, we received a signed Lockheed Martin (LM) purchase order for \$3,100,000 to provide specialized alloy parts to a customer working as part of a classified U.S. Department of Defense program.

In August 2023, we entered a term loan (the "Term Loan") with Sallyport Commercial Finance, LLC ("Sallyport") and amendments to existing credit facilities with Sallyport and Iron Horse Credit, LLC ("Iron Horse") with access to funding of \$7,000,000. Following the repayment of the outstanding principal owed on our 9.5% Senior Unsecured Debentures and 8.25% Senior Unsecured Convertible Debenture due on September 5, 2023, we expect to have approximately \$4,000,000 available for working capital.

- The Term Loan is governed by a real estate lien note between the Subsidiaries and Sallyport which provided the subsidiaries with \$3,000,000 secured by a mortgage and assignment of rents granted by Nonferrous Products, Inc., one of the Subsidiaries. The Term loan has a term of nine months and bears interest at prime plus 6.75% per annum with interest only payment for 6 months then payments comprised principal of \$150,000 plus interest beginning in month 7.
- The amendments will upsize and amend account sale and purchase agreement (“the ASPA”) with Sallyport and the subsidiaries and the credit and security agreement (“the Credit Agreement”) with Iron Horse and the subsidiaries. Sallyport will increase the maximum size of the credit facility to \$7,000,000 and amend the structure from the ASPA to a batch or bulk factoring facility. Iron Horse will increase the maximum size of the credit facility to \$6,000,000.

In October 2023, we entered into an agreement with Loeb equipment term loan (“Loeb loan”) that provided us with \$1,781,000 in exchange for a security interest in its machinery and equipment. The Loeb loan bears interest at prime plus 6.5% per annum, is amortized over 5 years with interest only payment for the first 4 weeks, then going forward principal & interest payment are due weekly. Nonferrous Products, Inc received proceeds of \$1,551,000 from the Loeb Loan which has a 3-year term. IBC Engineered Materials Corp received proceeds of \$230,000 from the Loeb Loan which has a 2-year term. Upon receipt of the proceeds the Term loan with Utica was satisfied in full prior to its maturity date of January 4, 2026.

In October 2023, we received a signed Lockheed Martin (LM) purchase order for \$7,400,000 to provide specialized alloy parts to a customer working as part of a classified U.S. Department of Defense program. In October 2023, the Company announced that it is currently exploring strategic options with potential partners, investors, and others regarding its Massachusetts-based Engineered Materials Division, which produces beryllium-aluminum alloy components for defense and commercial applications, including potential joint ventures, a restructuring, a sale, or other options.

In April 2024, we announced the Company’s decision to cease production at its Massachusetts beryllium-aluminum alloy plant because of insufficient long-term demand for cast beryllium-aluminum alloy products and to focus on our profitable Copper Alloys division in Franklin.

In April 2024, we settled the outstanding Lind Convertible Security with a cash payment of \$159,000.

In April 2024, our U.S. subsidiaries (the “Subsidiaries”) entered a purchase contract (the “Purchase Contract”) and industrial lease (the “Lease”) with Flatbay Properties LLC (“**Flatbay**”) which resulted in \$3,850,000 in funding for the Company (the “Proceeds”). Pursuant to the Purchase Contract, Flatbay agreed to purchase the property located at 401 Arvin Road, Franklin, Indiana 46131 (the “**Property**”) from a Subsidiary. Pursuant to the Lease, Flatbay will lease the Property to the Subsidiary for five years (the “**Term**”), during which the Subsidiary may re-purchase the Property from Flatbay. The re-purchase price will vary depending on the time of re-purchase, ranging from \$4,100,000 during the first year of the Term to \$3,850,000 at the end of the Term. Lease payments during the Term will range from approximately \$45,000 to \$50,000 per month depending on the debt service coverage ratio of a Subsidiary. The Company agreed to pay a cash commission equal to 2.5% of the Proceeds to Baycross Capital Group. In May 2024, we closed the sale leaseback transaction with Flatbay Properties LLC which resulted in \$3,850,000 in funding for the Company.

In May 2024 we agreed with Sallyport to settle the outstanding Term Loan prior to maturity by payment of the outstanding loan balance of \$2,410,000 to Sallyport.

In June 2024, our Massachusetts-based beryllium-aluminum alloy facility successfully completed all work on its final production contracts and discontinued operations. IBC is now focused on growing its Copper Alloys division in Franklin, Indiana and anticipates that the discontinuation of its beryllium-aluminum alloy based EM division will expand free cash flow.

