

VICTORIA GOLD CORPORATION CLASS ACTION SETTLEMENT AGREEMENT

Made as of the 29<sup>th</sup> day of August, 2022

Between

**CALIBAN INVESTMENT LP #3**

Proposed Representative Plaintiff in the Supreme Court of British Columbia

Court File No.: VLC-S-S-214561

in its personal and representative capacities

- and -

**VICTORIA GOLD CORPORATION, JOHN MCCONNELL, T. SEAN HARVEY, MICHAEL  
MCINNIS, SEAN ROOSEN, MARTY RENDALL, ORION CO-VI LTD., BMO NESBITT  
BURNS INC., CIBC WORLD MARKETS INC.  
and PI FINANCIAL CORP.**

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## SETTLEMENT AGREEMENT

Subject to the approval of the Court as provided herein, the Plaintiff and the Defendants agree that, in consideration of the promises and covenants set forth in this Agreement and upon the Second Order becoming a Final Order, this Action will be settled and compromised on the terms and conditions contained herein.

### RECITALS

- A. **WHEREAS** the Action was commenced by the Plaintiff in the Court on behalf of putative Class Members for, *inter alia*, damages for misrepresentations pursuant to sections 131 and 140.3 of the *Securities Act* (and if necessary, the analogous provisions of the Other Securities Acts), for oppressive or unfairly prejudicial conduct pursuant to section 227 of the *BCBCA*, and for negligence and negligent misrepresentation pursuant to common law;
- B. **AND WHEREAS** the Defendants have denied and continue to deny all of the Plaintiff's claims in this action and any liability with respect to the allegations made, have vigorously denied any wrongdoing or liability of any kind whatsoever, and maintain that they would have actively and diligently pursued affirmative defences and other defences had this action not been settled;
- C. **AND WHEREAS** counsel for the Parties have engaged in arm's length settlement discussions and negotiations which included an exchange of information and anticipated evidence basis on a without prejudice basis and which ultimately resulted in the Settlement;
- D. **AND WHEREAS** the Plaintiff, with the benefit of advice from Class Counsel, has concluded that this Agreement, which resolves finally and completely the Action against all of the Defendants, is fair, reasonable and in the best interests of the Class based upon an analysis of the facts and law applicable to the issues in this Action, and taking into account factors including the burdens, complexities, risks and expense of continued litigation, any potential appeals, and the potential risks to recovery in continuing the Action;

- E.** **AND WHEREAS** the Defendants, with the benefit of advice from counsel, have similarly concluded that this Agreement is desirable in order to avoid the time, risk and expense of continuing with the litigation, including any potential appeals, and any other present or future litigation arising out of the facts that gave rise to this Action, and to resolve finally and completely the pending claims advanced or that could have been advanced against them in this Action;
- F.** **AND WHEREAS** the Plaintiff asserts that it is a suitable representative for the Class and will seek to be appointed as the representative plaintiff for the certified Class in this Action;
- G.** **AND WHEREAS** the Plaintiff and the Defendants intend to and hereby do finally resolve the Action and all the claims that were or could have been asserted in the Action, subject to the approval of the Court as hereinafter provided, without any admission of liability or wrongdoing whatsoever by the Defendants;
- H.** **AND WHEREAS** the Plaintiff, with the consent of all parties, has agreed to file a consent order for dismissal of the Action as against the Underwriters, Orion, and the Individual Defendants, and for discontinuance of the claims of common law negligence *simpliciter*, common law negligent misrepresentation, and for oppressive or unfairly prejudicial conduct under section 227 of the *Business Corporations Act*, SBC 2002, c 57, as amended, without costs to any party, as against Victoria Gold;

**NOW THEREFORE**, in consideration of the covenants, agreements and releases set forth in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed by the Parties that the Action be declared settled out of Court without costs, subject to the approval of the Court, on the following terms and conditions.

## SECTION 1: DEFINITIONS

1.1 For the purposes of this Agreement, including the Recitals and Appendices, the following terms will have the definitions indicated below:

- (a) **Action** means *Caliban Investment LP # 3 v. Victoria Gold Corporation. et al.*, brought in the Court (Vancouver Registry), File No.: VLC-S-S-214561.
- (b) **Administration Expense** means all fees, disbursements, expenses, costs, taxes and any other amounts incurred or payable relating to approval, implementation and administration of this Agreement, including the costs of translating, publishing and delivering notices and the fees, disbursements and taxes paid to the Administrator, the Referee and any other expenses approved by the Court, which shall all be paid from the Settlement Amount. For greater certainty, Administration Expenses include but are not limited to the Non-Refundable Expenses, but do not include Class Counsel Fees.
- (c) **Administrator** means Class Counsel and any employees of Class Counsel, or any other firm appointed by the Court to administer the Agreement and any partners and employees of such firm.
- (d) **Agreement** means the within settlement agreement, including the recitals and appendices.
- (e) **BCBCA** means the *Business Corporations Act*, SBC 2002, c 57, as amended;
- (f) **Claim Form** means the form or forms to be approved by the Court, which when completed and submitted in a timely manner to the Administrator, enable(s) a Class Member to apply for compensation pursuant to the Agreement.
- (g) **Claims Bar Deadline** means the date by which each Class Member must file a Claim Form and all required supporting documentation with the Administrator, which date shall be set out in the Second Notice and which shall be at least one

hundred and twenty (120) days after the date on which the Second Notice is first published.

- (h) **Class** or **Class Members** means all persons and entities, wherever they may reside or may be domiciled, who purchased or otherwise acquired securities of Victoria Gold during the Class Period, and held some or all of those securities as of November 13, 2020, except the Excluded Persons.
- (i) **Class Counsel** means KND Complex Litigation.
- (j) **Class Counsel Fees** means the fees, disbursements, costs, interest, HST and other applicable taxes or charges of Class Counsel, as approved by the Court.
- (k) **Class Period** means the period from July 1, 2020 to November 12, 2020, inclusive.
- (l) **Collateral Agreement** means the agreement executed contemporaneously with this Agreement, which sets out the Opt-Out Threshold, the terms of which shall be kept confidential unless the Court requires disclosure thereof.
- (m) **Common Issues** means:
  - i. Did Victoria Gold's Class Period disclosures, or any of them, contain a misrepresentation within the meaning of the *Securities Act*?; and
  - ii. Did Victoria Gold's disclosure released November 13, 2020 publicly correct the previously released alleged misrepresentations within the meaning of the *Securities Act*?
- (n) **Company** means Victoria Gold.
- (o) **Contributing Parties** means Victoria Gold and its insurer(s) funding the Settlement, if any.
- (p) **Court** means the Supreme Court of British Columbia.

- (q) **CPA** means the *Class Proceedings Act*, RSBC 1996, c 50, as amended.
- (r) **Defendants** means Victoria Gold, Orion, the Underwriters, and the Individual Defendants.
- (s) **Dismissal and Discontinuance Order** means an order on consent to dismiss the Action against the Dismissed Defendants and discontinue the Discontinued Claims against Victoria Gold, to be sought prior to or concurrently with the First Order but not contingent on the Action being certified or the proposed Settlement being approved.
- (t) **Discontinued Claims** means the claims made against Victoria Gold of common law negligence *simpliciter*, common law negligent misrepresentation, and for oppressive or unfairly prejudicial conduct under section 227 of the *Business Corporations Act*, SBC 2002, c 57, as amended.
- (u) **Dismissed Defendants** means Orion, the Underwriters, and the Individual Defendants.
- (v) **Effective Date** means the next calendar day after which the Defendants' collective right to terminate the Agreement has expired and the Second Order becomes a Final Order.
- (w) **Eligible Shares** means the common shares of Victoria Gold purchased or otherwise acquired by a Class Member or Opt-Out Party during the Class Period or pursuant to the Secondary Offering and still held as of November 13, 2020.
- (x) **Escrow Account** means the trust account of Class Counsel, or if directed by the Court, an interest bearing trust account at a Canadian Schedule 1 bank under the control of an Administrator appointed by the Court.
- (y) **Excluded Persons** means collectively, Victoria Gold, Orion, the Underwriters and their respective past or present subsidiaries, controlling entities, directors, officers, legal representatives, predecessors, successors and assigns, as well as the



Individual Defendants, their immediate family members, and any entities in which they hold a controlling interest.

- (z) **Final Order** means any order of the Court contemplated by the Agreement from which any right of appeal has been exhausted, expired, or where no appeal lies.
- (aa) **First Application** means an application to be brought by the Plaintiff in the Court for the First Order.
- (bb) **First Notice** means the long-form, press release and Google Ads versions of the notice to the Class of:
  - i. the granting of leave to proceed under the *Securities Act* and certification of the Action as against Victoria Gold, for settlement purposes only;
  - ii. the procedure for submitting an Opt-Out Form; and
  - iii. the pendency of the Second Application,in a form satisfactory to the Plaintiff and the Defendants, all acting reasonably.
- (cc) **First Order** means an order:
  - i. granting leave of the Court, pursuant to s. 140.8 of the *Securities Act*, to commence an action under section 140.3 of the *Securities Act*, for settlement purposes only;
  - ii. certifying the Action, pursuant to the *CPA*, as against Victoria Gold for settlement purposes only;
  - iii. approving the form, content and method of dissemination of the First Notice;
  - iv. prescribing opt-out procedures; and
  - v. fixing the date for the Second Application,in a form satisfactory to the Plaintiff and the Defendants, all acting reasonably.
- (dd) **Individual Defendants** means collectively, John McConnell, T. Sean Harvey, Michael McInnis, Sean Roosen, and Marty Rendall.

