



This is the 2nd
affidavit of Anthony
O'Brien in this
proceeding and was
made on
13/FEB/2024

No. VLC-S-S-2012849
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

Between

FIRAS HADDAD and WALTER WOO

Plaintiffs

and

**NORTHERN DYNASTY MINERALS LTD., RONALD W. THIESSEN and THOMAS C.
COLLIER**

Defendants

Brought under the *Class Proceedings Act*, RSBC 1996, c 50

AFFIDAVIT #2 OF ANTHONY O'BRIEN

I, Anthony O'Brien, lawyer, of 1155 – 65 Queen Street West, Toronto, Ontario, AFFIRM THAT:

1. I am a lawyer and partner at Siskinds LLP ("**Siskinds**"), co-counsel with KND Complex Litigation (together, "**Class Counsel**") for the Plaintiffs and Class in this action. As such, I have personal knowledge of the facts and matters deposed to in this affidavit. Where facts are not within my personal knowledge, I have stated the source of the information, and I believe the information to be true.

2. Unless otherwise stated or the context otherwise indicates, capitalised terms used in this affidavit have the meanings assigned to them in the Settlement Agreement dated August 30th, 2023, attached as **Exhibit “A” (“Settlement Agreement”)**.

3. Where I use the pronoun “we”, “Class Counsel” and similar terms, I am referring to myself, along with the lawyers with primary carriage of the action: Alex Dimson, Garrett Hunter and Gigi Pao of Siskinds, together with Sage Nematollahi of KND Complex Litigation. Branch MacMaster also provided assistance in this action.

4. In this affidavit, I address, among other things:

- (a) the nature of these applications;
- (b) the Settlement Agreement, including its key terms, and information regarding its negotiation and rationale;
- (c) the recommendation of Class Counsel to approve the Settlement Agreement;
- (d) the Distribution Protocol;
- (e) the First Notice and response by Class Members;
- (f) the Second Notice;
- (g) Class Counsel’s request for Class Counsel Fees (as defined in the Settlement Agreement); and
- (h) the requested honorarium for Mr. Haddad and Mr. Woo.

5. I affirm this affidavit in support of the Plaintiffs’ application for orders relating to the items identified in the preceding paragraph, and for no other or improper purpose.

Litigation chronology and events to date

6. The background and chronology of this litigation are set out in my affidavit affirmed October 23, 2023 (“**First O’Brien Affidavit**”) at paragraphs 5-14.

7. On October 26, 2023, the Plaintiffs made an application for:

- (a) consent certification for settlement approval purposes;
- (b) approval of opt-out procedures;
- (c) approval of a claims procedure;
- (d) approval of the procedure for Class Members to file objections or comments on the Settlement Agreement and Class Counsel Fees;
- (e) approval of the appointment of RicePoint Administration Inc. (“**RicePoint**”) as administrator; and
- (f) approval of First Notice, as is more fully described in the First O’Brien Affidavit at paragraphs 26-31.

8. The application was granted by order pronounced and entered November 3, 2023 (“**First Order**”).

9. In accordance with the First Order, First Notice was provided as follows:

- (a) on December 15, 2023, long-form First Notice was published in English and French on Class Counsel’s website: <https://www.siskinds.com/class-action/northern-dynasty-minerals-ltd/>;

- (b) on December 15, 2023, the Settlement Agreement was posted on Class Counsel's website; and
- (c) on December 15, 2023, long-form First Notice was mailed, electronically and/or physically, to those persons and entities who have previously contacted Class Counsel for the purposes of receiving notice of developments in the action.

10. On or before January 24, 2024, which is 30 days prior to the application to approve the Settlement and other relief, we posted a short summary of the rationale for the Settlement, a copy of which is attached as **Exhibit "B"**, on our webpage.

11. I understand from Ivan Bobanovic and Kurt Elgie of RicePoint and believe that it completed the other components of the Plan of Notice for the First Notice:

- (a) arranged for the publication of short-form First Notice in the national weekend edition of *The Globe and Mail* in English and in *La Presse* in French. That publication occurred on Saturday, December 16, 2023;
- (b) arranged for the issuance of a news release, in English and in French, across Canada Newswire (www.newswire.ca), which occurred on December 15, 2023;
- (c) arranged for publication of the short-form First Notice in English and French on Institutional Shareholder Services Inc., which occurred on December 15, 2023;

- (d) starting on December 15, 2023 RicePoint sent a notice package (consisting of a short-form First Notice and cover letter) to the Canadian brokerage firms in its proprietary database; and
- (e) starting on December 15, 2023 RicePoint sent the short-form First Notice directly to persons on the electronic list of persons who acquired Eligible Securities provided by the Defendants pursuant to the Settlement Agreement.

12. I further understand from Messrs. Bobanovic and Elgie of RicePoint and believe that the claims procedure for class members to participate in the settlement commenced concurrently with the first dissemination of First Notice on December 15, 2023. Class Members have until June 12, 2024 to submit a claim for compensation from the settlement funds, which is one hundred and eighty (180) days from the date First Notice was first published on December 15, 2023.

Nature of these Applications

i. Settlement approval, approval of the Plan of Notice and approval of the Distribution Protocol

13. With respect to Settlement approval, the Plaintiffs and Class make an application for a Second Order:

- (a) approving the Settlement Agreement;
- (b) ordering the releases and discharges provided for in the Settlement Agreement; and
- (c) upon the Effective Date (as defined in the Settlement Agreement), dismissing this action as against the Defendants without costs and with prejudice.

14. The Defendants consent to the issuance of the Second Order.
15. The Plaintiffs and the Defendants have executed the Settlement Agreement, which is subject to this Court's approval. If approved, the Settlement Agreement provides that the Defendants will pay USD\$2,125,000 for the benefit of Class Members in exchange for a full and final settlement of the action ("**Settlement Amount**").
16. The Plaintiffs also make an application for a Third Order:
 - (a) approving the Plan of Notice in respect of the Second Notice;
 - (b) approving the short-form and long-form Second Notice; and
 - (c) approving the Distribution Protocol and distribution of the Settlement Amount, less fees, disbursements, taxes, administration expenses and any other fee or expense approved by the Court ("**Net Settlement Amount**"), in accordance with the Distribution Protocol.
17. The Defendants do not oppose the issuance of the Third Order.

ii. Fee Approval and Honorarium

18. Concurrently with the Settlement approval application, Class Counsel also apply for an Order:
 - (a) approving the retainer agreement with Firas Haddad and Walter Woo;
 - (b) approving Class Counsel Fees; and
 - (c) approving the payment of an honorarium to Mr. Haddad and Mr. Woo.

19. The Defendants take no position with respect to Class Counsel's fee request and the honorarium request for Mr. Haddad and Mr. Woo.

20. Approval of the Settlement Agreement is not dependent on the approval of Class Counsel Fees or the payment of an honorarium to the Plaintiffs, consistent with prior case law.

The Settlement – Key Terms, and Settlement Negotiation and Rationale

i. Key Terms

21. The key terms of the Settlement Agreement include that:

- (a) the Settlement Agreement finally resolves the action;
- (b) the Settlement Amount of USD\$2,125,000 will be the sole monetary contribution by the Defendants in the settlement of the action;
- (c) in order for the Settlement Agreement to take effect, this Court must approve the Settlement;
- (d) if the Settlement becomes effective, the claims of all Class Members that were asserted or that could have been asserted in the Action will be fully and finally released and the Action will be dismissed. This includes claims that could have been made against the Defendants, including the Underwriters;
- (e) the Settlement is a compromise having regard to the various risk factors identified by Class Counsel throughout these proceedings;

- (f) the approval of the Settlement is not contingent on approval of the Distribution Protocol, Class Counsel Fees or the honorarium requested for Mr. Haddad and Mr. Woo; and
- (g) in the event that any portion of the Net Settlement Amount is not distributed to Class Members in accordance with the Distribution Protocol, there is no reversion to the Defendants.

22. The terms of the proposed settlement are also set out in the First O'Brien Affidavit at paragraphs 15-19.

23. The Plaintiffs have instructed Class Counsel to seek approval of the Settlement by this Court.

ii. The Recommendation of Class Counsel

24. Since joining Siskinds in 2010, I have been counsel for the class in a number of securities class actions, including actions that have been settled involving SNC-Lavalin Group Inc., Agnico-Eagle Mines, Smart Technologies, Canadian Solar, Baffinland Iron Mines Corporation and Donnybrook Energy, among others.

25. My partner and co-counsel to the Class in this action, Alex Dimson, is likewise an experienced securities class action practitioner, acting as counsel in securities class actions on both the plaintiff and defence side, including acting for Plaintiffs against SouthGobi Resources Limited, Manulife Financial Corporation, and Eastern Platinum, among others.

26. The other members of the counsel team, Charles Wright, Sage Nematollahi, Eli Karp, Garrett Hunter and Gigi Pao, also have considerable experience litigating class actions.

27. As a result of Class Counsel's involvement in other cases, including Reliq Health Technologies Inc., Sino-Forest Corporation, Poseidon Concepts Corporation, Victoria Gold Corporation, Braxia Scientific Corporation, and Xebec Adsorption Inc., among others, we have gained considerable experience in settlement mechanics and imperatives, damages methodologies, and risks associated with this type of litigation. Class Counsel also had substantial information available to them which informed the recommendations made to Mr. Haddad and Mr. Woo in settlement negotiations. This information included, *inter alia*:

- (a) the Defendants' public disclosure documents, including financial statements, various Management's Discussion and Analysis and news releases;
- (b) the materials filed and positions taken by the Plaintiffs in the class action filed in the United States District Court Eastern District of New York styled *In re Northern Dynasty Minerals Ltd. Securities Litigation*, Case No. 1:20-cv-05917-ENV-TAM ("**US Action**"), which made substantially similar allegations within their respective jurisdiction;
- (c) the Plaintiffs' mediation brief and the Defendants' mediation brief;
- (d) the report of the Plaintiffs' economics expert, Ramsey Zein, and discussions with Mr. Zein on the merits of the Plaintiffs' claims;
- (e) available trading data for Northern Dynasty's securities;

- (f) analyst reports on Northern Dynasty;
- (g) the Defendants' responsive insurance policies;
- (h) the input of the mediator, Robert Meyer, at the mediation held on March 27, 2023;
and
- (i) other information generated by our legal and factual investigations.

28. In the mediation held on March 27, 2023, Class Counsel, Mr. Haddad and Mr. Woo considered this information and reviewed and weighed the risks facing the Plaintiffs, the likelihood of these risks materializing and the associated impacts on any potential recovery attainable on behalf of Class Members. These factors were also assessed by lawyers at Pomerantz LLP, counsel for the lead plaintiff in the US Action. The mediation held on March 27, 2023 was a joint mediation of this action and the US Action. Pomerantz LLP has over 85 years of experience representing the interests of shareholders. This assessment informed our recommendation to Mr. Haddad and Mr. Woo to accept the USD\$8,500,000 settlement for the US and Canadian cases proposed by the mediator. The apportionment for the Canadian action was USD\$2,125,000 based on, among other things, the Canadian to US split in secondary market trading volume. The offer was accepted by all parties on April 11, 2023.

29. For reasons similar to those underpinning our recommendation to Mr. Haddad and Mr. Woo, Class Counsel recommends approval of the Settlement Agreement to this Court. It is our opinion that the Settlement Agreement represents a favourable result for the Class and is a fair and reasonable compromise. Our recommendation rests, primarily, on the factors discussed in more

detail in the next section, in addition to the general risks of proceeding with complex securities litigation that existed in this case.

iii. Factors and risks considered in assessing the fairness and reasonableness of the settlement

a. The Defendants' ability to pay

30. In Class Counsel's view, the claims against the Defendants had reasonable prospects for a successful outcome on the merits. One factor informing Class Counsel's recommendation to Mr. Haddad and Mr. Woo to resolve the action for USD\$2,125,000 was the Defendants' ability to pay.

31. From an early stage, Class Counsel identified the ability to collect from the Defendants as the most significant risk in this action. Even before the commencement of this action, it was Class Counsel's view that any settlement or judgment would likely be largely funded by the Defendants' insurance. There was a substantial risk that, in the absence of insurance, success at trial could result in a paper judgment against the Defendants. A large judgment could force Northern Dynasty into insolvency proceedings in which the Plaintiffs and Class Members would face significant difficulties obtaining any meaningful recovery as unsecured creditors.

32. The significant risk that Northern Dynasty would be unable to satisfy a judgment out of its own assets is clear from its financial statements. For example, in its interim financial statements for the quarter ended September 30, 2022, Northern Dynasty's latest financial statements prior to mediation, it explained that it was not profitable, had incurred a substantial operating deficit over the years and was at the material risk of being unable to continue as a going concern (*i.e.* there was a material insolvency risk):

As of September 30, 2022, the Group had \$24,506 (December 31 2021 – \$22,291) in cash and cash equivalents for its operating requirements and working capital of \$21,693 (December 31, 2021 – \$21,734). These Financial Statements have been prepared on the basis of a going concern, which assumes that the Group will be able to raise sufficient funds to continue its exploration and development activities and satisfy its obligations as they come due. During the nine months ended September 30, 2022 and 2021, the Group incurred a net loss of \$18,065 and \$27,409, respectively, and had a deficit of \$669,585 as of September 30, 2022. The Group has prioritized the allocation of its financial resources to meet key corporate and Pebble Project expenditure requirements in the near term, including the funding of the appeal of the Record of Decision (the "ROD") (discussed below) and class action litigation (note 13(a)). Although the Group was successful in raising proceeds of US\$12,000 (\$15,463) during the quarter (see note 3), there can be no assurances that the Group will be successful in obtaining additional financing when required. If the Group is unable to raise the necessary capital resources and generate sufficient cash flows to meet obligations as they come due, the Group may, at some point, consider reducing or curtailing its operations. **As such, there is material uncertainty that raises substantial doubt about the Group's ability to continue as a going concern.**

[emphasis added]

Northern Dynasty's financial statements dated November 14, 2022 for the period ended September 30, 2022 are attached as **Exhibit "C"**.

33. As stated in the November 14, 2022 financial statements, Northern Dynasty had CAD\$24.5 million in cash and cash equivalents remaining with CAD\$7.7 million in liabilities, as of September 30, 2022. Northern Dynasty also reported a cash burn of CAD\$14 million for the first three quarters of 2022. Assuming Northern Dynasty maintained the same cash burn rate and was unable to raise additional funds, it would have had approximately CAD\$15.2 million in cash at the time of the mediation and CAD\$1.17 million by the end of 2023.

34. Concerns with the Defendants' ability to satisfy a judgment against them led the Plaintiffs to request disclosure from the Defendants of any potentially responsive insurance policy. This

information was not available in publicly available documents. The Defendants produced their insurance documents on July 27, 2021.

35. The Defendants' production of their limited and eroding insurance coverage coupled with Northern Dynasty's financial position informed the Plaintiffs' decision in the spring of 2023 to agree to an early mediation in the action after the Plaintiffs filed their economic expert's report in support of the Plaintiffs' application for leave under Part 16.1 of the *Securities Act* and certification. That would allow for the parties to discuss a potential resolution before other costly steps associated with the leave and certification applications (such as potential cross-examinations, the delivery of written argument and oral argument) were taken, which would have continued to reduce the available insurance coverage.

36. At the mediation on March 27, 2023, based on other ongoing proceedings, it was evident that: (i) if the action was taken to trial and a judgment obtained, it was highly likely that there would be a paper judgment for the Class; and (ii) the continuation of the litigation could potentially put the Plaintiffs in a worse bargaining position as insurance continued to erode without any material improvement in Northern Dynasty's financial position.

37. Considering the above and the other risks and limitations on potential recovery discussed below, Class Counsel recommended that the Plaintiffs accept the mediator's settlement proposal for a global settlement (US and Canadian Actions) of USD\$8,500,000. The apportionment for the Canadian action was USD\$2,125,000, representing a 25/75 split in favour of the US Action. This was based on the split in Canadian to US trading volume, which from December 21, 2017 to November 24, 2020 was 22.66%/77.34%, respectively. The 2.34% increase in favour of the

Canadian Action is to account for the prospectus misrepresentation claims advanced on behalf of primary market investors asserted exclusively in Canada.

38. The mediator's settlement proposal was ultimately accepted by all parties on April 11, 2023. The global settlement amount was funded entirely from the insurance coverage.

39. In my experience, it is relatively rare for defendants to make contributions to settlements beyond available insurance coverage in securities class actions such as this one.

40. Based on Class Counsel's experience, available insurance and the solvency of the issuer are key considerations when it comes to maximizing class member recovery in securities class actions. Siskinds was counsel in the class action against Sino-Forest Corporation. After the commencement of the class action, Sino-Forest filed for insolvency protection under the *Companies' Creditors Arrangement Act*. Although Sino-Forest and its directors and officers held insurance policies totaling \$60 million, other than one settlement with the CFO for \$4.2 million and another settlement with Sino-Forest's independent directors for \$1 million, the insurance policies were completely exhausted, leaving no recovery for security holders of Sino-Forest Corporation (though significant recoveries were made from other defendants in the proceedings).

41. Siskinds was also counsel to the plaintiff in a securities class action against Canada Lithium Corp. and its directors and officers. A settlement was reached with the defendants in that case for \$400,000 after the company was placed in receivership following the commencement of the securities class action. All but \$400,000 of insurance coverage, which was depleted by the ongoing litigation, was left for recovery and paid under a settlement.

42. These are two of several examples where the risk of recoverability materialized in securities class actions. That same risk was present in this case for the reasons discussed above.

b. Future expense and likely duration

43. In our experience, absent this proposed Settlement Agreement, it would likely take at least another five years to bring this action to an adjudicated resolution on the merits. In fact, given appeals and other procedural steps, a longer timeframe is well within the realm of possibility even with Class Counsel doing its utmost to push this case to a resolution. The Settlement Agreement has the meaningful benefit that Class Members receive access to compensation at a relatively early stage of the litigation.

c. Potential Damages for secondary market misrepresentations were capped

44. The claims in the Canadian action on behalf of investors who acquired their shares on the NYSE or TSX are primarily being advanced under Part 16.1 of British Columbia's *Securities Act*. Part 16.1 of the *Securities Act* provides a formula for calculating damages. Class Counsel's damages estimate based on this formula was approximately CAD\$71.4 million or USD\$53,400,000.

45. However, actual damages recoverable from the Defendants was likely less. Under Part 16.1 damages calculated pursuant to the damages formula are limited by the statutory caps on damages (called "liability limits") that apply unless the plaintiff can prove that the defendant authorized, permitted, or acquiesced in making a misrepresentation while knowing that it was a misrepresentation. The liability limit cannot be lifted as against the issuer (*i.e.* Northern Dynasty) even where it has knowledge of the misrepresentation.

46. For Northern Dynasty, the limit is 5% of its pre-misrepresentation market capitalization. Class Counsel calculate Northern Dynasty's liability limit to range between approximately CAD\$12,000,000 to CAD\$45,000,000 depending on when the Court determined the misrepresentations began.

47. For the individual Defendants, the limit is the greater of 50% of the aggregate of their compensation or CAD\$25,000. For the individual Defendants in this case, Class Counsel's calculation of the likely maximum liability limits are: (i) Ronald W. Thiessen - CAD\$2,100,000; and (ii) Thomas C. Collier - CAD\$2,700,000.

d. Risks on the merits of the claims

48. Class Counsel always viewed the claims of the Secondary Market Class Members under Part 16.1 of the *Securities Act* as strong. There was, nonetheless, a real risk that the Plaintiffs and other Secondary Market Class Members would be unsuccessful on the merits and potentially on the application for leave under Part 16.1 of the *Securities Act*.

49. Class Counsel and the Plaintiffs were well apprised of those risks. The Defendants had submitted a lengthy mediation brief, which addressed the merits of the Plaintiffs' claim.

50. This material, as well as Class Counsel's internal assessment, point to the following specific risks to the Plaintiffs and Class on the merits in addition to the risks that always arise in complex litigation such as this:

- (a) *risk that a misrepresentation could not be established*: The Plaintiffs' claim is premised on two alleged misrepresentations: (1) the alleged failure to disclose that

the Northern Dynasty Defendants had plans to expand the Pebble Project; and (2) the alleged failure to disclose that the U.S. Army Corps of Engineers (“USACE”) had communicated compensatory mitigation requirements in June 2020 that could impede the Pebble Project’s development. However, throughout the relevant period, there was publicly available documentation on Northern Dynasty’s website, securities regulatory filings, and permit application that the application for a 20-year project did not preclude further expansion. Sufficient public disclosure is a significant factor against a finding of misrepresentation. With respect to the second category of misrepresentation, there was a risk that the USACE’s June 2020 communications did not amount to a material fact requiring disclosure under securities laws. Absent a failure to disclose a material fact, there would be no actionable misrepresentation;

(b) *risk that the Defendants would successfully assert the reasonable investigation defence:* Part 16.1 of the *Securities Act* provides defendants with a reasonable investigation (due diligence) defence to a misrepresentation claim. The Defendants submit that they conducted due diligence into the nature and potential implications of the USACE’s June 2020 communications regarding compensatory mitigation. There was, thus, a risk that even if a misrepresentation were established, the Defendants could have avoided liability; and

(c) *risk that the Plaintiffs would be unable to establish loss causation:* Even if the Plaintiffs were successful in establishing liability at trial, there was a risk that the

Defendants would prove that investors experienced no loss, or that any losses were unrelated to the misrepresentations. The Defendants submitted that the alleged failure to disclose the alleged plan to expand the Pebble Project—*i.e.*, to expand its revenue-generating capacity—had no statistically significant impact on share price when that came to light in September 2020. Further, on Friday, August 21, 2020, Northern Dynasty’s share price closed at \$1.45. A news article was published over the weekend claiming the Trump Administration would block the Pebble Project, and on Monday, August 24, 2020 Northern Dynasty’s share price opened at \$0.66. While the USACE letter requesting a compensatory mitigation plan was released August 24, 2020, the share price closed higher than it opened on August 24, 2020, at \$0.90.

iv. Settlement Negotiations

51. The negotiations leading to the Settlement Agreement were conducted on an adversarial, arm’s-length basis. Following the exchange of mediation materials, a mediation was held with Robert A. Meyer on March 27, 2023. Mr. Meyer’s experience is set out at paragraph 12 of the First O’Brien Affidavit. The negotiations continued after the mediation which culminated in the mediator issuing a mediator’s proposal. All parties accepted the proposal on April 11, 2023. The negotiations and mediation are described in more detail at paragraphs 11 to 14 of the First O’Brien Affidavit.

v. Distribution between US and Canada actions

52. The global settlement amount of USD\$8,500,000 was apportioned at a 25/75 split in favour of the US Action. The split is based on the Canadian and US relative trading volumes which from December 21, 2017 to November 24, 2020 were 22.66%/77.34%, respectively. The slight increase in favour of the Canadian Action was for the primary market claims advanced.

53. To minimize costs, the US and Canada actions opted for separate distribution processes with different administrators.

54. The US District Court granted Preliminary Approval of the Settlement on August 24, 2023. The Order is attached as **Exhibit “D”**. Notice of Pendency and Proposed Settlement of Class Action was disseminated the same day. A Settlement Hearing was held on December 7, 2023, and received final approval from the US District Court on January 26, 2024. The US Action’s approved final order is attached as **Exhibit “E”**.

Settlement Administration and Distribution Protocol

55. The deadline for Class Members to file a claim in the action is June 12, 2024. Class Counsel recommends that the Net Settlement Amount be distributed to those Class Members who file valid and timely claims in accordance with the Distribution Protocol, attached as **Exhibit “F”**. The objective of the Distribution Protocol is to equitably distribute the Net Settlement Amount among such Class Members.

56. Class Counsel believes that the proposed Distribution Protocol is fair, reasonable, and in the best interests of the Class. In coming to this assessment of the Distribution Protocol, we considered the contents of the Settlement Agreement, the Distribution Protocol itself, the

economics of distributing a Settlement of this quantum, how similar securities class action settlements have been distributed in the past, and input from RicePoint, which has substantial experience calculating class member entitlement to benefits in the securities class action context.

57. Key terms of the Distribution Protocol include, *inter alia*:

- (a) to make a valid claim, a claimant must establish that they are an Authorized Claimant by providing trading records or other equivalent evidence. An Authorized Claimant is a claimant who has a Notional Entitlement calculated pursuant to the Distribution Protocol (explained in paragraph 57(c) below);
- (b) each Authorized Claimant's actual compensation shall be the portion of the Net Settlement Amount equivalent to the ratio of his, her or its Notional Entitlement to the total Notional Entitlements of all Authorized Claimants multiplied by the Net Settlement Amount, as calculated by the Administrator;
- (c) an Authorized Claimant's Notional Entitlement will be calculated based on a formula that is similar to the statutory formula for damages in section 140.5 under Part 16.1 of the *Securities Act*;
- (d) a discount of 25% will be applied to the Notional Entitlement applicable to Private Placement Units to reflect Class Counsel's assessment of the strength of Private Placement Class Members' claims compared to the claims of Secondary Market Class Members and Class Members who acquired securities under a prospectus;

- (e) Authorized Claimants must provide documentary support for their claims, with the requirement to be interpreted equitably in keeping with the purpose of the Distribution Protocol;
- (f) compensation shall be paid to Authorized Claimants in Canadian currency;
- (g) if, one hundred eighty (180) days from the date on which the Administrator distributes the Net Settlement Amount to Authorized Claimants, the Escrow Account remains in a positive balance (whether due to tax refunds, uncashed cheques, or otherwise), the Administrator shall, if feasible, reallocate such balance among the Authorized Claimants in an equitable and economic fashion. If, in the opinion of the Administrator, it is not feasible to reallocate any remaining balance among the Authorized Claimants in an equitable and economic fashion, such balance shall be distributed to the Law Foundation of British Columbia;
- (h) in order to seek compensation, a Class Member shall submit a completed Claim Form to the Administrator on or before the Claims Bar Deadline; and
- (i) the Administrator shall ensure that only claims for compensation in respect of Eligible Securities in the Claim Form are approved.

58. A Guide to the Distribution Protocol, to be posted on Class Counsel's website to assist Class Members with understanding the Distribution Protocol, is attached hereto as **Exhibit "G"**.

59. As of the date of this affidavit, no Class Member has submitted a comment on, or objection to, the Distribution Protocol, as they were permitted to under the terms of the First Order.

60. RicePoint has been appointed the Administrator with this Court's approval and is equipped to process claims in accordance with the Distribution Protocol.

First Notice and Response by Class Members

61. The terms of the First Notice were addressed in the First O'Brien Affidavit at paragraphs 25-32. The opt-out procedure was addressed in the First O'Brien Affidavit at paragraphs 33-37. The dissemination of the First Notice is addressed in paragraphs 9 to 11 above.

62. As of the date of this affidavit, no Class Member has submitted a comment on, or objection to, the Settlement Agreement, the Distribution Protocol or Class Counsel Fees, as they were permitted to under the terms of the First Order.

63. I understand from the affidavit of Ivan Bobanovic sworn February 12, 2024 that RicePoint has not received any opt out elections as of the date of that affidavit.

64. Class Counsel and/or RicePoint will advise the Court of any opt-outs or comments/objections that are received prior to the hearing on February 23, 2024.

The Second Notice

65. The Plaintiffs and the Defendants have agreed on the manner of dissemination of, and the form and content of, the Second Notice (short-form and long-form), which were drafted to be as easy as possible for Class Members to read and understand, and with the intention that they would come to the attention of a substantial portion of the Class.

66. The Plan of Notice, short-form Second Notice and long-form Second Notice are attached as Schedules “D”, “G” and “H”, respectively, to the Settlement Agreement.

67. The Second Notice will provide: (i) notice of Settlement approval (if it is approved by the Court), and (ii) a reminder of the ongoing claims process, which was commenced concurrently with the issuance of the First Notice.

68. The agreed long-form Second Notice is extensive, providing notice of:

- (a) the Class definition;
- (b) the Claims Bar Deadline of June 12, 2024;
- (c) the approval of the Settlement Agreement;
- (d) the certification of the action;
- (e) the payment of Class Counsel’s fees and disbursements;
- (f) the payment of an honorarium to the Plaintiffs;
- (g) Class Members’ entitlement to compensation, and that the Settlement represents the only means of compensation available to Class Members in respect of the claims raised in the Action;
- (h) where to access Settlement documents; and
- (i) the Administrator’s contact information.

69. The short-form Second Notice is a summary document that directs Class Members to the long-form Second Notice, which provides more detailed information on the Settlement and its

approval by the Court. The last page of the long-form Second Notice will contain a toll-free telephone number and a note that Class Members may contact Class Counsel or RicePoint with any inquiries.