Historical Information

On September 8, 2017, an award was issued in favor of claimant Gerald Hoolahan against IBC Advanced Alloys Corp. The award, in the amount of \$1.2 million plus attorney’s fees, costs, and expenses in the amount of \$155 was granted by the American Arbitration Association’s International Centre for Dispute Resolution. The amount has been accrued and the matter was under appeal. On March 27, 2019, we received notice of the U.S. District Court for the District Massachusetts affirming the September 8, 2017 arbitration award made in favor of Gerald Hoolahan. We appealed this decision. Subsequently, on January 22, 2020, the U.S. Court of Appeals for the First Circuit affirmed the judgment of the U.S. District Court for the District of Massachusetts, which found in favor of Mr. Hoolahan. We are evaluating its payment options with respect to the award granted to Mr. Hoolahan.

Significant Acquisitions

We did not complete any significant acquisitions in the most recently completed fiscal year. We have historically focused on acquiring certain complementary manufacturing operations, which currently comprise our Copper Alloys and Engineered Materials operations, to further develop our business. Our manufacturing infrastructure and processes are complementary, and all operations suitably integrate into our manufacturing value chain.

Description of the Business

General

As of June 30, 2024, we had two manufacturing operations in the United States that employ a total of 58 people.

<hr/>	
Manufacturing	
Copper Alloys	36
Engineered Materials	14
Total	<hr/> 50
Corporate	8
Total	<hr/> 58

On June 26, 2024, the Company ceased operations at its EM division and is solely focused on its Copper Alloys division as of the date of this AIF. EM employees at June 30, 2024 have been given notice of termination.

We are able to purchase beryllium from a U.S. producer, from the U.S. National Defense Stockpile, and from Ulba Metallurgical Plant (“Ulba”), owned by Kazatomprom of Kazakhstan. We currently source our vacuum-cast beryllium and beryllium copper master alloy from Ulba, and we have entered into long-term beryllium and beryllium copper master alloy supply agreements with Ulba lasting through 2024.

Copper Alloys

We manufacture and distribute a wide variety of copper alloys as castings, forgings and machined components in: high purity oxygen free copper, beryllium copper, chrome copper and aluminum bronze as plate, block, bar, rings and specialty copper alloy forgings for industrial welding, oil and gas, plastic

mold, power generation, metal melting, marine defense, electronic and industrial equipment markets. We sell directly to end users and serve some markets through a network of established dealers and distributors.

Our Copper Alloys operation is based in Franklin, Indiana, where we maintain a casting, forging (hammer, press and ring rolling), heat-treating and machining operation. Our Franklin plant operates from a 7,711 square meter (83,000 square foot) manufacturing plant on 4.8 hectares (12 acres) of land that we own. There is room for significant expansion of plant operations on the current site.

We offer our customers a full range of manufacturing and support services including metallurgical engineering, casting, forging, heat treatment and machining. We have strong technical and manufacturing engineering resources in the highly specialized copper alloy industry.

The alloys that we sell include oxygen-free, high conductivity copper (C10100, C10700), beryllium-copper (C17200, C17510 and CCNB), aluminum-bronze alloys (C61400, C62400, C62500, C95400, C63000 and C63200), chrome coppers (C18150, C18200), naval bronze (C46400), cupro nickels (C70600, C71500) and other specialty copper alloys such as (C18000) and our proprietary Be free Thermal-Mould™ Super.

Along with the alloys we cast we additionally source copper alloys in cast billet, slab and ingot from mills in North America, Europe and Asia and convert these into usable industrial products serving the industrial welding, oil and gas, plastic mold, metal melting, marine defense, electronic and industrial equipment markets. We also provide tooling components for the North American automotive industry, the European and North American consumer plastic tooling producers, the global oil and gas service industry, the prime North American submarine and aircraft carrier producers and repair facilities including the US Navy, electronics industries and general equipment manufacturers. We are an approved forge vendor for General Dynamics Electric Boat and Newport News Shipbuilding.

Engineered Materials

Until June 30, 2024, our EM division supplied high-performance beryllium-aluminum components to the aerospace and high-tech manufacturing sectors. We manufactured the Beralcast® and family of metal matrices that can be used in commercial and military applications requiring complex, lightweight or high-stiffness parts. Since the manufacturing process is different from that employed for Copper Alloys, we operated a separate manufacturing facility optimized for Beralcast® alloys. Our Wilmington, Massachusetts plant covered 5,800 square meters of warehouse and office space in a leased facility.

Subsequent to the year ended June 30, 2024 we ceased operation at our Massachusetts plant to focus on our Copper Alloys division.

Principal Markets

During the year ended June 30, 2024 our focus is on the development and manufacturing of advanced alloys, in particular specialty copper alloys, through our manufacturing operations. As of June 30, 2024, our business comprised three segments: (1) Copper Alloys, which manufactures beryllium copper and other specialty copper alloy products; (2) Engineered Materials, which produces beryllium aluminum castings; and (3) Corporate.

Year ended June 30	2024 (\$000s)	2023 (\$000s)
Segment revenues		
Copper Alloys	25,664	21,511
Engineered Materials	12,411	7,036
Corporate	-	-
Total revenues	38,075	28,547
Segment operating income (loss)		
Copper Alloys	4,366	2,926
Engineered Materials	3,482	(4,413)
Corporate	(2,118)	(1,935)
Income (loss) before other items	5,730	(3,422)

On June 26, 2024 we discontinued our beryllium-aluminum alloy based EM division.