- (ee) **Non-Refundable Expenses** means certain Administration Expenses to be paid from the Settlement Amount, as outlined in Section 3 to this Agreement.
- (ff) **Objection** means the process by which a Class Member notifies the Court (through the Administrator) of a Class Member's view that the Settlement is not fair, reasonable, or in the best interest of the Class, and therefore ought not to be approved.
- (gg) **Opt-Out Deadline** means the date sixty (60) days after the date on which the First Notice is first published on Class Counsel's website.
- (hh) **Opt-Out Form** means the document, as approved by the Court, that if properly completed and submitted by a Class Member to Class Counsel before the expiry of the Opt-Out Deadline, excludes that Class Member from the Class, the Action, and participation in the Settlement, as further explicated in Sections 9.2 to 9.6 hereof.
- (ii) **Opt-Out Party** or **Opt-Out Parties** means any and all persons who would otherwise be Class Members and who submit a valid Opt-Out Form to Class Counsel by the Opt-Out Deadline.
- (jj) **Opt-Out Period** means the period up to and including the Opt-Out Deadline, during which Opt-Out Forms may be submitted by persons who would be members of the Class and wish to opt-out of the Action and the Settlement.
- (kk) **Opt-Out Threshold** means the total number of Eligible Shares required to be held by all Opt-Out Parties in order to trigger the Defendants' right to terminate this Agreement in accordance with Sections 11.7 to 11.8 hereof, as particularized in the Collateral Agreement.
- (ll) **Orion** means Orion Co-VI Ltd.
- (mm) **Other Securities Acts** means collectively, the *Securities Act*, R.S.A. 2000, c. S-4, as amended; the *Securities Act*, CQLR c V-1.1, as amended; *The Securities Act*,

C.C.S.M. c. S50, as amended; the *Securities Act*, S.N.B. 2004, c. S-5.5, as amended; the *Securities Act*, R.S.N.L. 1990, c S-13, as amended; the *Securities Act*, S.N.W.T. 2008, c. 10, as amended; the *Securities Act*, R.S.N.S. 1989, c. 418, as amended; the *Securities Act*, S.Nu 2008, c. 12, as amended; the *Securities Act*, R.S.P.E.I. 1988, c S-3.1, as amended; *Securities Act*, R.S.O. 1990, c. S.5, as amended; *The Securities Act, 1988*, S.S. 1988-89, c. S-42.2, as amended; and the *Securities Act*, S.Y. 2007, c. 16, as amended.

- (nn) **Parties** means the Plaintiff and the Defendants.
- (oo) **Plaintiff** means Caliban Investment LP #3.
- (pp) **Plan of Allocation** means the plan for allocating and distributing the Settlement Amount and accrued interest, net of Court approved deductions, in whole or in part, as established by Class Counsel and approved by the Court.
- (qq) **Plan of Notice** means the plan for disseminating the First Notice and Second Notice to the Class, in a form satisfactory to the Plaintiff and the Defendants, all acting reasonably, and as approved by the Court.
- (rr) **Referee** means the person or persons appointed by the Court to serve in that capacity.
- (ss) **Released Claims** (or **Released Claim** in the singular) means any and all claims, demands, actions, suits, causes of action, whether class, individual or otherwise in nature, whether personal or subrogated, including assigned claims, existing now or arising in the future, whether known or unknown, asserted or unasserted, regardless of the legal theory, arising from, related to, or based on any allegations, transactions, facts, matters, occurrences, representations, or omission that were or could have been asserted in the Action, including, without limitation, all claims in connection with the purchase, other acquisition, sale, other disposition, or holding of Victoria Gold's common stock and all claims for damages including but not limited to punitive, aggravated, statutory and other multiple damages or penalties

of any kind, known or unknown, suspected or unsuspected, actual or contingent, and liquidated or unliquidated, in law, under statute, at common law or in equity, relating in any way to any conduct anywhere, from the beginning of time to the date hereof; and remedies of whatever kind or character, known or unknown, that are now recognized by law or equity or that may be created and recognized in the future by statute, regulation, judicial decision, or in any other manner, including but not limited to injunctive and declaratory relief, economic or business losses or disgorgement of revenues or profits and restitution, and costs, expenses, class administration expenses (including Administration Expenses), and lawyers' fees (including Class Counsel Fees), and prejudgment and post-judgment interest.

- (tt) **Releasees** means, jointly and severally, individually and collectively, the Defendants and all of their respective present and former, direct and indirect, parents, subsidiaries, divisions, affiliates, partners, insurers, and all other persons, partnerships or corporations with whom any of the former have been, or are now, affiliated, and all of their respective past, present and future officers, directors, employees, agents, shareholders, attorneys, trustees, servants and representatives; and the predecessors, successors, purchasers, heirs, executors, administrators and assigns of each of the foregoing.
- (uu) **Releasors** means, jointly and severally, individually and collectively, the Plaintiff, the Class Members and their respective heirs, executors, trustees, administrators, assigns, attorneys, representatives, partners and insurers and their predecessors, successors, heirs, executors, trustees, administrators and assignees; but, for greater certainty, excludes Opt-Out Parties.
- (vv) **Second Application** means an application brought by the Plaintiff in the Court for the Second Order.
- (ww) **Second Notice** means the long-form, press release and Google Ads versions of the notice to the Class of the Second Order in a form satisfactory to the Plaintiff and the Defendants, all acting reasonably.

- (xx) **Second Order** means an order made by the Court:
- i. approving this Agreement and the proposed distribution of the Settlement Amount;
  - ii. approving the form, content and method of dissemination of the Second Notice; and
  - iii. dismissing the Action as against the Victoria Gold with prejudice and without costs, on the Effective Date,
- in a form satisfactory to the Plaintiff and the Defendants, all acting reasonably.
- (yy) **Secondary Offering** means the secondary offering of Victoria Gold's common shares whereby Orion sold and distributed 3,383,300 Victoria Gold common shares at a price of \$17.00 per common share for gross proceeds of \$57,516,100, which closed on September 30, 2020.
- (zz) **Securities Act** means the *Securities Act*, RSBC 1996, c 418, as amended.
- (aaa) **Settlement** means the settlement provided for in this Agreement.
- (bbb) **Settlement Amount** means the Settlement Deposit plus the further sum of eight hundred and ninety-five thousand dollars (CAD \$895,000), inclusive of the Administration Expenses, Class Counsel Fees, applicable taxes, any honourarium, and all other costs or expenses related to the Action or the Settlement.
- (ccc) **Settlement Deposit** means the sum of thirty thousand dollars (CAD \$30,000).
- (ddd) **Underwriters** means collectively, BMO Nesbitt Burns Inc., CIBC World Markets Inc. and PI Financial Corp.
- (eee) **Victoria Gold** means Victoria Gold Corp.

## **SECTION 2: THE APPLICATIONS**

### **Best Efforts**

- 2.1 The Parties shall use their best efforts to implement the terms of the Agreement and to secure the prompt, complete and final dismissal of the Action with prejudice and without costs.
- 2.2 The Parties agree to hold in abeyance all steps in the Action, other than proceedings provided for in the Agreement, the First Application, the Second Application and such other proceedings required to implement the terms of the Agreement, until the date the Agreement becomes final or the date of the termination of the Agreement.

### **First Application (Leave, Certification, Certification Notice, Dismissal, and Discontinuance)**

- 2.3 The Plaintiff will, as soon as is reasonably practicable following the execution of the Agreement, bring the First Application. Subject to the First Order being satisfactory to the Defendants acting reasonably, and for the purposes of this Agreement only, the Defendants will consent to the First Order being issued by the Court for the purposes of the Settlement only. Further, subject to the Dismissal and Discontinuance Order being satisfactory to the Defendants acting reasonably, the Defendants will consent to the Dismissal and Discontinuance Order being issued by the Court regardless of whether the Action is certified or the proposed Settlement is ultimately approved.
- 2.4 The Plaintiff and the Defendants agree that the only common issues that the Plaintiff will seek to certify as against the Company are the Common Issues and the only class that the Plaintiff will assert is the Class.
- 2.5 Upon entry of the First Order, Class Counsel shall cause the First Notice to be published in accordance with the Plan of Notice as approved by the Court and any directions of the Court. Any third-party costs for publishing the First Notice shall be Non-Refundable Expenses to be paid from the Settlement Deposit.

