

## A message to shareholders of Noront

### BHP increases all-cash offer for Noront to C\$0.75 per share



Dear Shareholder,

I'm writing to share with you that BHP has increased its all-cash offer to C\$0.75 per share. This represents a 213% premium to Noront's closing price on May 21, 2021 (the last trading day before Wyloo announced its intention to make an offer), a 36% premium over our previous offer, and a 7% premium over Wyloo's C\$0.70 proposal.

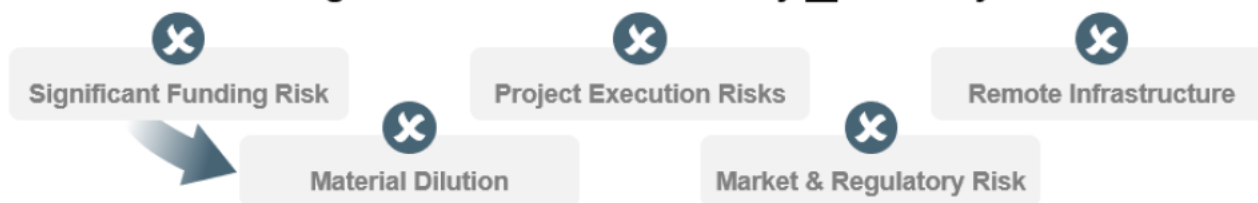
**Our all-cash offer is available until 11:59 p.m. (Toronto time) on November 9, 2021 and offers shareholders immediate and guaranteed returns.**

### Why tender now?

#### **BHP's offer has compelling benefits for Noront shareholders**



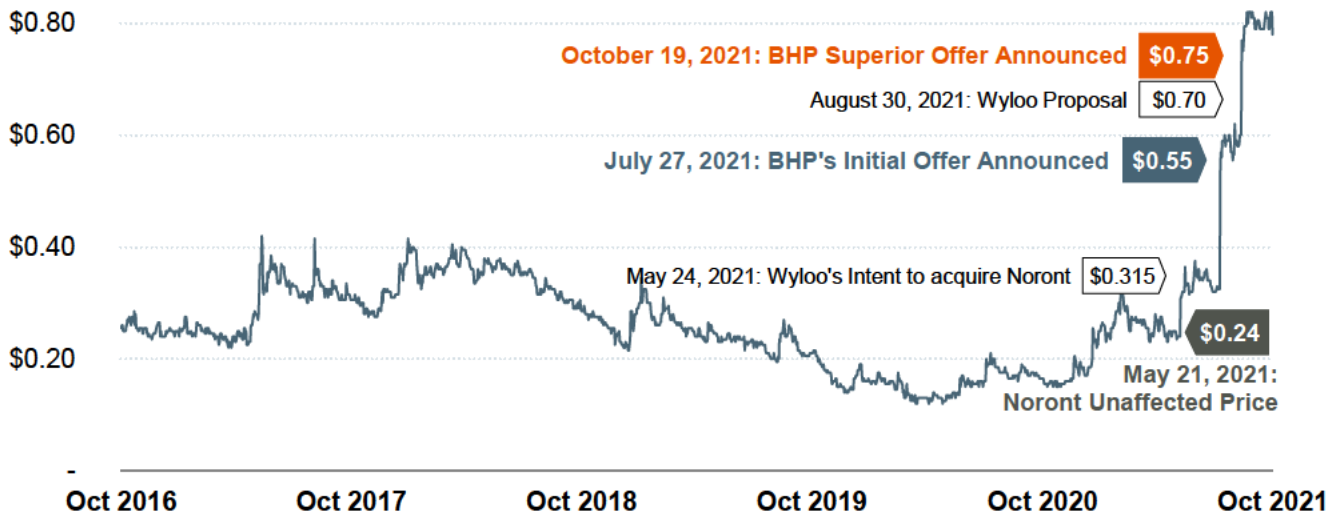
#### **Shareholders face significant risks in Noront today or under Wyloo control**



There has been a lot of information shared with you directly and through the media over the last few months. Let me clarify the facts as they stand today.

First, let's look at your investment over the past five years. As you can see below, in the last three years prior to Wyloo's May 2021 announcement of its intention to make a hostile offer for the company, Noront's stock has rarely traded above C\$0.30, and in the last five years, it has never traded at or above C\$0.42.

**Noront Last Five Years Share Price Performance (C\$ per share)** – source: Bloomberg



The price of Noront's stock prior to Wyloo's announcement of its intention to make a hostile opportunistic C\$0.315 per share offer was C\$0.24 on May 21, 2021, down from C\$0.31 exactly five years prior. This means the total shareholder return over this five-year period was **-23%**. More importantly, although Noront has been working with the province and communities on developing infrastructure, their mineral assets have had virtually no development and will require significant capital investment in the short to medium term to progress them towards production. While Noront has assembled an attractive land package, it is not in a position to develop it. Our all-cash offer provides shareholders with the value inherent in Noront's portfolio of projects and will deliver shareholders who accept our offer certainty of value and immediate liquidity.

**The BHP Offer is superior to the Wyloo proposal**

**BHP's revised offer provides a higher cash payment at C\$0.75 per share and does not need Wyloo's support to succeed**

Our agreement with Noront would have allowed us to just match Wyloo's proposal exactly at C\$0.70 per share. Instead, we elected to offer you C\$0.75 per share, an even more compelling premium and 7% higher cash payment than Wyloo's proposal. Our revised offer is the highest cash offer made to Noront's board.