Distribution Methods

Our operations manufacture, heat-treat, machine, develop and market copper-beryllium, beryllium-aluminum, copper-based master alloys and similar specialty alloy products and have an extensive distribution network in which our products are indirectly or directly distributed to customers including to end users, distributors, fabricators and manufacturers.

Competitive Conditions

Our competitors for our manufacturing operations include producers and distributors of copper and beryllium products and alloys who have an established customer base and, some of which have considerably more financial, marketing, and human resources than us.

Our two main competitors in beryllium markets are Materion Corporation (“Materion”) and NGK Metals Corporation (“NGK”), both of which have substantially greater financial, marketing, technological, production and supply resources than us. Materion and NGK are global corporations with multiple operating divisions focusing on several industries including, but not limited to aerospace, oil and gas, automotive, defense, plastic tooling, resistance welding and marine components. With the acquisition of our subsidiaries, we are able to cater to a number of these industries. Our competitors have established business with long-histories of revenue and established client-purchaser relationships. While our subsidiaries have established long-standing customer accounts, they are smaller in scope and rely on our ability to provide products in a variety of orders and sizes, depending on supply for raw materials.

Also, Materion and NGK have patent and registered trade names for many of their alloy products. We introduced the Thermal-Mould™ Super product for mould-tooling applications and plan to expand our product line to include other specialty alloy products using beryllium, aluminum, copper and nickel. We have US trademark registration for the Beralcast logos and word marks, which cover our Beralcast® alloys. Our competitive position within the specialty alloys sector may be affected by factors including securing sources of supply, capacity, the acquisition and retention of qualified employees and proximity to the market.

Risk Factors

Due to the nature of our business, which is dependent on several factors, including, but not limited to, manufacturing efficiencies, customer confidence, supply and demand for product, an investment in any securities of IBC is speculative and involves a degree of risk. In addition to the matters set out elsewhere in this AIF, the following are also risks related to our business. The risk factors outlined below are not a definitive list of all risk factors associated with an investment in our business.

We may experience disruptions of our manufacturing operations

From time to time, our operations are adversely affected by disruptions caused by such things as raw materials supply problems, water line failures, power outages, equipment failures, labor turnover, and adverse weather. These issues normally only cause short-term interruptions but can affect our ability to meet our quarterly revenue and profitability objectives.

Our products need to meet product specifications

Most of the products that we manufacture are required to conform to a specification. Some of these specifications are very exacting. Small variations in process can cause our products to fall short of the required standard. In addition, customers' requirements can change from time to time. If we are unable to address these specification issues in a timely manner, we are at risk of losing short-term revenue and even long-term production contracts.

We are indebted with credit facilities

We maintain a line of credit agreement with Iron Horse Credit, LLC with a facility limit of \$6,000,000 which bears interest at 1.166% per month with an initial term of 1 year. There is an inter-creditor facility between the ASPA with Sallyport Commercial Finance LLC and line of credit facility with Iron Horse Credit, LLC which is secured by inventory and requires that the Company maintain a minimum debt service coverage and positive cash flows as it pertains to the Company's operations. On August 28, 2023, we entered into an amended agreement and extended the line of credit to August 28, 2024 ; the inter creditor facility between Sallyport Commercial Finance LLC and Iron Horse Credit, LLC continues. We also entered into an amendment to the credit and security agreement with Iron Horse Credit, LLC where the maximum revolver amount has been increased from \$5,000,000 to \$6,000,000.

In August 2022, we entered into a credit facility arrangement with Mark A. Smith, our CEO, and chairman of the board of the directors. The non-revolving credit facility in the amount of up to \$1,200,000 with a term expiring on February 19, 2023. The maturity was extended to December 31, 2024.

In May 2023, we entered into a second credit facility arrangement with Mark A. Smith, our CEO, and chairman of the board of the directors. The non-revolving credit facility in the amount of up to \$1,400,000 with a term expiring on August 31, 2023. Subsequently, the maturity was extended to December 31, 2024.

In October 2023, we entered into an agreement with Loeb equipment term loan ("Loeb loan") that provided our with \$1,781,000 in exchange for a security interest in its machinery and equipment. The Loeb loan bears interest at prime plus 6.5% per annum is amortized over 5 years with interest only payment for the first 4 weeks, then going forward principal & interest payment are due weekly. Nonferrous Products, Inc received proceeds of \$1,551,000 from the Loeb Loan which has a 3-year term. IBC Engineered Materials Corp received proceeds of \$230,000 from the Loeb Loan which has a 2-year term. Upon receipt of the proceeds the Term loan with Utica was satisfied in full prior to its maturity date of January 4, 2026.