## **Second Application (Settlement Approval)**

- 2.6 The Plaintiff will thereafter bring the Second Application before the Court in accordance with the Court's directions. The Defendants will consent to the issuance of the Second Order, subject to the content of the Second Order sought at the Second Application being satisfactory to the Defendants acting reasonably, and for the purposes of the Settlement only.
- 2.7 Upon entry of the Second Order, Class Counsel shall cause the Second Notice to be published and disseminated in accordance with the Plan of Notice as approved by the Court and any directions of the Court. Any third-party costs for publishing the Second Notice shall be Non-Refundable Expenses to be paid from the Settlement Deposit.

## **Certification and Leave to Proceed Without Prejudice**

- 2.8 The Parties agree that the granting of leave to proceed under the *Securities Act* and certification of the Action as a class proceeding under the *CPA* as against Victoria Gold in accordance with Sections 2.3 and 2.4 hereof, is for the sole purpose of effectuating the Settlement. If this Agreement is terminated as provided herein, the First Order (leave, certification and certification notice) shall be vacated or set aside to the extent of that Order granting leave to proceed and certifying this Action as a class proceeding for the purposes of implementing this Agreement, which shall be without prejudice to any position that any of the Parties may later take on any issue in the Action including in subsequent leave to proceed and certification applications. In particular, the fact of the Defendants' consent to leave to proceed and certification for settlement purposes shall not be referenced in any way in the further prosecution of the Action, nor shall such consent be deemed to be an admission by the Defendants, or any of them, that the Plaintiff has met any of the requisite criteria for granting leave to proceed or certification of the Action as a class proceeding.

### **Attornment**

2.9 The Plaintiff, individually and on behalf of all Class Members, hereby attorns to the jurisdiction of the Court in the Action, regardless of their province or territory or country of residence or where he/she/it purchased their Eligible Shares.

### **Notice of Termination**

2.10 If this Agreement is terminated after the First Notice has been published and disseminated, a notice of the termination will be given to the Class. The terminating Party will cause the notice of termination, in a form approved by the Court, to be published and disseminated as the Court directs. Any third-party costs for publishing a notice of termination shall be paid from any remaining balance of the Settlement Deposit as of the date of termination and, if additional funds are required to effect such payment, as otherwise directed by the Court.

### **Report to the Court**

2.11 After publication and dissemination of each of the notices required by this Section, if required, Class Counsel or the Administrator shall file with the Court an affidavit confirming publication and dissemination.



### **SECTION 3: NON-REFUNDABLE EXPENSES**

#### **Payments**

- 3.1 The Contributing Parties shall pay the Settlement Deposit to Class Counsel for deposit into the Escrow Account no later than thirty (30) days after the execution of this Agreement.
- 3.2 Expenses reasonably incurred for the following purposes shall be the Non-Refundable Expenses, and shall be payable from the Settlement Deposit, when incurred in advance of the Second Order, or from the Escrow Account:
- (a) the costs incurred in connection with establishing and operating the Escrow Account;
  - (b) the costs incurred for translating, publishing and disseminating the First Notice and the Second Notice;
  - (c) the costs of the Referee in connection with receiving objections, ruling on contested Opt-Out Forms and reporting to the Court, to a maximum of CDN \$10,000 for fees, plus reasonable and documented disbursements and applicable taxes, unless the Court orders otherwise;
  - (d) the costs incurred in translating the Agreement and Opt-Out Forms;
  - (e) the costs incurred in translating, publishing and disseminating the notice to the Class that the Agreement has been terminated; and
  - (f) if the Court appoints the Administrator and thereafter the Agreement is terminated pursuant to the Agreement, the costs reasonably incurred by the Administrator for performing the services required to prepare to implement the Agreement up to the time of termination, including any mailing expenses.
- 3.3 Class Counsel or the Administrator shall account to the Court and the Parties, including the Contributing Parties, for all payments it makes from the Escrow Account. In the event that the Agreement is terminated, this accounting shall be delivered no later than fifteen

(15) days after such termination. In any other scenario, Class Counsel or the Administrator will provide a statement of account of the Escrow Account to the Parties, including the Contributing Parties, upon request, on a quarterly basis until the distribution is completed.

### **Disputes Concerning Non-Refundable Expenses**

3.4 Any dispute concerning the entitlement to or quantum of Non-Refundable Expenses shall be dealt with by an application to the Court on notice to the Parties. All Parties, including the Contributing Parties, shall have standing in respect of such an application, should they deem it appropriate to intervene or otherwise make representations.

## **SECTION 4: THE SETTLEMENT AMOUNT**

### **Payment of Settlement Amount**

- 4.1 The Contributing Parties shall pay the Settlement Amount, less the Settlement Deposit, to Class Counsel for deposit into the Escrow Account no later than thirty (30) days after the Effective Date.
- 4.2 The Settlement Amount shall be paid in full satisfaction of the Released Claims against the Releasees. The Releasees shall not have any obligation to pay any other amount to the Plaintiff, the Class Members, the Administrator, or Class Counsel other than the Settlement Amount with respect to this Agreement or the Action for any reason whatsoever, including any amount for damages, interest, legal fees (including Class Counsel Fees), disbursements, taxes of any kind, costs and expenses relating in any way to the Action, the Released Claims, the Settlement and the Administration Expenses, including as described in Sections 2.5 and 2.7.
- 4.3 The Settlement Amount shall be inclusive of interest, taxes, any honourarium, and Class Counsel Fees. The Defendants shall take no position on Class Counsel's application for approval of Class Counsel Fees.
- 4.4 If an Administrator other than Class Counsel is appointed by the Court, Class Counsel shall transfer control of the applicable funds in the Escrow Account, net of Class Counsel Fees as approved by the Court, to an account under the control of the Administrator.
- 4.5 Class Counsel (and the Administrator, if a different firm is appointed by the Court) shall maintain the Escrow Account as provided for in this Agreement. No amount shall be paid out from the Escrow Account by Class Counsel and the Administrator except in accordance with this Agreement, or in accordance with an order of the Court obtained on notice to the Parties.

## **Taxes on Interest**

- 4.6 Except as expressly provided for in this Agreement, any interest earned on the Settlement Amount shall accrue to the benefit of the Class and shall become and remain part of the Escrow Account.
- 4.7 Except as provided in Section 4.8, all taxes payable on any interest which accrues in relation to the Settlement Amount, shall be the responsibility of the Class. Class Counsel and the Administrator shall be responsible for fulfilling all applicable tax reporting and payment requirements arising from the Settlement Amount in the Escrow Account, including any obligation to report taxable income and make tax payments. All taxes (including interest and penalties) due with respect to the income earned by the Settlement Amount shall be paid from the Escrow Account.
- 4.8 The Defendants shall have no responsibility to make any filings relating to the Escrow Account, to pay tax on any income earned by the Settlement Amount, or to pay any taxes on the monies in the Escrow Account, unless this Agreement is terminated, in which case any interest earned on the Settlement Amount in the Escrow Account shall be paid to the Defendants or their insurers, as may be directed, who in such case, shall be responsible for the payment of any applicable taxes on such interest not previously paid by Class Counsel or the Administrator.

## **SECTION 5: THE FEE AGREEMENT AND CLASS COUNSEL FEES**

### **Application for Approval of Class Counsel Fees**

- 5.1 At the Second Application (Settlement approval), Class Counsel shall seek the approval of Class Counsel Fees to be paid as a first charge on the Settlement Amount. Class Counsel are not precluded from making additional applications to the Court for additional Class Counsel Fees incurred thereafter as a result of implementing the terms of the Agreement. All amounts awarded on account of Class Counsel Fees shall be paid from the Settlement Amount.
- 5.2 The Defendants acknowledge that while they will be served with the application materials for the approval of Class Counsel Fees and they and their counsel are entitled to attend any application for approval of Class Counsel Fees, that they are not parties to the application concerning the approval of Class Counsel Fees, will have no involvement in the approval process and will not take any position or make any submissions to the Court concerning Class Counsel Fees, except as requested by the Court.
- 5.3 The procedure for and the allowance or disallowance by the Court of any requests for Class Counsel Fees to be paid out of the Settlement Amount are not part of the Settlement provided for herein and may be considered by the Court separately from its consideration of the fairness, reasonableness and adequacy of the Settlement provided for herein.
- 5.4 Any order or proceeding relating to Class Counsel Fees, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel the Agreement or affect or delay the finality of the Second Order (Settlement approval) and the Settlement of the Action as provided herein.
- 5.5 Forthwith after the Settlement becomes final, Class Counsel Fees approved by the Court shall be paid to Class Counsel from the Escrow Account.

## **No Reversion**

5.6 Unless this Agreement is terminated as provided herein, the Defendants shall not be entitled to the repayment of any portion of the Escrow Amount and then only to the extent of and in accordance with the terms provided herein.

