

Net cost of investment of \$1,000 in flow-through shares and profit threshold, for minerals other than specified critical minerals

Investment per block of \$1,000 in flow-through shares allocated to surface exploration incurred in Québec for minerals OTHER than specified critical minerals ¹ (on January 31, 2024)									
Taxable income ² (\$)	Marginal tax rate ³ (%)			Tax savings (\$)				Net cost of Investment for \$1,000 - (A+B+C) (\$)	After-tax Profit threshold ⁸ (\$)
	Federal ⁴	Québec	Total	Federal Deduction ⁵ (A)	Federal Tax credit ⁶ (B)	Québec Deduction ⁷ (C)	Total (A+B+C)		
First 51,780	12.525	14.000	26.525	106.46	150.00	168.00	424.46	575.54	613.99
Over 51,780 and up to 55,867	12.525	19.000	31.525	106.46	150.00	228.00	484.46	515.54	549.98
Over 55,867 and up to 103,545	17.118	19.000	36.118	145.50	150.00	228.00	523.50	476.50	521.10
Over 103,545 and up to 111,733	17.118	24.000	41.118	145.50	150.00	288.00	583.50	416.50	455.49
Over 111,733 and up to 126,000	21.710	24.000	45.710	184.54	150.00	288.00	622.54	377.47	423.43
Over 126,000 and up to 173,205	21.710	25.750	47.460	184.54	150.00	309.00	643.54	356.47	399.87
Over 173,205 and up to 246,752	24.479	25.750	50.229	208.07	150.00	309.00	667.07	332.93	379.36
Over 246,752	27.555	25.750	53.305	234.22	150.00	309.00	693.22	306.78	355.80

- 1 The overall cost of the investment was renounced by the issuing company. For mineral exploration OTHER than the following critical minerals: copper, nickel, lithium, cobalt, graphite, rare earth elements, scandium, titanium, gallium, vanadium, tellurium, magnesium, zinc, platinum group metals and uranium (2022 Federal Budget Speech).
- 2 Taxable income brackets used correspond to those in the Income Tax Act (federal) and in the Taxation Act (Québec).

- 3 Marginal rates in 2024 for \$1,000 of additional income. However, “real” marginal rates may be higher if an increase in tax income results in a reduction of socio-fiscal benefits paid by governments, or in a reduction of certain tax credits, which decrease as tax income increases. (Source: CQFF. Valid as of January 10, 2024.)
- 4 Federal tax rates take into account the 16.5% abatement of basic federal tax for all Québec residents.
- 5 In order to include the taxation of the mineral exploration tax credit, it is assumed that the investor claims an 85% deduction of exploration costs per block of \$1,000.
- 6 15% Mineral Exploration Tax Credit (METC), cut-off date: March 31, 2024.
- 7 The maximum deduction is 120% of the cost of flow-through shares issued.
- 8 The profit threshold represents the sale price necessary to recover the net cost of the share after taxes. This threshold is determined in accordance with provisions concerning capital gains (Federal: 50% rate and Québec: exemption of the deemed capital gain).

The table reflects fiscal provisions applicable to an individual residing in Québec who is not subject to minimum replacement tax. Issue costs on flow-through shares are not considered.