We will require significant amounts of additional capital in the future

We have limited financial resources. We plan to make substantial capital expenditures related to manufacturing and production. In particular, we will have further capital requirements as we expand our present business activities or if we take advantage of opportunities for acquisitions, joint ventures or other business opportunities that may be presented to us.

The success of our manufacturing operations is dependent on demand for our products

Our business is subject to maintaining an adequate level of customer orders and bookings; a variable market price and cost for raw materials and metals; and being able to procure arrangements to introduce new products and technologies in order to run a viable business. Our customers, through our subsidiaries, are either distributors or end users of our products. Customer need for certain products varies and our inventory and backlog levels are subject to such variable customer orders.

We are currently dependent on single-source suppliers for beryllium and other materials

Many of our copper alloys use beryllium which is a specialty metal that is produced by a limited number of companies globally. We are able to purchase beryllium from a U.S. producer, from the U.S. National Defense Stockpile, and from Ulba, owned by Kazatomprom of Kazakhstan. Ulba's ability to honor its supply obligations will depend on its ability to source raw materials. We understand that production uses long-term stockpiles; however, any disruptions in Ulba's ability to manufacture beryllium or CTMA (Carbothermic Master Alloy) to our specifications would have a materially adverse effect on our business. Our ability to purchase those supplies also is contingent upon a continuation of current U.S. laws and regulation governing such purchases.

We are dependent upon several suppliers of our base materials and alloying agents as sole-source suppliers

Approximately 80% of our materials purchased, including those from Ulba as described above, are primarily from these sole-source suppliers. Any disruptions in these suppliers' ability to manufacture our base materials and alloying agents could have a materially adverse effect on our short-term revenue, while we seek to engage alternative sources.

Our business may be adversely affected by changes in the market price of copper

Copper is a significant proportion of many of the alloys that we produce. Copper prices were about \$3.69 per pound in June 2022, \$3.74 in June 2023, \$3.74 in June 2024 and \$4.39 at the date of this document¹, but have been subject to significant fluctuation in the past. The change in copper prices has a significant effect on revenues and affects short-term profitability because there is a corresponding change in cost of sales. In the longer term, changes in copper price are passed through to our customers. Further significant fluctuations in the price of copper will continue to have an effect on our revenues.

We face competition from other manufacturing and distribution companies of special alloys, metals and materials

Our competitors are producers and distributors of advanced alloys and materials, including beryllium-containing alloys and other specialty alloy products. Our main competitors, specifically Materion and NGK, have an established customer base in North America and Asia, respectively, and have considerably more financial, marketing and human resources than us.

¹ Source: www.quandl.com

Our manufacturing operations need to meet product specifications

Most of the products that we manufacture are required to conform to a specification. Some of these specifications are very exacting. Small variations in process can cause our products to fall short of the required standards. In addition, customer requirements can change from time to time. If we are unable to address these specification issues in a timely manner, we are at risk of losing short-term revenue and even long-term production contracts.

Our activities are subject to environmental, safety and health standards

Our activities are subject to extensive federal, provincial, state and local laws and regulations governing environmental protection and employee health and safety. Our manufacturing operations involve beryllium and other metals that have specific health risks and accordingly require special handling and processing regimes. We are required to obtain governmental permits and provide associated financial assurance to carry on certain activities at our manufacturing operations. Any changes in such laws or in the environmental conditions at our manufacturing operations could have a materially adverse effect on our financial condition, cash flow or results of operations. In particular, the development, proposal or adoption of more stringent standards may affect buying decisions by the users of beryllium-containing products. Failure to comply with applicable environmental and health and safety laws may result in injunctions, damages, suspension or revocation of licenses or permits and the imposition of penalties.

Description of Share Capital

Common Shares

We are authorized to issue an unlimited number of common and preferred shares without par value. As of June 30, 2024, 106,734,573 common shares were issued and outstanding. We have not issued any preferred shares. The holders of the common shares are entitled to one vote for each share held on all matters to be voted on by such holders.

Trading Price and Volume

Our common shares are listed and posted for trading on the TSX-V under the symbol “IB”. The table below sets forth the monthly high and low closing prices and trading volumes for the common shares traded through the TSX-V for the period from July 1, 2023 to June 30, 2024².

Currency in C\$

Date	High	Low	Avg Daily Volume
July -23	0.09	0.08	51,227
August – 23	0.08	0.08	13,968
September – 23	0.07	0.06	16,677
October – 23	0.06	0.06	19,615
November – 23	0.05	0.05	17,739
December – 23	0.06	0.06	23,156
January – 24	0.05	0.05	25,334
February – 24	0.06	0.05	25,553
March- 24	0.10	0.09	28,409
April – 24	0.09	0.09	19,806
May – 24	0.09	0.08	86,537
June - 24	0.07	0.07	68,847

² Source: <https://stockwatch.com>

Prior Sales

Warrants

Number of Financing Warrants	Number of Broker Warrants	Exercise Price C\$	Issue Date	Expiry Date
11,269,444 ⁽¹⁾	-	0.135	December 30, 2022	December 30, 2024

⁽¹⁾ In December 2022, we completed a non-brokered private placement issuing 11,269,444 million units at a price of C\$0.108 per common share for gross proceeds of C\$1,217 or \$896. Each unit comprised of one common share and one common share purchase warrant, each warrant entitling the holder thereof to acquire one further common share (a “warrant share”) at a price of C\$0.135 per warrant share for a period of 24 months from the date of the closing of the private placement.