## **SECTION 6: DISTRIBUTION OF SETTLEMENT AMOUNT**

### **Distribution of the Net Settlement Amount**

- 6.1 The formula for distribution of the net Settlement Amount to Class Members after the payment of Administration Expenses and Class Counsel Fees shall be contained in the Plan of Allocation
- 6.2 In conjunction with the Second Application (Settlement approval), the Plaintiff will make an application seeking an order from the Court as to the distribution of the Settlement Amount in accordance with the Plan of Allocation. Such distribution shall include accrued interest and be net of any Court approved deductions including Class Counsel Fees, any honourarium and Administration Expenses.
- 6.3 The Releasees shall not have any responsibility, financial obligations or liability whatsoever with respect to the Plan of Allocation, or the investment, distribution or administration of monies in the Escrow Account, including but not limited to Administration Expenses and Class Counsel Fees.

## **SECTION 7: EFFECT OF SETTLEMENT**

### **No Admissions or Concessions**

7.1 Whether or not this Agreement is terminated, neither this Agreement, nor any and all negotiations, discussions and communications associated with this Agreement, nor any actions taken to implement this Agreement shall be deemed, construed or interpreted to be:

- (a) an admission or concession by the Defendants of any fact, fault, wrongdoing, liability or damage by the Defendants, or as a concession or admission by the Defendants of the truthfulness or merit of any claim or allegation asserted in the Action. In fact, the Defendants continue to vigorously deny and contest the allegations made in the Action; or
- (b) an admission or concession by the Plaintiff, Class Counsel or the Class of any weakness in the claims of the Plaintiff and the Class, or that the consideration to be given hereunder represents the amount that could or would have been recovered after trial of the Action.

### **Agreement Not Evidence Nor Presumption**

7.2 Whether or not this Agreement is terminated, neither the Agreement, nor anything contained herein, nor any of the negotiations, documents, discussions and proceedings associated with this Agreement (including, but not limited to, the Plan of Allocation), nor any action taken to implement this Agreement, shall be referred to, offered as evidence or received in evidence in any pending or future civil, criminal, quasi-criminal or administrative action or disciplinary investigation or proceeding in any jurisdiction:

- (a) against the Defendants as evidence, or a presumption, concession or admission of any fact, fault, omissions, wrongdoing or liability, or of the truth of any of the claims or allegations made against them in the Action; or
- (b) against the Plaintiff, Class Counsel or the Class as evidence, or a presumption, concession or admission:



- i. of any weakness in the claims of the Plaintiff and the Class; or
- ii. that the consideration to be given hereunder represents the amount that could or would have been recovered after trial of the Action.

7.3 Notwithstanding Section 7.2, this Agreement may be referred to or offered as evidence in order to obtain the orders or directions from the Court contemplated by this Agreement, in a proceeding to approve or enforce this Agreement, to defend against the assertion of Released Claims, or as otherwise required by law.

## **SECTION 8: NOTICE TO THE CLASS**

- 8.1 The proposed Class shall be given the following notices: (i) the First Notice (leave, certification and pendency of Second Application); (ii) the Second Notice (Settlement approval); (iii) notice if this Agreement is not approved, is terminated, or otherwise fails to take effect; and (iv) such further notice as may be directed by the Court.
- 8.2 The form of notices referred to in Section 8.1 and the manner and extent of publication and distribution shall be as follows:
- (a) by Class Counsel posting the notice on its website, and a link to the notice on its Twitter account and LinkedIn account;
  - (b) by Class Counsel delivering a copy of the notice by email to all individuals and entities who have contacted Class Counsel about this action and for whom Class Counsel has an email address, and all individuals and entities who request it and for whom Class Counsel has an email address;
  - (c) by dissemination once through Canada Newswire or an equivalent press release service;
  - (d) by dissemination once through an American press release service such as Cision PR Newswire or Business Wire; and
  - (e) by posting the First Notice and Second Notice as an advertisement on Google, with a maximum collective budget of CAD \$20,000 (and only for the First Notice and Second Notice unless otherwise ordered by the Court).
- 8.3 Subject to the Court's approval, the First Notice shall be in the forms attached as Appendices "A", "B" and "C" to this Agreement, and the Second Notice shall be in the forms attached as Appendices "D", "E" and "F" to this Agreement.

### **No Press Releases**

- 8.4 Plaintiff and Class Counsel agree that, other than in connection with any Court-approved notice arising from this Agreement, they will not issue any press release, whether joint or

individual, concerning this Agreement or anything related thereto and that they will not seek to obtain media coverage in relation to the Agreement, with the exception that Class Counsel will post this Agreement on its website and if necessary, on the Canadian Bar Association's Class Action Database.

- 8.5 The Parties specifically agree that the Parties will not make any public statements, comment or any communication of any kind about any negotiations or information exchanged as part of the settlement process. The Parties' obligations under this subsection shall not prevent them, or any of them, from reporting to their clients, or from complying with any order of the Court, or from making any disclosure or comment otherwise required by the Agreement, or from making any necessary disclosure or comment for the purposes of any applicable legislation or professional obligation, or from preparing and filing the materials necessary to obtain the Court's approval of the Settlement. For greater certainty, nothing in this section prohibits Victoria Gold from issuing a press release disclosing the fact of this Agreement and describing its terms or from responding to third party inquiries from, *inter alia*, analysts, investors or media regarding the same.
- 8.6 If comment is solicited by the press, Class Counsel and the Plaintiff agree and undertake to describe the Settlement and the terms of this Agreement only as fair, reasonable and in the best interests of the Class.

## **SECTION 9: OPTING OUT**

### **Awareness of any Potential Opt-Outs**

- 9.1 The Plaintiff and Class Counsel represent and warrant that as of the date of execution of this Agreement:
- (a) they are unaware of any Class Member who has expressed an intention to opt-out of the Class;
  - (b) they are unaware of any Class Member who has expressed an intention to object to this Settlement; and
  - (c) they will not encourage or solicit any Class Member to opt-out of the Class.

### **Opt-Out Procedure**

- 9.2 Each Class Member who wishes to exclude him, her or itself from the Class must submit a properly completed Opt-Out Form along with all required supporting documents to Class Counsel on or before the Opt-Out Deadline. An Opt-Out form shall consist of:
- (a) a statement of intention to opt out of the Action, signed by the Class Member or a person authorized to bind the Class Member;
  - (b) a listing of all purchases and sales of Eligible Shares during the Class Period;
  - (c) the total number of Eligible Shares held at the end of the Class Period;
  - (d) supporting documents to evidence such transactions, in the form of trade confirmations, brokerage statements, or other transaction records or suitable alternative documentation as may be agreed between the Class Member and Class Counsel; and
  - (e) contact information for the Class Member, including name, address, telephone number and email address.

- 9.3 In order to remedy any deficiency in the completion of an Opt-Out Form, Class Counsel may require and request that additional information be submitted by a Class Member who submits an Opt-Out Form.
- 9.4 If a Class Member fails to submit a properly completed Opt-Out Form and/or all required supporting documents to Class Counsel, or fails to remedy any deficiency, by the Opt-Out Deadline, the Class Member shall not have opted out of the Action, subject to any order of the Court to the contrary, and will in all other respects be subject to, and bound by, the provisions of this Agreement and the releases contained herein.
- 9.5 The Opt-Out Deadline will not be extended unless the Court orders otherwise.
- 9.6 Opt-out Parties will be excluded from any and all rights and obligations arising from the Settlement. Class Members who do not opt-out shall be bound by the Settlement and the terms of this Agreement.
- 9.7 Any Class Member who submits a properly completed Opt-Out Form may not also object to or support the Settlement Agreement. If a Class Member elects to opt out of the Class and objects to or supports the Settlement Agreement, the opt-out election shall supersede, and the Objection/support shall be deemed withdrawn.

#### **Notification of Number of Opt-Outs**

- 9.8 Within 10 days of the Opt-Out Deadline, Class Counsel shall report to the Court and the Defendants the number of Eligible Shares held by each Opt-Out Party, a summary of the information delivered by each Opt-Out Party, the total number of Eligible Shares held by all Opt-Out Parties, and any supporting documentation.
- 9.9 Class Counsel shall also provide to the Defendants' counsel copies of all the Opt-Out Forms submitted by Opt-Out Parties at the same time as the report provided for in Section 9.8.

## **SECTION 10: RELEASES**

### **Release of Releasees**

10.1 As of the Effective Date, in consideration of payment of the Settlement Amount and for other valuable consideration set forth in the Agreement, the Releasers forever and absolutely release, waive and discharge the Releasees from the Released Claims.

### **No Further Claims**

10.2 As of the Effective Date, the Releasers and Class Counsel, only to the extent of compliance with any Rules of Professional Conduct which may apply, shall not now or hereafter institute, continue, maintain or assert, either directly or indirectly, whether in Canada or elsewhere, on their own behalf or on behalf of any class or any other person, any action, suit, cause of action, claim or demand against any Releasee or any other person who may claim contribution or indemnity from any Releasee in respect of any Released Claim or any matter related thereto.