70. Second Notice is designed to be less extensive and thus less expensive than First Notice. This is because First Notice provided Class Members with notice of all items they needed to be aware of to protect their rights, including steps to be taken to: (i) make a claim to participate in settlement benefits; (ii) opt-out of the action; and (ii) object or comment on the Settlement Agreement, Class Counsel's request for fees and disbursements and the Distribution Protocol.

71. As set out in the Plan of Notice, Second Notice will be disseminated as follows:

- (a) English and French language versions of the short-form Second Notice will be issued (with necessary formatting modifications) across Canada Newswire, a major business newswire in Canada;
- (b) English and French language versions of the short-form Second Notice will be sent to Institutional Shareholder Services Inc. (ISS) for publication through their platform;
- (c) electronic publication of the long-form Second Notice will occur in English and French on Class Counsel's website; and
- (d) Class Counsel shall mail or email the long-form Second Notice to those persons who have contacted us as of the publication date regarding this litigation and have provided us with their contact information.

72. Class Counsel shall also make a toll-free number and email address available to the public that will enable Class Members to obtain more information about the Settlement Agreement and to request that a copy of the long-form Second Notice be sent electronically or physically to them directly.

73. It is the view of Class Counsel that the contemplated manner of disseminating the Second Notice is consistent with the notice programs approved and implemented in many other similar cases in which Siskinds has been counsel. In our experience, the combination of direct and indirect methods of providing notice should cause the Second Notice to come to the attention of a significant portion of the Class.

Class Counsel Fee Approval

74. Class Counsel seeks approval of fees in the amount of USD\$531,250 plus applicable taxes and reimbursement for disbursements incurred by Class Counsel in the amount of CAD\$234,619.90 plus applicable taxes. The taxes on the fees and disbursements will be at the applicable HST (Ontario) or GST/PST (British Columbia) rates.

i. Retainer Agreements

75. Class Counsel's fee request is consistent with the retainer agreements entered with Mr. Woo on February 11, 2021 and Mr. Haddad on November 30, 2020. Because the recovery occurred prior to certification of the action and outside costs indemnification was not obtained, the agreement provides for a contingency fee of 25% of the Settlement Amount. In accordance with the provisions of the retainer agreement, Class Counsel are also seeking recovery of their

disbursements incurred since inception and taxes. The retainer agreement contingency fees are confirmed in Affidavit No 2 of Mr. Haddad made February 7, 2024 and Exhibit A to Affidavit No 2 of Mr. Woo (to be sworn) in this proceeding.

ii. Risks Assumed by Class Counsel supporting the fee request

76. From the outset, Class Counsel agreed to pursue this action on a contingency fee basis, accepting responsibility for all costs and for seeking court approval for a fee if successful.

77. At the commencement of this action, Class Counsel was faced with the risks inherent to the prosecution of a complex securities class action. It was anticipated that:

- (a) there would be a significant recovery risk, irrespective of the merits of the action, due to Northern Dynasty's financial status and uncertainty with respect to available insurance. This meant that there was a very real risk, at the outset of the litigation, that Class Counsel would not be compensated for its time or reimbursed for money spent on disbursements;
- (b) this case would be hard fought by a defence firm that was an expert in the defence of securities cases;
- (c) there would be resistance to the certification application;
- (d) there would be resistance to the application for leave under Part 16.1 of the *Securities Act*. This would necessitate a detailed and likely expensive leave record funded by Class Counsel to establish the Plaintiffs' reasonable possibility of success at trial, including substantial expert expenses;

- (e) there was likely to be multiple other hard-fought interlocutory applications as the action progressed;
- (f) if successful on certification and leave, following appeals, there would be production of a significant number of documents and likely weeks of examinations for discovery;
- (g) if the case did not settle, there would be a very lengthy trial with an uncertain outcome; and
- (h) if litigation funding was not secured (which it was not), the exposure to potential adverse costs award would be considerable.

iii. Class Counsel's efforts to date

78. Class Counsel has performed significant work on behalf of Class Members. We:

- (a) undertook a preliminary investigation of the allegations against the Defendants;
- (b) prepared the Notice of Civil Claim;
- (c) undertook further investigations and prepared voluminous materials for the application for certification of the action as a class proceeding and the application for leave under Part 16.1 of the *Securities Act*;
- (d) undertook extensive negotiations, including a mediation, which resulted in the Settlement Agreement; and
- (e) responded to numerous class member inquiries.

iv. Fees and disbursements financed to date

79. Up to January 23, 2024, Class Counsel has docketed fees of CAD\$1,163,051.75 plus applicable taxes. Up to February 12, 2024, Class Counsel has financed disbursements of CAD\$234,619.90 plus applicable taxes.

80. Up to January 23, 2024, Class Counsel devoted the following number of hours to pursuing this litigation at their usual rates (before taxes):

<u>LAWYER/CLERK</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>TOTAL</u>
Charles M. Wright – Year of Call 1995 (ON); 2021 (BC)	47.5	\$1,000.00	\$47,500.00
Eli Karp - Year of Call 2007 (ON); 2023 (BC)	22.4	\$1277.46	\$28,615.00
Anthony O’Brien – Year of Call 2008 (ON); 2006 (Australia); 2022 (BC)	257.7	\$700.00	\$180,390.00
	28.1	\$725.00	\$20,300.00
Alex Dimson – Year of Call 2009 (ON); 2022 (BC)	258.6	\$700.00	\$181,020.00
	215.7	\$725.00	\$156,382.50
Sage Nematollahi – Year of Call 2011 (NY); 2012 (ON); 2021 (BC)	379.75	\$663.28	\$251,881.75
Hadi Davarinia – Year of Call 2016 (ON); 2023 (BC)	39.5	\$500	\$19,675
	2.9	\$325.00	\$942.50
Garett M. Hunter – Year of Call 2017 (ON); 2021 (BC)	178.2	\$375.00	\$66,825.00
	82.2	\$425.00	\$34,935.00
	108.4	\$449.70	\$48,747.50
Jared S. Rosenbaum – Year of Call 2018 (ON)	90.3	\$425.00	\$38,377.50
Taek Soo Shin – Year of Call 2018 (TX); 2020 (NY); 2022 (ON)	17.5	\$307.14	\$5,375
	9.7	\$200.00	\$1,940.00

Gigi Pao – Year of Call 2020 (ON)	76.2	\$250.00	\$19,050.00
	58.6	\$300.00	\$17,580.00
Rory A. Smith – Year of Call 2021 (ON)	105.7	\$250.00	\$26,425.00
Donna McEvoy (Law Clerk)	5.6	\$210.00	\$1,176.00
	20.1	\$220.00	\$4,422.00
	43.6	\$245.00	\$10,682.00
Michael Luna (Law Clerk)	4.5	\$180.00	\$810.00
Total	2052.75		\$1,163,051.75

81. The following charts summarize the disbursements incurred by Class Counsel up to February 12, 2024 (before taxes):

Disbursement (Siskinds LLP)	Amount
Courier	\$101.21
Copies	\$2,081.79
Long Distance Charges	\$112.40
Postage	\$3.14
Corporate Supplies	\$11.75
Research/Resource Material	\$1,157.89
Law Society Charges	\$200.00
Agent’s Fees and Disbursements	\$2,541.26
Bank Charge	\$75.00
Corporate Profile Charge	\$8.50
Expert Fees	\$179,778.32
Mileage/Travel/Meals and anticipated Mileage/Travel/Meals	\$18,639.68
Mediation/Arbitration Costs	\$3,715.29
TOTAL	\$208,426.23

Disbursement (KND Complex Litigation)	Amount
Filing Fees	\$532.11
Travel Expenses and anticipated Travel expenses	\$18,341.87
Professional Fees	\$2,986.73

Investigation Fees	\$2,136.42
TOTAL	\$23,997.13

82. Up to January 23, 2024, Branch McMaster spent the following disbursements and devoted the following number of hours working on this litigation at their usual rates (before taxes):

<u>LAWYER/CLERK</u>	<u>HOURS</u>	<u>HOURLY RATE</u>	<u>TOTAL</u>
Luciana P. Brasil – Year of Call 1999 (BC); 2013 (AB)	0.1	\$850.00	\$85.00
Ruby Egit – Year of Call 2016 (BC); 2016 (ON); 2021 (AB)	0.8	\$400.00	\$320.00
Jillian Dean – Year of Call 2016 (BC)	11.6	\$325.00	\$3,770.00
	4.8	\$375.00	\$1,800.00
Avichay Sharon – Year of Call 2017 (BC); 2017 (ON)	0.3	\$350.00	\$105.00
Monica Ornelas (Paralegal)	2.3	\$275.00	\$632.50
	0.7	\$290.00	\$203.00
Conall Kelly (Paralegal)	4.0	\$290.00	\$1,160.00
Total	24.6		\$8,075.50

Disbursement	Amount
Conference Call	\$1.28
Filing Fees	\$44.00
Agent Fees	\$491.20
Courier	\$103.56
Reproduction/Copying	\$1,556.50
TOTAL	\$2,196.54

v. *Anticipated fees to be incurred*

83. We estimate that we will spend time valued at approximately an additional \$50,000.00 to complete the administration of the Settlement, if the Settlement Agreement is approved by this Court. This additional time will be spent to:

- (a) prepare any supplementary materials for the hearing scheduled for February 23, 2024;
- (b) prepare and attend the hearing scheduled for February 23, 2024;
- (c) assist in implementation of Second Notice;
- (d) liaise with RicePoint to ensure the fair and efficient administration of the Settlement Agreement and Distribution Protocol; and
- (e) respond to inquiries from Class Members and their lawyers, if applicable, regarding the Settlement Agreement and the Distribution Protocol.

84. No additional fees are being or will be sought for this additional time. The proposed fees are sought on an 'all in' basis.

vi. *No Class Member objects to the fee or disbursement request*

85. The First Notice informed Class Members that Class Counsel would seek this Court's approval of legal fees not exceeding 25% of the Settlement Amount, plus disbursements not exceeding USD\$531,250.00 and applicable taxes.

86. The deadline to comment on or object to Class Counsel's fee request was February 9, 2024.
87. As of the date of this affidavit, no Class Member has submitted a comment on, or objection to, Class Counsel Fees, as they were permitted to under the terms of the First Order.
88. We will inform the Court of any comments or objections via a supplemental affidavit if any comments or objections are received.

Request for Honorarium

89. From the beginning of this litigation, Mr. Haddad and Mr. Woo have had responsibility for instructing Class Counsel. They were briefed on various issues on an ongoing basis as the litigation progressed. Their efforts included, among other things:

- (a) familiarizing themselves with the issues to be decided by the Court;
- (b) discussing and executing the retainer agreement regarding Class Counsel's fees and disbursements;
- (c) reviewing draft pleadings;
- (d) assisting with the preparation of an affidavit in support of the application for certification and leave under Part 16.1 of the *Securities Act* and swearing that affidavit;
- (e) reviewing other materials filed in support of the certification and leave application prior to that material being filed;
- (f) reviewing the Plaintiffs' mediation brief and providing input;

- (g) engaging in discussions with Class Counsel regarding the mediation and the settlement position to be taken;
- (h) providing settlement instructions;
- (i) reviewing a close to final version of the Settlement Agreement, the proposed Distribution Protocol and other documents; and
- (j) assisting with the preparation of their affidavits to approve the proposed Settlement.

90. As the representative plaintiffs, Mr. Haddad and Mr. Woo's names have been publicized in the media and in the notices.

91. In light of these steps and their overall contribution, Class Counsel requests an honorarium of \$5,000.00 each for Mr. Haddad and Mr. Woo to be paid from the Settlement Amount, if approved.

92. The First Notice informed Class Members that Class Counsel would seek the Court's approval for payment of an honorarium to each Plaintiff not exceeding \$5,000.00. As of the date of this affidavit, no Class Member has submitted a comment on, or objection to, that request.

AFFIRMED BEFORE ME in the
City of Toronto in the
Province of Ontario
This 13th day of February, 2024



A Commissioner for Taking Affidavits
in the Province of Ontario

Donna Lynn McEvoy,
A Commissioner, etc. Province of Ontario,
for Siskinds LLP Barristers and Solicitors
Expires: December 6, 2025

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Anthony O'Brien

This is Exhibit "A" mentioned and referred to in the Affidavit of Anthony O'Brien SWORN/AFFIRMED BEFORE ME at the City of Toronto, Province of Ontario this 13th day of February, 2024.



Donna Lynn McEvey, A Commissioner, etc.
Province of Ontario,
for Siskinds LLP Barristers and Solicitors
Expires: December 6, 2025

SETTLEMENT AGREEMENT

Made as of the 30th day of August , 2023

Between

FIRAS HADDAD and WALTER WOO

(“Plaintiffs”)

Proposed representative plaintiffs in Supreme Court of British Columbia Action No. VLC-S-S-2012849

In their personal and proposed representative capacities

- and -

NORTHERN DYNASTY MINERALS LTD., RONALD W. THIESSEN, THOMAS C. COLLIER, CANTOR FITZGERALD CANADA CORPORATION, CANACCORD GENUITY CORP., BMO NESBITT BURNS INC., PARADIGM CAPITAL INC., TD SECURITIES INC., AND VELOCITY TRADE CAPITAL

(“Defendants”)

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RECITALS

- A. WHEREAS** the Plaintiffs (defined below) commenced this action captioned *Haddad et al. v. Northern Dynasty Minerals Ltd., et al.*, Court File No. VLC-S-S-2012849 (the “Canadian Action”) pending in the Supreme Court of British Columbia, asserting, among other things, primary and secondary market statutory and common law misrepresentation claims;
- B. AND WHEREAS** a substantially corresponding action was commenced in the United States District Court for the Eastern District of New York, *IN RE NORTHERN DYNASTY MINERALS LTD. SECURITIES LITIGATION*, No. 1:20-cv-05917-ENV-RLM (the “U.S. Action”);
- C. AND WHEREAS** the Defendants deny any fault, omission, wrongdoing or liability whatsoever;
- D. AND WHEREAS** the Plaintiffs have delivered their certification materials and materials in support of their application for leave to proceed with their secondary market claims under Part 16.1 of the *BCSA* (defined below);
- E. AND WHEREAS** the Plaintiffs’ motion for leave to proceed with statutory claims under Part 16.1 of the *BCSA* (defined below) was originally scheduled to be argued in April 2023 with certification to be heard following the leave decision;
- F. AND WHEREAS** and the Plaintiffs’ leave application was subsequently adjourned to January 8-12, 2024;
- G. AND WHEREAS** counsel for the Parties (defined below) in the Canadian Action, and the parties in the U.S. Action, have engaged in arm’s length settlement discussions and a mediation held before Robert Meyer, resulting in this Settlement Agreement (defined below) resolving the Canadian Action and a corresponding settlement agreement resolving the U.S. Action;

H. AND WHEREAS this Settlement Agreement is intended to fully, finally, and forever, resolve, discharge, and settle the Canadian Action upon and subject to the terms and conditions set forth herein;

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 is hereby acknowledged, it is agreed by the Parties that, upon the Effective Date, the Canadian Action be settled and dismissed with prejudice and without costs, subject to the approval of the Court of this Settlement Agreement, on the following terms and conditions.

DEFINITIONS

- 1.1 In this Agreement, including the Recitals and Schedules hereto:
- (a) **Administration Expenses** means all fees, disbursements, expenses, costs, taxes and any other amounts incurred or payable in relation to the notice, approval, implementation and administration of the Settlement Agreement, including the costs of publication and delivery of notices, fees, disbursements and taxes paid to the Administrator, which shall be paid from the Escrow Account. For greater certainty, Administration Expenses do not include Class Counsel Fees.
 - (b) **Administrator** means the third-party professional firm and any employees of such firm, selected at arm's length by Class Counsel, and appointed by the Court to do any one or more of the following:
 - (i) facilitate dissemination of Notice;
 - (ii) receive and review requests to opt out of the Class;

- (iii) receive and review claims and administer the Settlement Amount in accordance with the Distribution Protocol; and
 - (iv) report to the Parties and the Court on the administration of the Settlement Agreement.
- (c) **Agreement or Settlement Agreement** means this settlement agreement.
- (d) **Approval Application** means an application brought by the Plaintiffs in the Court for the Second Order and the Third Order.
- (e) **Authorized Claimant** means any Class Member who has submitted a completed Claim Form which, pursuant to the terms of the Agreement and the Distribution Protocol, has been approved for compensation by the Administrator in accordance with the Distribution Protocol.
- (f) **BCSA** means the *Securities Act*, RSBC 1996, c 418, as amended.
- (g) **BCBCA** means the *Business Corporations Act*, SBC 2002, c 57, as amended.
- (h) **Canadian Action** means the action filed in the Supreme Court of British Columbia styled *Haddad et al. v Northern Dynasty Minerals Ltd., et al.* (Court File No. VLC-S-S-212849).
- (i) **Claim Form** means the form to be approved by the Court which, when completed and submitted in a timely manner to the Administrator, using the online claim portal established by the Administrator or by submitting a paper form to the Administrator, constitutes a Class Member's claim for compensation pursuant to the Distribution Protocol.

- (j) **Class** or **Class Members** means, except for the **Excluded Persons** or **Opt Out Parties**, all persons and entities, wherever they may reside or be domiciled, who purchased or otherwise acquired securities of Northern Dynasty during the Class Period and held some or all of those securities as of August 22, 2020 or November 25, 2020.
 - (k) **Class Counsel** means Siskinds LLP and KND Complex Litigation.
 - (l) **Class Counsel Fees** means the fees, disbursements, costs, interest thereon in accordance with the *CPA* section 38 plus HST, GST and/or PST and other applicable taxes or charges of Class Counsel as approved by the Court.
 - (m) **Class Period** means the period from March 29, 2018 to November 25, 2020, inclusive.
 - (n) **Collateral Agreement** means the Collateral Agreement entered into by the Parties dated August 30, 2023.
 - (o) **Court** means the Supreme Court of British Columbia.
 - (p) **CPA** means the *Class Proceedings Act*, RSBC 1996, c 50, as amended.
 - (q) **Defendants** means the Northern Dynasty Defendants and the Underwriters.
 - (r) **Distribution Protocol** means the distribution plan to be presented to the Court for approval in due course stipulating the proposed distribution of the Net Settlement Amount in the form approved by the Court.
 - (s) **Effective Date** means the first date on which the Second Order has become a final order.
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- (t) **Eligible Securities** means Northern Dynasty securities, the acquisition of which makes a person a Class Member or, in the case of an Opt Out Party, Northern Dynasty securities, the acquisition of which would have made the person a Class Member if he, she or it had not excluded himself, herself or itself from the Class in accordance with the terms of the First Order and the First Notice.
 - (u) **Escrow Account** means an interest-bearing trust account at a Canadian Schedule 1 bank in Ontario initially under the control of Class Counsel, until such time as it shall be transferred to the Administrator.
 - (v) **Escrow Settlement Funds** means the Settlement Amount plus any interest accruing thereon in the Escrow Account.
 - (w) **Excluded Persons** means Northern Dynasty and the Underwriters and their respective past or present subsidiaries, directors, officers, legal representatives, predecessors, successors and assigns, as well as Thiessen and Collier, their immediate family members, and any entities in which they have a controlling interest.
 - (x) **First Notice** means the short-form and long-form notices substantially in the forms attached as **Schedules “E” and “F”** or as otherwise fixed by the Court.
 - (y) **First Order** means the Order substantially in the form attached as **Schedule “A”** hereto:
 - (i) certifying the Canadian Action as a class proceeding for settlement purposes only;
 - (ii) appointing the Administrator;
-

- (iii) approving the Plan of Notice in respect of the First Notice;
 - (iv) approving the form of First Notice;
 - (v) approving the Claim Form and the procedure for filing claims; and
 - (vi) prescribing the opt out procedures to be administered by the Administrator.
- (z) **Implementation Date** means the first date on which both the Second Order and the Third Order have become final orders.
- (aa) **KND** means KND Complex Litigation.
- (bb) **Net Settlement Amount** means the amount available in the Escrow Account for distribution pursuant to the Distribution Protocol after payment of all Class Counsel Fees and Administration Expenses and other amounts contemplated by sections 1.16(a) to **Error! Reference source not found.**
- (cc) **Northern Dynasty** means Northern Dynasty Minerals Ltd.
- (dd) **Northern Dynasty Defendants** means Northern Dynasty, Ronald W. Thiessen (“Thiessen”), and Thomas C. Collier (“Collier”).
- (ee) **Notice** means the First Notice and the Second Notice.
- (ff) **Opt Out Party** means a person who would otherwise be a Class Member but who opts out of the Canadian Action pursuant to the Court approved opt out process.
- (gg) **Opt Out Threshold** means the number of Eligible Securities held by Opt Out Parties confidentially agreed upon by the Parties in the Collateral Agreement as giving rise to the Defendants’ right to terminate the Agreement pursuant to section 1.51.

- (hh) **Parties** means the Plaintiffs and Defendants.
 - (ii) **Plaintiffs** means Firas Haddad and Walter Woo.
 - (jj) **Plan of Notice** means the plan for disseminating Notice to the Class substantially in the form attached as **Schedule “D”** hereto or as fixed by the Court.
 - (kk) **Released Claims** mean any and all manner of claims, demands, actions, suits, causes of action, whether class, individual, representative or otherwise in nature, whether personal or subrogated, damages whenever incurred, damages of any kind including compensatory, statutory, punitive or other damages, liabilities of any nature whatsoever, including interest, costs, expenses, class administration expenses, penalties, and lawyers’ fees, known or unknown, suspected or unsuspected, foreseen or unforeseen, actual or contingent, and liquidated or unliquidated, in law, under statute or in equity that Releasers, or any of them, whether directly, indirectly, derivatively, or in any other capacity, ever had, now have, or hereafter can, shall, or may have, relating in any way to any conduct occurring anywhere, from the beginning of time to the date hereof relating to any conduct alleged (or which could have been alleged) in the Canadian Action, including, without limitation, any claims which arise out of or are based on or relate in any way to the purchase or acquisition of Northern Dynasty securities during the Class Period, or any such claims which have been asserted, would have been asserted, or could have been asserted, directly or indirectly, whether in Canada or elsewhere, as a result of or in connection with any alleged unjust enrichment or misrepresentations in breach of the *BCSA*, the *BCBCA*, or at common law.
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- (ll) **Releasees** mean, 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, trustees and assigns of each of the foregoing.
- (mm) **Releasors** means, jointly and severally, individually and collectively, the Plaintiffs and the Class and Class Members on behalf of themselves and any person claiming by or through them as a parent, subsidiary, affiliate, predecessor, successor, shareholder, partner, director, owner of any kind, agent, employee, contractor, attorney, heir, executor, trustee, administrator, insurer, devisee, assignee or representative of any kind.
- (nn) **Second Notice** means the short-form and long-form notices substantially in the forms attached as **Schedules “G”** and **“H”** or as fixed by the Court.
- (oo) **Second Order** means the Order substantially in the form attached as **Schedule “B”**:
- (i) approving this Settlement;
 - (ii) ordering the releases and discharges provided for herein;
 - (iii) dismissing the Canadian Action as against the Defendants without costs and with prejudice on the Effective Date.
-

- (pp) **Settlement** means the settlement of the Canadian Action on the terms provided for in this Agreement.
- (qq) **Settlement Amount** means two million one hundred twenty-five thousand dollars (USD\$2,125,000.00), inclusive of Administration Expenses, Class Counsel Fees, and any other costs or expenses otherwise related to the Canadian Action.
- (rr) **Siskinds** means Siskinds LLP.
- (ss) **Third Order** means the Order substantially in the form attached as **Schedule “C”**:
- (i) approving the Plan of Notice in respect of the Second Notice;
 - (ii) approving the form of the Second Notice; and
 - (iii) approving the Distribution Protocol.
- (tt) **Underwriters** means Cantor Fitzgerald Canada Corporation (“Cantor”), Canaccord Genuity Corp. (“Canaccord”), BMO Nesbitt Burns Inc. (“BMO NBI”), Paradigm Capital Inc. (“Paradigm”), TD Securities Inc. (“TD”), and Velocity Trade Capital (“Velocity”).

SETTLEMENT BENEFITS

Payment of Settlement Amount

- 1.2 Within 30 days of the execution of this Agreement, the Northern Dynasty Defendants shall pay or cause their insurers to pay to Class Counsel, in trust, the Settlement Amount in full and final settlement of the claims against the Defendants or proposed to be made against the Defendants in the Canadian Action.

Settlement Amount to be Held in Trust

- 1.3 Prior to the Effective Date, Class Counsel shall maintain an Escrow Account to hold the Settlement Amount in trust for the benefit of the Class.
 - 1.4 Class Counsel may pay Administration Expenses up to \$50,000 (“Non-Refundable Amount”) when they are incurred from the Escrow Settlement Funds while in control of the Escrow Amount.
 - 1.5 Within ten (10) days of the Effective Date, Class Counsel shall transfer control of the Escrow Account to the Administrator, but before doing so Class Counsel may deduct and retain from the Escrow Settlement Funds the Class Counsel Fees approved by the Court.
 - 1.6 Upon the transfer of the Escrow Account to the Administrator, the Administrator shall maintain the Escrow Settlement Funds in the Escrow Account under the control of the Administrator and hold the Escrow Settlement Funds in trust as provided for in this Agreement.
 - 1.7 Class Counsel shall account to the Administrator for all payments made from the Escrow Account prior to the transfer described in section 1.5. In the event this Agreement is terminated, Class Counsel or the Administrator, whichever then has control of the Escrow Account, shall deliver an accounting to the Parties no later than ten (10) days after the termination, and shall return the Settlement Amount to the Defendants within 20 days of the termination less any Non-Refundable Amount paid out of the Escrow Account in accordance with this Agreement.
 - 1.8 Neither Class Counsel nor the Administrator shall pay out any of the Escrow Settlement Funds except in accordance with this Agreement.
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- 1.9 Any dispute concerning the entitlement to, or quantum of expenses incurred in the publication and dissemination of the First Notice or Second Notice, or Administration Expenses paid by Class Counsel or the Administrator, shall be dealt with by an application to the Court on notice to the Parties.
- 1.10 The Settlement Amount shall be inclusive of interest, taxes, any honorarium, and Class Counsel Fees.
- 1.11 The Settlement Amount shall be paid in full and final satisfaction of the Released Claims against the Releasees.

Taxes on Interest

- 1.12 Except as expressly provided herein, all interest earned on the Settlement Amount shall accrue to the benefit of the Class and shall become and remain part of the Settlement Amount in the Escrow Account.
- 1.13 Subject to section 1.14, all taxes payable on any interest which accrues on or otherwise in relation to the Escrow Settlement Funds shall be the responsibility of the Plaintiffs and the Class. Class Counsel or the Administrator, as may later be appropriate, shall be solely responsible to fulfil all tax reporting and payment requirements arising from the Escrow Settlement Funds, 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.
- 1.14 The Defendants shall have no responsibility related to the Escrow Account, other than as expressly set out herein, including but not limited to, making any filings relating to the Escrow Account, paying tax on any income earned by the Settlement Amount, or paying any taxes on the monies in the Escrow Account, unless this Agreement is terminated, in

which case any interest earned on the Settlement Amount shall be paid to the Defendants who, in such case, shall be responsible for the payment of any taxes on such interest not previously paid by Class Counsel or the Administrator.

NO REVERSION

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

DISTRIBUTION OF THE SETTLEMENT AMOUNT

- 1.16 On or after the Implementation Date, the Administrator shall distribute the Settlement Amount in accordance with the following priorities:
- (a) to pay Class Counsel Fees as awarded by the Court (unless the Class Counsel Fees have already been paid to Class Counsel in accordance with section 1.5);
 - (b) to pay any honorarium to the Plaintiffs as the Court may decide to award;
 - (c) to pay all of the costs and expenses reasonably and actually incurred in connection with the provision of Notice;
 - (d) to pay all of the remaining Administration Expenses. For greater certainty, the Defendants and Class are excluded from eligibility for any payment of costs and expenses under this subsection;
 - (e) to pay a *pro rata* share of the balance of the Settlement Amount to each Authorized Claimant in proportion to the Authorized Claimant's claim as recognized in accordance with the Distribution Protocol; and

(f) to the Law Foundation of British Columbia if there shall remain thereafter Escrow Settlement Funds and, in the opinion of the Administrator, it is not feasible to reallocate the remaining Escrow Settlement Funds among the Authorized Claimants in an equitable and economic fashion in accordance with the Distribution Protocol.

1.17 Class Counsel shall propose for approval by the Court a Distribution Protocol. The approval of the Distribution Protocol may be considered separately from the approval of the Settlement and is not a condition of the approval of the Settlement itself.

RELEASES

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

1.19 As of the Effective Date, the Releasors 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.

1.20 The Releasors acknowledge that they may subsequently discover facts in addition to, or different from those they now know, but nonetheless agree that section 1.19 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 Releasors waive any right they may

have under the law, common law, civil law, in equity or otherwise, 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.

- 1.21 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.

