



**NIOCORP DEVELOPMENTS LTD. AND 0896800 B.C. LTD.
PFIC ANNUAL INFORMATION STATEMENTS**

**IMPORTANT TAX NOTICES TO DIRECT OR INDIRECT SHAREHOLDERS WHO ARE SUBJECT TO
U.S. FEDERAL INCOME TAX**

The below and attached information is provided for direct or indirect shareholders of NioCorp Developments Ltd. ("NIO") and 0896800 B.C. Ltd. ("B.C.," and together with NIO, the "Companies") who are subject to United States federal income tax ("U.S. Holders"). It is not relevant to other shareholders. U.S. Holders include direct or indirect shareholders of the Companies who are U.S. citizens (whether or not they are U.S. residents), certain individuals with U.S. permanent resident status, U.S. corporations, or certain U.S. trusts and estates. Direct or indirect shareholders of the Companies should consult with their own advisors to determine whether they are subject to U.S. federal income tax.

Each of the Companies may be classified as a Passive Foreign Investment Company ("PFIC"), as defined in Code Section 1297(a), for its U.S. taxable year ended June 30, 2022.

The attached PFIC Annual Information Statements are being provided pursuant to the requirements of Treasury Regulation Section 1.1295-1(g)(1). The PFIC Annual Information Statement contains information to enable U.S. Holders, should they so choose based on the advice of their own tax advisors in light of their personal tax circumstances, to elect to treat each of the Companies as a qualified electing fund ("QEF") for the U.S. taxable year ended June 30, 2022. If a U.S. Holder does not elect to treat any Company as a QEF, then if such Company is a PFIC for any taxable year during such U.S. Holder's holding period, adverse U.S. federal income tax consequences could result.

A U.S. Holder is generally required to report QEF elections for PFICs having taxable years that end during or on the same date as the U.S. Holder's own U.S. taxable year. Once a QEF election is made, the election is generally effective for the election year and all subsequent taxable years of the U.S. Holder unless it is invalidated, terminated or revoked in accordance with the Treasury Regulations. A U.S. Holder who makes a QEF election for the Companies is required to include annually in income the pro-rata share of the ordinary earnings and net capital gain of the Companies for the years in which the Companies are PFICs, whether or not the Companies distribute any amounts to U.S. Holders.

A U.S. Holder's QEF election is generally made on Form 8621 (*Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund*) on or before the due date, including extensions, for the U.S. federal income tax return with respect to the tax year to which the election relates. U.S. Holders are required to report their holdings of the Companies (if the Companies are classified as PFICs) on Form 8621 whether or not they make the QEF election.

THE INFORMATION INCLUDED IN THIS LETTER AND IN THE ATTACHED PFIC STATEMENTS IS PROVIDED IN ORDER TO ASSIST U.S. HOLDERS IN MAKING CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. U.S. TAX LAWS REGARDING PFICs ARE COMPLEX AND DIRECT OR INDIRECT SHAREHOLDERS OF THE COMPANIES ARE ADVISED TO CONSULT WITH THEIR OWN ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF THE OWNERSHIP OF EACH OF THE COMPANIES ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER UNITED STATES FEDERAL, STATE, LOCAL OR FOREIGN LAW AS WELL AS TO DETERMINE APPROPRIATE REPORTING OBLIGATIONS.

Further information on the PFIC rules and the QEF election is available from the Internal Revenue Service, including the following website pages: <http://www.irs.gov/forms-pubs/about-form-8621>.