10.3 The Releasers and Class Counsel acknowledge that they may subsequently discover facts in addition to, or different from those they now know, but nonetheless agree that Section 10.2 applies regardless of the subsequent discovery of facts different from those they are aware of on the Effective Date. By means of the Settlement, the Releasers waive any right they might have under the law, common law, civil law, in equity or otherwise, to disregard or avoid the release and discharge of the unknown claims for any reason whatsoever and expressly relinquish any such right and each Class Member shall be deemed to have waived and relinquished such right. Furthermore, the Releasers agree to this waiver of their own volition, with full knowledge of its consequences and that this waiver was negotiated and constitutes a key element of the Settlement.

10.4 As of the Effective Date, each of the Releasees forever and absolutely remise, release, waive and forever discharge the other Releasees, their successors and assigns of and from all claims, demands, actions, costs, and debts whatsoever in law or in equity arising from or relating to the Released Claims. For greater clarity, (i) nothing herein shall be taken as a release, waiver or amendment of any agreements between the Releasees, and (ii)

nothing herein shall be taken as, or shall constitute, a release by any insured or insurer of rights he, she, they, or it may have or choose to assert under any applicable policies of insurance.

- 10.5 As of the Effective Date, Class Counsel represent that they do not represent the Plaintiff or any other parties in any other proceeding related to any matter at issue in this Action.
- 10.6 Upon the Effective Date, the Action shall be declared settled out of Court, and without costs.
- 10.7 Upon the Effective Date, each Class Member shall be deemed to irrevocably consent to the dismissal, without costs, with prejudice, and without reservation, of the Action.

## SECTION 11: TERMINATION OF THE AGREEMENT

### **Right of Termination**

11.1 The Agreement shall, without notice, be automatically terminated if the Settlement is not approved by the Court or if the Second Order (Settlement approval) is reversed on appeal and the reversal becomes final, unless the reversal is with respect to the proposed plan to disseminate the Second Notice, in which case the Plaintiff will be permitted to propose an amended Plan of Notice and apply for the Court's approval of the amended plan.

11.2 In the event that:

- (a) The Court declines to grant the First Order (leave and certification for settlement purposes) and such order becomes a Final Order, unless the reason for the Court's decision is with respect to the proposed plan to disseminate the First Notice, in which case the Plaintiff will be permitted to propose an amended Plan of Notice and apply for the Court's approval of the amended plan;
- (b) The Court grants the First Order but such order is reversed on appeal and the reversal order becomes a Final Order, unless the reversal is with respect to the proposed plan to disseminate the First Notice, in which case the Plaintiff will be permitted to propose an amended Plan of Notice and apply for the Court's approval of the amended plan;
- (c) The Court grants the First Order or the Second Order in a form that is materially inconsistent with the terms of the Agreement and that is not satisfactory to the Plaintiff or the Defendants, acting reasonably; or
- (d) The Second Order does not finally dismiss the Action against all of the Defendants with prejudice and without costs,

the Plaintiff or the Defendants, or any of them, shall have the right but not the obligation to terminate this Agreement by delivering a written notice in accordance with Section 14.18 of the Agreement within thirty (30) days following an event described above.



- 11.3 Any order, ruling or determination made (or rejected) by the Court with respect to Class Counsel Fees shall not constitute a material modification of this Agreement, and shall not provide any basis for the termination of this Agreement.
- 11.4 In the event that the Agreement is terminated in accordance with the terms of this Section:
- (a) The Plaintiff and the Defendants will be restored to their respective positions in the Action prior to the execution of the Agreement;
  - (b) The Agreement will have no further force and effect and no effect on the rights of the Plaintiff or the Defendants;
  - (c) The Agreement will not be introduced into evidence or otherwise referred to in any litigation against the Defendants;
  - (d) The Plaintiff and the Defendants shall consent to an order vacating or setting aside the First Order to the extent of the order granting leave to proceed and certifying this Action as a class proceeding for the purposes of implementing this Agreement, and such order shall include a declaration that:
    - i. the prior consent granting of leave to proceed and certification of this Action for settlement purposes shall not be deemed to be an admission by the Defendants that the Action met any of the criteria for granting leave to proceed or certification as a class proceeding; and
    - ii. no Party to this Action and no other person may rely upon the fact of the prior consent to granting of leave to proceed and certification for any purpose whatsoever; and
  - (e) The Settlement Deposit, less any Non-Refundable Expenses incurred to implement the Settlement up to the point of termination, will be returned to the Defendants, in accordance with Sections 11.9 and 11.10. The Defendants will have no obligation to pay the Settlement Amount.

- 11.5 Notwithstanding the provisions of Section 11.4(b), if the Agreement is terminated, the provisions of this Section and Sections 1.1, 2.8, 2.10, 2.11, 3.3, 4.8, 7.1, 7.2, 7.3, 9.1, 11.6, 11.12 and 14.1 to 14.18, and the recitals applicable thereto shall survive termination and shall continue in full force and effect.
- 11.6 Notwithstanding the provisions of this Section, the Dismissal and Discontinuance Order, if granted by the Court, shall survive termination and remain in full force and effect in the event of termination of this Agreement in accordance with the terms of this Section.

#### **Effect of Exceeding the Opt-Out Threshold and Right to Terminate**

- 11.7 Notwithstanding any other provision in this Agreement, any of the Defendants may, in their sole and unfettered discretion, elect to terminate the Agreement if the total number of Eligible Shares held by Opt-Out Parties exceeds the Opt-Out Threshold, provided that notice of the election to terminate is provided by Defendants' Counsel to Class Counsel within fifteen (15) days of Class Counsel notifying Defendants' Counsel of the number of Opt-Out Parties pursuant to Section 9.8, after which date the right to terminate the Agreement will have expired.
- 11.8 If the Opt-Out Threshold is not exceeded, the Defendants' right to terminate this Agreement pursuant to the provisions of Section 11.7 is inoperative and of no force and effect.

#### **Distribution of Monies in the Escrow Account Following Termination**

- 11.9 Class Counsel (or the Administrator, if a third-party firm is appointed by the Court) shall account to the Court and the Parties for the amounts maintained in and disbursed from the Escrow Account. If the Agreement is terminated, this accounting shall be delivered no later than fifteen (15) days after such termination.
- 11.10 If the Agreement is terminated, the terminating Party shall, within thirty (30) days after termination, apply to the Court, on notice to the other Parties and the Administrator, for an order:

- (a) declaring the Agreement null and void and of no force or effect except for the provisions of those sections listed in Sections 11.5 and 11.6;
- (b) requiring the notice of termination to be sent out to the Class Members, and if so, setting the form and method of disseminating such a notice;
- (c) requesting an order setting aside, *nunc pro tunc*, all prior orders or judgments entered by the Court in accordance with the terms of this Agreement, apart from the Dismissal and Discontinuance Order;
- (d) authorizing the payment of all costs reasonably incurred by Class Counsel and/or the Administrator for performing the services required to implement the Settlement up to the point of termination; and
- (e) authorizing the payment of the remaining funds in the Escrow Account, including accrued interest, to the Defendants.

11.11 Subject to Section 11.12, the Parties shall consent to the orders sought in any application made pursuant to Section 11.10.

#### **Disputes Relating to Termination**

11.12 If there are any disputes about the termination of this Agreement, the Parties agree that the Court shall determine the dispute on an application made by the Plaintiff or the Defendants on notice to the Parties.

## **SECTION 12: ADMINISTRATION**

### **Appointment of the Administrator**

- 12.1 The Court will appoint Class Counsel, or if it so chooses a third-party firm, as Administrator to serve until further order of the Court, to implement the Agreement and the Plan of Allocation, on the terms and conditions and with the powers, rights, duties and responsibilities set out in the Agreement and in the Plan of Allocation.
- 12.2 All Administration Expenses shall be paid from the Settlement Amount, subject to Court Approval.
- 12.3 If the Agreement is terminated, the Administrator's fees, disbursements and taxes will be paid out as set out in Section 11.10(d).
- 12.4 If the Agreement is not terminated, the Court will approve and fix the Administrator's compensation on application by the Plaintiff.

### **Claims Process**

- 12.5 In order to seek payment from the Settlement Amount, a Class Member must submit a completed Claim Form to the Administrator, in accordance with the provisions of the Plan of Allocation, on or before the Claims Bar Deadline, and any Class Member who fails to do so shall not share in any distribution made in accordance with the Plan of Allocation unless the Court orders otherwise.

### **Conclusion of the Administration**

- 12.6 Upon the conclusion of the administration, or at such other time(s) as the Court directs, on application by Class Counsel, on notice to the Defendants, the Administrator shall report to the Court on the administration and shall account for all monies it has received, administered and disbursed including a full accounting of its own invoices, and obtain an order from the Court discharging it as Administrator.

**SECTION 13: THE PLAN OF ALLOCATION**

- 13.1 The Defendants shall take no position on the Court's approval of the Plan of Allocation.
- 13.2 The Defendants shall not have standing to make any submissions to the Court about the Plan of Allocation, unless requested by the Court.