EFFECT OF SETTLEMENT

No Admissions or Concessions

- 1.22 This Agreement, whether or not it is terminated, anything contained in it, any and all negotiations, discussions, and communications associated with this Agreement, shall not be deemed, construed or interpreted to be:

- (a) an admission or concession by the Defendants of any fact, fault, omission, wrongdoing or liability, or of the truth of any of the claims or allegations made against the Defendants in the Canadian Action or that could have been made in the Canadian Action against the Defendants; or
- (b) an admission or concession by the Plaintiffs, their counsel or the Class of any weakness in the claims of the Plaintiffs and the Class or that the consideration to be given hereunder represents the amount that could or would have been recovered from the Defendants after trial of the Canadian Action.

Agreement Not Evidence nor Presumption

- 1.23 This Agreement, whether or not it is terminated, anything contained in it, any and all negotiations, documents, discussions and proceedings associated with this Agreement, and any action taken to implement this Agreement, shall not be offered or received in the

Canadian Action should this Agreement be terminated and the Canadian Action continues, or any pending or future civil, criminal, quasi-criminal, administrative action or disciplinary investigation or proceeding:

- (a) of the validity of any of the claims that have been or could have been asserted in the Canadian Action by the Plaintiffs against the Defendants, or the deficiency of any defence that has been or could have been or could be asserted in the Canadian Action;
- (b) of wrongdoing, fault, neglect or liability by the Defendants; or
- (c) against the Plaintiffs, their counsel or the Class, as evidence, or a presumption, of a concession or admission:
 - (i) of any weakness in the claims of the Plaintiffs and the Class; or
 - (ii) that the consideration to be given hereunder represents the amount that could or would have been recovered from the Defendants after trial of the Canadian Action.

1.24 Notwithstanding section 1.23, 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 any term of, or dispute under, this Agreement, to defend against the assertion of released claims, or as otherwise required by law.

REQUIRED STEPS

Reasonable Efforts

1.25 The Parties shall take all reasonable steps to effectuate the Settlement and to secure the prompt, complete and final dismissal with prejudice of the Canadian Action on a without

costs basis as against the Defendants, including cooperating in the Plaintiffs' efforts to obtain the approval and orders required from the Court regarding the approval or implementation of the Settlement.

Canadian Action in Abeyance

1.26 Until the Effective Date or this Agreement is terminated in accordance with its terms, whichever occurs first, the Plaintiffs agree to hold in abeyance all other steps in the Canadian Action as they relate to the Defendants, other than the Approval Application contemplated by this Agreement, the consent orders to amend claims (to consolidate the *Woo* action) and discontinue the *Woo* action with prejudice, and dismiss the claims against the Underwriters, and such other matters required to implement the terms of this Agreement.

APPROVAL, NOTICE AND OPT-OUT PROCESS

First Order and First Notice

- 1.27 As soon as practicable after this Agreement is executed, the Plaintiffs shall bring an application for the approval of the First Order. The Defendants will consent to the issuance of the First Order.
- 1.28 The Parties agree that the certification of the Canadian Action as a class proceeding is for the sole purpose of effecting the Settlement. In the event that this Agreement is terminated as provided herein, any certification order binding the Defendants shall be vacated or set aside on consent as set out herein and shall be without prejudice to any position that either of the Parties may later take on any issue in the Canadian Action including in a subsequent certification application. In particular, the fact of the Defendants' consent to certification

for settlement purposes shall not be deemed to be an admission that the Plaintiffs have met any of the requisite criteria for certification of the Canadian Action as a class proceeding.

- 1.29 Following entry of the First Order, the Administrator shall cause the First Notice to be published and distributed in accordance with the Plan of Notice and the direction of the Court. The costs of publishing and distributing the First Notice shall be paid from the Escrow Settlement Funds as and when incurred.
- 1.30 The Administrator shall administer the opt out procedures prescribed by the First Order. No later than seven (7) calendar days after any deadline established by the Court for the delivery of opt out requests, the Administrator shall report to Class Counsel and counsel for the Defendants on the requests made to opt out of the Canadian Action.
- 1.31 Class Members who wish to file with the Court an objection or comment on the Settlement, the Distribution Protocol or the request for approval of Class Counsel Fees shall deliver to Class Counsel a written statement in accordance with the terms of, and by the deadline set out in, the First Order.
- 1.32 The Plaintiffs represent and warrant that they are not aware of any Class Member who has expressed an intention to opt out of the Settlement or of the Class and that they will not encourage any Class Member to do so.

Approval Application and Second Notice

- 1.33 The Plaintiffs will thereafter bring the Approval Application before the Court in accordance with the Court's directions. The Defendants will consent to the issuance of the Second Order.

- 1.34 At the Approval Application, Class Counsel shall propose for approval by the Court the Distribution Protocol or such other plan for distributing the Net Settlement Amount to the Class as Class Counsel may advise. The Distribution Protocol is the responsibility of Class Counsel, and the Defendants have no involvement in its design. Accordingly, the approval of the Distribution Protocol shall be considered separately from the approval of the Settlement Agreement and is not a condition of the approval of the Settlement Agreement itself and the dismissal of the Canadian Action as against the Defendants without costs and with prejudice in accordance with the Second Order.
- 1.35 The Defendants will take no position or make any submission to the Court concerning the Distribution Protocol, except as requested or required by the Court.
- 1.36 The Defendants will not oppose the issuance of the Third Order.
- 1.37 The Plaintiffs may make any amendments to the Distribution Protocol, the Third Order, the Second Notice or the Plan of Notice as it relates to Second Notice requested or directed by the Court.
- 1.38 Following the Implementation Date, the Administrator shall cause the Second Notice to be published and disseminated in accordance with the Plan of Notice as approved by the Court. The costs of publishing the Second Notice shall be paid from the Escrow Settlement Funds as and when incurred.

OTHER APPLICATIONS**Application for Approval of Class Counsel Fees**

- 1.39 Immediately following or in parallel with the Approval Application, Class Counsel may seek the approval of Class Counsel Fees to be paid as a first charge on the Settlement Amount.
- 1.40 The Defendants acknowledge that they are not parties to the application concerning the approval of Class Counsel Fees, that they will have no involvement in the approval process to determine the amount of Class Counsel Fees, and that they will not take any position or make any submissions to the Court concerning Class Counsel Fees, except as requested and required by the Court.
- 1.41 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, except as expressly provided in section 1.16, and are to be considered by the Court separately from its consideration of the fairness, reasonableness, and adequacy of the Settlement provided for herein. For clarity, approval of the Settlement is not dependent on approval of any Class Counsel Fees.
- 1.42 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 this Agreement or affect or delay the finality of the Second Order and the Settlement of this Canadian Action provided herein.
-

Application for Approval of Honorarium

- 1.43 Immediately following or in parallel with the Approval Application, Class Counsel may seek orders from the Court relating to the payment of an honorarium to the Plaintiffs.
- 1.44 The Defendants acknowledge that they are not parties to any application concerning the payment of an honorarium to the Plaintiffs, they will have no involvement in any such application, and they will not take any position or make any submissions to the Court concerning any such application, except as requested and required by a Court.
- 1.45 Any order or proceeding relating to payment of an honorarium to the Plaintiffs, or any appeal from any order relating thereto or reversal or modification thereof, shall not operate to terminate or cancel this Agreement or affect or delay the finality of the Second Order and the Settlement of this Canadian Action provided herein.

ADMINISTRATION**Appointment of the Administrator**

- 1.46 By order of the Court, the Administrator will be appointed to serve until such time as the Escrow Settlement Funds are distributed in accordance with this Agreement and the Distribution Protocol, on the terms and conditions and with the powers, rights, duties and responsibilities set out in this Agreement and in the Distribution Protocol.

Information and Assistance from the Defendants

- 1.47 The Defendants shall, forthwith upon entry of the First Order, make reasonable efforts to deliver or cause to be delivered to the Administrator an electronic list of all persons who acquired Eligible Securities, to the extent available, along with email addresses or other

contact information for those persons as may be available to facilitate the delivery of notice to those persons.

- 1.48 The Administrator may use the information obtained under section 1.47 for the purpose of delivering the First Notice and Second Notice and for the purposes of administering and implementing this Agreement, the Plan of Notice and the Distribution Protocol, but the Administrator shall otherwise keep confidential the information obtained under section 1.47.
- 1.49 Any information obtained or created in the administration of this Agreement is confidential and, except as required by law, shall be used and disclosed only for the purpose of distributing notices and the administration of this Agreement and the Distribution Protocol.

TERMINATION

Automatic Termination

- 1.50 This Agreement shall, without notice, be automatically terminated if:
- (a) on the return of the Approval Application, the Court issues an order that is not substantially in the form of the Second Order, and such order becomes a final order;
or
 - (b) the Second Order is reversed on appeal and the reversal becomes a final order.
- 1.51 The Defendants shall have the right to terminate this Agreement within 14 days, or on a later date on the consent of the Parties, on being notified by the Administrator that the number of Eligible Securities of Opt Out Parties exceeds the Opt Out Threshold. The Administrator shall notify the Defendants of the number of Eligible Securities of Opt Out Parties and such particulars provided by such Opt Out Parties in support of their request to

exclude themselves from the Class in accordance with the terms of the First Order and the First Notice.

- 1.52 The right to terminate this Agreement contemplated by section 1.51 may be exercised by any one or more of the Defendants notifying Class Counsel in writing of his, her or their intention to terminate the Agreement, which notification shall have the effect of terminating this Agreement for all Defendants.
- 1.53 The Opt Out Threshold shall be stated in the Collateral Agreement. The Opt Out Threshold shall be redacted in the Collateral Agreement that is filed with the Court or otherwise made available to the public. The Collateral Agreement, without redaction of the Opt Out Threshold, shall not be published and shall be kept confidential by the parties unless the Court orders its publication or disclosure.

Effect of Termination

- 1.54 In the event this Agreement is terminated in accordance with its terms:
- (a) the Parties will be restored to their respective positions prior to the execution of this Agreement;
 - (b) the Plaintiffs and Defendants will consent to an order vacating or setting aside any order certifying this Canadian Action as a class proceeding for the purposes of implementing this Agreement and certification of this Canadian Action for settlement purposes shall not be deemed to be an admission by the Defendants that the Canadian Action met any of the criteria for certification, and that no party to this Canadian Action and no other person may rely upon the fact of the prior consent to the certification order for any purpose whatsoever;

- (c) the Escrow Settlement Funds will be returned to the Defendants;
- (d) this Agreement will have no further force or effect and no effect on the rights of the Parties except as specifically provided for herein;
- (e) all statutes of limitation applicable to the claims asserted in the Canadian Action shall be deemed to have been tolled during the period beginning with the execution of this Agreement and ending with Order described in section 1.56;
- (f) any costs reasonably incurred by Class Counsel and paid out of the Escrow Account for the publication and dissemination of notices are non-recoverable from the Plaintiffs, the Class Members and Class Counsel, except by way of any costs order that may be made in favour of the Defendants in the Canadian Action; and
- (g) this Agreement and the First Order will not be introduced into evidence or otherwise referred to in any litigation against the Defendants.

1.55 Notwithstanding the provisions of section 1.54(d), if this Agreement is terminated, the provisions of this section 1.55, and sections 1.1, 1.7, 1.8, 1.9, 1.13, 1.14, 1.15, 1.22, 1.23, 1.24, and 1.56 to 1.76 shall survive termination and shall continue in full force and effect.

Steps Required on Termination

- 1.56 If this Agreement is terminated, the Defendants shall, within thirty (30) days after termination, apply to the Court, on notice to the Plaintiffs, for an order:
- (a) declaring this Agreement null and void and of no force or effect except for the provisions of those sections listed in section 1.55;
 - (b) 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, including any

order certifying the Canadian Action as a class proceeding for the purposes of implementing this Agreement; and

- (c) authorizing the payment of the Escrow Settlement Funds, including accrued interest, to the Defendants.

1.57 Subject to section 1.58, the Plaintiffs shall consent to the orders sought in any application made by the Defendants under section 1.56.

Notice of Termination

1.58 If this Agreement is terminated, a notice of the termination will be given to the Class. Class Counsel will cause the notice of termination, in a form approved by the Court, to be published and disseminated as the Court directs.

Disputes Relating to Termination

1.59 If there is a dispute about the termination of this Agreement, the Parties agree that the Court shall determine the dispute on an application made by a Party on notice to the other Parties.

MISCELLANEOUS

Applications for Directions

1.60 The Parties may apply to the Court for directions in respect of any matter in relation to this Agreement.

1.61 All applications contemplated by this Agreement shall be on notice to the Parties.

Headings, etc.

1.62 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 Settlement Agreement and not to any particular section or other portion of the Settlement 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

1.63 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 holiday, the act may be done on the next day that is not a holiday.

Governing Law

1.64 The Agreement shall be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia. The language of the Agreement is English.

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

Severability

1.66 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

1.67 This Agreement and the Collateral Agreement constitute the entire agreement among the Parties and supersede all prior and contemporaneous understandings, undertakings, negotiations, representations, promises, agreements, agreements in principle and memoranda of understanding in connection herewith. The Parties will not be bound by any prior obligations, conditions or representations with respect to the subject matter of this Agreement and the Collateral Agreement, unless expressly incorporated herein. This Agreement may not be modified or amended except in writing and on consent of both Parties and any such modification or amendment after settlement approval must be approved by the Court.

Binding Effect

1.68 If the Settlement is approved by the Court and becomes final, this Agreement shall be binding upon, and enure to the benefit of, the Plaintiffs, the Class Members, the Defendants, Class Counsel, the Releasees and the Releasors or, any of them, 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

Plaintiffs shall be binding upon all Releasers and each and every covenant and agreement made herein by the Defendants shall be binding upon all of the Releasees.

1.69 For greater certainty, no Opt Out Party shall be bound by this Agreement.

Survival

1.70 The representations and warranties contained in this Agreement shall survive its execution and implementation.

Negotiated Agreement

1.71 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

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

Acknowledgements

1.73 Each Party hereby affirms and acknowledges that:

- (a) its signatory has the authority to bind the Party for which it is signing with respect to the matters set forth herein and has reviewed this Agreement;

- (b) the terms of this Agreement and the effects thereof have been fully explained to him/her or it by his/her or its counsel; and
- (c) he/she or its representative fully understands each term of this Agreement and its effect.

Counterparts

1.74 This Agreement may be executed in counterparts, all of which taken together will be deemed to constitute one and the same agreement, and an emailed .PDF signature shall be deemed an original signature for purposes of executing this Agreement.

Notice

- 1.75 Any notice, instruction, application for Court approval or application for directions or Court orders sought in connection with this Agreement or any other report or document to be given by any party to any other party shall be in writing and delivered by email to:

For the Plaintiffs:

Alex Dimson
Siskinds LLP
65 Queen Street West, Suite 1155
Toronto, ON M5H 2M5
Email: alex.dimson@siskinds.com

Sage Nematollahi
KND Complex Litigation
1186 Eglinton Avenue West
Toronto, ON M6C 2E3
Email: sn@knd.law

For the Northern Dynasty Defendants:


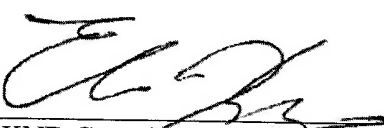
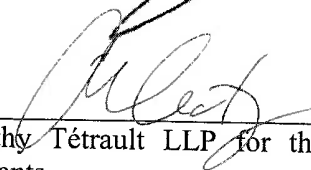
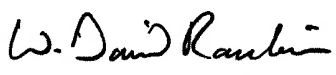
Alexandra Cocks
McCarthy Tétrault LLP
745 Thurlow Street, Suite 2400
Vancouver, BC V6E 0C5
Email: acocks@mccarthy.ca

For the Underwriters:

Mark Gelowitz
Osler, Hoskin & Harcourt LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto, ON M5X 1B8
Email: mgelowitz@osler.com

Date of Execution

1.76 This Agreement is effective as of the date on the cover page.

<u>2023-09-05</u> Date	 Siskinds LLP for the Plaintiffs
<u>September 05, 2023</u> Date	 KND Complex Litigation for the Plaintiffs
<u>September 1, 2023</u> Date	 McCarthy Tétrault LLP for the Northern Dynasty Defendants
<u>September 8, 2023</u> Date	 Osler, Hoskin & Harcourt LLP for the Underwriters

SCHEDULE "A"
FIRST ORDER

No. VLC-S-S-2012849
Vancouver Registry

Between *In the Supreme Court of British Columbia*

FIRAS HADDAD and WALTER WOO

Plaintiffs

and

NORTHERN DYNASTY MINERALS LTD., RONALD W. THIESSEN, THOMAS C. COLLIER, CANTOR FITZGERALD CANADA CORPORATION, CANACCORD GENUITY CORP., BMO NESBITT BURNS INC., PARADIGM CAPITAL INC., TD SECURITIES INC., AND VELOCITY TRADE CAPITAL

Defendants

Brought under the *Class Proceedings Act*, RSBC 1996, c 50

**ORDER MADE AFTER APPLICATION FOR CERTIFICATION,
APPOINTMENT OF ADMINISTRATOR, APPROVAL OF NOTICE,
CLAIMS PROCESS AND OPT OUT PROCEDURE**

BEFORE THE HONOURABLE JUSTICE ●)
) [Date]
)

ON THE APPLICATION of the plaintiffs coming on for hearing at the Courthouse, [address], on [date] and on hearing [counsel appearing]; and on reading the materials filed, including the Settlement Agreement; and on the consent of the Defendants.

THIS COURT ORDERS that

1. Except to the extent that they are modified by this Order, the definitions set out in the settlement agreement reached with the Defendants dated August 30, 2023 (“**Settlement Agreement**”) attached as **Appendix “1”** apply to and are incorporated into this Order.
2. In the event of a conflict between this Order and the Settlement Agreement, this Order shall prevail.
3. This action is certified as a class proceeding as against the Defendants for the purpose of the settlement only, pursuant to the *Class Proceedings Act*, RSBC 1996, c 50, but subject to the terms of the Settlement Agreement.
4. The class certified for the purpose of settlement with the Defendants is defined as:

except for the **Excluded Persons** or **Opt Out Parties**, all persons and entities, wherever they may reside or be domiciled, who purchased or otherwise acquired securities of Northern Dynasty during the Class Period and held some or all of those securities as of August 22, 2020 or November 25, 2020.
5. Firas Haddad and Walter Woo are appointed as the Representative Plaintiffs for the Class.
6. Siskinds LLP and KND Complex Litigation are appointed Class Counsel.
7. The following issues are certified as common issues:
 - a) Did Northern Dynasty’s Class Period disclosures, or any of them, contain misrepresentation within the meaning of the *Securities Act*?; and
 - b) Did the disclosures released on August 22, 2020 and/or November 25, 2020 publicly correct the previously released alleged misrepresentations within the meaning of the *BCSA*?

8. The Plan of Notice, substantially in the form attached as **Appendix “2”**, is approved for the purpose of the publication and dissemination of the First Notice and Claim Form.
 9. The form and content of the short-form First Notice, substantially in the form attached as **Appendix “3”**, is approved.
 10. The form and content of the long-form First Notice, substantially in the form attached as **Appendix “4”**, is approved.
 11. The form and content of the Claim Form, substantially in the form attached as **Appendix “5”**, is approved.
 12. ● is appointed as the Administrator of the Settlement Agreement.
 13. In order to be entitled to participate in a distribution from the Net Settlement Amount, a Class Member must:
 - (a) submit a properly completed Claim Form to the Administrator, using the online claim portal established by the Administrator or by submitting a paper Claim Form by mail or courier to the Administrator, postmarked or received by the Administrator on or before 11:59pm Vancouver (Pacific) time on the date that is one hundred and eighty (180) calendar days after the date on which the First Notice is first published (“**Claims Bar Deadline**”);
 - (b) submit, together with the Claim Form, any supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by the Administrator; and
-

- (c) otherwise comply with the instructions set out in the Claim Form.
14. Any Class Member who wishes to validly exclude him, her or itself from the Action must do so by submitting to the Administrator by mail or courier a written opt out election (“**Opt Out Election**”) to be postmarked on or before 11:59pm Vancouver (Pacific) time on the date that is 60 calendar days after the date on which the First Notice is first published whether in print or online (“**Opt Out Deadline**”).
15. An Opt Out Election:
- (a) must contain a statement of intention to opt out of the Action by the Class Member or a person authorized to bind the Class Member;
 - (b) for Class Members who acquired Eligible Securities during the period from and including ● to and including ●, must provide a listing of all transactions during that period showing, for each transaction, the type of transaction (purchase or sale), the number of securities and the date of the transaction, and state the number of Eligible Securities held at the close of trading on the TSX Venture Exchange on ●;
 - (c) must be supported by documents to evidence such transactions, in the form of trade confirmations, brokerage statements or other transaction records allowing the Administrator to verify the transactions;
 - (d) must contain the name, address, telephone number and email address of the Class Member; and
 - (e) may, at the option of the Class Member, contain a statement of the Class Member’s reason for opting out.
-

16. Any Class Member who delivers a valid Opt Out Election, in accordance with paragraphs 14 and 15 of this Order, may revoke that Opt Out Election by submitting to the Administrator by mail or courier a written statement that he, she or it wishes to revoke the Opt Out Election, which must be postmarked on or before 11:59pm Vancouver (Pacific) time on the date that is five (5) calendar days after the Opt Out Deadline (“**Opt Out Revocation Deadline**”).

17. An Opt Out Election that is revoked in accordance with paragraph 16 of this Order shall be null and void and have no force or effect, and the Class Member who submitted the Opt Out Election shall not be considered an Opt Out Party.

18. The Administrator shall, immediately upon receipt by it, provide to Class Counsel and counsel to the Defendants copies of any Opt Out Elections postmarked on or before the Opt Out Deadline.

19. At any time up to the Opt Out Revocation Deadline, Class Counsel may contact any Class Member who has submitted an Opt Out Election to confirm that they wish to exclude him, her or itself from the Action, and to explain to him, her or it the significance of the Opt Out Election.

20. No later than the date that is seven (7) calendar days after the Opt Out Deadline, the Administrator shall:

- (a) report to the lawyers for the Parties the number of Eligible Securities of each Opt Out Party and the total number of Eligible Securities of all Opt Out Parties; and
- (b) provide to the lawyers for the Parties copies of the Opt Out Elections submitted by Opt Out Parties.

21. Any person who would otherwise be a Class Member who validly excludes him, her or itself from the Action, in accordance with paragraphs 14 and 15 of this Order, and who has not

revoked his, her or its Opt Out Election in accordance with paragraph 16 of this Order, is not bound by the Settlement Agreement and shall no longer participate or have the opportunity in the future to participate in the Action and the Settlement.

22. Any person who is a member of the Class and who does not validly exclude him, her or itself from the Action in accordance with paragraphs 14 and 15 of this Order, or who revokes an Opt Out Election in accordance with paragraph 16 of this Order, will be bound by the Settlement Agreement, including the releases contained therein, if and when it becomes effective, and may not exclude him, her or itself from the Action in the future, whether or not a claim to participate in the distribution of the Settlement Amount is submitted by that person.

23. Class Members who wish to file with the Court an objection or comment on the Settlement, the Distribution Protocol or the request for approval of Class Counsel Fees shall deliver to Class Counsel by mail, courier or email a written statement, to be postmarked or received by Class Counsel by no later than 11:59pm Vancouver (Pacific) time on the date that is 14 calendar days prior to the Approval Application. Class Counsel shall, forthwith upon receipt by them, provide a copy of any such objection or comment to counsel for the Defendants.

24. The Defendants shall use reasonable efforts to forthwith deliver or cause to be delivered to the Administrator the information required under section 1.47 of the Settlement Agreement.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of lawyer for the Plaintiffs

Signature of lawyer for the Northern Dynasty
Defendants

Signature of lawyer for the Underwriters

By the Court

Registrar

In the Supreme Court of British Columbia

Between

FIRRAS HADDAD and WALTER WOO

Plaintiffs

and

**NORTHERN DYNASTY MINERALS LTD., RONALD W. THIESSEN, THOMAS C.
COLLIER, CANTOR FITZGERALD CANADA CORPORATION, CANACCORD
GENUITY CORP., BMO NESBITT BURNS INC., PARADIGM CAPITAL INC., TD
SECURITIES INC., AND VELOCITY TRADE CAPITAL**

Defendants

Brought under the *Class Proceedings Act*, RSBC 1996, c 50

ORDER MADE AFTER APPLICATION

<p>Siskinds LLP Barristers & Solicitors 65 Queen Street West, Suite 1155 Toronto ON M5H 2M5</p> <p>Courier address: ●</p>	<p>KND Complex Litigation 1186 Eglinton Ave West Toronto ON M6C 2E3</p> <p>Courier address: ●</p>
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SCHEDULE "B"
SECOND ORDER

No. VLC-S-S-2012846
Vancouver Registry

In the Supreme Court of British Columbia

Between

FIRAS HADDAD and WALTER WOO

Plaintiffs

and

NORTHERN DYNASTY MINERALS LTD., RONALD W. THIESSEN, THOMAS C. COLLIER, CANTOR FITZGERALD CANADA CORPORATION, CANACCORD GENUITY CORP., BMO NESBITT BURNS INC., PARADIGM CAPITAL INC., TD SECURITIES INC., AND VELOCITY TRADE CAPITAL

Defendants

Brought under the *Class Proceedings Act*, RSBC 1996, c 50

ORDER MADE AFTER APPLICATION FOR SETTLEMENT APPROVAL

BEFORE THE HONOURABLE JUSTICE ●

)
)
)

[Date]

ON THE APPLICATION of the plaintiffs coming on for hearing at the Courthouse, [address], on ● and on hearing [counsel appearing]; and on reading the materials filed, including the Settlement Agreement; and on the consent of the Defendants;

THIS COURT ORDERS that

1. Except to the extent that they are modified by this Order, the definitions set out in the settlement agreement reached with the Defendants dated August 30, 2023 (“**Settlement Agreement**”) attached as **Appendix “1”** apply to and are incorporated into this Order.
 2. In the event of a conflict between this Order and the Settlement Agreement, this Order shall prevail.
 3. The Settlement Agreement is fair, reasonable and in the best interests of the Class.
 4. The Settlement Agreement is approved pursuant to section 35 of the *Class Proceedings Act*, RSBC 1996, c 50 as amended and shall be implemented in accordance with its terms.
 5. The Settlement Agreement is incorporated by reference to and forms part of this Order and is binding upon the Plaintiffs and Class Members.
 6. The Settlement Agreement shall be implemented in accordance with its terms.
 7. The Plaintiffs and Defendants may, on notice to the Court but without the need for further order of the Court, agree to reasonable extensions of time to carry out any provisions of the Settlement Agreement.
 8. Except as expressly provided for in the Settlement Agreement, the Defendants and the other Releasees have no responsibility for and no liability whatsoever with respect to the administration of the Settlement.
 9. This Order, including the Settlement Agreement, is binding upon each member of the Class including those Persons who are minors or mentally incapable.
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10. Upon the Effective Date, the Releasors 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 or other claims over relief from any Releasee, in respect of any Released Claim or any matter related thereto.

11. For the purposes of administration and enforcement of the Settlement Agreement and this Order, this Court will retain an ongoing supervisory role and the Defendants and the other Releasees acknowledge the jurisdiction of this Court solely for the purpose of implementing, administering and enforcing the Settlement Agreement and this Order, and subject to the terms and conditions set out in the Settlement Agreement.