Stock Options

IBC’s board of directors has adopted a rolling stock option plan, subsequently amended and approved by shareholders, under which we are authorized to grant options to directors, employees and consultants to acquire up to 10% of the issued and outstanding common shares. The exercise price of each option is based on the market price of our stock for a period preceding the date of grant. The options can be granted for a maximum term of ten years and vest as determined by the board of directors. Our practice is to issue stock options with a term of five years that vest in increments over a three-year period. Our shares trade in Canadian dollars and options granted to date have been denominated in Canadian funds.

Our shareholders re-approved the stock option plan at the December 2023 shareholders’ meeting.

On June 30, 2024, stock options to purchase our common shares are outstanding as follows:

Grant Date	Expiry Date	Fair Value per Option C\$	Exercise Price CAD	Outstanding Options		Exercisable Options			
				Number	Weighted Average Remaining Life	Number	Weighted Average Remaining Life	Weighted Average Exercise Price CAD	Weighted Average Exercise Price CAD
26-Jun-20	26-Jun-25	0.11	\$0.16	40,000	1.0 years	40,000	1.0 years	\$0.16	\$0.16
15-Jul-20	15-Jul-25	0.13	\$0.21	600,000	1.0 years	600,000	1.0 years	\$0.21	\$0.21
30-Oct-20	30-Oct-25	0.10	\$0.15	730,000	1.3 years	730,000	1.3 years	\$0.15	\$0.15
1-Dec-21	1-Dec-26	0.13	\$0.20	1,267,500	2.4 years	928,750	2.4 years	\$0.20	\$0.20
8-Jun-22	7-Jun-27	0.16	\$0.24	1,630,000	2.9 years	1,203,750	2.9 years	\$0.24	\$0.24
				4,267,500	2.23 years	3,502,500	2.12 years	\$0.21	\$0.20

Directors and Officers

As at June 30, 2024, the following table sets forth, for each of the directors and our executive officers, the individual’s name, country and province or state of residence, position held with us, principal occupation and, in the case of the directors, the period during which the individual has served as one of our directors. The directors and officers owned and controlled, directly and indirectly 29,684,647 common shares, representing 28% of the issued and outstanding equivalent common shares.

As of the date of this AIF, Mark Smith, Chief Executive Officer and Chairman, owned a total of 22,474,809 common shares representing approximately 21% of IBC’s issued and outstanding common shares and Nil convertible securities. Assuming exercise of all of the convertible securities held by Mr. Smith, an

aggregate of 22,474,809 common shares would be owned by Mr. Smith, representing approximately 21% of IBC's issued and outstanding common shares on a partially diluted basis.

Name Province/State Country of Residence	Position with IBC	Period Served as Officer or Director	Principal Occupation for the past five years
Simon Anderson ^{(1),(2)} BC, Canada	Director	November 2016 to present as director	<ul style="list-style-type: none"> • President, S2 Management Inc. (2008 to present) • Director of IBC Advanced Alloys (November 2016 to present)
Mark Smith ⁽¹⁾ Colorado, USA	Director	May 2016 to present	<ul style="list-style-type: none"> • CEO and Chairman of IBC Advanced Alloys (July 2020 to present) • President and CEO of Largo Resources (April 2015 to September 2019) • Chairman of US Vanadium (2020 to present) • Chairman of Infinite Harvest (2015 to present) • President and CEO of NioCorp Developments (September 2013 – to Present)
Geoff Hampson ^{(1),(2)} BC, Canada	Director	May 2016 to present	<ul style="list-style-type: none"> • CEO of Fibrox Technology LTD. (July 1993 to present) • Executive Chairman of Soma Gold Corp. (April 2012 to present) • Chief Executive Officer and Charman of Infracon Construction (November 2019 to present) • Present of Hampson Equities, Ltd. (September 1984 to present) • Director of Navigator Acquisition Corp. (September 2018 to present)
Mike Jarvis ⁽²⁾ Indiana, USA	Director	June 2012 to present	<ul style="list-style-type: none"> • President, Jarvis Enterprises LLC (2004 to present)
Toni Wendel	Chief Financial Officer	June 2019 to present	<ul style="list-style-type: none"> • CFO, IBC Advanced Alloys Corp. (June 2019 to present) • Corporate Controller, IBC Advanced Alloys Corp. (December 2018 to June 2019)
Mark Wolma Indiana, USA	President, IBC Copper Alloys	December 2007 to present	<ul style="list-style-type: none"> • President, IBC Copper Alloys (2007 to present) •
Ben Rampulla New Hampshire, USA	President, IBC Engineered Materials, named Chief Technology Officer in October 2021, named Interim President, IBC Engineered Materials	February 2019 to October 2021 and October 2021 to present and October 2023 to present	<ul style="list-style-type: none"> • President, IBC Engineered Materials (2019 to October 19, 2021) • Chief Technology Officer, IBC Advanced Alloys Corp (October 19, 2021 to present) • Interim President, IBC Engineered Materials Corp (October 2023 to present) •

⁽¹⁾ A member of the audit committee.