## **SECTION 14: MISCELLANEOUS**

### **Applications for Directions**

- 14.1 Any one or more of the Parties, Class Counsel, or the Administrator may apply to the Court for directions in respect of any matter in relation to the Agreement and the distribution of the Settlement Amount.
- 14.2 All applications contemplated by the Agreement shall be on notice to the Parties. For certainty, notice need not be provided to the Class Members in the event of an application unless so required by the Court.

### **Claims Bar**

- 14.3 Except for the obligation to pay the Settlement Amount, the Defendants shall have no responsibility for and no liability whatsoever with respect to the administration or implementation of the Agreement, including, without limitation, the distribution of the Settlement Amount.

### **Headings, etc.**

- 14.4 In this Agreement:
- (a) the division into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation;
  - (b) the terms “the Agreement”, “this Agreement”, “herein”, “hereto” and similar expressions refer to this Agreement and not to any particular section or other portion of the Agreement; and
  - (c) “person” means any legal entity including, but not limited to, individuals, corporations, sole proprietorships, general or limited partnerships, limited liability partnerships or limited liability companies.

### **Computation of Time**

- 14.5 In the computation of time in this Agreement, except where a contrary intention appears:

- (a) where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens, including all calendar days; and
- (b) only in the case where the time for doing an act expires on a Saturday, Sunday or holiday, the act may be done on the next day that is not a Saturday, Sunday or holiday.

### **Governing Law**

14.6 The Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia.

14.7 The Parties agree that the Court shall retain continuing jurisdiction to interpret and enforce the terms, conditions and obligations under this Agreement and the Second Order.

### **Severability**

14.8 Any provision hereof that is held to be inoperative, unenforceable or invalid in any jurisdiction shall be severable from the remaining provisions which shall continue to be valid and enforceable to the fullest extent permitted by law.

### **Entire Agreement**

14.9 This Agreement constitutes the entire agreement among the Parties and supersedes all prior and contemporaneous understandings, undertakings, negotiations, representations, promises, agreements, agreements in principle and memoranda of understanding in connection herewith. None of the Parties will be bound by any prior obligations, conditions, or representations with respect to the subject matter of this Agreement, unless expressly incorporated herein.

## **Amendments**

14.10 This Agreement may not be modified or amended except in writing and on consent of all Parties hereto, and any such modification or amendment after Settlement approval must be approved by the Court.

## **Binding Effect**

14.11 If the Settlement is approved by the Court and becomes final, this Agreement shall be binding upon, and enure to the benefit of the Plaintiff, the Class Members, the Defendants, the Releasees, the Releasers and all of their respective heirs, executors, predecessors, successors and assigns. Without limiting the generality of the foregoing, each and every covenant and agreement made herein by the Plaintiff shall be binding upon all of the Releasers and each and every covenant and agreement made herein by the Defendants shall be binding upon all of the Releasees.

## **Survival**

14.12 The representation and warranties contained in this Agreement shall survive its execution and implementation, except as provided for in Sections 11.5 and 11.6.

## **Negotiated Agreement**

14.13 This Agreement and the underlying Settlement have been the subject of arm's-length negotiations and discussions among the undersigned and counsel. Each of the Parties has been represented and advised by competent counsel, so that any statute, case law, or rule of interpretation or construction that would or might cause any provision to be construed against the drafters of this Agreement shall have no force and effect. The Parties further agree that the language contained in or not contained in previous drafts of the Agreement, or any agreement in principle, shall have no bearing upon the proper interpretation of this Agreement.

## **Recitals**

14.14 The recitals to this Agreement are true, constitute material and integral parts hereof, and are fully incorporated into, and form part of, this Agreement.



## **Acknowledgments**

14.15 Each of the Parties hereby affirms and acknowledges that:

- (a) he, she or its representative has the authority to bind the Party with respect to the matters set forth herein and has read and understood the Agreement;
- (b) the terms of the Agreement and the effects thereof have been fully explained to him, her or its representative by his, her or its counsel;
- (c) he, she or its representative fully understands each term of the Agreement and its effect; and
- (d) he, she or it agrees to use best efforts to satisfy all conditions precedent to the Effective Date.

## **Authorized Signatories**

14.16 Each of the undersigned represents that he or she is fully authorized to enter into the terms and conditions of, and to execute, the Agreement on behalf of the Party for whom he or she is signing.

## **Counterparts**

14.17 This Agreement may be executed in counterparts, all of which taken together will be deemed to constitute one and the same Agreement, and a signature delivered by email or other electronic means, shall be deemed an original signature for purposes of executing this Agreement.

## **Notice**

14.18 Any notice, instruction, application for Court approval or application for directions or Court orders sought in connection with the Agreement, or any other report or document to be given by any of the Parties to any of the other Parties, shall be in writing and delivered personally, by e-mail during normal business hours, or sent by registered or certified mail, or courier postage paid as follows:


<p><b>For the Plaintiff and Class Counsel:</b></p>	<p><b>KND Complex Litigation</b> 1186 Eglinton Avenue W. Toronto, ON. M6C 2E3</p> <p><b>Sage Nematollahi</b> 416.537.3529 ext. 2 <a href="mailto:sn@knd.law">sn@knd.law</a></p> <p><b>Hadi Davarinia</b> 416.537.3529 ext. 3 <a href="mailto:hd@knd.law">hd@knd.law</a></p>
<p><b>For Victoria Gold Corp., John McConnell, T. Sean Harvey, Michael McInnis, Sean Roosen and Marty Rendall:</b></p>	<p><b>Bennett Jones LLP</b> 3400 One First Canadian Place P.O. Box 130 Toronto, ON. M5X 1A4</p> <p><b>Robert W. Staley</b> 416.777.4857 <a href="mailto:staley@bennettjones.com">staley@bennettjones.com</a></p> <p><b>Cheryl M. Woodin</b> 416.777.6550 <a href="mailto:woodinc@bennettjones.com">woodinc@bennettjones.com</a></p>
<p><b>For BMO Nesbitt Burns Inc., CIBC World Markets Inc. and PI Financial Corp.:</b></p>	<p><b>McCarthy Tétrault LLP</b> 745 Thurlow Street, Suite 2400 Vancouver, B.C. V6E 0C5</p> <p><b>Jill Yates</b> 604.643.7908 <a href="mailto:jyates@mccarthy.ca">jyates@mccarthy.ca</a></p> <p><b>Alexandra Cocks</b> 604.643.7199 <a href="mailto:acocks@mccarthy.ca">acocks@mccarthy.ca</a></p>
<p><b>For Orion Co-VI Ltd.:</b></p>	<p><b>Torys LLP</b> 79 Wellington Street W. #3300 Toronto, ON. M5K 1N2</p> <p><b>Andrew Gray</b> 416.865.7630 <a href="mailto:agray@torys.com">agray@torys.com</a></p> <p><b>Rachael Saab</b> 416.865.8172 <a href="mailto:rsaab@torys.com">rsaab@torys.com</a></p>

The Parties have executed this Agreement as of the date on the cover page.


**Caliban Investment LP #3**

per:   
Hadi Davariniz, KND Complex Litigation


**John McConnell**

per:   
Cheryl Woodin, Bennett Jones LLP

**Michael McInnis**

per:   
Cheryl Woodin, Bennett Jones LLP


**Marty Rendall**

per:   
Cheryl Woodin, Bennett Jones LLP


**BMO Nesbitt Burns Inc.**

**PI Financial Corp.**


**Victoria Gold Corp.**

per:   
Cheryl Woodin, Bennett Jones LLP

**T. Sean Harvey**

per:   
Cheryl Woodin, Bennett Jones LLP

**Sean Roosen**

per:   
Cheryl Woodin, Bennett Jones LLP

**Orion Co-VI Ltd.**

  
Oskar Lewnowski, Director

**CIBC World Markets Inc.**

The Parties have executed this Agreement as of the date on the cover page.

**Caliban Investment LP #3**

**Victoria Gold Corp.**

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**John McConnell**

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**T. Sean Harvey**

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**Michael McInnis**

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**Sean Roosen**

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**Marty Rendall**

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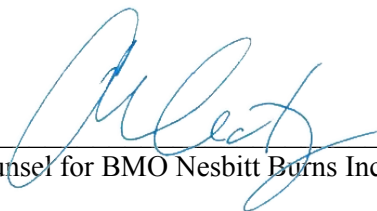
**Orion Co-VI Ltd.**

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**BMO Nesbitt Burns Inc.**

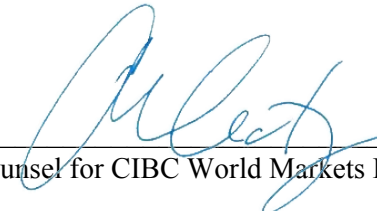
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**CIBC World Markets Inc.**



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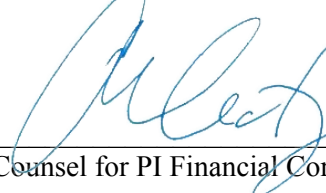
Counsel for BMO Nesbitt Burns Inc.



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Counsel for CIBC World Markets Inc.

**PI Financial Corp.**



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Counsel for PI Financial Corp.