12. Upon the Effective Date, the Action shall be dismissed against all Defendants with prejudice and without costs.

13. This Order shall be declared null and void on a subsequent application made on notice in the event that the Settlement Agreement is terminated in accordance with its terms.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of lawyer for the Plaintiffs

Signature of lawyer for the Northern Dynasty
Defendants

Signature of lawyer for the Underwriters

By the Court

Registrar

In the Supreme Court of British Columbia

Between

FIRRAS HADDAD and WALTER WOO

Plaintiffs

and

NORTHERN DYNASTY MINERALS LTD., RONALD W. THIESSEN, THOMAS C. COLLIER, CANTOR FITZGERALD CANADA CORPORATION, CANNACORD GENUITY CORP., BMO NESBITT BURNS INC., PARADIGM CAPITAL INC., TD SECURITIES INC., and VELOCITY TRADE CAPITAL

Defendants

Brought under the *Class Proceedings Act*, RSBC 1996, c 50

ORDER MADE AFTER APPLICATION

<p>Siskinds LLP Barristers & Solicitors 65 Queen Street West, Suite 1155 Toronto ON M5H 2M5</p> <p>Courier address: ●</p>	<p>KND Complex Litigation 1186 Eglinton Ave West Toronto ON M6C 2E3</p> <p>Courier address: ●</p>
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SCHEDULE "C"
THIRD ORDER

No. VLC-S-S-2012849
Vancouver Registry

In the Supreme Court of British Columbia

Between

FIRRAS HADDAD and WALTER WOO

Plaintiffs

and

NORTHERN DYNASTY MINERALS LTD., RONALD W. THIESSEN, THOMAS C. COLLIER, CANTOR FITZGERALD CANADA CORPORATION, CANACCORD GENUITY CORP., BMO NESBITT BURNS INC., PARADIGM CAPITAL INC., TD SECURITIES INC., AND VELOCITY TRADE CAPITAL

Defendants

Brought under the *Class Proceedings Act*, RSBC 1996, c 50

**ORDER MADE AFTER APPLICATION FOR APPROVAL OF THE DISTRIBUTION
PROTOCOL AND NOTICE**

BEFORE THE HONOURABLE JUSTICE ●

)
)
)

[Date]

ON THE APPLICATION of the plaintiffs coming on for hearing at the Courthouse, [address], on ● and on hearing [counsel appearing]; and on reading the materials filed, including the Distribution Protocol; and the Defendants not opposing this order;

THIS COURT ORDERS that

1. Except to the extent that they are modified by this Order, the definitions set out in the settlement agreement reached with the Defendants, dated August 30, 2023 (“**Settlement Agreement**”) attached as **Appendix “1”** apply to and are incorporated into this Order.
2. In the event of a conflict between this Order and the Settlement Agreement, this Order shall prevail.
3. The Distribution Protocol, substantially in the form attached as **Appendix “2”**, is fair and appropriate.
4. The Distribution Protocol is approved and the Settlement Amount shall be distributed in accordance with the terms of the Settlement Agreement, following payment of Class Counsel Fees approved by this Court, the Administration Expenses and any other expenses approved by this Court.
5. The Plan of Notice, substantially in the form attached as **Appendix “3”**, is approved for the purpose of the publication and dissemination of the Second Notice.
6. The form and content of the short-form Second Notice, substantially in the form attached as **Appendix “4”**, is approved.
7. The form and content of the long-form Second Notice, substantially in the form attached as **Appendix “5”**, is approved.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of lawyer for the Plaintiffs

Signature of lawyer for the Northern Dynasty
Defendants

Signature of lawyer for the Underwriters

By the Court

Registrar

In the Supreme Court of British Columbia

Between

FIRRAS HADDAD and WALTER WOO

Plaintiffs

and

NORTHERN DYNASTY MINERALS LTD., RONALD W. THIESSEN, THOMAS C. COLLIER, CANTOR FITZGERALD CANADA CORPORATION, CANACCORD GENUITY CORP., BMO NESBITT BURNS INC., PARADIGM CAPITAL INC., TD SECURITIES INC., AND VELOCITY TRADE CAPITAL

Defendants

Brought under the *Class Proceedings Act*, RSBC 1996, c 50

ORDER MADE AFTER APPLICATION

<p>Siskinds LLP Barristers & Solicitors 65 Queen Street West, Suite 1155 Toronto ON M5H 2M5</p> <p>Courier address: ●</p>	<p>KND Complex Litigation 1186 Eglinton Ave West Toronto ON M6C 2E3</p> <p>Courier address: ●</p>
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SCHEDULE “D”
PLAN OF NOTICE

Capitalized terms used in this Plan of Notice have the meanings ascribed to them in the Settlement Agreement dated August 30, 2023.

Subject to such alternative or additional direction by the Court, notices provided for as contemplated in the Settlement Agreement will be disseminated as follows:

PART 1 – FIRST NOTICE

A. Short-Form

As soon as possible following the entry of the First Order, the short-form First Notice will be disseminated as follows:

Newspaper Publication

Print publication of the short-form First Notice will be at least a 1/8 page in size. Print publication will be made in Canada in the English language in the business section of the national weekend edition of *The Globe and Mail* and in the French language in the business section of *La Presse*.

News Release

The English and French language versions of the short-form First Notice will be issued (with necessary formatting modifications) across Canada Newswire, a major business newswire in Canada.

ISS Publication

The English and French language versions of the short-form First Notice will be sent to Institutional Shareholder Services Inc. (ISS) for publication through their platform.

Individual Notice

The Administrator will send a package to the Canadian brokerage firms in the Administrator's proprietary databases. The package will consist of the short-form First Notice and a cover letter to the brokerage firms in the form customarily used by the Administrator. The Administrator shall request that the brokerage firms either send a copy of the short-form First Notice to all individuals and entities identified by the brokerage firms as being Class Members, or to send the names and contact information of all known Class Members to the Administrator (who shall subsequently send the short-form First Notice to the individuals and entities so identified). The notice shall be distributed by email where Class Member email addresses are available.

The Administrator shall, if requested, reimburse the brokerage firms out of the Settlement Amount solely for their reasonable out-of-pocket expenses incurred in distributing notice to the Class Members. The reimbursement shall be at reasonable and customary rates per unit as determined

by the Administrator. Each brokerage firm must submit its account by a date to be determined by the Administrator to be entitled to reimbursement.

The Administrator shall send the short-form First Notice to the individuals and entities on the electronic list of persons who acquired Eligible Securities delivered by the Defendants to the Administrator as required by the Settlement Agreement. The notice shall be distributed by email where Class Member email addresses are available.

B. Long-Form

Publication by Class Counsel

As soon as possible following the entry of the First Order, the long-form First Notice will be disseminated as follows:

1. Electronic publication of the long-form First Notice will occur in both the English and French languages on the Northern Dynasty class action website of Class Counsel at Northern Dynasty Minerals Ltd. | Siskinds Law Firm and Northern Dynasty Minerals Ltd. | KND Complex Litigation (“**Class Counsel Website**”).
2. The long-form First Notice will be mailed, electronically or physically, as may be required, to those persons and entities who have previously contacted Class Counsel for the purposes of receiving notice of developments in the Action.

Class Counsel shall make a toll-free number and email address available to the public that will enable Class Members to contact Class Counsel in order that they may, amongst other things:

1. obtain more information about the Settlement, how to object to the Settlement, the claims process and the opt out process; and/or
2. request that a copy of the Settlement Agreement, the long-form First Notice and the Claim Form be electronically or physically mailed to them.

Class Counsel will post on the Class Counsel Website:

1. the Settlement Agreement;
2. the long-form First Notice;
3. a short summary of the rationale for the Settlement (no less than 30 days prior to the application to approve the Settlement);
4. the affidavit(s) in support of the application for approval of the Settlement (no less than 30 days prior to the application to approve the Settlement); and
5. the affidavit(s) in support of the application for approval of Class Counsel Fees and disbursements (no less than 30 days prior to the application to approve Class Counsel Fees and disbursements).

PART 2 – SECOND NOTICE

A. Short-Form

As soon as possible following the Implementation Date, the short-form Second Notice will be disseminated as follows:

News Release

The English and French language versions of the short-form Second Notice will be issued (with necessary formatting modifications) across Canada Newswire, a major business newswire in Canada.

ISS Publication

The English and French language versions of the short-form Second Notice will be sent to Institutional Shareholder Services Inc. (ISS) for publication through their platform.

B. Long-Form

As soon as possible following the Implementation Date, the long-form Second Notice will be disseminated as follows:

1. Electronic publication of the long-form Second Notice will occur in both the English and French languages on the Class Counsel Website; and
2. Class Counsel shall mail or email the long-form Second Notice to those persons that have contacted Class Counsel as of the publication date regarding this litigation and have provided Class Counsel with their contact information.

Class Counsel shall make a toll-free number and email address available to the public that will enable Class Members to obtain more information about the settlement and to request that a copy of the long-form Second Notice be sent electronically or physically to them directly.

SCHEDULE “E”
FIRST NOTICE – SHORT FORM

NORTHERN DYNASTY MINERALS LTD. SECURITIES CLASS ACTION

Did you acquire securities of Northern Dynasty Minerals Ltd. between March 29, 2018 and November 25, 2020, inclusive, and hold some or all of those securities as of August 22, 2020 or November 25, 2020?

A settlement has been reached in a class action against Northern Dynasty Minerals Ltd. (“Northern Dynasty”), Ronald W. Thiessen, Thomas C. Collier, Cantor Fitzgerald Canada Corporation, Canaccord Genuity Corp., BMO Nesbitt Burns Inc., Paradigm Capital Inc., TD Securities Inc., and Velocity Trade Capital. The class action alleges that there were misrepresentations in certain of Northern Dynasty’s public disclosures and in documents provided to investors.

The settlement provides for payments by the defendants in the class action and their insurers of the total amount of USD\$2,125,000 to resolve those claims. The settlement is a compromise of disputed claims and is not an admission of liability, wrongdoing or fault by Northern Dynasty or any of the other defendants, all of whom have denied, and continue to deny, the allegations against them.

The settlement must be approved by the Supreme Court of British Columbia. A settlement approval hearing has been set for [date], 2023. At the hearing, the Court will also address an application to approve Class Counsel’s fees, which will not exceed [number]% of the recovery plus reimbursement for expenses incurred in the litigation.

Class Members who purchased securities of Northern Dynasty Minerals Ltd. on the NYSE may be eligible for compensation under a United States settlement agreement, subject to approval of the United States settlement agreement by the United States court. Information on claims deadlines and processes can be found at [website].

The Court has appointed [Administrator] as the Administrator of the settlement. To be eligible for compensation, Class Members must submit a completed Claim Form to the Administrator by no later than 11:59 pm Vancouver (Pacific) time on [date]. If the settlement is approved, and if you do not file a claim by this deadline, you may not be able to claim a portion of the settlement and your claim will be extinguished.

If you do not want to be part of this class action and be bound by the terms of the settlement, you must opt out by 11:59 Vancouver (Pacific) time on [date].

Class Members may also express their views about the proposed settlement to the Court. If you wish to express your views, you must do so in writing by [date].

For more information about the certification of the class action, who qualifies as a class member, the settlement, how to make a claim for compensation from the settlement, and your rights to opt out of the class and the settlement or object to the settlement, see the long-form notice available online at [website] or call toll free at [number].

SCHEDULE “F”
FIRST NOTICE – LONG FORM

NORTHERN DYNASTY MINERALS LTD. SECURITIES CLASS ACTION
NOTICES OF CERTIFICATION AND SETTLEMENT APPROVAL HEARING

Please read this notice carefully. A proposed settlement may affect your legal rights. You may have to take prompt action.

This notice is directed to: All persons and entities, wherever they may reside or may be domiciled, who purchased or otherwise acquired securities of Northern Dynasty Minerals Ltd. between March 29, 2018 and November 25, 2020, inclusive, and held some or all of those securities as of August 22, 2020 or November 25, 2020.

(collectively, “Class” or “Class Members”)

IMPORTANT DEADLINES

Claims Bar Deadline (to file a claim for compensation): 11:59 pm Vancouver (Pacific) time on [date]

Opt Out Deadline (to exclude yourself from the class action and settlement): 11:59 pm Vancouver (Pacific) time on [date]

Objection Deadline (to object or to comment on the settlement or Class Counsel fees): 11:59 pm Vancouver (Pacific) time on [date]

Claim Forms may not be accepted after the Claims Bar Deadline. As a result, it is necessary that you act without delay.

PURPOSE OF THIS NOTICE

The class action brought on behalf of Class Members has been settled, subject to court approval. It has also been certified for settlement purposes. This notice provides Class Members with information about certification, who qualifies as a Class Member, the right to opt out of the class action, the settlement, and their rights to participate in the court proceedings considering whether to approve the settlement.

The notice also provides Class Member with information about how to apply for compensation from the settlement. **Class Members who wish to do so must do so by 11:59 pm Vancouver (Pacific) time on [date].**

THE ACTION AND CLASS CERTIFICATION

In 2020, an action (as amended) (“Action”) was commenced in the Supreme Court of British Columbia (“Court”) against Northern Dynasty Minerals Ltd. (“Northern Dynasty”), Ronald W.

Thiessen, Thomas C. Collier, Cantor Fitzgerald Canada Corporation, Canaccord Genuity Corp., BMO Nesbitt Burns Inc., Paradigm Capital Inc., TD Securities Inc., and Velocity Trade Capital (collectively, the “Defendants”)

The Action alleges that the Defendants made misrepresentations regarding the permit application process for Northern Dynasty’s proposed Pebble Project. The Action alleges that the misrepresentations were corrected over two corrective disclosures: *first*, on August 24, 2020, when media outlets reported that due to the environmental impacts of the project the USACE was set to impose stringent compensatory mitigation requirements for the Pebble Project; *second*, on November 25, 2020, when the USACE issued an unfavourable Record of Decision denying the Pebble Project’s permit application. It is further alleged that following these disclosures Northern Dynasty’s share price declined significantly, causing damage to the Class Members.

On [date], the Court certified the class action for settlement purposes against the Defendants on behalf of the Class defined above. Excluded persons are Northern Dynasty and the Underwriters (as defined in the Settlement Agreement) and their respective past or present subsidiaries, directors, officers, legal representatives, predecessors, successors and assigns, as well as Thiessen and Collier, their immediate family members, and any entities in which they have a controlling interest.

THE SETTLEMENT

On [date] the Plaintiffs and Defendants executed a Settlement Agreement providing for the settlement of the Action (“**Settlement**”), which is subject to approval by the Court. The Settlement Agreement provides for the payment of USD\$2,125,000 (“**Settlement Amount**”) in consideration of the full and final settlement of the claims of Class Members. The Settlement Amount includes all legal fees, disbursements, taxes and administration expenses.

The Settlement provides that if it is approved by the Court, the claims of all Class Members asserted or which could have been asserted in the Action will be fully and finally released, and the Action will be dismissed. The Settlement is not an admission of liability, wrongdoing or fault on the part of the Defendants, all of whom have denied, and continue to deny, the allegations against them.

Class Members who purchased securities of Northern Dynasty Minerals Ltd. on the NYSE may be eligible for compensation under a United States settlement agreement, subject to approval of the United States settlement agreement by the United States court. Information on claims deadlines and processes can be found at [website].

PARTICIPATING IN THE SETTLEMENT OR EXCLUDING YOURSELF (“OPTING OUT”) FROM THE CLASS ACTION AND SETTLEMENT

If you are a Class Member, you will be bound by the outcome of the Action, including the terms of the Settlement if approved, unless you opt out of the Action. Class Members who do not opt out will (i) be entitled to participate in the Settlement; (ii) be bound by the terms of the Settlement; and (iii) not be permitted to bring other legal proceedings in relation to the matters alleged in the Action against the Defendants, or any person released by the approved Settlement. Conversely, if you are a Class Member who opts out of the Action (an “**Opt Out Party**”), you will not be able to

make a claim to receive compensation from the Settlement Amount but will maintain the right to pursue your own claim against the Defendants relating to the matters alleged in the Action.

If you are a Class Member and wish to opt out, you must submit a written election to do so, together with required supporting documentation (“Opt Out Election”), to [Administrator] (“Administrator”).

To be a valid, the Opt Out Election: (a) must contain a statement of intention to opt out of the Action by you or a person authorized to bind you; (b) for Class Members who acquired Northern Dynasty securities during the period from and including [date] to and including [date], must provide a listing of all transactions during that period showing, for each transaction, the type of transaction (purchase or sale), the number of securities and the date of the transaction, and state the number of Northern Dynasty securities held at the close of trading on the TSX Venture Exchange on [date]; (d) must be supported by documents to evidence such transactions, in the form of trade confirmations, brokerage statements or other transaction records acceptable to the Administrator to verify the transactions; (e) must contain your name, address, telephone number and email address; and (f) may, at your option, contain a statement of your reason for opting out.

Your Opt Out Election must be postmarked no later than **11:59pm Vancouver (Pacific) time on [date] (“Opt Out Deadline”)**.

Opt Out Elections may be sent by mail or courier to: [Administrator contact details]

An Opt Out Election that does not contain all of the required information or is postmarked after the Opt Out Deadline will not be valid, which means that you will be bound by the outcome of the Action, including the Settlement, if it is approved.

You may revoke an Opt Out Election by delivering to the Administrator by mail or courier a written statement that you wish to revoke the Opt Out Election, which must be postmarked on or before 11:59pm Vancouver (Pacific) time on [date].

SETTLEMENT APPROVAL HEARING

The Settlement is conditional on approval by the Court. The Settlement will be approved if the Court determines that it is fair and reasonable and in the best interests of Class Members to approve it.

The Court will hear an application for approval of the Settlement on [date] at [address] before the Honourable [Justice ●].

RELEASE OF CLAIMS AND EFFECT ON OTHER PROCEEDINGS

If the Settlement Agreement is approved by the Court, the claims and allegations of Class Members which were asserted or which could have been asserted in the Action will be released (“Released Claims”), and the Action will be dismissed. Class Members will not be able to pursue any action in relation to the Released Claims regardless of whether or not they file a claim for compensation from the Settlement. If approved, the Settlement will therefore represent the only means of compensation available to Class Members in respect of the Released Claims.

APPROVAL OF CLASS COUNSEL FEES AND OTHER EXPENSES

In addition to seeking the Court's approval of the Settlement Agreement, Class Counsel will seek the Court's approval of legal fees not to exceed [number]% of the Settlement Amount, plus disbursements not exceeding CAD\$[number] and applicable taxes ("**Class Counsel Fees**"). This fee request is consistent with the retainer agreement entered into between Class Counsel and the Plaintiffs at the beginning of the litigation. As is customary in such cases, Class Counsel conducted the class action on a contingent fee basis. Class Counsel was not paid as the matter proceeded and funded the expenses of conducting the litigation.

Class Counsel will also seek the Court's approval for the payment of an honoraria to the Plaintiffs not exceeding CAD\$[number] each. Class Counsel will be requesting that the honoraria be deducted directly from the Settlement Amount.

The approval of the Settlement is not contingent on the approval of the Class Counsel Fees requested or an honorarium to the Plaintiff. The Settlement may still be approved even if the requested Class Counsel Fees or the Plaintiff's honorarium are not approved.

The fees of the Administrator, together with any other costs relating to approval, notification, implementation and administration of the settlement ("**Administration Expenses**"), will also be paid from the Settlement Amount.

CLASS MEMBERS' ENTITLEMENT TO COMPENSATION

Class Members will be eligible for compensation pursuant to the Settlement if they submit a completed Claim Form, including any supporting documentation, with the Administrator, and their claim satisfies the criteria set out in the Distribution Protocol.

To be eligible for compensation under the Settlement, your Claim Form must be postmarked or received by the Administrator by **no later than 11:59pm Vancouver (Pacific) time on [date]** ("**Claims Bar Deadline**"). Only Class Members who have not opted out of the Action are permitted to recover from the Settlement.

If the Settlement Agreement is approved by the Court, the Settlement Amount, after deduction of Class Counsel Fees, Administration Expenses and any approved honorarium ("**Net Settlement Amount**") will be distributed to Class Members in accordance with the Distribution Protocol, subject to the Court's approval.

The proposed Distribution Protocol provides that in order to determine the individual entitlements of Class Members who make claims, the losses of each claimant will be calculated in accordance with a formula based on the statutory damages provisions contained in the securities legislation of British Columbia. Once the notional losses of all Class Members who have filed valid claims have been calculated, the Net Settlement Amount will be allocated to those Class Members in proportion to their percentage of the total notional losses calculated for all valid claims filed. Because the Net Settlement Amount will be distributed pro rata, it is not possible to estimate the individual recovery of any individual Class Member until all the claims have been received and reviewed.

The approval of the Settlement is not contingent on the approval of the Distribution Protocol. The Court may still approve the Settlement even if it does not approve the Distribution Protocol or approves amendments to the Distribution Protocol.

In the event any amounts remain undistributed 180 days after the distribution of the Net Settlement Amount (because of uncashed cheques or for other administrative reasons), those amounts will be distributed to eligible Class Members (if sufficient to warrant a further distribution) or distributed to the Law Foundation of British Columbia.

ADMINISTRATOR

The Court has appointed [Administrator] as the Administrator of the Settlement. The Administrator will, among other things: (i) receive and process the Claim Forms; (ii) determine Class Members' eligibility for and entitlement to compensation pursuant to the Distribution Protocol; (iii) communicate with Class Members regarding claims for compensation; and (iv) manage and distribute the Settlement Amount in accordance with the Settlement Agreement and the orders of the Court. The Administrator can be contacted at:

Telephone: [number]

Mailing Address: [address]

Website: [website]

FILING A CLAIM

All claims for compensation from the Settlement must be postmarked or received by no later than 11:59pm Vancouver (Pacific) time on [date].

The most efficient way to file a claim is to visit the Administrator's website at [website address]. **You are strongly encouraged to file your claim online through the website.** The website provides step by step instructions on how to file a claim. In order to verify claims, the Administrator will require supporting documentation, including brokerage statements or confirmations evidencing the claimed transactions. Accordingly, Class Members should visit the Administrator's site as soon as possible so that they have time to obtain the required documentation prior to the Claims Bar Deadline.

The Administrator will also accept Claim Forms filed by mail or courier. To obtain a paper copy of the Claim Form, Class Members must telephone the Administrator to have one sent by email or regular mail. Claim Forms sent by mail or courier should be sent to:

[Administrator]

[address]

CLASS MEMBERS' RIGHT TO PARTICIPATE IN THE APPLICATION FOR APPROVAL

Class Counsel has posted or will post the following material on its website [website] on or before the dates set out below:

1. The Settlement Agreement, including the proposed Distribution Protocol (posted prior to or at the time of publication of this notice);
2. A summary of the basis upon which Class Counsel recommends the Settlement and Distribution Protocol (by [date]);
3. The Plaintiffs' evidence in support of the approval of the Settlement and Distribution Protocol (by [date]);
4. Class Counsel's evidence in support of the request for approval of Class Counsel's fees and disbursements (by [date]).

Class Members who wish to comment on, or make an objection to, the approval of the Settlement Agreement, the Distribution Protocol or the Class Counsel fees requested shall deliver a written statement to Class Counsel by mail, courier or email, using the contact details listed under "Class Counsel"; below, to be postmarked or received by Class Counsel no later than 11:59 pm Vancouver (Pacific) time on [date]. Any objections postmarked or received by that date will be filed with the Court.

Class Members may attend at the hearing whether or not they deliver an objection. Class Members who wish a lawyer to speak on their behalf at the hearing may retain one to do so at their own expense.

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 delivering it to Class Counsel at the address below. The Notice of Objection can be found at: [\[website\]](#). The Notice of Objection must be provided by • at 11:59 pm Vancouver (Pacific) time.

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 [\[website\]](#) **Error! Hyperlink reference not valid.** or by request to 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 • at 11:59 pm Vancouver (Pacific) time to be valid.

COPIES OF THE SETTLEMENT DOCUMENTS:

Copies of the Settlement Agreement, the Distribution Protocol and other documents relating to the Settlement may be found on the Administrator's website, Class Counsel's websites or by contacting the Administrator or Class Counsel using the contact information provided in this notice.

PERSONAL LEGAL ADVICE:

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

CLASS COUNSEL:

Siskinds LLP and KND Complex Litigation are Class Counsel. Inquiries may be directed to:

Northern Dynasty Class Counsel
Siskinds LLP
c/o Alex Dimson
Email: alex.dimson@siskinds.com

Northern Dynasty Class Counsel
KND Complex Litigation
c/o Sage Nematollahi
Email: northerndynasty@knd.law

INTERPRETATION:

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

THE SUPREME COURT OF BRITISH COLUMBIA HAS AUTHORIZED DISTRIBUTION OF THIS NOTICE.

QUESTIONS ABOUT THIS NOTICE SHOULD BE DIRECTED TO THE ADMINISTRATOR OR CLASS COUNSEL AND SHOULD NOT BE DIRECTED TO THE COURT.

SCHEDULE "G"
SECOND NOTICE – SHORT FORM

**SETTLEMENT OF NORTHERN DYNASTY MINERALS LTD.
SECURITIES CLASS ACTION**

Did you acquire securities of Northern Dynasty Minerals Ltd. between March 29, 2018 and November 25, 2020 (inclusive)?

A settlement has been reached in a class action against Northern Dynasty Minerals Ltd. ("Northern Dynasty"), Ronald W. Thiessen, Thomas C. Collier, Cantor Fitzgerald Canada Corporation, Canaccord Genuity Corp., BMO Nesbitt Burns Inc., Paradigm Capital Inc., TD Securities Inc., and Velocity Trade Capital. The class action alleges that there were misrepresentations in certain of Northern Dynasty's public disclosures and in documents provided to investors.

The settlement provides for payments by the defendants in the class action and their insurers of the total amount of USD\$2,125,000 to resolve those claims. This settlement is not an admission of liability, wrongdoing or fault on the part of the defendants, all of whom have denied, and continue to deny, the allegations against them.

The settlement has been approved by the Supreme Court of British Columbia.

For more information about your rights and how to exercise them, see the long-form notice and other information available online at [webpage created by the Administrator] or contact the Administrator at: [Administrator email and phone number]

Class members who purchased securities of Northern Dynasty Minerals Ltd. on the NYSE may be eligible for compensation under a United States settlement agreement, subject to approval of the United States settlement agreement by the United States court. Information on claims deadlines and processes can be found at [website].

SCHEDULE “H”
SECOND NOTICE – LONG FORM

NORTHERN DYNASTY MINERALS LTD.
SECURITIES CLASS ACTION

NOTICE OF SETTLEMENT APPROVAL

Please read this notice carefully. A settlement may affect your legal rights. You may have to take prompt action.

This notice is directed to: All persons and entities, wherever they may reside or may be domiciled, who purchased or otherwise acquired securities of Northern Dynasty Minerals Ltd. between March 29, 2018 and November 25, 2020, inclusive, and held some or all of those securities as of August 22, 2020 or November 25, 2020.

(collectively, “Class” or “Class Members”)

IMPORTANT DEADLINE TO FILE A CLAIMS FOR COMPENSATION

Claims Bar Deadline (to file a claim for compensation): 11:59 pm Vancouver (Pacific) time on [date]

PURPOSE OF THIS NOTICE

The purpose of this notice is to advise Class Members of the approval of the settlement of the class proceeding brought on behalf of Class Members.

THE ACTION AND CLASS CERTIFICATION

In 2020, a class proceeding (“Action”) was commenced in the Supreme Court of British Columbia (“Court”) against Northern Dynasty Minerals Ltd. (“Northern Dynasty”), Ronald W. Thiessen, Thomas C. Collier, Cantor Fitzgerald Canada Corporation, Canaccord Genuity Corp., BMO Nesbitt Burns Inc., Paradigm Capital Inc., TD Securities Inc., and Velocity Trade Capital (collectively, the “Defendants”).

The Action alleges that the Defendants made misrepresentations regarding the permit application process for Northern Dynasty’s proposed Pebble Project. The Action alleges that the misrepresentations were corrected over two corrective disclosures: *first*, on August 24, 2020, when media outlets reported that due to the environmental impacts of the project the USACE was set to impose stringent compensatory mitigation requirements for the Pebble Project; *second*, on November 25, 2020, when the USACE issued an unfavourable Record of Decision denying the Pebble Project’s permit application. It is further alleged that following these disclosures Northern Dynasty’s share price declined significantly, causing damage to the Class Members.

On [date], the Court certified the Action as a class action for settlement purposes. The Class excludes the following persons: Northern Dynasty and the Underwriters (as defined in the Settlement Agreement) and their respective past or present subsidiaries, directors, officers, legal representatives, predecessors, successors and assigns, as well as Thiessen and Collier, their immediate family members, and any entities in which they have a controlling interest.

SETTLEMENT APPROVAL

On [date] the Plaintiffs and Defendants executed a Settlement Agreement providing for the settlement of the Action (“**Settlement**”). The Settlement Agreement provides for the payment of USD\$2,125,000 (“**Settlement Amount**”) in consideration of the full and final settlement of the claims of Class Members. The Settlement Amount includes all legal fees, disbursements, taxes and administration expenses.

The Settlement provides that the claims of all Class Members asserted or which could have been asserted in the Action will be fully and finally released, and the Action will be dismissed. The Settlement is not an admission of liability, wrongdoing or fault on the part of the Defendants, all of whom have denied, and continue to deny, the allegations against them.

On [date], the Supreme Court of British Columbia approved the Settlement and ordered that it be implemented in accordance with its terms.

Class Members who purchased securities of Northern Dynasty Minerals Ltd. on the NYSE may be eligible for compensation under a United States settlement agreement, subject to approval of the United States settlement agreement by the United States court. Information on claims deadlines and processes can be found at [website].

The Court also awarded Siskinds LLP and KND Complex Litigation (“Class Counsel”) total legal fees, expenses and applicable taxes in the amount of CAD\$[amount] inclusive of disbursements of CAD\$[amount], plus HST, GST and/or PST (“Class Counsel Fees”). As is customary in such cases, Class Counsel conducted the class action on a contingent fee basis. Class Counsel was not paid as the matter proceeded and funded the expenses of conducting the litigation. Class Counsel Fees will be deducted from the Settlement Amount before it is distributed to Class Members.