⁽²⁾ A member of the compensation committee.

Legal Proceedings and Regulatory Actions

On September 8, 2017, an Award was issued in favor of Claimant Gerald Hoolahan against IBC Advanced Alloys Corp. The Award, in the amount of \$1,240,000 plus attorney's fees, costs, and expenses in the amount of \$155,000 was granted by the American Arbitration Association's International Centre for Dispute Resolution. The amount has been accrued and the matter was under appeal. On March 27, 2019, we received notice of the Court affirming the September 8, 2017 arbitration award made in favor of Gerald R. Hoolahan. IBC has filed an appeal of the District Court's decision. Subsequently, on January 22, 2020 United States Court of appeals for the First Circuit affirmed the judgment of the United States District Court for the District of Massachusetts in the case of Gerald R. Hoolahan v. IBC Advanced Alloys Corp., which found in favor of the petitioner, Mr. Hoolahan. We are evaluating its payment options with respect

to the award granted to Mr. Hoolahan. As at June 30, 2024 we have recorded accrued interest of \$236,000 from the judgement date, September 8, 2017.

On January 21, 2014, a subsidiary in the Copper Alloys Division, Nonferrous Products, Inc. (“Nonferrous Products”) received a “Special Notice Letter of Potential Liability” from the U.S. Environmental Protection Agency (“EPA”). The letter references the EPA’s determination that a release of hazardous materials had occurred at the Chemetco Superfund Site located in Hartford, Illinois. Chemetco, Inc. operated a secondary smelting operation for recycling and after-market processing of copper-bearing scrap and manufacturing by-products. The EPA has identified Nonferrous Products as a potentially responsible party (“PRP”) under the Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”). Nonferrous Products has joined a defense group of other PRPs. To date, Nonferrous Products has paid immaterial amounts related to these assessments and member fees. These assessments will be used to fund further site investigation to determine the amount of materials sent to Chemetco by each party and the best clean-up method. We are evaluating its options regarding notifying its insurers of potentially increased liability should the EPA and/or Chemetco PRP Group contribution lawsuit attempt to name Company’s subsidiary as a Defendant. Specialloy Metals Company was allocated with over 4 million pounds of material shipped to the Chemetco site, or more than ten times the amount allocated to Nonferrous Products. Should the EPA and/or PRP Group contribution lawsuit pursue alter ego theories and name our subsidiary company, Nonferrous Products as a defendant, then IBC potentially faces significantly more liability requiring further defensive action.

Transfer Agent and Registrar

The transfer agent and registrar for the common shares of IBC is Computershare Investor Services Inc. located at 510 Burrard Street, Vancouver, British Columbia, V6C 3B9.

Material Contracts

There are no other contracts, other than those disclosed in this AIF and those entered into in the ordinary course of business, that are material to us.

Audit Committee Information

National Instrument 52-110 of the Canadian Securities Administrators (“NI-52-110”), specifically Form 52-110F1 Audit Committee Information Required in an AIF requires us to disclose annually in our AIF certain information concerning the constitution of our audit committee and our relationship with our independent auditor.

Audit Committee Charter

The text of our audit committee charter is set out as Schedule “A” to this AIF.

Composition of the Audit Committee

The members of the audit committee are Simon Anderson, Mark Smith and Geoff Hampson. As defined in MI 52-110, Mr. Anderson and Mr. Hampson are “independent”. All audit committee members are financially literate as defined in MI 52-110.

Relevant Education and Experience

Simon Anderson

Mr. Anderson is a CPA, CA with over 40 years of experience and has worked as an officer or director of public companies on the TSX Venture Exchange, TSX Exchange, and NASDAQ for over 25 years. He has extensive experience in financing, mergers and acquisitions, corporate governance and securities regulation practices, and he worked for nine years in business valuation with BDO Canada LLP. Mr. Anderson received his Bachelor of Commerce in Accounting and Management Information Systems from the University of British Columbia. Mr. Anderson is currently president of S2 Management, Inc.

Mark Smith

Mr. Smith has almost 40 years of experience in operating, developing, and financing mining and strategic materials projects in the Americas and abroad. Mr. Smith is currently president, CEO and executive chairman of NioCorp Developments Ltd. and president, CEO and director of Largo Resources. He is well recognized in the mining community, having recently served as president, CEO and director of Molycorp, Inc., where he was instrumentally involved in taking the company public. Prior to that, Mr. Smith was the president and CEO of Chevron Mining Inc., vice president for Unocal Corporation where he managed its real estate, remediation, mining and carbon divisions for over 22 years and served as a director and shareholder representative of Companhia Brasileira de Metalurgia e Mineração, a private company that currently produces approximately 85% of the world supply of niobium.