March 31, 2023

**NIOCORP DEVELOPMENTS LTD.
PFIC ANNUAL INFORMATION STATEMENT
For the year ended June 30, 2022**

This statement (the "Information Statement") is provided for direct or indirect shareholders in NioCorp Developments Ltd. ("NIO") who are U.S. federal income taxpayers ("U.S. Holders") and who intend to file IRS Form 8621 with their tax returns for any taxable years that include June 30, 2022 (which includes calendar year 2022 for calendar-year taxpayers). It is not relevant to other shareholders. To help such shareholders complete IRS Form 8621, we provide the following information:

PFIC Name:	NioCorp Developments Ltd.
PFIC Address:	NioCorp Developments Ltd. 7000 South Yosemite Street, Suite 115 Centennial, CO 80112
Tax Year:	12 months ending June 30, 2022
Employer Identification Number (EIN):	98-1262185

1. This Information Statement applies to the taxable year of NIO beginning July 1, 2021 and ending on June 30, 2022 (the "2022 Taxable Year").
2. Your pro rata share of the ordinary earnings of NIO for the 2022 Taxable Year is: **None**
3. Your pro rata share of net capital gain of NIO for the 2022 Taxable Year is: **None**
4. The amount of cash distributed or deemed distributed by NIO during the 2022 Taxable Year is as follows: **None**
5. The fair market value of other property distributed or deemed distributed by NIO during the 2022 Taxable Year is: **None**
6. NIO will permit you to examine its books of accounts, records, and other documents maintained by it that are necessary to establish that its ordinary earnings and net capital gain are computed in accordance with U.S. federal income tax accounting principles and to verify these amounts and your pro rata shares thereof.

NioCorp Developments Ltd.
By: <u>/s/ Neal S. Shah</u>
Name: <u>Neal S. Shah</u>
Title: <u>Chief Financial Officer</u>

THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST U.S. HOLDERS IN MAKING CERTAIN CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF DIRECT OR INDIRECT INVESTMENT IN NIO ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER UNITED STATES FEDERAL, STATE, AND LOCAL AND FOREIGN LAW.



March 31, 2023

**0896800 B.C. LTD.
PFIC ANNUAL INFORMATION STATEMENT
For the year ended June 30, 2022**

This statement (the "Information Statement") is provided for direct or indirect shareholders in 0896800 B.C. Ltd. ("BC") who are U.S. federal income taxpayers ("U.S. Holders") and who intend to file IRS Form 8621 with their U.S. federal income tax returns for any taxable years that include June 30, 2022 (which includes calendar year 2022 for calendar-year taxpayers). It is not relevant to other shareholders. To help such shareholders complete IRS Form 8621, we provide the following information:

PFIC Name:	0896800 B.C. Ltd.
PFIC Address:	0896800 B.C. Ltd. 7000 South Yosemite Street, Suite 115 Centennial, CO 80112
Tax Year:	12 months ending June 30, 2022
Employer Identification Number (EIN):	None

1. This Information Statement applies to the taxable year of BC beginning July 1, 2021 and ending on June 30, 2022 (the "2022 Taxable Year").
2. Your pro rata share of the ordinary earnings of BC for the 2022 Taxable Year is: **None**
3. Your pro rata share of net capital gain of BC for the 2022 Taxable Year is: **None**
4. The amount of cash distributed or deemed distributed by BC during the 2022 Taxable Year is as follows: **None**
5. The fair market value of other property distributed or deemed distributed by BC during the 2022 Taxable Year is: **None**
6. BC will permit you to examine its books of accounts, records, and other documents maintained by it that are necessary to establish that its ordinary earnings and net capital gain are computed in accordance with U.S. federal income tax accounting principles and to verify these amounts and your pro rata shares thereof.

0896800 B.C. Ltd.
By: <u>/s/ Neal S. Shah</u>
Name: <u>Neal S. Shah</u>
Title: <u>Chief Financial Officer</u>

THIS INFORMATION IS PROVIDED IN ORDER TO ASSIST U.S. HOLDERS IN MAKING CERTAIN CALCULATIONS AND DOES NOT CONSTITUTE TAX ADVICE. SHAREHOLDERS ARE ADVISED TO CONSULT THEIR OWN TAX ADVISORS CONCERNING THE OVERALL TAX CONSEQUENCES OF DIRECT OR INDIRECT INVESTMENT IN BC ARISING IN THEIR OWN PARTICULAR SITUATIONS UNDER UNITED STATES FEDERAL, STATE, AND LOCAL AND FOREIGN LAW.