Expenses incurred or payable relating to approval, notification, implementation and administration of the Settlement (“**Administration Expenses**”) will also be paid from the Settlement Amount before it is distributed to Class Members.

The Court also approved the payment of honoraria to the Plaintiffs in the amount of CAD\$[amount] each. The honoraria will be deducted from the Settlement Amount before it is distributed to Class Members.

CLASS MEMBERS’ ENTITLEMENT TO COMPENSATION

Pursuant to the Court order approving the Settlement, claims of Class Members which were or could have been asserted in the Action are now released and the Action has been dismissed. Class Members may not pursue individual or class actions for those claims, whether or not they submit

a claim for compensation from the Settlement. **The Settlement therefore represents the only means of compensation available to Class Members in respect of the claims raised in the Action.**

For instructions on how to submit a claim for compensation from the Settlement, refer to the previously-issued notice of certification and settlement approval hearing, which is available at [website to be created by Administrator]. To be eligible for compensation under the Settlement, your Claim Form must be postmarked or received by the Administrator by **no later than 11:59pm Vancouver (Pacific) time on [date]**.

After deduction of Class Counsel Fees, Administration Expenses and the approved honorarium, the balance of the Settlement Amount (“**Net Settlement Amount**”) will be distributed to Class Members in accordance with the Distribution Protocol approved by the Court.

The proposed Distribution Protocol provides that in order to determine the individual entitlements of Class Members who make claims, the losses of each claimant will be calculated in accordance with a formula based on the statutory damages provisions contained in the securities legislation of British Columbia. Once the notional losses of all Class Members who have filed valid claims have been calculated, the Net Settlement Amount will be allocated to those Class Members in proportion to their percentage of the total notional losses calculated for all valid claims filed. Because the Net Settlement Amount will be distributed pro rata, it is not possible to estimate the individual recovery of any individual Class Member until all the claims have been received and reviewed.

In the event any amounts remain undistributed 180 days after the distribution of the Net Settlement Amount (because of uncashed cheques or for other administrative reasons), those amounts will be distributed to eligible Class Members (if sufficient to warrant a further distribution) or distributed to the Law Foundation of British Columbia.

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 ●.

2. Do Nothing:

Give up any right to compensation.

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, honorarium 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 Distribution Protocol. The Distribution Protocol, Settlement Agreement, and other pertinent documents can be found at: [website] or by contacting Class Counsel at the address below.

ADMINISTRATOR

The Administrator can be contacted at:

[Contact details]

CLASS COUNSEL

Inquiries to Class Counsel may be directed to:

Northern Dynasty Class Counsel
Siskinds LLP
c/o Alex Dimson
Email: alex.dimson@siskinds.com

Northern Dynasty Class Counsel
KND Complex Litigation
c/o Sage Nematollahi
Email: northerndynasty@knd.law

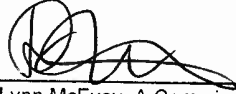
INTERPRETATION

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

THE SUPREME COURT OF BRITISH COLUMBIA HAS AUTHORIZED DISTRIBUTION OF THIS NOTICE.

QUESTIONS ABOUT THIS NOTICE SHOULD BE DIRECTED TO THE ADMINISTRATOR OR CLASS COUNSEL AND SHOULD NOT BE DIRECTED TO THE COURT.

This is Exhibit "B" mentioned and referred to in the Affidavit of Anthony O'Brien SWORN/AFFIRMED BEFORE ME at the City of Toronto, Province of Ontario this 13th day of February, 2024.



Donna Lynn McEvoy, A Commissioner, etc.
Province of Ontario,
for Siskinds LLP Barristers and Solicitors
Expires: December 6, 2025

Northern Dynasty Securities Class Action

Summary Rationale for Settlement

The following is a brief summary of some of the factors considered by the Plaintiffs and Class Counsel in concluding that the Settlement is fair and reasonable. These factors will be explained in greater detail in the application materials to be filed in support of Court approval of the Settlement, which will be posted at <https://www.siskinds.com/class-action/northern-dynasty-minerals-ltd/> no later than February 13, 2024.

1. The risk that the Defendants would be unable to pay

There is a risk that Northern Dynasty would be unable to satisfy a substantial judgment against them. The Pebble Project is Northern Dynasty's only material asset and the permit application for the Project was denied by the United States Army Corps of Engineers. The EPA also issued a final determination that would block the Project from being developed even if the Corps' decision is overturned. In Northern Dynasty's financial statements filed closest to the mediation that led to the Settlement Agreement, its total stated cash was CAD\$24.5 million remaining with CAD\$7.7 million in liabilities.

2. Secondary market damages against the Defendants were capped

For misrepresentation claims advanced under Part 16.1 of the *Securities Act* such as those advanced in this case, there is a cap on damages (called "liability limits") that applies unless a plaintiff can prove that a Defendant authorized, permitted, or acquiesced in making a misrepresentation while knowing that it was a misrepresentation. The liability limit cannot be lifted as against the issuer (i.e. Northern Dynasty) even where it has knowledge of the misrepresentation.

For Northern Dynasty, the liability limit is 5% of its pre-misrepresentation market capitalization. Class Counsel calculated Northern Dynasty's liability limit to be as low as CAD\$12,000,000 depending on when the Court determines misrepresentations began. For the individual Defendants, the limit is the greater of 50% of the aggregate of their compensation over a defined period or \$25,000.

3. Risk that the claim would fail on its merits

To succeed at trial, the Plaintiff will need to establish a misrepresentation within the meaning of Ontario's *Securities Act*. To do so, the Canadian Plaintiffs have to prove: (i) that Northern Dynasty had substantial plans to expand the Pebble Project significantly, which it failed to disclose; and (ii) that Northern Dynasty failed to disclose the USACE's compensatory mitigation requirements which would majorly impede the Pebble Project's development.

There was a risk that at trial the Court would find that there was no misrepresentation. For example, it was anticipated that the Defendants would argue that there was no misrepresentation because the plans to expand the Pebble Project was publicly known and had been previously disclosed in an investor presentation published on Northern Dynasty's website.

Even if the Plaintiffs were successful in establishing liability at trial, there was a risk that the Defendants would prove that investor losses were unrelated to the misrepresentations. It was anticipated that the Defendants would argue that the decline in Northern Dynasty's share price in August 2020 was attributable to a news article published ahead of when the USACE's letter was made public, which claimed that the Pebble Project was being blocked by the federal administration, and not the USACE's letter revealing it required a compensatory mitigation plan. If this argument was accepted, then the trial Court could have substantially reduced damages or ordered that no damages were payable by the Defendants.

This is Exhibit "C" mentioned and referred to in the Affidavit of Anthony O'Brien SWORN/AFFIRMED BEFORE ME at the City of Toronto, Province of Ontario this 13th day of February, 2024.



Donna Lynn McEvoy, A Commissioner, etc.
Province of Ontario,
for Siskinds LLP Barristers and Solicitors
Expires: December 6, 2025



**CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS**

**FOR THE THREE AND NINE MONTHS ENDED
SEPTEMBER 30, 2022 AND 2021**

(Expressed in thousands of Canadian Dollars)

(Unaudited)

Northern Dynasty Minerals Ltd.

Condensed Consolidated Interim Statements of Financial Position

(Unaudited - Expressed in thousands of Canadian Dollars)

	Notes	September 30 2022	December 31 2021
ASSETS			
Non-current assets			
Restricted Cash	5(b)	\$ 863	\$ 785
Mineral property, plant and equipment	3	130,230	134,339
Total non-current assets		131,093	135,124
Current assets			
Amounts receivable and prepaid expenses	4	3,459	1,867
Cash and cash equivalents	5(a)	24,506	22,291
Total current assets		27,965	24,158
Total Assets		\$ 159,058	\$ 159,282
EQUITY			
Capital and reserves			
Share capital	6	\$ 700,278	\$ 700,278
Reserves	6	120,707	106,735
Deficit		(669,585)	(651,520)
Total equity		151,400	155,493
LIABILITIES			
Non-current liabilities			
Trade and other payables	8	1,386	1,365
Total non-current liabilities		1,386	1,365
Current liabilities			
Payables to related parties	7	327	376
Trade and other payables	8	5,945	2,048
Total current liabilities		6,272	2,424
Total liabilities		7,658	3,789
Total Equity and Liabilities		\$ 159,058	\$ 159,282

Nature and continuance of operations (note 1)

Commitments and contingencies (note 13)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

These condensed consolidated interim financial statements are signed on the Company's behalf by:

/s/ Ronald W. Thiessen

Ronald W. Thiessen
Director

/s/ Christian Milau

Christian Milau
Director

Northern Dynasty Minerals Ltd.

Condensed Consolidated Interim Statements of Comprehensive Loss

(Unaudited - Expressed in thousands of Canadian Dollars, except for share information)

	Notes	Three months ended September 30		Nine months ended September 30	
		2022	2021	2022	2021
Expenses					
Exploration and evaluation expenses	9, 10	\$ 1,839	\$ 2,907	\$ 6,322	\$ 9,538
General and administrative expenses	9, 10	2,132	2,405	6,742	7,347
Legal, accounting and audit		1,707	3,124	3,312	7,327
Share-based compensation	6(c),(d)	1,874	244	1,886	2,852
Loss from operating activities		7,552	8,680	18,262	27,064
Foreign exchange (income) loss		(71)	21	(74)	465
Interest income		(81)	(52)	(172)	(137)
Finance expense		16	17	50	49
Other income		-	-	-	(16)
Gain on disposal of plant and equipment		(1)	-	(1)	-
Gain on modification of lease		-	-	-	(16)
Net Loss		\$ 7,415	\$ 8,666	\$ 18,065	\$ 27,409
Other comprehensive loss					
Items that may be subsequently reclassified to net loss					
Foreign exchange translation difference	6(e)	(9,651)	(3,040)	(12,086)	577
Other comprehensive (income) loss		\$ (9,651)	\$ (3,040)	\$ (12,086)	\$ 577
Total comprehensive (income) loss		\$ (2,236)	\$ 5,626	\$ 5,979	\$ 27,986
Basic and diluted loss per share	11	\$ 0.01	\$ 0.02	\$ 0.03	\$ 0.05

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Northern Dynasty Minerals Ltd.
Condensed Consolidated Interim Statements of Cash Flows
(Unaudited - Expressed in thousands of Canadian Dollars)

	Notes	Nine months ended September 30	
		2022	2021
Operating activities			
Net loss		\$ (18,065)	\$ (27,409)
<u>Non-cash or non operating items</u>			
Depreciation	3	175	269
Gain on modification of lease		-	(16)
Interest income		(172)	(137)
(Gain) on disposal of plant and equipment		(1)	-
Share-based compensation		1,886	2,852
Unrealized exchange loss		214	14
<u>Changes in working capital items</u>			
Amounts receivable and prepaid expenses		(1,582)	(937)
Trade and other payables		3,579	(1,387)
Payables to related parties		(55)	(334)
Net cash used in operating activities		(14,021)	(27,085)
Investing activities			
Acquisition of plant and equipment		(22)	-
Disposal of plant and equipment		1	-
Proceeds from royalty arrangement on mineral property interest	3	15,463	-
Interest received on cash and cash equivalents		142	122
Net cash from investing activities		15,584	122
Financing activities			
Proceeds from issuance of shares		-	872
Transaction costs on issuances of shares		-	(48)
Proceeds from the exercise of share purchase options and warrants	6(b),(c)	-	11,937
Early lease termination payment		-	(31)
Payments of principal portion of lease liabilities		(94)	(172)
Net cash (used in) from financing activities		(94)	12,558
Net increase (decrease) in cash and cash equivalents		1,469	(14,405)
Effect of exchange rate fluctuations on cash and cash equivalents		746	(16)
Cash and cash equivalents - beginning balance		22,291	42,460
Cash and cash equivalents - ending balance	5(a)	\$ 24,506	\$ 28,039

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Northern Dynasty Minerals Ltd.

Condensed Consolidated Interim Statements of Changes in Equity

(Unaudited - Expressed in thousands of Canadian Dollars, except for share information)

	Notes	Share capital		Reserves					Deficit	Total equity
		Number of shares (note 6(a))	Amount	Equity - settled share-based compensation reserve	Foreign currency translation reserve (note 6(e))	Investment revaluation reserve	Share Purchase Warrants (note 6(b))			
Balance at January 1, 2021		509,046,631	\$ 683,039	\$ 77,018	\$ 29,661	\$ (17)	\$ 2,583	\$ (619,978)	\$ 172,306	
Shares issued upon exercise of options per option plan	6(c)	5,084,000	2,592	-	-	-	-	-	2,592	
Shares issued upon exercise of warrants and options not issued per option plan	6(b)	14,398,352	9,345	-	-	-	-	-	9,345	
Fair value allocated to shares issued on exercise of options and warrants		-	4,456	(2,153)	-	-	(2,303)	-	-	
Shares issued, net of transactions costs		1,212,805	824	-	-	-	-	-	824	
Share-based compensation	6(c),(d)	-	-	2,852	-	-	-	-	2,852	
Net loss		-	-	-	-	-	-	(27,409)	(27,409)	
Other comprehensive loss net of tax		-	-	-	(577)	-	-	-	(577)	
Total comprehensive loss		-	-	-	(577)	-	-	-	(27,986)	
Balance at September 30, 2021		529,741,788	\$ 700,256	\$ 77,717	\$ 29,084	\$ (17)	\$ 280	\$ (647,387)	\$ 159,933	
Balance at January 1, 2022		529,779,388	\$ 700,278	\$ 77,723	\$ 28,758	\$ (17)	\$ 271	\$ (651,520)	\$ 155,493	
Share-based compensation	6(c),(d)	-	-	1,886	-	-	-	-	1,886	
Net loss		-	-	-	-	-	-	(18,065)	(18,065)	
Other comprehensive income net of tax		-	-	-	12,086	-	-	-	12,086	
Total comprehensive loss		-	-	-	12,086	-	-	-	(5,979)	
Balance at September 30, 2022		529,779,388	\$ 700,278	\$ 79,609	\$ 40,844	\$ (17)	\$ 271	\$ (669,585)	\$ 151,400	

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Northern Dynasty Minerals Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in thousands of Canadian Dollars, unless otherwise stated, except per share, option, warrant or DSU)

1. NATURE AND CONTINUANCE OF OPERATIONS

Northern Dynasty Minerals Ltd. (the "Company") is incorporated under the laws of the Province of British Columbia, Canada, and its principal business activity is the exploration of mineral properties. The Company is listed on the Toronto Stock Exchange ("TSX") under the symbol "NDM" and on the NYSE American Exchange ("NYSE American") under the symbol "NAK". The Company's corporate office is located at 1040 West Georgia Street, 14th floor, Vancouver, British Columbia.

The condensed consolidated interim financial statements ("Financial Statements") of the Company as at and for the three and nine months ended September 30, 2022, include financial information for the Company and its subsidiaries (together referred to as the "Group" and individually as "Group entities"). The Company is the ultimate parent. The Group's core mineral property interest is the Pebble Copper-Gold-Molybdenum-Silver-Rhenium Project (the "Pebble Project") located in Alaska, United States of America ("USA" or "US"). All US dollar amounts when presented are denoted "US\$" and expressed in thousands, unless otherwise stated.

The Group is in the process of exploring and developing the Pebble Project and has not yet determined whether the Pebble Project contains mineral reserves that are economically recoverable. The Group's continuing operations and the underlying value and recoverability of the amounts shown for the Group's mineral property interests is entirely dependent upon the existence of economically recoverable mineral reserves; the ability of the Group to obtain financing to complete the exploration and development of the Pebble Project; the Group obtaining the necessary permits to mine; and future profitable production or proceeds from the disposition of the Pebble Project.

As of September 30, 2022, the Group had \$24,506 (December 31 2021 - \$22,291) in cash and cash equivalents for its operating requirements and working capital of \$21,693 (December 31, 2021 - \$21,734). These Financial Statements have been prepared on the basis of a going concern, which assumes that the Group will be able to raise sufficient funds to continue its exploration and development activities and satisfy its obligations as they come due. During the nine months ended September 30, 2022 and 2021, the Group incurred a net loss of \$18,065 and \$27,409, respectively, and had a deficit of \$669,585 as of September 30, 2022. The Group has prioritized the allocation of its financial resources to meet key corporate and Pebble Project expenditure requirements in the near term, including the funding of the appeal of the Record of Decision (the "ROD") (discussed below) and class action litigation (note 13(a)). Although the Group was successful in raising proceeds of US\$12,000 (\$15,463) during the quarter (see note 3), there can be no assurances that the Group will be successful in obtaining additional financing when required. If the Group is unable to raise the necessary capital resources and generate sufficient cash flows to meet obligations as they come due, the Group may, at some point, consider reducing or curtailing its operations. As such, there is material uncertainty that raises substantial doubt about the Group's ability to continue as a going concern.

These Financial Statements do not reflect adjustments to the carrying values and classification of assets and liabilities that might be necessary should the Company be unable to continue as a going concern, and such adjustments could be material.

The Group, through the Pebble Limited Partnership ("Pebble Partnership"), initiated federal and state permitting for the Pebble Project under the National Environmental Protection Act ("NEPA") by filing documentation for a Clean Water Act ("CWA") 404 permit with the US Army Corps of Engineers ("USACE") in December 2017. The USACE published a draft Environmental Impact Statement ("EIS") in February 2019 and completed a 120-day public comment period thereon on July 2, 2019. In late July 2019, the US Environmental Protection Agency ("EPA") withdrew the determination initiated under Section 404(c) of the CWA in 2014 for the waters of Bristol Bay ("Proposed Determination"), which attempted to pre-emptively veto the Pebble Project before it received an objective, scientific regulatory review under NEPA. On July 24, 2020, the USACE published the final EIS. On November 25, 2020, the USACE issued a ROD rejecting the Pebble Partnership's permit application, finding concerns with the proposed compensatory mitigation plan and determining the project would be contrary to the

Northern Dynasty Minerals Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in thousands of Canadian Dollars, unless otherwise stated, except per share, option, warrant or DSU)

public interest. The ROD rejected the compensatory mitigation plan as "noncompliant" and determined the project would cause "significant degradation" and was contrary to the public interest. Based on this finding, the USACE rejected Pebble Partnership's permit application under the CWA. On January 19, 2021, the Pebble Partnership submitted its request for appeal of the ROD with the USACE (the "RFA"). On February 24, 2021, the USACE notified the Pebble Partnership that the RFA is "complete and meets the criteria for appeal" and assigned a review officer ("RO") to oversee the administrative appeal process at that time and has since assigned a new RO. While federal regulations suggest the appeal should conclude within 90 days, and no case extend beyond one year, the USACE also indicated that due to the complexity of issues and volume of materials associated with the Pebble Project case, the review will take additional time. In June 2021, the USACE completed the 'administrative record' for the appeal and provided a copy to the Pebble Partnership, following which the Pebble Partnership and its legal counsel reviewed the voluminous record for completeness and relevance to the USACE's permitting decision, and its sufficiency to support a fair, transparent and efficient review. An appeal conference was held in July 2022. The timing for the final decision on the appeal remains uncertain.

On October 29, 2021, the court granted the EPA's motion for remand, and vacated the EPA's 2019 withdrawal of the Proposed Determination decision, thus reinstating the Proposed Determination. The court declined to impose a schedule on the EPA's proceedings on remand. On May 25, 2022, the the EPA announced that it intends to advance its pre-emptive veto of the Pebble Project and issued a revised Proposed Determination. The revised Proposed Determination would establish a "defined area for prohibition" coextensive with the current mine plan footprint in which the EPA would prohibit the disposal of dredged or fill material for the Pebble Project. It would also establish a 309-square-mile "defined area for restriction". Public comments on the revised Proposed Determination closed on September 6, 2022. On September 6, 2022, the EPA announced it was extending the time period for a decision on the the revised Proposed Determination until December 2, 2022. Future action by the EPA could negatively affect the ability of the Pebble Partnership to obtain required permitting and develop the Project, even if the appeal of the ROD is successful. The Group will continue to monitor these developments closely to determine the possible impacts to the project and permitting process, as it remains the Group's position that the withdrawal of the preemptive veto by the EPA was sound and appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) *Statement of Compliance*

These Financial Statements have been prepared in accordance with IAS 34, *Interim Financial Reporting*, as issued by the International Accounting Standards Board ("IASB") and interpretations issued by the IFRS Interpretations Committee ("IFRIC"). They do not include all of the information required by IFRS for complete annual financial statements, and should be read in conjunction with the Group's consolidated financial statements as at and for the year ended December 31, 2021 ("2021 annual financial statements").

These Financial Statements were authorized for issue by the Audit and Risk Committee on November 9, 2022.

(b) *Use of Judgements and Estimates*

In preparing these Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

There was no change in the use of significant estimates and judgments during the current period as compared to those described in Note 2 in the 2021 annual financial statements, two of which are discussed below in 1 and 2, except as noted in 3 below:

Northern Dynasty Minerals Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in thousands of Canadian Dollars, unless otherwise stated, except per share, option, warrant or DSU)

Critical accounting judgments

1. Mineral Property Interest – No Impairment Indicators

The Group used judgement in concluding that no impairment indicators exist in relation to the Pebble Project, notwithstanding the receipt of the ROD denial of the permit for the Pebble Project, which would be considered an indicator under IFRS 6, *Exploration for and Evaluation of Mineral Resources*, for testing for impairment. Key to the Group's judgement conclusion is that it has submitted an administrative appeal with the USACE, which is currently running its course, the Group will be pursuing other options available to it, and that as at September 30, 2022, and the date the Financial Statements were authorized for issuance, the Company's market capitalization exceeded the carrying value of the Pebble Project and the Group's net asset value.

2. Going Concern

The Group has employed judgement that going concern was an appropriate basis for the preparation of the Financial Statements, as the Group considered existing financial resources in determining that such financial resources are able to meet key corporate and Pebble Project expenditure requirements for at least the next twelve months (note 1).

3. Royalty arrangement

The Group employed judgement in assessing the appropriate accounting treatment for the transaction relating to a long-term royalty arrangement linked to production at the Pebble Project (note 3). The Group considered the substance of the agreement to determine whether the Group has disposed of an interest in the reserves and resources of the Pebble Project. This assessment considered the stage of development of the Pebble Project, the legal rights the counterparty has in the event of bankruptcy, as well as what the counterparty is entitled to and the associated risks and rewards attributable to them over the life of the mine at the Pebble Project.

(c) Amendment Adopted by the Group

Effective January 1, 2022, the Group adopted amendments to IAS 16, *Property Plant and Equipment*, which require the net proceeds from selling any items produced while bringing an item of property, plant and equipment ("PPE") to the location and condition necessary for it to be capable of operating in the manner intended by management together with the cost of producing these items, to be recognized in profit and loss.

The adoption of these amendments did not impact the Financial Statements.

Northern Dynasty Minerals Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in thousands of Canadian Dollars, unless otherwise stated, except per share, option, warrant or DSU)

3. MINERAL PROPERTY, PLANT AND EQUIPMENT

The Group's exploration and evaluation assets are comprised of the following:

<i>Nine months ended September 30, 2022</i>			
	Mineral Property interest ¹	Plant and equipment ²	Total
Cost			
Balance December 31, 2021	\$ 112,541	\$ 2,412	\$ 114,953
Additions	-	21	21
Disposal of plant and equipment	-	(8)	(8)
Disposal of mineral property interest ⁵	(15,463)	-	(15,471)
Ending balance	97,078	2,425	99,503
Accumulated depreciation			
Balance December 31, 2021	-	(1,877)	(1,877)
Depreciation charge for the period ^{3,4}	-	(175)	(175)
Derecognition on disposal of plant and equipment	-	8	8
Ending balance	-	(2,044)	(2,044)
Foreign currency translation difference			
Balance December 31, 2021	21,079	184	21,263
Movement for period	11,453	55	11,508
Ending balance	32,532	239	32,771
Net carrying value – December 31, 2021	\$ 133,620	\$ 719	\$ 134,339
Net carrying value – September 30, 2022	\$ 129,610	\$ 620	\$ 130,230

Notes to tables:

1. Comprises the Pebble Project, a contiguous block of 1,840 mineral claims covering approximately 274 square miles located in southwest Alaska, 17 miles (30 kilometers) from the villages of Iliamna and Newhalen, and approximately 200 miles (320 kilometers) southwest of the city of Anchorage.
2. Includes Right-of-use assets ("ROU Assets"), which relate to the use of office space, office equipment and yard storage. The following comprises ROU Assets:

<i>Nine months ended September 30, 2022</i>			
	Land and Buildings	Equipment	Total
Cost			
Balance December 31, 2021	\$ 1,014	\$ 32	\$ 1,046
Accumulated depreciation			
Balance December 31, 2021	(370)	(20)	(390)
Depreciation charge for the period ^{3,4}	(102)	(8)	(110)
Ending balance	(472)	(28)	(500)

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<i>Nine months ended September 30, 2022</i>	Land and Buildings	Equipment	Total
Foreign currency translation difference			
Balance December 31, 2021	(36)	(1)	(37)
Movement for period	49	-	49
Ending balance	13	(1)	12
Net carrying value - December 31, 2021	\$ 608	\$ 11	\$ 619
Net carrying value - September 30, 2022	\$ 555	\$ 3	\$ 558

3. For the three and nine months ended September 30, 2022 and 2021, total depreciation was \$54 (2021 - \$88) and \$175 (2021 - \$422), of which ROU Asset depreciation was \$37 (2021 - \$65) and \$110 (2021 - \$199), respectively.
4. ROU Asset depreciation of \$26 (2021 - \$53) and \$77 (2021 - \$166) is included in general and administrative expenses (note 9(b)) for the three and nine months ended September 30, 2022, respectively. The remainder is included in exploration and evaluation expenses.
5. On July 26, 2022, the Group announced that it had entered into an agreement (the "Agreement") with an investor (the "Royalty Holder") to receive up to US\$60 million over the next two years, in return for the right to receive a portion of the future gold and silver production from the Pebble Project for the life of the mine (see further below). The Group received an initial non-refundable payment of US\$12 million from the Royalty Holder concurrently with the execution of the Agreement.

Per the terms of the Agreement, the Royalty Holder made the initial payment of US\$12 million in exchange for the right to receive 2% of the payable gold production and 6% of the payable silver production from the Pebble Project, in each case after accounting for a notional payment by the Royalty Holder of US\$1,500.00 per ounce of gold and US\$10.00 per ounce of silver, respectively, for the life of the mine. If, in the future, spot prices exceed US\$4,000.00 per ounce of gold or US\$50.00 per ounce of silver, then the Group will share in 20% of the excess price for either metal. Additionally, the Company will retain a portion of the metal produced for recovery rates in excess of 60% for gold and 65% for silver, and so is incentivized to continually improve operations over the life of the mine.

The Royalty Holder has the right to invest additional non-refundable funds, in US\$12 million increments, to an aggregate total of US\$60 million, within two years of the date of the Agreement, in return for the right to receive up to 10% of the payable gold and up to 30% of the payable silver (in each case, in the aggregate) on the same terms as the first tranche. The Royalty Holder is under no obligation to invest additional amounts to increase its interest in the gold and silver production from the Pebble Project

The Company recognized the first tranche of US\$12 million (\$15.5 million) as a sale of mineral property interest and the consideration received has been recorded as a recovery of mineral property costs. Accordingly, no gain or loss was recognized on the transaction.

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4. AMOUNTS RECEIVABLE AND PREPAID EXPENSES

	September 30 2022	December 31 2021
Sales tax receivable	\$ 62	\$ 79
Deferred At-the-Market Offering costs ¹	-	352
Interest, refundable deposits and other receivables	52	85
Prepaid expenses ²	3,345	1,351
Total	\$ 3,459	\$ 1,867

Notes

1. At December 31, 2021, these costs were still to be allocated to shares sold under the At-the-Market ("ATM") Agreement based on the dollar amount as a percentage of the total dollar amount available under the ATM Agreement. The Group expensed these costs on the basis that no further issuances occurred prior to the expiry of the base shelf prospectus, that supported the ATM offering.
2. Includes prepaid insurance, which is amortized over the insurance term.

5. CASH AND CASH EQUIVALENTS AND RESTRICTED CASH

(a) Cash and cash equivalents

At September 30, 2022, and December 31, 2021, the Group had only cash on hand which was invested in business and savings accounts.

(b) Restricted cash

The Group has cash deposited with a United States financial institution that has been pledged as collateral to the surety provider for a US\$2,000 surety bond that was placed with the Alaskan regulatory authorities for a performance guarantee related to any potential reclamation liability as a condition of the Miscellaneous Land Use Permit granted to the Pebble Partnership for its ongoing activities on the Pebble Project. The cash deposit will be released once any reclamation work required has been performed and assessed by the Alaskan regulatory authorities. The cash is invested in a money market fund. For the three and nine months ended September 30, 2022 the Group earned \$3 (2021 - nominal) and \$4 (2021 - nominal) income, respectively, which was re-invested.