Geoff Hampson

Mr. Hampson has founded and financed numerous successful private and public companies since 1978 and is a seasoned entrepreneur and senior executive with over 40 years of experience in special materials, technology, start-ups, mining and turnaround situations. He has engaged in industry consolidations, been involved in over 24 M&A transactions, negotiated over ten international joint ventures, which allowed him to cultivate his international experience, and he has built countless relationships around the world. Mr. Hampson has served on and been the Chairman of numerous Audit Committees for public companies trading in Canada the USA. He is currently the President and CEO of Fibrox Technology LP; president, CEO and chairman of Soma Gold Corp; CEO and chairman of Infracon Construction Inc., president of Hampson Equities Ltd., and director of Navigator Acquisition Corp. Corporate Cease Trade Orders and Bankruptcies

To the knowledge of the Company, except as disclosed below, no proposed director:

- (a) is, as at the date of this Information Circular, or has been, within 10 years before the date of this Information Circular, a director, CEO or CFO of any company (including the Company) that:
 - (i) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or
 - (ii) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company; or
- (b) is, as at the date of this Information Circular, or has been within 10 years before the date of this Information Circular, a director or executive officer (as defined herein) of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any

legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or

(d) has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(e) has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director.

Simon Anderson is director of Simba Gold Corp., which is subject to a cease trade order issued by the British Columbia Securities Commission on August 6, 2015 for failure to file financial statements and management's discussion and analysis within the prescribed time period.

Reliance on Certain Exemptions

At no time since the commencement of our most recently completed financial year have we relied on the exemption in Section 2.4 of NI 52-110 (De Minimis Non-audit Services), or an exemption from NI 52-110, in whole or in part, granted under Part 8 of NI 52-110.

Audit Committee Oversight

At no time since the commencement of our most recently completed financial year was a recommendation of the audit committee to nominate or compensate an external auditor not adopted by our board of directors.

Pre-approved Policies and Procedures

The audit committee has adopted specific policies and procedures for the engagement of non-audit services as set out in Section 2(g) of the audit committee charter, which is reproduced in Schedule "A" to this AIF.

External Audit Fees

In the following table, "audit fees" are fees billed by our external auditor for services provided in auditing our annual financial statements. "Non-audit fees" are fees not included in audit fees but are billed by our auditor for assurance and related services that are reasonably related to the performance of the audit or review of our financial statements. "Tax fees" are fees billed by the auditor for professional services rendered for tax compliance, tax advice and tax planning. "All other fees" are fees billed by the auditor for products and services not included in the foregoing categories.

The aggregate fees billed by our external auditors in each of the last two fiscal years for audit fees are as follows:

Financial Year Ending	Audit Fees	Audit-Related Fees	Tax Fees	All Other Fees
June 30, 2024	\$176	\$17	\$4	\$2
June 30, 2023	\$196	\$Nil	\$8	\$Nil

Additional Information

We shall provide to any person or company, upon request to our corporate secretary:

1. When securities of IBC are in the course of distribution under a preliminary short form prospectus or a short form prospectus;
 - a. One copy of our AIF, together with one copy of any document, or the pertinent pages of any document, incorporated by reference in the AIF;
 - b. One copy of our comparative financial statements for our most recently completed financial year for which financial statements have been filed together with the accompanying report of the auditor and one copy of our most recent interim financial statements that have been filed, if any, for any period after the end of our most recently completed financial year;
 - c. One copy of our information circular in respect to our most recent or upcoming annual meeting of shareholders that involved the election of directors, or one copy of any annual filing prepared in lieu of that information circular, as appropriate; and
 - d. One copy of any other documents that are incorporated by reference into the short form preliminary short form prospectus or the short form prospectus and are not required to be provided under clauses (a), (b) or (c); or
2. at any other time, one copy of any other documents referred to in clauses (1)(a), (b) and (c), provided that we may require the payment of a reasonable charge if the request is made by a person or a company who is not a security holder of IBC.

Additional information is contained in our fiscal 2023 information circular, for our 2023 annual general and special meeting of our shareholders, including directors' and officers' remuneration and indebtedness, principal holders of our securities, options to purchase securities authorized for issuance under equity compensation plans and interests of insiders in material transactions. Additional financial information is provided in our audited annual and quarterly interim financial statements and management discussion and analysis for the financial year ended June 30, 2024. Copies of each of our information circular and financial statements and management's discussion and analysis have been filed with each applicable securities commission and are available on SEDAR+ at www.sedarplus.ca under IBC's profile.