# Appendix “A”

CERTIFICATION AND HEARING TO APPROVE PROPOSED SETTLEMENT OF  
VICTORIA GOLD CORP. SECURITIES CLASS ACTION

## **DID YOU ACQUIRE SHARES OF VICTORIA GOLD CORP. BETWEEN JULY 1, 2020 AND NOVEMBER 12, 2020?**

**Please read this notice carefully. A proposed settlement may affect your legal rights.**

A proposed class action was commenced against Victoria Gold Corp. (“Victoria Gold”), John McConnell, T. Sean Harvey, Michael McInnis, Sean Roosen, Marty Rendall, Orion Co-VI Ltd., BMO Nesbitt Burns Inc., CIBC World Markets Inc. and PI Financial Corp., on behalf all persons and entities, wherever they may reside or may be domiciled, who purchased or otherwise acquired securities of Victoria Gold either:

- (1) in the secondary offering of Victoria Gold’s common shares which closed on September 30, 2020 (the “Secondary Offering”), and held all or some of those securities as of November 13, 2020; or
- (2) on a stock exchange between July 1, 2020 and November 12, 2020, and held all or some of those securities as of November 13, 2020.

This class action alleges that the Defendants made misrepresentations in Victoria Gold’s disclosure documents regarding the operations, production and costs at Victoria Gold’s Eagle Gold Mine. The parties have reached a proposed settlement of the class action (the “Settlement”), which is subject to approval by the Supreme Court of British Columbia (the “Court”). The Settlement is a compromise of disputed Claims. **The Defendants do not admit any wrongdoing or liability.** The class action has now been certified as against Victoria Gold, and dismissed as against the remaining Defendants. This Notice provides information about the proposed Settlement and related matters and how to exclude yourself (“opt-out”) from the class action.

Your legal rights are affected even if you do nothing. Please read this notice carefully.

### **SUMMARY OF THE SETTLEMENT TERMS:**

Under the Settlement, Victoria Gold will pay or cause to be paid CAD \$925,000 (the “Settlement Amount”) in full and final settlement of all claims against the Defendants, including Class Counsel’s fees, applicable taxes and expenses, any honourarium, and interest, in exchange for a full release and a dismissal of the class action. The net Settlement Amount will be divided between those who acquired their shares in the Secondary Offering and those who acquired their shares on a stock exchange, as outlined in the proposed Plan of Allocation. The Settlement must be approved by the Court before it can be implemented.

If the Settlement is approved, a Claims Administrator will be selected to process Class Members’ claims to a share of the Settlement Amount, after deductions by the Court. All Class Members except those who validly opt-out of the class action will be asked to submit a claim form and other documentation confirming their acquisition of eligible Victoria Gold securities. Once the deadline for claim form submission has passed, the Claims Administrator will calculate each Class Members’ entitlement on a *pro rata* basis up to the value of their calculated loss, and make payment. If approved, each Class Member’s entitlement will be calculated in accordance with the proposed Plan of Allocation. The proposed Plan of Allocation is available here:

<https://knd.law/class-actions/victoria-gold-corp/>

**Investors can opt-out of the proposed Settlement and pursue their own action with their own lawyer at their own expense.**

## **MOTION TO APPROVE SETTLEMENT AGREEMENT AND CLASS COUNSEL FEES:**

There will be a hearing (the “Settlement Approval Hearing”) in which Class Counsel will request the Court to approve (i) the Settlement; and (ii) their legal fees and expenses. The Settlement Approval Hearing shall take place on ●, 2022.

At the Settlement Approval Hearing, the Court will determine whether the Agreement is fair, reasonable and in the best interests of the Class. At the Settlement Approval Hearing, Class Counsel will also seek Court approval of their request for fees equating to 30% of the Settlement Amount plus reimbursement of their relevant expenses, as well as an honourarium for the representative plaintiff. Class Counsel has been working pursuant to a contingency-fee agreement and has not been paid as the matter has proceeded, and has paid all of the out-of-pocket expenses of conducting the litigation. Class Counsel will be requesting that the legal fees and disbursements be deducted from the Settlement Amount.

Class Members who wish to participate in the Settlement Approval Hearing to object to or comment on the Settlement or Class Counsel’s request for fees, may do so if permitted by the Court, so long as they email or fax any objections or comments to the address for Class Counsel provided below no later than ●, 2022 at 11:59 p.m. PT. Class Members who do not email or fax an objection or comment by that date will not be permitted to participate in the Settlement Approval Hearing.

## **YOUR LEGAL RIGHTS AND OPTIONS:**

You have three options:

### **1. STAY IN THE CLASS ACTION AND DO NOTHING:**

You do not have to do anything to stay in the class action. If the Court approves the Settlement, it will be distributed according to its terms. If you are eligible and submit a valid claim form, you will receive your share of the net Settlement Amount. If you do nothing, you will be legally bound by all orders and judgments of the Court, and you will not be able to sue the Defendants on your own regarding the legal claims made in this case.

### **2. STAY IN THE CLASS ACTION AND OBJECT TO THE AGREEMENT OR CLASS COUNSEL’S FEES:**

If you want to object to the proposed Settlement or to the payment of Class Counsel’s fees and expenses, you should do so by filling out a Notice of Objection and emailing or faxing it to Class Counsel at the address below. The Notice of Objection can be found at: <https://knd.law/class-actions/victoria-gold-corp/>. The Notice of Objection must be provided by ●, 2022 at 11:59 p.m. PT.

### **3. OPT-OUT OF THE CLASS ACTION:**

All Class Members will be bound by the terms of the Settlement, unless they opt-out. The Opt-Out Form is available at <https://knd.law/class-actions/victoria-gold-corp/>, or by faxing or emailing Class Counsel at the address below. **Any Class Member who wishes to opt-out of the class action must deliver a completed Opt-Out Form by email or fax to the address indicated below. The Opt-Out Form must be received on or before ●, 2022 at 11:59 p.m. PT to be valid.**

## **PERSONAL LEGAL ADVICE:**

The lawyers for the Plaintiff are KND Complex Litigation. Class Members who seek the advice or guidance of their personal lawyers do so at their own expense.

**QUESTIONS:**

You may obtain further information at <https://knd.law/class-actions/victoria-gold-corp/>, or contact Class Counsel by fax or email addressed to:

**Victoria Gold Class Action Counsel**

KND Complex Litigation

c/o Hadi Davarinia

Email: [victoriagold@knd.law](mailto:victoriagold@knd.law)

Fax: (416) 352-7638

**THE SUPREME COURT OF BRITISH COLUMBIA HAS AUTHORIZED DISTRIBUTION OF THIS NOTICE. QUESTIONS ABOUT THIS NOTICE SHOULD BE DIRECTED TO CLASS COUNSEL AND SHOULD NOT BE DIRECTED TO THE COURT.**

# Appendix “B”

## CERTIFICATION AND HEARING TO APPROVE PROPOSED SETTLEMENT OF VICTORIA GOLD CORP. SECURITIES CLASS ACTION

[Date] – The parties to a proposed class action commenced against Victoria Gold Corp., John McConnell, T. Sean Harvey, Michael McInnis, Sean Roosen, Marty Rendall, Orion Co-VI Ltd., BMO Nesbitt Burns Inc., CIBC World Markets Inc. and PI Financial Corp. have reached a proposed settlement of the claim which is subject to approval by the Supreme Court of British Columbia.

The class action has now been certified as against Victoria Gold, and dismissed as against the remaining Defendants. This notice provides information about this proposed settlement and related matters and how to exclude yourself (“opt-out”) out of the class action.

Your legal rights are affected even if you do nothing. Please read this notice carefully.

**The class action was commenced on behalf all persons and entities, wherever they may reside or may be domiciled, who purchased or otherwise acquired securities of Victoria Gold either:**

- (1) in the secondary offering of Victoria Gold’s common shares which closed on September 30, 2020, and held all or some of those securities as of November 13, 2020; or**
- (2) on a stock exchange between July 1, 2020 and November 12, 2020, and held all or some of those securities as of November 13, 2020.**

The proposed settlement amount is CAD \$925,000, including Class Counsel’s fees, applicable taxes and expenses, any honourarium, and interest. **The Defendants do not admit any wrongdoing or liability.** By agreeing to the proposed settlement, the parties avoid the costs and uncertainty of a trial and delays in obtaining judgment.

If you do not wish to be bound by the class action and participate in the settlement, you must opt-out of the class action. A copy of the Opt-Out Form is available here:

<https://knd.law/class-actions/victoria-gold-corp/>

The Supreme Court of British Columbia is required to decide whether to approve the proposed settlement, class counsel fees and disbursements plus tax, an honourarium for the Representative Plaintiff and a plan to allocate and distribute the settlement proceeds. The Court will hear submissions about the approval of the proposed settlement on ●, 2022. Payments will only be made available if the Court approves the proposed settlement and after any appeals are resolved.