6. CAPITAL AND RESERVES

(a) Authorized Share Capital

At September 30, 2022 and 2021, authorized share capital consisted of an unlimited number of common shares ("shares") with no par value, of which 529,779,388 (2021 - 529,741,788) shares were issued and fully paid.

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(b) Share Purchase Warrants and Options not Issued under the Group's Incentive Plan

The following reconciles outstanding warrants and non-employee options (options that were not issued under the Group's incentive plan (see below)), each exercisable to acquire one share, for the nine months ended September 30, 2022 and 2021 respectively:

Continuity	Cannon Point options ¹	Warrants ²	Total
Balance January 1, 2021	211,500	17,713,265	17,924,765
Exercised	(79,900)	(14,318,452)	(14,398,352)
Expired	-	(3,194,814)	(3,194,814)
Balance September 30, 2021	131,600	199,999	331,599
Exercised	(37,600)	-	(37,600)
Expired	-	(199,999)	(199,999)
Balance December 31, 2021 and September 30, 2022	94,000	-	94,000

Weighted averages per option

	Cannon Point options ¹	Total
September 30, 2022		
Exercise price	\$ 0.36	\$ 0.36
Remaining life in years	1.00	1.00
December 31, 2021		
Exercise price	\$ 0.36	\$ 0.36
Remaining life in years	1.74	1.74

Notes to tables:

1. The Group issued options in exchange for those which were outstanding in Cannon Point Resources Ltd. ("Cannon Point") on the acquisition of the company in October 2015.
2. Warrants were issued pursuant to the June 2016 prospectus financing, July 2016 private placement and the 2019 non-revolving term loan credit facility agreement.

(c) Share Purchase Option Compensation Plan

The following reconciles the Group's share purchase options ("options") issued and outstanding pursuant to the Group's incentive plan for the three and nine months ended September 30, 2022 and 2021:

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	Number of options	Weighted average exercise price (\$/option)
Continuity of options		
Balance January 1, 2021	28,481,500	1.20
Exercised	(5,084,000)	0.51
Expired	(2,572,000)	0.61
Balance September 30, 2021 and December 31, 2021	20,825,500	1.45
Expired	(4,386,000)	1.75
Granted ¹	11,254,000	0.41
Balance September 30, 2022	27,693,500	0.98

Note

- These were granted in the three and nine months ended September 30, 2022. The weighted average fair value was estimated at \$0.29 per option, based on the Black-Scholes option pricing model using the following weighted average assumptions:

Assumptions	Three and nine months	
	2022	2021
Risk-free interest rate	3.07%	-
Expected life	5.00 years	-
Expected volatility ¹	99.02%	-
Grant date share price	\$0.39	-
Expected dividend yield	Nil	Nil

Note:

- Expected volatility is based on the historical and implied volatility of the Company's share price on the TSX.

For the three and nine months ended September 30, 2022, the Group recognized \$1,868 (2021 - \$238) and \$1,868 (2021 - \$2,846) in share based compensation ("SBC") for options.

The following table summarizes information on options outstanding as at the reported dates:

Exercise prices (\$)	September 30, 2022			December 31, 2021		
	Number of options outstanding	Number of options exercisable	Weighted Average Remaining contractual life (years)	Number of options outstanding	Number of options exercisable	Weighted Average Remaining contractual life (years)
0.41	11,254,000	5,627,000	4.88	-	-	-
0.76	3,300,000	3,300,000	0.86	3,300,000	3,300,000	1.61
0.99	6,368,500	6,368,500	1.99	6,368,500	6,368,500	2.74
1.75	-	-	-	4,386,000	4,386,000	0.57
2.01	6,696,000	6,696,000	2.80	6,696,000	6,696,000	3.55
2.34	75,000	75,000	0.83	75,000	75,000	1.58
Total	27,693,500	22,066,500		20,825,500	20,825,500	

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The weighted average contractual life for options outstanding was 3.22 (December 31, 2021 – 2.36) years per option. The weighted average contractual life and exercise price for exercisable options as at September 30, 2022 was 2.80 (December 31, 2021 – 2.36) years and \$1.12 (December 31, 2021 – \$1.45) per option.

(d) *Deferred Share Units ("DSUs")*

The following reconciles DSUs outstanding for the nine months ended September 30, 2022 and 2021:

Continuity of DSUs	Number of DSUs	Weighted average fair value (\$/DSU)
Balance January 1, 2021 and September 30, 2021	458,129	0.69
Granted	19,582	0.60
Balance December 31, 2021	477,711	0.69
Granted ¹	43,074	0.41
Balance September 30, 2022	520,785	0.66

Note

- On grant date, the Group recognized share-based compensation of \$18 (2021 – \$6) in the statement of loss, based on the aggregate market value of shares on grant date, with a corresponding increase in the equity-settled share payment reserve in equity.

(e) *Foreign Currency Translation Reserve*

Continuity	Total
Balance January 1, 2021	\$ 29,661
Loss on translation of foreign subsidiaries	(577)
Balance September 30, 2021	29,084
Loss on translation of foreign subsidiaries	(326)
Balance December 31, 2021	28,758
Gain on translation of foreign subsidiaries	12,086
Balance September 30, 2022	\$ 40,844

The foreign currency translation reserve represents accumulated exchange differences arising on the translation, into the Group's presentation currency (the Canadian dollar), of the results of operations and net assets of the Group's subsidiaries with a US dollar functional currency.

7. RELATED PARTY BALANCES AND TRANSACTIONS

The components of transactions to related parties is as follows:

	September 30 2022	December 31 2021
Payables to related parties		
Key management personnel ("KMP")(a)	\$ 52	\$ 35
Hunter Dickinson Services Inc. ("HDSI")(b)	275	341
Total payables to related parties	\$ 327	\$ 376

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Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation. Details between the Group and other related parties are disclosed below.

(a) *Transactions and Balances with Key Management Personnel*

The aggregate value of transactions with KMP, being the Group's directors, including Chief Executive Officer ("CEO"), Chief Financial Officer ("CFO"), Company Secretary and General Counsel, Executive Vice President ("EVP")s, Environment and Sustainability and Corporate Development, Vice President ("VP")s, Engineering, Investor Relations and Public Affairs (until August 31, 2021), and Pebble Partnership ("PLP") senior management including the PLP CEO and Chair of Pebble Mines Corp ("PMC Chair"), Senior VP ("SVP"), Corporate Affairs (until May 21, 2021), SVP Engineering (until February 28, 2021), Senior VP, and Chief of Staff (until February 19, 2021), was as follows for the three and nine months ended September 30, 2022 and 2021:

Transaction	Three months		Nine months	
	2022	2021	2022	2021
Compensation				
Amounts paid and payable to HDSI for services of KMP employed by HDSI ¹	\$ 582	\$ 740	\$ 1,872	\$ 2,255
Amounts paid and payable to KMP ²	485	474	1,462	2,176
	1,067	1,214	3,334	4,431
Share-based compensation ³	1,163	164	1,175	1,849
Total compensation	\$ 2,230	\$ 1,378	\$ 4,509	\$ 6,280

Notes to table:

1. The Group's CEO, CFO, Board Chair and senior management, other than disclosed in note 2 below, are employed by the Group through HDSI (refer (b)).
2. Represents short-term employee benefits, including director's fees paid to the Group's independent directors, and salaries paid and payable to the PLP senior management noted above. The SVP Engineering was employed by the Group through a wholly-owned US subsidiary of HDSI ("HDUS") until the end of February 2021. The Group reimbursed HDUS for costs incurred.
3. For the three and nine months ended September 30, 2022, SBC relates to share purchase options and DSUs issued and/or vesting during the period (notes 6(c)-(d)).

(b) *Transactions and Balances with other Related Parties*

HDSI is a private company that provides geological, engineering, environmental, corporate development, financial, administrative and management services to the Group and its subsidiaries at annually set rates pursuant to a management services agreement. The annually set rates also include a component of overhead costs such as office rent, information technology services and general administrative support services. HDSI also incurs third party costs on behalf of the Group, which are reimbursed by the Group at cost. Several directors and other key management personnel of HDSI, who are close business associates, are also key management personnel of the Group.

For the three and nine months ended September 30, 2022 and 2021, transactions with HDSI were as follows:

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Transactions	Three months		Nine months	
	2022	2021	2022	2021
Services rendered by HDSI:				
Technical ¹				
Engineering	\$ 87	\$ 200	\$ 268	\$ 603
Environmental	98	102	378	314
Socioeconomic	-	61	-	285
Other technical services	6	37	26	118
	191	400	672	1,320
General and administrative				
Management, consulting, corporate communications, secretarial, financial and administration	532	731	1,653	2,248
Shareholder communication	178	188	557	562
	710	919	2,210	2,810
Total for services rendered	901	1,319	2,882	4,130
Reimbursement (refund) of third party expenses				
Conferences and travel	10	8	98	26
Insurance	-	3	48	71
Office supplies and information technology ²	129	130	402	368
Total reimbursed	139	141	548	465
Total	\$ 1,040	\$ 1,460	\$ 3,430	\$ 4,595

Notes to table

1. Included in exploration and evaluation expenses (note 9(a)).
2. Includes payments made for the use of offices and shared space of \$35 (2021 - \$34) and \$117 (2021 - \$71) for the three and nine months ended September 30, 2022, respectively. In April 2021, the Company signed an office use agreement effective May 1, 2021, for a five-year term ending April 29, 2026. As of September 30, 2022, the remaining undiscounted commitment was \$360 (note 13(e)).

Pursuant to an addendum to the management services agreement between HDSI and the Company, following a change of control, the Company is subject to termination payments if the management services agreement is terminated. The Company will be required to pay HDSI \$2,800 and an aggregate amount equal to six months of annual salaries payable to certain individual service providers under the management services agreement and their respective employment agreements with HDSI.

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8. TRADE AND OTHER PAYABLES

	September 30	December 31
	2022	2021
Current liabilities		
Falling due within the year		
Trade	\$ 5,802	\$ 1,922
Lease liabilities ²	143	126
Total	\$ 5,945	\$ 2,048
	September 30	December 31
	2022	2021
Non-current liabilities		
Trade ¹	\$ 879	\$ 804
Lease liabilities ²	507	561
Total	\$ 1,386	\$ 1,365

Notes to tables:

1. Includes fees due to legal counsel of US\$635 payable on completion of a partnering transaction.
2. Lease liabilities relate to lease of offices, office equipment and yard storage, which have remaining lease terms of 3 to 92 months and interest rates of 9.5% – 12% over the term of the leases. During the three and nine months ended September 30, 2022, the Group recognized \$16 (2021 - \$17) and \$50 (2021 - \$49) respectively in interest expense on lease liabilities.

The following summarizes lease liabilities for the reporting periods indicated:

Lease liabilities	September 30	December 31
	2022	2021
Beginning balance	\$ 687	\$ 916
Interest expense	50	67
Effect of modification to lease term	-	(284)
Lease payments	(144)	(267)
Lease recognition	-	268
Lease settlement	-	(5)
Foreign currency translation difference	57	(8)
Ending balance	650	687
Current portion	143	126
Non-current portion	507	561
Total	\$ 650	\$ 687

The following table provides the schedule of undiscounted lease liabilities as at September 30, 2022:

	Total
Less than one year	\$ 202
One to five years	515
Later than 5 years	141
Total undiscounted lease liabilities	\$ 858

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The Group had short-term lease commitments of less than a year relating to a property lease totaling \$50 as of January 1, 2022. During the three and nine months ended September 30, 2022, the Group incurred short-term lease commitments of \$nil (2021 - \$nil), and \$157 (2021 - \$147) respectively and expensed \$39 (2021 - \$40) and \$116 (2021 - \$152) respectively.

9. EXPLORATION AND EVALUATION AND GENERAL AND ADMINISTRATIVE EXPENSES

(a) Exploration and Evaluation Expenses ("E&E")

For the three and nine months ended September 30, 2022 and 2021, E&E consisted of the following:

E&E	Three months		Nine months	
	2022	2021	2022	2021
Engineering	\$ 149	\$ 737	\$ 1,195	\$ 3,384
Environmental	650	553	1,748	1,833
Property fees	6	6	6	6
Site activities	379	653	1,215	1,761
Socio-economic	482	499	1,506	1,899
Transportation	164	411	599	511
Other activities and travel	9	48	53	144
Total	\$ 1,839	\$ 2,907	\$ 6,322	\$ 9,538

(b) General and Administrative Expenses ("G&A")

For the three and nine months ended September 30, 2022 and 2021, G&A consisted of the following:

G&A	Three months		Nine months	
	2022	2021	2022	2021
Conference and travel	\$ 40	\$ 38	\$ 189	\$ 93
Consulting	188	558	457	1,116
Depreciation of right-of-use assets	26	53	77	166
Insurance	664	440	1,688	979
Office costs, including information technology	165	166	585	627
Management and administration	774	914	2,338	3,013
Shareholder communication	228	223	1,040	1,115
Trust and filing	47	13	368	238
Total	\$ 2,132	\$ 2,405	\$ 6,742	\$ 7,347

10. EMPLOYMENT COSTS

During the three and nine months ended September 30, 2022 and 2021, the Group recorded the following:

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	Three months		Nine months	
	2022	2021	2022	2021
Exploration and evaluation				
Salaries and benefits	\$ 559	\$ 656	\$ 1,699	\$ 2,348
Amounts paid for services by HDSI personnel (note 7(b))	192	400	672	1,220
	751	1,056	2,371	3,568
General and administrative				
Salaries and benefits	346	349	1,055	1,080
Amounts paid for services by HDSI personnel (note 7(b))	580	673	1,827	2,072
	926	1,022	2,882	3,152
Share-based payments	1,874	244	1,886	2,852
	\$ 3,551	\$ 2,322	\$ 7,139	\$ 9,572

11. BASIC AND DILUTED LOSS PER SHARE

The calculation of basic and diluted loss per share for the three and nine months ended September 30, 2022 and 2021 was based on the following:

	Three months		Nine months	
	2022	2021	2022	2021
Loss attributable to shareholders	\$ 7,415	\$ 8,666	\$ 18,065	\$ 27,409
Weighted average number of shares outstanding (000s)	529,779	528,470	529,779	518,665

For the three and nine months ended September 30, 2022 and 2021, basic and diluted loss per share does not include the effect of employee share purchase options outstanding (2022 - 27,693,500, 2021 - 20,825,500), non-employee share purchase options and warrants (2022 - 94,000, 2021 - 331,599) and DSUs (2022 - 520,785, 2021 - 467,793), as they were anti-dilutive.

12. FINANCIAL RISK MANAGEMENT

The Group is exposed in varying degrees to a variety of financial instrument related risks. The Board approves and monitors the risk management processes, inclusive of documented investment policies, counterparty limits, and controlling and reporting structures. The type of risk exposure and the way in which such exposure is managed is provided as follows:

(a) Credit Risk

Credit risk is the risk of potential loss to the Group if a counterparty to a financial instrument fails to meet its contractual obligations. The Group's credit risk is primarily attributable to its liquid financial assets, including cash and cash equivalents, restricted cash and amounts receivable. The Group limits the exposure to credit risk by only investing its cash and cash equivalents and restricted cash with high-credit quality financial institutions in business and saving accounts, guaranteed investment certificates, in government treasury bills, low risk

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corporate bonds and money market funds which are available on demand by the Group when required. Amounts receivable in the table below exclude receivable balances with government agencies (note 4). The Group's maximum exposure was as follows:

Exposure	September 30 2022	December 31 2021
Interest, refundable deposits and other receivables	\$ 52	\$ 85
Restricted cash	863	785
Cash and cash equivalents	24,506	22,291
Total exposure	\$ 25,421	\$ 23,161

(b) *Liquidity Risk*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations when they become due. The Group ensures, as far as reasonably possible, it will have sufficient capital in order to meet short to medium term business requirements, after taking into account cash flows from operations and the Group's holdings of cash and cash equivalents and restricted cash, where applicable. However, the Group has noted material uncertainty that raises substantial doubt about the Group's ability to continue as a going concern notwithstanding the Group having positive working capital (note 1) as demands may exceed existing resources. The Group's cash and cash equivalents at the reporting date were invested in business and savings accounts (note 5(a)).

The Group's financial liabilities are comprised of current trade and other payables (note 8) and payables to related parties (note 7), which are due for payment within 12 months from the reporting date, and non-current trade payables, which are due for payment more than 12 months from the reporting date. The carrying amounts of the Group's financial liabilities represent the Group's contractual obligations.

(c) *Foreign Exchange Risk*

The Company is subject to both currency transaction risk and currency translation risk: the Pebble Partnership, Pebble Services Inc. and U5 Resources Inc. have the US dollar as functional currency, and certain of the Company's corporate expenses are incurred in US dollars. The operating results and financial position of the Group are reported in Canadian dollars in these Financial Statements. As a result, the fluctuation of the US dollar in relation to the Canadian dollar will have an impact upon the losses incurred by the Group as well as the value of the Group's assets and the amount of shareholders' equity. The Group has not entered into any agreements or purchased any instruments to hedge possible currency risks.

The exposure of the Group's US dollar-denominated financial assets and liabilities to foreign exchange risk was as follows:

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	September 30 2022	December 31 2021
Financial assets:		
Amounts receivable	\$ 174	\$ 168
Cash and cash equivalents and restricted cash	16,272	5,433
	16,446	5,601
Financial liabilities:		
Non-current trade payables	(1,386)	(1,365)
Current trade and other payables	(5,445)	(1,670)
Payables to related parties	(82)	(190)
	(6,913)	(3,225)
Net financial assets exposed to foreign currency risk	\$ 9,533	\$ 2,376

Based on the above net exposures and assuming that all other variables remain constant, a 10% change in the value of the Canadian dollar relative to the US dollar would result in a gain or loss of \$953 (December 31, 2021 – \$238) in the reported period. This sensitivity analysis includes only outstanding foreign currency denominated monetary items.

(d) *Interest Rate Risk*

The Group is subject to interest rate cash flow risk with respect to its investments in cash and cash equivalents. The Group's policy is to invest cash at fixed rates of interest and cash reserves are to be maintained in cash and cash equivalents or short-term low risk investments in order to maintain liquidity, while achieving a satisfactory return for shareholders. Fluctuations in interest rates when cash and cash equivalents mature impact interest income earned.

Assuming that all other variables remain constant, a 100 basis points change representing a 1% increase or decrease in interest rates would have resulted in a decrease or increase in loss of \$175 (2021 – \$264).

(e) *Capital Management*

The Group's policy is to maintain a strong capital base to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Group consists of equity, comprising of share capital and reserves, net of accumulated deficit. There were no changes in the Group's approach to capital management during the period. The Group is not subject to any externally imposed capital requirements.

(f) *Fair Value*

The fair value of the Group's financial assets and liabilities approximates the carrying amount.

13. COMMITMENTS AND CONTINGENCIES

(a) *Legal Proceedings*

Class Action Litigation following the USACE's Record of Decision

On December 4 and December 17, 2020, separate putative shareholder class action lawsuits were filed against the Company and certain of its current and former officers and directors in the U.S. District Court for the Eastern District of New York (Brooklyn) regarding the drop in the price of the Company's stock following the ROD by the USACE regarding the Pebble Project. These cases are captioned *Darish v. Northern Dynasty Minerals Ltd. et al.*,

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(Unaudited - Expressed in thousands of Canadian Dollars, unless otherwise stated, except per share, option, warrant or DSU)

Case No. 1:20-cv-05917-ENV-RLM, and *Hymowitz v. Northern Dynasty Minerals Ltd. et al.*, Case No. 1:20-cv-06126-PKC-RLM. Each of the complaints was filed on behalf of a purported class of investors who purchased shares of the Company's stock from December 21, 2017, through November 25, 2020, the date the USACE announced its decision, and seeks damages allegedly caused by violations of the federal securities laws. On March 17, 2021, the two cases were consolidated and a lead plaintiff and counsel were appointed. A consolidated and amended complaint was filed in June 2021, naming the Company, the Company's CEO and the Pebble Partnership's former CEO as defendants. The Company intends to defend itself vigorously and has filed a motion to dismiss the complaint on behalf of all defendants.

On December 3, 2020, a putative shareholder class action lawsuit was filed against the Company, certain of its current and former officers and directors, and one of its underwriters in the Supreme Court of British Columbia regarding the decrease in the price of the Company's stock following the USACE's November 25, 2020, decision regarding the Pebble Project. The case is captioned *Haddad v. Northern Dynasty Minerals Ltd. et al.*, Case No. VLC-S-S-2012849. The claim was filed on behalf of a purported class of investors, wherever they may reside, who acquired common shares of the Company's stock between December 21, 2017, and November 25, 2020, and seeks damages for (i) alleged misrepresentations in the Company's primary market offering documents and continuous disclosure documents, and (ii) its allegedly oppressive conduct. The Company has been served the claim and intends to defend itself vigorously. The underwriter has asserted contractual rights of indemnification against the Company for any loss that the underwriter may incur in connection with the lawsuit. On April 20, 2022, the putative plaintiff filed and subsequently served an application to amend his pleadings to harmonize with the pleadings in the Woo case described below, add Mr. Woo as a plaintiff, and add new underwriter defendants. Also on April 20, 2022, the putative plaintiff filed and subsequently served an application for leave to commence a secondary market liability claim under s. 140.3 of the B.C. Securities Act, for an order certifying the action as a class action, and for related relief.

On February 17, 2021, a putative shareholder class action lawsuit was filed against the Company, certain of its current and former officers and directors, and certain of its underwriters in the Supreme Court of British Columbia regarding the decrease in the price of the Company's stock following (i) the USACE's August 24, 2020 announcement that the Pebble Project could not be permitted as proposed, and (ii) the USACE's November 25, 2020 decision regarding the Pebble Project. The case is captioned *Woo v. Northern Dynasty Minerals Ltd. et al.*, Case No. VLC-S-S-211530. The claim was filed on behalf of a purported class of investors, wherever they may reside, who purchased securities of the Company between June 25, 2020 and November 25, 2020, and seeks damages for (i) alleged misrepresentations in the Company's primary market offering documents and continuous disclosure documents, (ii) allegedly oppressive conduct, (iii) alleged unjust enrichment, and (iv) negligence. The Company has been served and intends to defend itself vigorously. The underwriters have asserted contractual rights of indemnification against the Company for any loss that they may incur in connection with the lawsuit.

On March 5, 2021, a putative shareholder class action lawsuit was filed against the Company, certain of its current and former officers and directors, and certain of its underwriters in the Ontario Superior Court of Justice regarding the decrease in the price of the Company's stock following the USACE's November 25, 2020 decision regarding the Pebble Project. The case is captioned *Pirzada v. Northern Dynasty Minerals Ltd. et al.*, Case No. CV-21-00658284-00CP. The claim was filed on behalf of a purported class of investors, wherever they may reside, who acquired securities of the Company between June 25, 2020 and November 25, 2020, and seeks damages for (i) alleged misrepresentations in the Company's primary market offering documents and continuous disclosure documents, (ii) allegedly oppressive conduct, and (iii) alleged negligence. On March 30, 2022, the plaintiff made a motion to discontinue the claim without costs and the court granted the discontinuance in April 2022.

Given the nature of the claims, it is not currently possible for the Company to predict the outcome nor practical to determine their possible financial effect.

Northern Dynasty Minerals Ltd.

Notes to the Condensed Consolidated Interim Financial Statements

For the three and nine months ended September 30, 2022 and 2021

(Unaudited - Expressed in thousands of Canadian Dollars, unless otherwise stated, except per share, option, warrant or DSU)

Grand Jury Subpoena

On February 5, 2021, the Company announced that the Pebble Partnership and its former CEO, have each been served with a subpoena issued by the United States Attorney's Office for the District of Alaska to produce documents in connection with a grand jury investigation apparently involving previously disclosed recordings of private conversations regarding the Pebble Project. The Company is not aware of any civil or criminal charges having been filed against any entity or individual in this matter. The Company also self-reported this matter to the US Securities and Exchange Commission ("SEC"), and there is a related informal inquiry being conducted by the enforcement staff of the SEC's San Francisco Regional Office. The Company and the Pebble Partnership are cooperating with each of these investigations.

Indemnification Obligations

The Company is subject to certain indemnification obligations to both present and former officers and directors, including the Pebble Partnership's former CEO, in respect to the legal proceedings described above. These indemnification obligations will be subject to limitations prescribed by law and the articles of the Company, and may also be subject to contractual limitations.

(b) Short-term Lease Commitments

As of September 30, 2022, the Group has a short-term lease commitment of \$98 with a fixed monthly payment over the remaining term.

(c) Pipeline Right-of-Way Bond Commitment

The Group has a bond of US\$300 with the Alaskan regulatory authorities for a performance guarantee related to any potential reclamation liability as a condition for a pipeline right-of-way to a subsidiary of the Pebble Partnership, the Pebble Pipeline Corporation. The Group is liable to the surety provider for any funds drawn by the Alaskan regulatory authorities.

(d) Pebble Performance Dividend Commitment

The Group has a future commitment beginning at the outset of project construction at the Pebble Project to distribute cash generated from a 3% net profits royalty interest in the Pebble Project to adult residents of Bristol Bay villages that have subscribed as participants, with a guaranteed minimum aggregate annual payment of US\$3,000 each year the Pebble mine operates.

(e) Office Use Commitment

The Company has an office use agreement with HDSI (note 7(b)) ending April 29, 2026. At September 30, 2022 the total remaining undiscounted commitment was \$360. This commitment is a flow through cost at market rates. The following table summarizes the commitment schedule:

	Total
Less than one year	\$ 97
One to five years	263
Total	\$ 360

This is Exhibit "D" mentioned and referred to in the Affidavit of Anthony O'Brien SWORN/AFFIRMED BEFORE ME at the City of Toronto, Province of Ontario this 13th day of February, 2024.



Donna Lynn McEvoy, A Commissioner, etc.
Province of Ontario,
for Siskinds LLP Barristers and Solicitors
Expires: December 6, 2025

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

IN RE NORTHERN DYNASTY
MINERALS LTD. SECURITIES
LITIGATION

Case No. 1:20-CV-05917 (TAM)

**ORDER GRANTING PLAINTIFFS' MOTION FOR PRELIMINARY APPROVAL
OF CLASS ACTION SETTLEMENT**

WHEREAS, Lead Plaintiff Lawrence Kelemen (“Lead Plaintiff”) and Named Plaintiff Charles Hymowitz (“Named Plaintiff” and, together with Lead Plaintiff, the “Plaintiffs”), on behalf of themselves and the Settlement Class, and Defendants Northern Dynasty Minerals Ltd. (“Northern Dynasty”), and Defendants Ronald W. Thiessen (“Thiessen”) and Thomas C. Collier, Jr. (“Collier” and, together with Thiessen, the “Individual Defendants,” and together with Northern Dynasty, “Defendants”), have entered into the Stipulation and Agreement of Settlement, dated June 7, 2023 (“Stipulation”), which is subject to review under Rule 23 of the Federal Rules of Civil Procedure and which, together with the exhibits annexed thereto, sets forth the terms and conditions for the proposed settlement and dismissal of the class action pending before the Court, entitled *In re Northern Dynasty Minerals Ltd. Securities Litigation*, Case No. 1:20-cv-05917-ENV-TAM (E.D.N.Y.) (the “Action”); and the Court having read and considered the Stipulation and the exhibits thereto and submissions made relating thereto, and finding that substantial and sufficient grounds exist for entering this Order; and the Settling Parties having consented to the entry of this Order;

NOW, THEREFORE, IT IS HEREBY ORDERED, this 24th day of August, 2023, that:

1. Capitalized terms used herein have the meanings defined in the Stipulation.
2. Pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure and for the purposes of the Settlement only, the Action is hereby preliminarily certified as a class action on behalf of all Persons (including, without limitation, their beneficiaries) who purchased or otherwise acquired Northern Dynasty securities during the period from December 21, 2017 through November 24, 2020, both dates inclusive, (i) on any stock exchanges located in the United

States, (ii) on any alternative trading systems located in the United States, or (iii) pursuant to other domestic transactions, and who were allegedly damaged thereby.

3. Excluded from the Settlement Class are (i) Individual Defendants; (ii) the officers and directors of Northern Dynasty; (iii) members of the Individual Defendants' immediate families and their legal representatives, heirs, successors or assigns; and (iv) any entity in which the Individual Defendants have or had a controlling interest. Also excluded from the Settlement Class is any individual or entity, who or which has: (i) asserted claims against any or all of the Defendants in any cross-border litigation initiated outside of the United States, including in, but not limited to, the cases captioned *Haddad v. Northern Dynasty Minerals Ltd. et al.*, Case No. VLC-S-S-2012849 and *Woo v. Northern Dynasty Minerals Ltd. et al.*, Case No. VLC-S-S-211530 in Canada; (ii) been deemed by a court to be a member of a class in such litigation, for settlement purposes or otherwise; and (iii) is entitled to a settlement or other distribution payment – regardless of whether such payment is cashed – in connection with the resolution of the cross-border litigation. Additionally excluded from the Settlement Class are any persons who, and entities which, exclude themselves by submitting a request for exclusion from the Settlement Class that is accepted by the Court.