Audit Committee Charter

The following audit committee charter was adopted by our audit committee and board:

1. **Members.** The board of directors will appoint an Audit Committee of at least three members, a majority of whom should be “independent” directors of the board. “Independent” means a director who meets the definition of “independence” under Multilateral Instrument 52-110 or any successor policy promulgated by securities regulatory authorities.

All members of the Audit Committee should be “financially literate”. An individual is financially literate if he or she has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company’s financial statements. Each appointed member of the Audit Committee shall be subject to annual reconfirmation and may be removed by the board of directors at any time.

2. **Purposes, Duties, and Responsibilities.** The Audit Committee represents the board of directors in discharging its responsibility relating to the accounting, reporting and financial practices of the Company and its subsidiaries, and has general responsibility for oversight of internal controls, accounting and audit activities and legal compliance of the Company and its subsidiaries; however, the Audit Committee’s function shall not relieve the Company’s management of its responsibilities for preparing financial statements which accurately and fairly present the Company’s financial results and conditions or the responsibilities of the independent accountants relating to the audit or review of financial statements. Specifically, the Audit Committee will:

- (a) Recommend to the Board the appointment (including terms of appointment such as compensation and scope of duties) and discharge the external auditor of the Company (the “auditor”) who perform the annual audit or other audit, review or attest services in accordance with applicable securities laws, which auditor shall be ultimately accountable to the board of directors through the Audit Committee. The auditor of the Company must report directly to the Audit Committee;
- (b) Have the authority to communicate directly with the auditor of the Company;
- (c) Review with the auditor the scope of the audit and the results of the annual audit examination by the auditor and any reports of the auditor with respect to reviews of interim financial statements or other audit, review or attest services. The Audit Committee will be responsible for resolving any disagreements between management and the auditor regarding financial reporting;
- (d) Review information, including written statements, if any, from the auditor concerning any relationships between the auditor and the Company or any other relationships that may adversely affect the independence of the auditor and assess the independence of the auditor;
- (e) Review and discuss with management and the auditor the Company’s annual audited financial statements prior to their public disclosure, including a discussion with the auditors of their judgments as to the quality of the Company’s accounting principles;
- (f) Review the Company’s financial statements, management’s discussion and analysis (“MD&A”) and annual and interim earnings press releases before the Company publicly discloses this information;
- (g) Review the services to be provided by the auditor to assure that the auditor does not undertake any engagement for services for the Company that would constitute prohibited services under applicable securities laws under the rules of any stock

exchange or trading market on which the Company's shares are listed for trading, or could be viewed as compromising the auditor's independence. The Audit Committee must pre-approve all non-audit services to be provided to the Company or its subsidiaries by the auditor;

- (h) Review with management and the auditor the results of any significant matters identified as a result of the auditor's interim review procedures prior to the filing of each quarterly financial statements or as soon thereafter as possible;
- (i) Review the annual program for the Company's internal audits, if any, and review audit reports submitted by the internal auditing staff, if any;
- (j) Periodically review the adequacy of the Company's internal controls;
- (k) Review changes in the accounting policies of the Company and accounting and financial reporting proposals that are provided by the auditor that may have a significant impact on the Company's financial reports, and make comments on the foregoing to the board of directors;
- (l) Review and approve the Company's hiring policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer;
- (m) Periodically review the adequacy of this Audit Committee Charter;
- (n) Make reports and recommendations to the board of directors within the scope of its functions;
- (o) Approve material contracts where the board of directors determines that it has a conflict;
- (p) Establish procedures for receipt, retention and treatment of complaints received by the Company regarding auditing, internal accounting controls or accounting matters and establish procedures for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
- (q) Where considered necessary by the Audit Committee to carry out its duties, have the authority to engage independent counsel and other advisors at the Company's expense upon the terms and conditions, including compensation, determined by the Audit Committee;
- (r) Satisfy itself that management has put into place procedures that facilitate compliance with the disclosure and financial reporting controls provisions of applicable securities laws, including adequate procedures for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements. The Audit Committee will assess the adequacy of these procedures annually;
- (s) Review all loans to officers;
- (t) Review and monitor all related party transactions which may be entered into by the Company as required by rules of the stock exchange or trading market upon which the Company's shares are listed for trading;
- (u) Ensure all public disclosure regarding the audit committee is made in compliance with applicable stock exchange rules and securities legislation.

3. Meetings. The Audit Committee will, when expedient, meet to review the Company's quarterly and annual financial statements, MD&A and AIF, and will hold special meetings as it deems necessary

or appropriate in its judgment. The Audit Committee will endeavour to meet at any time that the auditor believes that communication to the Audit Committee is required. As it deems appropriate, but not less than once each year, the Audit Committee will meet in private session with the independent accountants. The majority of the members of the Audit Committee constitute a quorum and shall be empowered to act on behalf of the Audit Committee. The members of the Audit Committee will designate one member as chair. Meetings may be held in person or by telephone and shall be at such times and places as the Audit Committee determines.