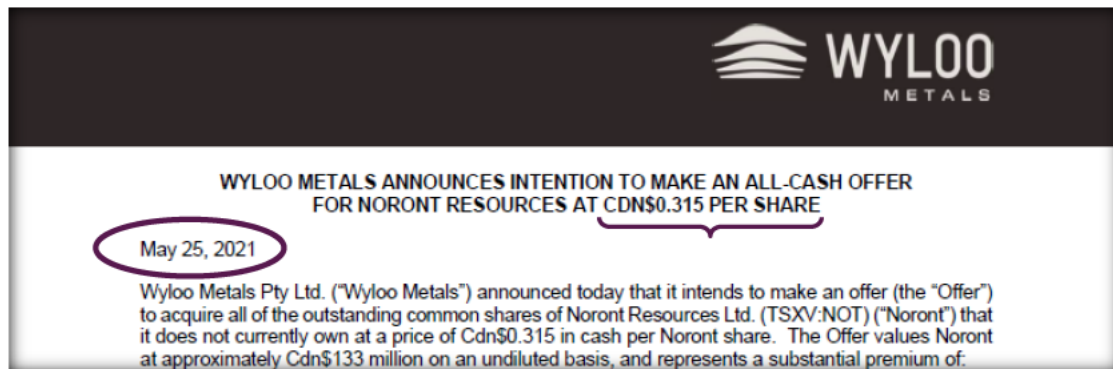
Moreover, our revised offer does not need Wyloo's support to succeed. We only require 50% of shares we do not own to be tendered. If you want the highest cash payout, you should tender to our offer.

**BHP revised offer has the support of the Noront board as it is financially superior**

The Noront board has recommended BHP's offer to Noront shareholders. Under the terms of our support agreement with Noront, Noront is only permitted to accept a financially superior proposal to the BHP offer. Without support from Noront's board, Wyloo cannot complete its proposed transaction. There is only one transaction available to Noront shareholders: the increased offer from BHP.

## Wyloo has behaved opportunistically when it comes to Noront

Shareholders should recall this sale process started with an opportunistic hostile proposal by Wyloo to acquire Noront for a price of only C\$0.315 per share. Not long before its initial proposal, Wyloo acquired a meaningful stake in Noront at a price lower than C\$0.315 per share.



Wyloo has had more than ample time to put its best offer to shareholders. It has taken Wyloo 146 days since their initial proposal and 83 days since our bid launched on July 27, 2021 for Wyloo to finally put forward a proposed transaction, rather than an 'intention' to make an offer. While Wyloo's latest proposal, which was made in response to our all-cash bid, includes a cash election and an option to remain invested in Noront, shareholders should be wary of opting to remain co-invested with Wyloo for the many reasons we note below.

## What does remaining invested alongside Wyloo mean for shareholders?

In its proposal to you, Wyloo argues that its proposal is more attractive because it gives you the option not to sell. However, choosing to remain invested in Noront would subject you to significant risk and the value of your shares in Noront may increase or decrease. In addition to the development risks of the project, you should consider:

- Wyloo's proposal allows it to increase its stake and take control of the company.
- This may be your one chance to get an exit premium (213% to the unaffected share price on May 24, 2021). You should not assume you'll have another chance to sell as part of an acquisition of Noront.
- Shareholders should expect that the free float and trading liquidity of the stock will be significantly reduced and this will impact on how the shares are valued by the market in the future.
- In addition, given the large amount of capital required to develop Noront's projects, minority shareholders will likely be materially diluted over time as more equity will need to be raised.
- Wyloo has no proven track record of developing an asset of this nature in Canada or elsewhere in the world.

**Accepting BHP’s all-cash premium offer vs. risks of not taking action**

With these facts at hand, it’s clear why the Noront board supports our superior offer and recommends that shareholders tender to BHP’s all-cash offer.

**Noront Resources CEO, Alan Coutts, has said of BHP’s offer:**

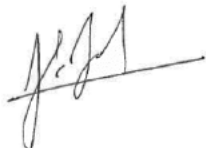
*“This transaction provides a premium to Wyloo’s offer, and delivers certainty of value to Noront shareholders via an all-cash offer. Noront’s Board of Directors determined that BHP’s improved offer is in the best interests of the company and its shareholders and recommends Noront shareholders tender their shares to the BHP offer.”*

BHP recognizes that delivering Noront’s portfolio of projects in the Ring of Fire is expected to take many years and requires significant capital investment, development of remote infrastructure, and management of numerous stakeholders. There is no certainty that shareholders remaining invested in Noront will ever realize the value for their shares offered by BHP in cash today.

Noront and BHP believe that this offer provides Noront shareholders with the value inherent in Noront’s portfolio of projects without the long-term risks associated with the development and execution of those projects.

I hope you will give our offer serious consideration and tender your shares now to receive full value.

Regards,



**Johan van Jaarsveld**

BHP Chief Development Officer

**How to tender your shares**

Shareholder type:	How do I tender my shares to BHP’s offer?
<p><b>Beneficial</b> Most Noront shareholders are beneficial shareholders. This means your Noront shares are held through a broker, bank, or other financial intermediary, and you do not have a share certificate.</p>	<p>Contact your bank or your broker’s corporate actions department immediately and instruct them to tender your shares to the Offer.</p>
<p><b>Registered</b> You hold your Noront shares directly and may have a share certificate.</p>	<p>Contact Kingsdale Advisors: Toll-free in North America: 1-866-581-0512 Outside of North America: 416-867-2272 Email: <a href="mailto:contactus@kingsdaleadvisors.com">contactus@kingsdaleadvisors.com</a></p>