4. This Court finds, preliminarily and for purposes of this Settlement only, that the prerequisites for a class action under Rules 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that: (a) the number of Settlement Class Members is so numerous that joinder of all members of the Settlement Class is impracticable; (b) there are questions of law and fact common to the Settlement Class; (c) the claims of Plaintiffs are typical of the claims of the Settlement Class they seek to represent; (d) Plaintiffs fairly and adequately represent the interests of the Settlement Class; (e) questions of law and fact common to the Settlement Class predominate

over any questions affecting only individual members of the Settlement Class; and (f) a class action is superior to other available methods for the fair and efficient adjudication of the Action.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, preliminarily and for the purposes of this Settlement only, Plaintiffs are certified as the class representatives on behalf of the Settlement Class (“Class Representatives”) and Lead Counsel, previously selected by Plaintiffs and appointed by the Court, are hereby appointed as class counsel for the Settlement Class (“Class Counsel”).

6. The Court finds that (a) the Stipulation resulted from good faith, arm’s length negotiations, and (b) the Stipulation is sufficiently fair, reasonable, and adequate to the Settlement Class Members to warrant providing notice of the Settlement to Settlement Class Members and holding a Settlement Hearing.

7. The Court hereby preliminarily approves the Settlement, subject to further consideration at a hearing (“Settlement Hearing”) pursuant to Federal Rule of Civil Procedure 23(e), which is hereby scheduled to be held before the Court on **12/7/2023 at 10:30 a.m. in Courtroom 324 North** for the following purposes: (a) to determine finally whether the applicable prerequisites for class action treatment under Federal Rules of Civil Procedure 23(a) and (b) are satisfied; (b) to determine finally whether the Settlement is fair, reasonable, and adequate, and should be approved by the Court; (c) to determine finally whether the Order and Final Judgment as provided under the Stipulation should be entered, dismissing the Action with prejudice, and to determine whether the release by the Releasing Parties of the Released Claims against the Released Parties, as set forth in the Stipulation, should be ordered, along with a permanent injunction barring efforts to prosecute or attempt to prosecute any Released Claims extinguished by the release against any of the Released Parties, as also set forth in the Stipulation; (d) to determine finally whether the proposed Plan of

Allocation for the distribution of the Net Settlement Fund is fair and reasonable and should be approved by the Court; (e) to consider the application of Class Counsel for an award of attorneys' fees with interest and expenses and an award to the Class Representatives; (f) to consider Settlement Class Members' objections to the Settlement, if any, whether submitted previously in writing or presented orally at the Settlement Hearing by Settlement Class Members (or by counsel on their behalf), provided that they gave proper notice that they intend to appear at the Settlement Hearing; and (g) to rule upon such other matters as the Court may deem appropriate.

8. The Court approves the form, substance, and requirements of (a) the Notice of Pendency and Proposed Settlement of Securities Class Action ("Long Notice"), (b) the Proof of Claim and Release Form, (c) the Summary Notice of Pendency and Proposed Securities Class Action Settlement ("Summary Notice"), and (d) the Postcard Notice, all of which are attached as Exhibits A-1, A-2, A-3, and A-4, respectively, to the Stipulation.

9. Class Counsel have the authority to enter into the Settlement on behalf of the Settlement Class and have the authority to act on behalf of the Settlement Class with respect to all acts or consents required by or that may be given pursuant to the Stipulation or such other acts that are reasonably necessary to consummate the Settlement.

10. For settlement purposes only, Epiq Class Action & Claims Solutions, Inc. ("Epiq") is appointed and approved as the Claims Administrator to supervise and administer the notice procedure as well as the processing of claims.

11. Within twenty-one (21) calendar days of the entry of this Order, Class Counsel, through the Claims Administrator, shall either: (a) email the Summary Notice to Settlement Class Members for whom the Claims Administrator is able to obtain email addresses, substantially in the form annexed to the Settlement Stipulation as Exhibit A-3 or (b) cause the Postcard Notice,

substantially in the form annexed to the Settlement Stipulation as Exhibit A-4, if no electronic mail address can be obtained, mailed, by first class mail, postage prepaid, to Settlement Class Members who can be identified with reasonable effort by Class Counsel, through the Claims Administrator.

12. The Court approves the appointment of Huntington National Bank as the Escrow Agent. The Escrow Agent may, at any time after entry of this Order and without further approval from Defendants or the Court, disburse at the direction of Class Counsel up to \$500,000 from the Settlement Fund prior to the Effective Date to pay Administrative Costs.

13. If not yet completed according to ¶ 8.6 of the Stipulation, no later than ten (10) calendar days after the date of this Order, Northern Dynasty shall provide and/or cause its transfer agent to provide to Class Counsel, at no cost to Plaintiffs, transfer records information concerning the identity of Settlement Class Members in a usable electronic format, such as an excel spreadsheet. This information will be kept confidential and not used for any purpose other than to provide the notice contemplated by this Order.

14. Class Counsel, through the Claims Administrator, shall make all reasonable efforts to give notice to nominees or custodians who held Northern Dynasty securities during the Settlement Class Period as record owners but not as beneficial owners. Such nominees or custodians shall, within ten (10) calendar days of receipt of the notice, either: (i) request copies of the Postcard Notice sufficient to send the Postcard Notice to all beneficial owners for whom they are nominee or custodian, and within ten (10) calendar days after receipt thereof send copies to such beneficial owners; (ii) request an electronic copy of the Summary Notice and email the Summary Notice in electronic format to each beneficial owner for whom they are nominee or custodian within ten (10) calendar days after receipt thereof; or (iii) provide the Claims Administrator with lists of the names, last known addresses, and email addresses (to the extent

known) of such beneficial owners, in which event the Claims Administrator shall promptly deliver the Postcard Notice to such beneficial owners. If the Claims Administrator receives an email address, it will send a Summary Notice electronically. Nominees or custodians who elect to send the Postcard Notice to their beneficial owners shall send a written certification to the Claims Administrator confirming that the mailing has been made as directed. Additional copies of the Postcard Notice shall be made available to any nominee or custodian requesting the same for the purpose of distribution to beneficial owners. The Claims Administrator shall, if requested, reimburse nominees or custodians out of the Settlement Fund solely for their reasonable out-of-pocket expenses incurred in providing notice to beneficial owners, which expenses would not have been incurred except for the providing names and addresses, up to \$0.05 per name and address; mailing of Postcard Notice up to \$0.05 per unit, plus postage at the rate used by the Claims Administrator; or emailing of notice up to \$0.05 per email, and subject to further order of this Court with respect to any dispute concerning such reimbursement.

15. Class Counsel shall, at least seven (7) calendar days before the Settlement Hearing (*i.e.*, on or before **11/30/2023**), serve upon Defense Counsel and file with the Court proof of the mailing of the Postcard Notice as required by this Order.

16. Class Counsel, through the Claims Administrator, shall cause the Stipulation and its exhibits, this Order, and a copy of the Notice to be posted on the Claims Administrator's website within twenty-one (21) calendar days after entry of this Order.

17. Class Counsel, through the Claims Administrator, shall cause the Summary Notice to be published electronically once on the *PR Newswire* and in print once in the *Investor's Business Daily* within twenty-one (21) calendar days after the entry of this Order. Class Counsel shall, at

least seven (7) calendar days before the Settlement Hearing (*i.e.*, no later than 11/30/2023), serve upon Defense Counsel and file with the Court proof of publication of the Summary Notice.

18. The forms and methods set forth herein of notifying the Settlement Class Members of the Settlement and its terms and conditions meet the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and 15 U.S.C. § 77z-1(a)(7); constitute the best notice practicable under the circumstances; and constitute due and sufficient notice to all persons and entities entitled thereto. No Settlement Class Member will be relieved from the terms and conditions of the Settlement, including the releases provided for therein, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice.

19. In order to be entitled to participate in recovery from the Net Settlement Fund after the Effective Date, each Settlement Class Member shall take the following action and be subject to the following conditions:

(a) A properly completed and executed Proof of Claim and Release Form must be submitted to the Claims Administrator: (a) electronically through the Claims Administrator's website, www.NorthernDynastySecuritiesSettlement.com by 11:59 p.m. EST on 12/14/2023; or (b) at the Post Office Box indicated in the Notice, postmarked no later than 12/14/2023 (seven (7) calendar days after the Settlement Hearing). Such deadline may be further extended by Order of the Court. Each Proof of Claim and Release Form shall be deemed to have been submitted when: (a) the Person submitting the claim ("Claimant") receives a confirmation notice from the Claims Administrator for electronic submissions; or (b) legibly postmarked (if properly addressed and mailed by first class mail) provided such Proof of Claim and Release Form is actually received before the filing of a motion for an Order of the Court approving distribution of the Net Settlement Fund. Any Proof of Claim and Release Form submitted in any other manner shall be deemed to

have been submitted when it was actually received by the Claims Administrator at the address designated in the Notice.

(b) The Proof of Claim and Release Form submitted by each Settlement Class Member must satisfy the following conditions: (i) it must be properly completed, signed, and submitted in a timely manner in accordance with the provisions of the preceding subparagraph; (ii) it must be accompanied by adequate supporting documentation for the transactions reported therein, in the form of broker confirmation slips, broker account statements, an authorized statement from the broker containing the transactional information found in a broker confirmation slip, or such other documentation as is deemed adequate by the Claims Administrator or Class Counsel; (iii) if the person executing the Proof of Claim and Release Form is acting in a representative capacity, a certification of his, her, or its current authority to act on behalf of the Settlement Class Member must be provided with the Proof of Claim and Release Form; and (iv) the Proof of Claim and Release Form must be complete and contain no material deletions or modifications of any of the printed matter contained therein and must be signed under penalty of perjury.

(c) Once the Claims Administrator has considered a timely submitted Proof of Claim and Release Form, it shall determine whether such claim is valid, deficient, or rejected. For each claim determined to be either deficient or rejected, the Claims Administrator shall send a deficiency letter or rejection letter as appropriate, describing the basis on which the claim was so determined. Persons who timely submit a Proof of Claim and Release Form that is deficient or otherwise rejected shall be afforded a reasonable time (at least ten (10) calendar days) to cure such deficiency if it shall appear that such deficiency may be cured. If any Claimant whose claim has been rejected in whole or in part wishes to contest such rejection, the Claimant must, within ten

(10) calendar days after the date of mailing of the notice, serve upon the Claims Administrator a notice and statement of reasons indicating the Claimant's ground for contesting the rejection along with any supporting documentation, and requesting a review thereof by the Court. If an issue concerning a claim cannot be otherwise resolved, Class Counsel shall thereafter present the request for review to the Court.

(d) As part of the Proof of Claim and Release Form, each Settlement Class Member shall submit to the jurisdiction of the Court with respect to the claim submitted, and shall, upon the Effective Date, release all claims as provided in the Stipulation. No discovery shall be allowed on the merits of the Action or the Settlement in connection with processing of the Proof of Claim and Release Forms.

20. All Settlement Class Members who do not submit valid and timely Proof of Claim and Release Forms will be forever barred from receiving any payments from the Net Settlement Fund, but will in all other respects be subject to and bound by the provisions of the Stipulation and the Order and Final Judgment, if entered.

21. Settlement Class Members shall be bound by all determinations and judgments in this Action whether favorable or unfavorable, unless such Persons request exclusion from the Settlement Class in a timely and proper manner, as hereinafter provided. A Settlement Class Member wishing to make such request for exclusion shall mail it, in written form, by first class mail, postage prepaid, or otherwise deliver it, so that it is received no later than **11/16/2023** (twenty-one (21) calendar days prior to the Settlement Hearing) ("Exclusion Deadline"), to the addresses listed in the Notice. In order to be valid, such request for exclusion (A) must clearly indicate the name and address and phone number and e-mail contact information (if any) of the Person seeking exclusion, and state that the sender specifically "requests to be excluded from the

Settlement Class in *In re Northern Dynasty Minerals Ltd. Securities Litigation*, Case No. 1:20-cv-05917-ENV-TAM (E.D.N.Y.)”, and (B) state the identity and number of Northern Dynasty securities that the person or entity requesting exclusion purchased/acquired and sold during the Settlement Class Period, as well as the dates and prices of each such purchase/acquisition and sale, and the number of securities held at the beginning of the Settlement Class Period. In order to be valid, such request for exclusion must be submitted with documentary proof (i) of each purchase or acquisition and, if applicable, sale transaction of Northern Dynasty securities during the Settlement Class Period and (ii) demonstrating the Person’s status as a beneficial owner of the Northern Dynasty securities. Any such request for exclusion must be signed and submitted by the beneficial owner under penalty of perjury. The request for exclusion shall not be effective unless it provides the required information, is legible, and is made within the time stated above, or the exclusion is otherwise accepted by the Court. Class Counsel may contact any Person filing a request for exclusion, or their attorney if one is designated, to discuss the exclusion.

22. The Claims Administrator shall provide all requests for exclusion and supporting documentation submitted therewith (including untimely requests and revocations of requests) to counsel for the Settling Parties as soon as possible and no later than the Exclusion Deadline or upon the receipt thereof (if later than the Exclusion Deadline). The Settlement Class will not include any Person who delivers a valid and timely request for exclusion.

23. Any Person that submits a request for exclusion may thereafter submit to the Claims Administrator a written revocation of that request for exclusion, provided that it is received no later than two (2) Business Days before the Settlement Hearing, in which event that Person will be included in the Settlement Class.

24. All Persons who submit a valid, timely, and unrevoked request for exclusion will be forever barred from receiving any payments from the Net Settlement Fund.

25. The Court will consider objections to the Settlement, the Plan of Allocation, or the Fee and Expense Application, provided, however, that no Settlement Class Member or other Person shall be heard or entitled to contest the approval of the terms and conditions of the proposed Settlement or, if approved, the Order and Final Judgment, or any other order relating thereto, unless that Person has (A) served copies of any objections, papers, and briefs to each of the following counsel at least twenty-one (21) calendar days prior to the Settlement Hearing date (*i.e.*, no later than **11/16/2023**):

PLAINTIFFS' COUNSEL:

Jeremy A. Lieberman, Esq.
POMERANTZ LLP
600 Third Avenue, 20th Floor
New York, New York 10016

DEFENSE COUNSEL:

Ashwin J. Ram
Steptoe & Johnson LLP
633 W. 5th Street, Ste. 1900
Los Angeles, CA 90071

and (B) that Person has no later than **11/16/2023** (at least twenty-one (21) calendar days prior to the Settlement Hearing date) filed said objections, papers, and briefs, showing due proof of service upon counsel identified above, with the Clerk of the Court, U.S. District Court, Eastern District of New York, 225 Cadman Plaza East Brooklyn, New York 11201. To be valid, any such objection must contain the Settlement Class Member's (1) name, address, and telephone number, (2) a list of all purchases and sales of Northern Dynasty securities during the Settlement Class Period in order to show membership in the Settlement Class, (3) all grounds for the objection, including any

legal support known to the Settlement Class Member and/or his, her, or its counsel, (4) the name, address, and telephone number of all counsel who represent the Settlement Class Member, including former or current counsel who may be entitled to compensation in connection with the objection, and (5) the number of times the Settlement Class Member and/or his, her, or its counsel has filed an objection to a class action settlement in the last five years, the nature of each such objection in each case, the jurisdiction in each case, and the name of the issuer of the security or seller of the product or service at issue in each case. Attendance at the Settlement Hearing is not necessary but Persons wishing to be heard orally in opposition to the approval of the Settlement Stipulation, the Plan of Allocation, and/or the Fee and Expense Application are required to indicate in their written objection (or in a separate writing that is submitted in accordance with the deadline and after instruction pertinent to the submission of a written objection) that they intend to appear at the Settlement Hearing and identify any witnesses they may call to testify or exhibits they intend to introduce into evidence at the Settlement Hearing. Settlement Class Members do not need to appear at the Settlement Hearing or take any other action to indicate their approval.

26. Any Settlement Class Member who does not object in the manner prescribed above shall be deemed to have waived all such objections and shall forever be foreclosed from making any objection to the fairness, adequacy, or reasonableness of the Settlement, the Order and Final Judgment to be entered approving the Settlement, the Plan of Allocation, and/or the Fee and Expense Application, unless otherwise ordered by the Court; shall be bound by all the terms and provisions of the Stipulation and by all proceedings, orders, and judgments in the Action; and shall also be foreclosed from appealing from any judgment or order entered in this Action.

27. All papers in support of the Settlement, the Plan of Allocation, and/or the Fee and Expense Application shall be filed and served no later than twenty-eight (28) calendar days before the Settlement Hearing, that is, no later than 11/9/2023.

28. Any submissions filed in response to any objections or in further support of the Settlement, the Plan of Allocation, and/or the Fee and Expense Application shall be filed no later than seven (7) calendar days before the Settlement Hearing, that is, no later than 11/30/2023.

29. Defendants, Defense Counsel, the Insurers, and other Released Defendant Parties shall have no responsibility for, or liability with respect to, the Plan of Allocation or any application for attorneys' fees and interest, or expenses or payments to the Class Representatives submitted by Class Counsel, and such matters will be considered separately from the fairness, reasonableness, and adequacy of the Settlement.

30. Pending final determination of whether the Settlement should be approved, all Releasing Parties shall be enjoined from commencing, prosecuting, or attempting to prosecute any Released Claims against any Released Party in any court or tribunal or proceeding. Unless and until the Stipulation is cancelled or terminated pursuant to the Stipulation, all proceedings, including motions and discovery, in the Action, other than such proceedings as may be necessary to carry out the terms and conditions of the Stipulation, are hereby stayed and suspended until further order of the Court.

31. All funds held by the Escrow Agent shall be deemed and considered to be in the custody of the Court, and shall remain subject to the jurisdiction of the Court, until such time as such funds shall be distributed or returned pursuant to the Stipulation and Plan of Allocation and/or further order(s) of the Court.

32. Neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, shall be construed as an admission or concession by Defendants, Defense Counsel, the Insurers, or any of the other Released Parties of the truth of any of the allegations in the Action, or of any liability, fault, or wrongdoing of any kind and shall not be construed as, or deemed to be evidence of or an admission or concession that Class Representatives or any Settlement Class Members have suffered any damages, harm, or loss. Further, neither the Stipulation, nor any of its terms or provisions, nor any of the negotiations or proceedings connected with it, nor this Order shall be construed as an admission or concession by the Class Representatives of the validity of any factual or legal defense or of the infirmity of any of the claims or facts alleged in this Action.

33. In the event the Settlement is not consummated in accordance with the terms of the Stipulation, then the Stipulation and this Order (including any amendment(s) thereof, and except as expressly provided in the Stipulation or by order of the Court) shall be null and void, of no further force or effect, and without prejudice to any Settling Party, and may not be introduced as evidence or used in any action or proceeding by any Person against the Settling Parties or the Released Parties, and each Settling Party shall be restored to his, her or its respective litigation positions as they existed before April 11, 2023, pursuant to the terms of the Stipulation.

34. The Court reserves the right to alter the time or the date of the Settlement Hearing without further notice to the Class Members, provided that the time or the date of the Settlement Hearing shall not be set at a time or date earlier than the time and date set forth in ¶ 7 above, or to adjourn the Settlement Hearing without any further notice other than entry of an Order on the Court's docket. The Court further reserves the right to approve the Settlement without modification, or with such modifications as may be agreed to by the Settling Parties, without

further notice to the Settlement Class, and reserves the right to enter an order and final judgment approving the Settlement and dismissing the Action with prejudice, regardless of whether it has approved the Plan of Allocation or awarded attorneys' fees and expenses. The Court retains exclusive jurisdiction over the Action to consider all further matters arising out of, or relating to, the Stipulation, including by way of illustration and not limitation, any dispute concerning any Proof of Claim and Release Form submitted and any future requests by one or more of the Parties that the Order and Final Judgment, the releases and/or the permanent injunction set forth in the Settlement Stipulation be enforced.

Dated: August 24, 2023

Taryn A. Merkl

HON. TARYN A. MERKL
UNITED STATES MAGISTRATE JUDGE

This is Exhibit "E" mentioned and referred to in the Affidavit of Anthony O'Brien SWORN/AFFIRMED BEFORE ME at the City of Toronto, Province of Ontario this 13th day of February, 2024.



Donna Lynn McEvoy, A Commissioner, etc.
Province of Ontario,
for Siskinds LLP Barristers and Solicitors
Expires: December 6, 2025

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF NEW YORK**

IN RE NORTHERN DYNASTY
MINERALS LTD. SECURITIES
LITIGATION

Case No. 1:20-CV-5917(TAM)

ORDER AND FINAL JUDGMENT

On the 26th day of January, 2024, following a hearing held before this Court on December 7, 2023, to determine: (1) whether the terms and conditions of the Stipulation of Settlement dated June 7, 2023 (“Settlement Stipulation”) are fair, reasonable, and adequate for the settlement of all claims asserted by Plaintiffs and the Settlement Class against Defendants (as defined in the Stipulation), including the release of the Released Claims against the Released Parties, and should be approved; (2) whether judgment should be entered dismissing the Action with prejudice; (3) whether to approve the proposed Plan of Allocation as a fair and reasonable method to allocate the Net Settlement Fund among the Settlement Class Members; (4) whether and in what amount to award Plaintiffs’ Counsel fees and reimbursement of expenses; and (5) whether and in what amount to award Plaintiffs an incentive award; and

The Court having considered all matters submitted to it at the hearing and otherwise; and

It appearing in the record that the Summary Notice was emailed to potential Settlement Class Members for whom the Claims Administrator was able to obtain email addresses, the Postcard Notice was mailed to potential Settlement Class Members if no email address could be obtained, and the Notice was mailed to persons who requested it and to nominees in the Claims Administrator’s internal broker list, substantially in the form approved by the Court in the Court’s Order Granting Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement, dated August 24, 2023 (“Preliminary Approval Order”), and posted to the website of the Claims Administrator, both in accordance with the Preliminary Approval Order and the specifications of the Court; and

It appearing in the record that the Summary Notice substantially in the form approved by the Court in the Preliminary Approval Order was published in accordance with the Preliminary Approval Order and the specifications of the Court;

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED THAT:

1. This Order and Final Judgment incorporates by reference the definitions in the Settlement Stipulation, and all capitalized terms used herein shall have the same meanings as set forth therein.

2. The Court has jurisdiction over the subject matter of the Action, Plaintiffs, all Settlement Class Members, and Defendants.

3. The Court finds that, for settlement purposes only, the prerequisites for a class action under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure have been satisfied in that:

- (a) the number of Settlement Class Members is so numerous that joinder of all members thereof is impracticable;
- (b) there are questions of law and fact common to the Settlement Class;
- (c) the claims of the Plaintiffs are typical of the claims of the Settlement Class they seek to represent;
- (d) Plaintiffs and Lead Counsel fairly and adequately represent the interests of the Settlement Class;
- (e) questions of law and fact common to the members of the Settlement Class predominate over any questions affecting only individual members of the Settlement Class; and
- (f) a class action is superior to other available methods for the fair and efficient adjudication of this Action, considering:

- i. the interests of the Settlement Class Members in individually controlling the prosecution of the separate actions;
- ii. the extent and nature of any litigation concerning the controversy already commenced by Settlement Class Members;
- iii. the desirability or undesirability of concentrating the litigation of these claims in this particular forum; and
- iv. the difficulties likely to be encountered in the management of the class action.

The Settlement Class is being certified for settlement purposes only.

4. The Court hereby finally certifies this action as a class action for purposes of the Settlement, pursuant to Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure, on behalf of all Persons (including, without limitation, their beneficiaries) who purchased or otherwise acquired Northern Dynasty securities during the period from December 21, 2017 through November 24, 2020, both dates inclusive, (i) on any stock exchanges located in the United States, (ii) on any alternative trading systems located in the United States, or (iii) pursuant to other domestic transactions, and who were allegedly damaged thereby, except excluded from the Settlement Class are all: (i) Individual Defendants; (ii) the officers and directors of Northern Dynasty; (iii) members of the Individual Defendants' immediate families and their legal representatives, heirs, successors or assigns; and (iv) any entity in which the Individual Defendants have or had a controlling interest. Also excluded from the Settlement Class is any individual or entity, who or which has: (i) asserted claims against any or all of the Defendants in any cross-border litigation initiated outside of the United States, including in, but not limited to, the cases captioned *Haddad v. Northern Dynasty Minerals Ltd. et al.*, Case No. VLC-S-

S2012849 and *Woo v. Northern Dynasty Minerals Ltd. et al.*, Case No. VLC-S-S-211530 in Canada; (ii) been deemed by a court to be a member of a class in such litigation, for settlement purposes or otherwise; and (iii) is entitled to a settlement or other distribution payment – regardless of whether such payment is cashed – in connection with the resolution of the crossborder litigation.

5. Pursuant to Rule 23 of the Federal Rules of Civil Procedure, for the purposes of this Settlement only, Plaintiffs are certified as the class representatives on behalf of the Settlement Class (“Class Representatives”) and Lead Counsel previously selected by Plaintiffs and appointed by the Court are hereby appointed as Class Counsel for the Settlement Class (“Class Counsel”).

6. In accordance with the Court’s Preliminary Approval Order, the Court hereby finds that the forms and methods of notifying the Settlement Class of the Settlement and its terms and conditions met the requirements of due process, Rule 23 of the Federal Rules of Civil Procedure, and 15 U.S.C. § 77z-1(a)(7); constituted the best notice practicable under the circumstances; and constituted due and sufficient notice of these proceedings and the matters set forth herein, including the Settlement and Plan of Allocation, to all persons and entities entitled to such notice. No Settlement Class Member is relieved from the terms and conditions of the Settlement, including the releases provided for in the Settlement Stipulation, based upon the contention or proof that such Settlement Class Member failed to receive actual or adequate notice. A full opportunity has been offered to the Settlement Class Members to object to the proposed Settlement and to participate in the hearing thereon. The Court further finds that the notice provisions of the Class Action Fairness Act, 28 U.S.C. § 1715, were fully discharged. Thus, it is hereby determined that all Settlement Class Members are bound by this Order and

Final Judgment, except those persons listed on Exhibit A to this Order and Final Judgment.

7. The Settlement is approved as fair, reasonable, and adequate under Rule 23 of the Federal Rules of Civil Procedure, and in the best interests of the Settlement Class. This Court further finds that the Settlement set forth in the Settlement Stipulation is the result of good faith, arm's-length negotiations between experienced counsel representing the interests of the Class Representatives, Settlement Class Members, and Defendants. The Settling Parties are directed to consummate the Settlement in accordance with the terms and provisions of the Settlement Stipulation.

8. The Action and all claims contained therein, as well as all of the Released Claims, are dismissed with prejudice as against Defendants and the Released Parties. The Settling Parties are to bear their own costs, except as otherwise provided in the Settlement Stipulation.

9. The Releasing Parties, on behalf of themselves, their successors and assigns, and any other Person claiming (now or in the future) through or on behalf of them, regardless of whether any such Releasing Party ever seeks or obtains by any means, including without limitation by submitting a Proof of Claim and Release Form, any disbursement from the Settlement Fund, shall be deemed to have, and by operation of this Order and Final Judgment shall have, fully, finally, and forever released, relinquished, and discharged all Released Claims against the Released Parties. The Releasing Parties shall be deemed to have, and by operation of this Order and Final Judgment shall have, covenanted not to sue the Released Parties with respect to any and all Released Claims in any forum and in any capacity. The Releasing Parties shall be and hereby are permanently barred and enjoined from asserting, commencing, prosecuting, instituting, assisting, instigating, or in any way participating in the commencement or

prosecution of any action or other proceeding, in any forum, asserting any Released Claim, in any capacity, against any of the Released Parties. Nothing contained herein shall be understood to release any shareholder derivative claims on behalf of Northern Dynasty. Moreover, nothing contained herein shall bar Releasing Parties from bringing any action or claim to enforce the terms of the Settlement Stipulation or this Order and Final Judgment.

10. To the fullest extent permitted by law, all Persons shall be permanently enjoined, barred, and restrained from bringing, commencing, prosecuting, or asserting any claims, actions, or causes of action for contribution, indemnity, or otherwise against any of the Released Parties seeking as damages or otherwise the recovery of all or any part of any liability, judgment, or settlement which they pay, are obligated to pay, agree to pay, or that are paid on their behalf to the Settlement Class or any Settlement Class Member arising out of, relating to or concerning any acts, facts, statements, or omissions that were or could have been alleged in the Action, whether arising under state, federal, or foreign law as claims, cross-claims, counterclaims, third party claims, or otherwise, in the Court or any other federal, state, or foreign court, or in any arbitration proceeding, administrative agency proceeding, tribunal, or any other proceeding or forum. Further, nothing in the Settlement Stipulation or this Order and Final Judgment shall apply to bar or otherwise affect any claim for insurance coverage by any Defendant.