### **YOUR LEGAL RIGHTS AND OPTIONS FOR THIS PROPOSED SETTLEMENT:**

- 1. Stay in the Class Action and Do Nothing:** You do not have to do anything to stay in the class action, but you will give up your right to sue the Defendants on your own.
- 2. Stay in the Class Action and Object:** If you want to object to the proposed settlement or the payment of Class Counsel’s fees, fill out a Notice of Objection available at: <https://knd.law/class-actions/victoria-gold-corp/>. You must submit your Notice of



Objection by email to [victoriagold@knd.law](mailto:victoriagold@knd.law) or fax at (416) 352-7638 by ●, 2022 for it to be valid.

- 3. Opt-Out of the Class Action:** You can exclude yourself from the class action and the proposed settlement by filling out an Opt-Out Form available at: <https://knd.law/class-actions/victoria-gold-corp/>. You must submit your Opt-Out form by email to [victoriagold@knd.law](mailto:victoriagold@knd.law) or fax at (416) 352-7638 by ●, 2022 for it to be valid.

These rights and options and the deadlines to exercise them and further information about the proposed settlement are explained in a notice available at: <https://knd.law/class-actions/victoria-gold-corp/>

More details may be found in the Settlement Agreement. You can obtain a copy of the Settlement Agreement at <https://knd.law/class-actions/victoria-gold-corp/>. You can send your questions by email to [victoriagold@knd.law](mailto:victoriagold@knd.law) or by fax to (416) 352-7638.

The lawyers for the Plaintiff and the Class in this class action are KND Complex Litigation.

# Appendix “C”

## **Victoria Gold Corp. Class Action Certification and Settlement Approval Hearing**

[hyperlinked to website: <https://knd.law/class-actions/victoria-gold-corp/>]

Did you acquire securities of Victoria Gold Corp. between July 1, 2020 and November 12, 2020?  
Click here for more information.

[This notice will be amended as necessary to accord with Google’s requirements]

# Appendix “D”

SETTLEMENT OF VICTORIA GOLD CORP. SECURITIES CLASS ACTION

## DID YOU ACQUIRE SHARES OF VICTORIA GOLD CORP. BETWEEN JULY 1, 2020 AND NOVEMBER 12, 2020?

**A settlement may affect you. Please read this notice carefully.**

A proposed class action was commenced against Victoria Gold Corp. (“Victoria Gold”), John McConnell, T. Sean Harvey, Michael McInnis, Sean Roosen, Marty Rendall, Orion Co-VI Ltd., BMO Nesbitt Burns Inc., CIBC World Markets Inc. and PI Financial Corp., on behalf all persons and entities, wherever they may reside or may be domiciled, who purchased or otherwise acquired securities of Victoria Gold either:

- (1) in the secondary offering of Victoria Gold’s common shares which closed on September 30, 2020, and held all or some of those securities as of November 13, 2020; or
- (2) on a stock exchange between July 1, 2020 and November 12, 2020, and held all or some of those securities as of November 13, 2020.

This class action alleges that the Defendants made misrepresentations in Victoria Gold’s disclosure documents regarding the operations, production and costs at Victoria Gold’s Eagle Gold Mine. On ●, 2022, the Plaintiff and the Defendants executed an agreement to settle this class action (the “Settlement”). **The Defendants do not admit any wrongdoing or liability on their part and the Court has not made any findings of wrongdoing or liability in respect of the Defendants.**

Your legal rights are affected even if you do nothing. Please read this notice carefully.

### **SUMMARY OF THE SETTLEMENT:**

Under the Settlement, Victoria Gold will pay or cause to be paid CAD \$925,000 (the “Settlement Amount”) in full and final settlement of all claims against the Defendants, including Class Counsel’s fees, applicable taxes and expenses, any honourarium, and interest, in exchange for a full release and a dismissal of the class action.

The Supreme Court of British Columbia (“Court”) has approved the settlement of this class action. The Court also awarded Class Counsel legal fees in the amount of CAD \$277,500, which is 30% of the Settlement Amount, plus taxes, as well as their disbursements, to be paid from the Settlement Amount. Class Counsel has not been paid as the matter has proceeded and has funded all of the out-of-pocket expenses of conducting the litigation.

### **YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:**

You have two options:

**1. SUBMIT A CLAIM FORM:**

Fill out a Claim Form online and submit it with supporting documentation by the deadline to apply for compensation. The deadline for Claim Form submission is ●, 2022.

**2. DO NOTHING:**

Give up any right to compensation.

## HOW TO MAKE A CLAIM FOR COMPENSATION:

### CLAIMS FOR COMPENSATION MUST BE RECEIVED ON OR BEFORE ●, 2022

Each Class Member must submit a completed Claim Form with supporting documentation to Class Counsel using the below website on or before ●, 2022 in order to participate in the settlement.

The Claim Form is an online questionnaire. Class Members are required to complete the Claim Form online and submit it along with documentation confirming their acquisition of Victoria Gold's securities. The Claim Form as well as instructions on how to fill it out and submit it are available at <https://knd.law/class-actions/victoria-gold-corp/>.

If you do not submit a completed Claim Form and provide supporting documentation by ●, 2022, you will not receive any part of the net Settlement Amount.

## COPIES OF THE SETTLEMENT DOCUMENTS:

The Settlement Agreement and various other Court-approved documents set out the procedures applicable to the Settlement of the class action. The Settlement Amount, less administration costs, honourarium and lawyers' fees and disbursements, will be distributed to those who are eligible and submit a claim form and supporting documentation on a *pro rata* basis up to the value of their calculated loss, in accordance with the Court-approved and supervised Plan of Allocation. The Plan of Allocation, Settlement Agreement, and other pertinent documents can be found at: <https://knd.law/class-actions/victoria-gold-corp/> or by contacting Class Counsel at the address below.

## INTERPRETATION:

If there is a conflict between the provisions of this Notice and the Settlement Agreement, the terms of the Settlement Agreement will prevail.

## QUESTIONS:

You may obtain further information at <https://knd.law/class-actions/victoria-gold-corp/>, or contact Class Counsel by fax or email addressed to:

**Victoria Gold Class Action Counsel**  
KND Complex Litigation  
c/o Hadi Davarinia  
Email: [victoriagold@knd.law](mailto:victoriagold@knd.law)  
Fax: (416) 352-7638

**THE SUPREME COURT OF BRITISH COLUMBIA HAS AUTHORIZED DISTRIBUTION OF THIS NOTICE. QUESTIONS ABOUT THIS NOTICE SHOULD BE DIRECTED TO CLASS COUNSEL AND SHOULD NOT BE DIRECTED TO THE COURT.**

# Appendix “E”

## SETTLEMENT OF VICTORIA GOLD CORP. SECURITIES CLASS ACTION

[Date] – The Supreme Court of British Columbia has approved a settlement between Victoria Gold Corp. (“Victoria Gold”), John McConnell, T. Sean Harvey, Michael McInnis, Sean Roosen, Marty Rendall, Orion Co-VI Ltd., BMO Nesbitt Burns Inc., CIBC World Markets Inc. and PI Financial Corp. and the Plaintiff in a class action.

Your legal rights are affected even if you do nothing. Please read this notice carefully.

**The class action was commenced on behalf all persons and entities, wherever they may reside or may be domiciled, who purchased or otherwise acquired securities of Victoria Gold either:**

- (1) in the secondary offering of Victoria Gold’s common shares which closed on September 30, 2020, and held all or some of those securities as of November 13, 2020; or**
- (2) on a stock exchange between July 1, 2020 and November 12, 2020, and held all or some of those securities as of November 13, 2020.**

Under the settlement, Victoria Gold will pay or cause to be paid CAD \$925,000. The Defendants do not admit any wrongdoing or liability on their part and the Court has not made any findings of wrongdoing or liability in respect of the Defendants.

### **YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT:**

You have two options:

**1. SUBMIT A CLAIM FORM:**

Fill out a Claim Form online and submit it with supporting documentation by the deadline to apply for compensation. The deadline for Claim Form submission is ●, 2022.

**2. DO NOTHING:**

Give up any right to compensation.

To make a claim for compensation, you must complete a Claim Form online and submit it along with documentation confirming your acquisition of Victoria Gold’s securities. The Claim Form is available at <https://knd.law/class-actions/victoria-gold-corp/>. You must submit your Claim Form and documentation using this website by ●, 2022 to be able to receive compensation.

Further information can be found in the Settlement Agreement, Court-approved Plan of Allocation, and other relevant documents, which are available at <https://knd.law/class-actions/victoria-gold-corp/>. You can send your questions by email to [victoriagold@knd.law](mailto:victoriagold@knd.law) or by fax to (416) 352-7638.

The lawyers for the Plaintiff and the Class in this class action are KND Complex Litigation.

# Appendix “F”

## **Victoria Gold Corp. Class Action Settlement**

[hyperlinked to website: <https://knd.law/class-actions/victoria-gold-corp/>]

If you acquired securities of Victoria Gold Corp. between July 1, 2020 and November 12, 2020, you may be entitled to compensation. Click here for more information.

[This notice will be amended as necessary to accord with Google’s requirements]