11. The Court hereby finds that the proposed Plan of Allocation is a fair and reasonable method to allocate the Net Settlement Fund among Settlement Class Members, and Class Counsel and the Claims Administrator are directed to administer the Plan of Allocation in accordance with its terms and the terms of the Stipulation.

12. Plaintiffs' Counsel is awarded attorneys' fees in the amount of \$2,125,000 and expenses in the amount of \$45,102.04 plus any applicable interest, such amounts to be paid out of the Settlement Fund immediately following entry of this Order. Lead Counsel shall thereafter be solely responsible for allocating the attorneys' fees and expenses among other Plaintiffs' Counsel in the manner in which Lead Counsel in good faith believe reflects the contributions of such counsel to the initiation, prosecution, and resolution of the Action.

13. Plaintiffs are awarded \$25,000 in total, or \$20,000 for Lead Plaintiff Lawrence Kelemen and \$5,000 for Named Plaintiff Charles Hymowitz, as compensatory awards for their service to the Class and for reasonable costs and expenses directly relating to the representation of the Settlement Class as provided in 15 U.S.C. §78u-4(a)(4), such amounts to be paid from the Settlement Fund upon the Effective Date of the Settlement.

14. The Court finds that the Settling Parties and their counsel have complied with all requirements of Rule 11 of the Federal Rules of Civil Procedure and the Private Securities Litigation Reform Act of 1995 as to all proceedings herein.

15. Neither this Order and Final Judgment, the Stipulation (nor the Settlement contained therein), nor any of its terms and provisions, nor any of the negotiations, documents, or proceedings connected with them:

(a) is or may be deemed to be, or may be used as an admission, concession, or evidence of the validity or invalidity of any Released Claims, the truth or falsity of any fact alleged by the Class Representatives, the sufficiency or deficiency of any defense that has been or could have been asserted in the Action, or of any wrongdoing, liability, negligence, or fault of Defendants, the Released Parties, or each or any of them;

(b) is or may be deemed to be or may be used as an admission of, or evidence of, any fault or misrepresentation or omission with respect to any statement or written document attributed to, approved or made by Defendants or Released Parties in any civil, criminal, or administrative proceeding in any court, administrative agency, or other tribunal;

(c) is or may be deemed to be or shall be used, offered, or received against the Settling Parties, Defendants, or the Released Parties, or each or any of them, as an admission, concession, or evidence of the validity or invalidity of the Released Claims, the infirmity or strength of any claim raised in the Action, the truth or falsity of any fact alleged by Plaintiffs or the Settlement Class, or the availability or lack of availability of meritorious defenses to the claims raised in the Action;

(d) is or may be deemed to be or shall be construed as or received in evidence as an admission or concession against Defendants, or the Released Parties, or each or any of them, that any of Class Representatives' or Settlement Class Members' claims are with or without merit, that a litigation class should or should not be certified, that damages recoverable in the Action would have been greater or less than the Settlement Fund or that the consideration to be given pursuant to the Settlement Stipulation represents an amount equal to, less than or greater than the amount which could have or would have been recovered after trial.

16. The Released Parties may file the Stipulation and/or this Order and Final Judgment in any other action that may be brought against them in order to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel, full faith and credit, release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion or issue preclusion or similar defense or counterclaim. The Settling

Parties may file the Stipulation and/or this Order and Final Judgment in any proceedings that may be necessary to consummate or enforce the Stipulation, the Settlement, or this Order and Final Judgment.

17. Except as otherwise provided herein or in the Stipulation, all funds held by the Escrow Agent shall be deemed to be in *custodia legis* and shall remain subject to the jurisdiction of the Court until such time as the funds are distributed or returned pursuant to the Stipulation and/or further order of the Court.

18. Without affecting the finality of this Order and Judgment in any way, this Court hereby retains continuing exclusive jurisdiction over the Settling Parties and the Settlement Class Members for all matters relating to the Action, including the administration, interpretation, effectuation or enforcement of the Stipulation and this Order and Final Judgment, and including any application for fees and expenses incurred in connection with administering and distributing the Settlement proceeds to the Settlement Class Members.

19. Without further order of the Court, Defendants and Class Representatives may agree to reasonable extensions of time to carry out any of the provisions of the Stipulation.

20. There is no just reason for delay in the entry of this Order and Final Judgment and immediate entry by the Clerk of the Court is expressly directed pursuant to Rule 54(b) of the Federal Rules of Civil Procedure.

21. The finality of this Order and Final Judgment shall not be affected, in any manner, by rulings that the Court may make on Class Counsels' application for an award of attorneys' fees and expenses or an award to the Class Representatives.

22. In the event the Settlement is not consummated in accordance with the terms of the Stipulation, then the Stipulation and this Order and Final Judgment (including any amendment(s) thereof, and except as expressly provided in the Stipulation or by order of the Court) shall be null and void, of no further force or effect, and without prejudice to any Settling Party, and may not be introduced as evidence or used in any action or proceeding by any Person against the Settling Parties or the Released Parties, and each Settling Party shall be restored to his, her or its respective litigation positions as they existed before April 11, 2023, pursuant to the terms of the Stipulation.

SO ORDERED.

Dated: Brooklyn, New York
January 26, 2024

Taryn A. Merkl

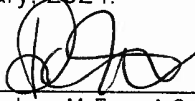
TARYN A. MERKL
UNITED STATES MAGISTRATE JUDGE

Exhibit A

Persons excluded from the Settlement Class

1. Max Waddoups III
2. Kevin Fisk
3. Edward J. Harrigan

This is Exhibit "F" mentioned and referred to in the Affidavit of Anthony O'Brien SWORN/AFFIRMED BEFORE ME at the City of Toronto, Province of Ontario this 13th day of February, 2024.



Donna Lynn McEvoy, A Commissioner, etc.
Province of Ontario,
for Siskinds LLP Barristers and Solicitors
Expires: December 6, 2025

DISTRIBUTION PROTOCOL

This Distribution Protocol should be read in conjunction with the Settlement Agreement dated August 30, 2023 (“**Settlement Agreement**”).

DEFINED TERMS

1. Unless otherwise defined herein, capitalized terms used are as defined in the Settlement Agreement. In addition, the following definitions apply to this Distribution Protocol:
 - (a) **Acquisition Expense** means the price per security paid by a Claimant (including brokerage commissions) to acquire an Eligible Security;
 - (b) **Claimant** means a Class Member who submits a properly completed Claim Form and all required supporting documentation to the Administrator on or before the Claims Bar Deadline;
 - (c) **Claims Bar Deadline** means 11:59pm Vancouver (Pacific) time on the date that is one hundred and eighty (180) calendar days after the date on which the First Notice is first published or such other date as may be fixed by the Court;
 - (d) **FIFO** means “first in, first ot”, whereby for the purpose of determining Claimants’ Notional Entitlement, securities are deemed to be sold in the same order that they were purchased (e.g. the first Eligible Securities purchased by a Claimant are deemed to be the first Eligible Securities sold); and
 - (e) **Notional Entitlement** means an Authorized Claimant’s notional damages as calculated pursuant to the formulae set forth in this Distribution Protocol, which forms the basis upon which each Authorized Claimant’s *pro rata* share of the Net Settlement Amount is determined.

OBJECTIVE

2. The objective of this Distribution Protocol is to equitably distribute the Net Settlement Amount among Authorized Claimants.

CALCULATION OF NOTIONAL ENTITLEMENT

3. The Net Settlement Amount will be distributed in accordance with this Distribution Protocol.
4. The Administrator shall apply FIFO to determine the purchase transactions that correspond to the sale of Eligible Securities, including in the calculation of an Authorized Claimant's Notional Entitlement.
5. The Administrator shall first determine a Claimant's Notional Entitlement. If the Claimant has a Notional Entitlement greater than zero, they become an Authorized Claimant, and the Administrator will go on to calculate the Authorized Claimant's monetary compensation. A Claimant must have a Notional Entitlement greater than zero in order to be eligible to receive a payment from the Net Settlement Amount.
6. Transfers of Northern Dynasty Minerals Ltd. ("NDM") securities between accounts belonging to the same Claimant will not be taken into account in determining a Claimant's Notional Entitlement.
7. The date of a purchase or sale shall be the trade date of the transaction, as opposed to the settlement date of the transaction or the payment date.
8. An Authorized Claimant's Notional Entitlement will be calculated as follows:

No Notional Entitlement

- (a) No Notional Entitlement shall be recognized for any Eligible Securities acquired

from and including March 29, 2018 to and including August 23, 2020, and disposed of on or before August 23, 2020.

- (b) No Notional Entitlement shall be recognized for any Eligible Securities acquired from and including August 24, 2020 to and including November 24, 2020, and disposed of on or before November 24, 2020.

Secondary Market Purchases of NDM Common Shares

- (c) For each NDM common share acquired in the secondary market from March 29, 2018 to August 23, 2020 (inclusive), and disposed of between August 24, 2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$1.15.¹
- (d) For each NDM common share acquired in the secondary market from March 29, 2018 to November 25, 2020 (inclusive), and disposed of on or after November 25, 2020, the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.48.²
- (e) For each NDM common share acquired in the secondary market from March 29, 2018 to November 25, 2020 (inclusive), and not disposed of, the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.48.

Secondary Market Purchases of NDM Warrants

- (f) For each NDM warrant (issued by NDM in 2016 with an exercise price of \$0.65

¹ \$1.15 is the volume weighted average trading price for NDM common shares during the ten days following August 23, 2020.

² \$0.48 is the volume weighted average trading price for NDM common shares during the ten days following November 25, 2020.

that expired on or about June 10, 2021) (“**NDM 2016 Warrants**”) acquired in the secondary market from March 29, 2018 to August 23, 2020 (inclusive), and disposed of between August 24, 2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.57.³

- (g) For each NDM 2016 Warrant acquired in the secondary market from March 29, 2018 to November 25, 2020 (inclusive), and disposed of on or after November 25, 2020, the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.08.⁴
- (h) For each NDM 2016 Warrant acquired in the secondary market from March 29, 2018 to November 25, 2020 (inclusive), and not disposed of, the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.08.
- (i) Where a Claimant acquired NDM common shares through the exercise of a NDM 2016 Warrant between March 29, 2018 and November 25, 2020 (inclusive), the common shares so acquired shall be treated as Eligible Securities. The Acquisition Expense for the common shares so acquired shall be CAD\$0.65. The Notional Entitlement with respect to those common shares shall otherwise be determined in accordance with sub-paragraphs (c) to (e) above.

³ \$0.57 is the volume weighted average trading price for NDM 2016 Warrants during the ten days following August 23, 2020.

⁴ \$0.08 is the volume weighted average trading price for NDM 2016 Warrants during the ten days following November 25, 2020.

Purchases of NDM Special Warrants in the December 2018 Offering, Converted into NDM Common Shares

- (j) Subject to sub-paragraph (m), for each NDM common share acquired on or around February 19, 2019 through the conversion of a NDM special warrant originally acquired in the December 2018 private placement, the Notional Entitlement shall be zero.⁵
- (k) Subject to sub-paragraph (m), for each NDM common share acquired on or around February 19, 2019 through the conversion of a NDM special warrant originally acquired in the December 2018 private placement, and disposed of on or after November 25, 2020, the Notional Entitlement shall be CAD\$0.35 (being the difference between CAD\$0.83 and CAD\$0.48).
- (l) Subject to sub-paragraph (m), for each NDM common share acquired on or around February 19, 2019 through the conversion of a NDM special warrant originally acquired in the December 2018 private placement, and not disposed of, the Notional Entitlement shall be CAD\$0.35 (being the difference between CAD\$0.83 and CAD\$0.48).
- (m) The Notional Entitlement calculated in accordance with sub-paragraphs (j) to (l) shall be multiplied by 0.75.

Purchases of NDM Common Shares in the March 2019 Offering

- (n) Subject to sub-paragraph (q), for each NDM common share acquired in the March 2019 private placement or prospectus offering, and disposed of between August 24,

⁵ This is because the offering price was below CAD\$1.15, being the volume weighted average trading price for NDM common shares during the ten days following August 23, 2020.

2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be zero.⁶

- (o) Subject to sub-paragraph (q), for each NDM common share acquired in the March 2019 private placement or prospectus offering, and disposed of on or after November 25, 2020, the Notional Entitlement shall be CAD\$0.37 (being the difference between CAD\$0.85⁷ and CAD\$0.48).
- (p) Subject to sub-paragraph (q), for each NDM common share acquired in the March 2019 private placement or prospectus offering, and not disposed of, the Notional Entitlement shall be CAD\$0.37 (being the difference between CAD\$0.85 and CAD\$0.48).
- (q) For each NDM common share acquired in the March 2019 private placement (as opposed to the prospectus offering), the Notional Entitlement calculated in accordance with sub-paragraphs (n) to (p) shall be multiplied by 0.75.

Purchases of NDM Common Shares in the June 2019 Offering

- (r) Subject to sub-paragraph (u), for each NDM common share acquired in the June 2019 private placement or prospectus offering, and disposed of between August 24, 2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be zero.⁸
- (s) Subject to sub-paragraph (u), for each NDM common share acquired in the June 2019 private placement or prospectus offering, and disposed of on or after November 25, 2020, the Notional Entitlement shall be CAD\$0.06 (being the

⁶ This is because the offering price was below CAD\$1.15, being the volume weighted average trading price for NDM common shares during the ten days following August 23, 2020.

⁷ This is the Canadian dollar equivalent of the US\$0.64 offering price, converted using the Bank of Canada daily exchange rate on March 18, 2019 (US\$1.00=CAD\$1.3345).

⁸ This is because the offering price was below CAD\$1.15, being the volume weighted average trading price for NDM common shares during the ten days following August 23, 2020.

difference between CAD\$0.54⁹ and CAD\$0.48).

- (t) Subject to sub-paragraph (u), for each NDM common share acquired in the June 2019 private placement or prospectus offering, and not disposed of, the Notional Entitlement shall be CAD\$0.06 (being the difference between CAD\$0.54 and CAD\$0.48).
- (u) For each NDM common share acquired in the June 2019 private placement (as opposed to the prospectus offering), the Notional Entitlement calculated in accordance with sub-paragraphs (r) to (t) shall be multiplied by 0.75.

Purchases of NDM Common Shares in the August 2019 Offering

- (v) Subject to sub-paragraph (y), for each NDM common share acquired in the August 2019 private placement or prospectus offering, and disposed of between August 24, 2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be zero.¹⁰
- (w) Subject to sub-paragraph (y), for each NDM common share acquired in the August 2019 private placement or prospectus offering, and disposed of on or after November 25, 2020, the Notional Entitlement shall be CAD\$0.52 (being the difference between CAD\$1.00¹¹ and CAD\$0.48).
- (x) Subject to sub-paragraph (y), for each NDM common share acquired in the August 2019 private placement or prospectus offering, and not disposed of, the Notional Entitlement shall be CAD\$0.52 (being the difference between CAD\$1.00 and

⁹ This is the Canadian dollar equivalent of the US\$0.41 offering price, converted using the Bank of Canada daily exchange rate on June 24, 2019 (US\$1.00=CAD\$1.3194).

¹⁰ This is because the offering price was below CAD\$1.15, being the volume weighted average trading price for NDM common shares during the ten days following August 23, 2020.

¹¹ This is the Canadian dollar equivalent of the US\$0.75 offering price, converted using the Bank of Canada daily exchange rate on August 14, 2019 (US\$1.00=CAD\$1.3311).

CAD\$0.48).

- (y) For each NDM common share acquired in the August 2019 private placement (as opposed to the prospectus offering), the Notional Entitlement calculated in accordance with sub-paragraphs (v) to (x) shall be multiplied by 0.75.

Purchases of NDM Common Shares in the December 2019 Offering

- (z) Subject to sub-paragraph (cc), for each NDM common share acquired in the December 2019 private placement or prospectus offering, and disposed of between August 24, 2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be zero.¹²
- (aa) Subject to sub-paragraph (cc), for each NDM common share acquired in the December 2019 private placement or prospectus offering, and disposed of on or after November 25, 2020, the Notional Entitlement shall be CAD\$0.01 (being the difference between CAD\$0.49¹³ and CAD\$0.48).
- (bb) Subject to sub-paragraph (cc), for each NDM common share acquired in the December 2019 private placement or prospectus offering, and not disposed of, the Notional Entitlement shall be CAD\$0.01 (being the difference between CAD\$0.49 and CAD\$0.48).
- (cc) For each NDM common share acquired in the December 2019 private placement (as opposed to the prospectus offering), the Notional Entitlement calculated in accordance with sub-paragraphs (z) to (bb) shall be multiplied by 0.75.

¹² This is because the offering price was below CAD\$1.15, being the volume weighted average trading price for NDM common shares during the ten days following August 23, 2020.

¹³ This is the Canadian dollar equivalent of the US\$0.37 offering price, converted using the Bank of Canada daily exchange rate on December 18, 2019 (US\$1.00=CAD\$1.3119).

Purchases of NDM Common Shares in the May 2020 Offering

- (dd) Subject to sub-paragraph (gg), for each NDM common share acquired in the May 2020 private placement or prospectus offering, and disposed of between August 24, 2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be zero.¹⁴
- (ee) Subject to sub-paragraph (gg), for each NDM common share acquired in the May 2020 private placement or prospectus offering, and disposed of on or after November 25, 2020, the Notional Entitlement shall be CAD\$0.22 (being the difference between CAD\$0.70 and CAD\$0.48).
- (ff) Subject to sub-paragraph (gg), for each NDM common share acquired in the May 2020 private placement or prospectus offering, and not disposed of, the Notional Entitlement shall be CAD\$0.22 (being the difference between CAD\$0.70 and CAD\$0.48).
- (gg) For each NDM common share acquired in the May 2020 private placement (as opposed to the prospectus offering), the Notional Entitlement calculated in accordance with sub-paragraphs (dd) to (ff) shall be multiplied by 0.75.

Purchases of NDM Common Shares in the July 2020 Offering

- (hh) Subject to sub-paragraph (kk), for each NDM common share acquired in the July 2020 private placement or prospectus offering, and disposed of between August 24, 2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be CAD\$0.83 (being the difference between CAD\$1.98¹⁵ and CAD\$1.15).

¹⁴ This is because the offering price was below CAD\$1.15, being the volume weighted average trading price for NDM common shares during the ten days following August 23, 2020.

¹⁵ This is the Canadian dollar equivalent of the US\$1.46 offering price, converted using the Bank of Canada daily exchange rate on July 15, 2020 (US\$1.00=CAD\$1.3534).

- (ii) Subject to sub-paragraph (kk), for each NDM common share acquired in the July 2020 private placement or prospectus offering, and disposed of on or after November 25, 2020, the Notional Entitlement shall be CAD\$1.50 (being the difference between CAD\$1.98 and CAD\$0.48).
- (jj) Subject to sub-paragraph (kk), for each NDM common share acquired in the July 2020 private placement or prospectus offering, and not disposed of, the Notional Entitlement shall be CAD\$1.50 (being the difference between CAD\$1.98 and CAD\$0.48).
- (kk) For each NDM common share acquired in the July 2020 private placement (as opposed to the prospectus offering), the Notional Entitlement calculated in accordance with sub-paragraphs (hh) to (jj) shall be multiplied by 0.75.

CALCULATION OF MONETARY COMPENSATION AND DISTRIBUTION

- 9. Each Authorized Claimant's actual compensation shall be the portion of the Net Settlement Amount equivalent to the ratio of his, her or its Notional Entitlement to the total Notional Entitlements of all Authorized Claimants multiplied by the Net Settlement Amount, as calculated by the Administrator.
- 10. Compensation shall be paid to Authorized Claimants in Canadian currency.
- 11. If, one hundred eighty (180) days from the date on which the Administrator distributes the Net Settlement Amount to Authorized Claimants, the Escrow Account remains in a positive balance (whether due to tax refunds, uncashed cheques, or otherwise), the Administrator shall, if feasible, reallocate such balance among the Authorized Claimants in an equitable and economic fashion. If, in the opinion of the Administrator, it is not feasible to reallocate

any remaining balance among the Authorized Claimants in an equitable and economic fashion, such balance shall be distributed to the Law Foundation of British Columbia.

12. By agreement between the Administrator and Class Counsel, any deadline contained in this Distribution Protocol may be extended. Class Counsel and the Administrator shall agree to extend a deadline(s) if, in their opinions, doing so will not adversely affect the efficient administration of the Settlement and it is in the best interests of the Class to do so.

CLAIMS PROCESS

13. In order to seek payment from the Settlement Amount, a Class Member shall submit a completed Claim Form to the Administrator on or before the Claims Bar Deadline.
14. The Administrator shall review each Claim Form and verify that the Claimant is eligible for compensation from the Net Settlement Amount, as follows:
 - (a) for a Claimant claiming as a Class Member, the Administrator shall be satisfied that the Claimant is a Class Member; or
 - (b) for a Claimant claiming on behalf of a Class Member or a Class Member's estate, the Administrator shall be satisfied that:
 - A. the Claimant has authority to act on behalf of the Class Member or the Class Member's estate in respect of financial affairs;
 - B. the person or estate on whose behalf the claim was submitted was a Class Member; and
 - C. the Claimant has provided all supporting documentation required by the Claim Form or alternative documentation acceptable to the Administrator.

15. The Administrator shall ensure that only claims for compensation in respect of Eligible Securities in the Claim Form are approved.
16. If, for any reason, a Claimant is unable to complete the Claim Form then it may be completed by the Claimant's personal representative or a member of the Claimant's family duly authorized by the Claimant to the satisfaction of the Administrator.

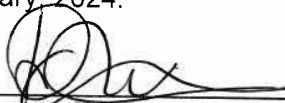
IRREGULAR CLAIMS

17. The claims process is intended to be expeditious, cost effective and "user friendly" to minimize the burden on Claimants. The Administrator shall, in the absence of reasonable grounds to the contrary, assume Claimants to be acting honestly and in good faith. The Administrator shall use email for correspondence with Claimants to the maximum extent possible.
18. Where a Claim Form contains minor omissions or errors, the Administrator shall correct such omissions or errors if the information necessary to correct the error or omission is readily available to the Administrator.
19. In order to remedy any deficiency in the completion of a Claim Form, the Administrator may require and request that additional information be submitted by a Class Member who submits a Claim Form. Such Class Members shall have until the later of sixty (60) days from the date of the request from the Administrator or the Claims Bar Deadline to rectify the deficiency. Any person who does not respond to such a request for information within this period shall be forever barred from receiving any payments pursuant to the Settlement, subject to any order of the Court to the contrary, but will in all other respects be subject to and bound by the provisions of the Settlement Agreement and the releases contained therein.

20. The claims process is also intended to prevent fraud and abuse. If, after reviewing any Claim Form, the Administrator believes that the claim contains unintentional errors which would materially exaggerate the Notional Entitlement of the Claimant, then the Administrator may disallow the claim in its entirety or make such adjustments so that an appropriate Notional Entitlement is allocated to the Claimant. If the Administrator believes that the claim is fraudulent or contains intentional errors which would materially exaggerate the Notional Entitlement of the Claimant, then the Administrator shall disallow the claim in its entirety.
21. Where the Administrator disallows a claim in its entirety, the Administrator shall send to the Claimant, at the email or postal address provided by the Claimant or the Claimant's last known email or postal address, a notice advising that the claim has been disallowed and that the Claimant may request the Administrator to reconsider its decision. For greater certainty, a Claimant is not entitled to a notice or a review where a claim is allowed but the Claimant disputes the amount of his, her or its Notional Entitlement or his, her or its individual compensation.
22. Any request for reconsideration must be received by the Administrator within 45 days of the date of the notice advising of the disallowance. If no request is received within this time period, the Claimant shall be deemed to have accepted the Administrator's determination and the determination shall be final and not subject to further review by any court or other tribunal.
23. Where a Claimant files a request for reconsideration with the Administrator, the Administrator shall advise Class Counsel of the request and conduct an administrative review of the Claimant's complaint.

24. Following its determination in an administrative review, the Administrator shall advise the Claimant of its determination. In the event the Administrator reverses a disallowance, the Administrator shall send the Claimant, at the email or postal address provided by the Claimant or the Claimant's last known email or postal address, a notice specifying the revision to the Administrator's disallowance.
25. The determination of the Administrator in an administrative review is final and is not subject to further review by any court or other tribunal.
26. Any matter not referred to above shall be determined by analogy by the Administrator in consultation with Class Counsel.
27. No action shall lie against Class Counsel or the Administrator for any decision made in the administration of the Settlement Agreement and the Distribution Protocol without an order from a Court authorizing such an action.

This is Exhibit "G" mentioned and referred to in the Affidavit of Anthony O'Brien SWORN/AFFIRMED BEFORE ME at the City of Toronto, Province of Ontario this 13th day of February, 2024.



Donna Lynn McEvoy, A Commissioner, etc.
Province of Ontario,
for Siskinds LLP Barristers and Solicitors
Expires: December 6, 2025

GUIDE TO THE DISTRIBUTION PROTOCOL

This document is intended as a guide to assist in understanding the Distribution Protocol. Calculation of specific potential entitlements may vary depending on facts applicable to individual Class Members. If anything in this guide is inconsistent with any provisions in the Distribution Protocol, the provisions in the Distribution Protocol will apply. The Distribution Protocol can be found at: <https://www.siskinds.com/class-action/northern-dynasty-minerals-ltd/>

PART 1 - BACKGROUND

The Settlement Agreement dated August 30, 2023 provides for the amount of USD\$2.125 million to be paid into a fund to be distributed to Authorized Claimants, after deductions for certain expenses as described below. The Distribution Protocol sets out the method for the distribution of the remainder among Authorized Claimants.

Q: Who are Authorized Claimants?

An Authorized Claimant is a Class Member who has submitted a completed Claim Form which, pursuant to the terms of the Agreement and the Distribution Protocol, has been approved for compensation by the Administrator in accordance with the Distribution Protocol.

Class or Class Members means, except for Excluded Persons or Opt Out Parties:

all persons and entities, wherever they may reside or be domiciled, who acquired securities of Northern Dynasty between March 29, 2018 and November 25, 2020, inclusive, and held some or all of those securities as of August 22, 2020 or November 25, 2020.

The terms “Excluded Persons” and “Opt Out Parties” have the meanings given to them in the Settlement Agreement and, as applicable, the Order of the Court dated November 3, 2023.

Q: How much money will be distributed to Authorized Claimants?

Certain expenses will be deducted from the Settlement Amount before the balance is distributed to Authorized Claimants. Those expenses include legal fees, disbursements, taxes, the costs of providing notice to Class Members and settlement administration expenses. All expenses must be approved by the Court. The remainder, after the deduction of these Court approved expenses, is called the “Net Settlement Amount.” The precise amount of the Net Settlement Amount will only be known at the end of the claims administration process. The Net Settlement Amount will be distributed to Authorized Claimants in accordance with the Distribution Protocol.

PART 2 - DISTRIBUTION OF THE NET SETTLEMENT AMOUNT

Each Authorized Claimant’s actual compensation shall be the portion of the Net Settlement Amount equivalent to the ratio of his, her, or its Notional Entitlement (explained below) to the total Notional Entitlements of all Authorized Claimants multiplied by the Net Settlement Amount, as calculated by the Administrator.

For illustration purposes only, if an Authorized Claimant’s Notional Entitlement is \$20,000.00, and the total Notional Entitlements of all Authorized Claimants is \$2,000,000, then the Authorized

Claimant's entitlement to compensation would be 1% of the Net Settlement Amount (\$20,000/\$2,000,000).

PART 3 – ELIGIBILITY & DETERMINING ENTITLEMENTS

Q: Which NDM Minerals Ltd. (“NDM”) Securities are eligible?

Eligible Securities, as that term is used in the Settlement Agreement and Distribution Protocol, are NDM Securities, the acquisition of which made a person a Class Member. In other words, assuming you are not an “Excluded Person” or an “Opt Out Party”, the NDM common shares and warrants you acquired from March 29, 2018 to November 25, 2020 are “Eligible Securities”.

Q: How will each Authorized Claimant's Notional Entitlement be calculated?

No Notional Entitlement: No Notional Entitlement shall be recognized for any Eligible Securities acquired from March 29, 2018 to August 23, 2020 (inclusive), and disposed of on or before August 23, 2020, and acquired from August 24, 2020 to November 24, 2020 (inclusive), and disposed of on or before November 24, 2020.

Formula for common shares acquired in the secondary market or through a public prospectus offering: The formula for calculating an Authorized Claimant's Notional Entitlement for NDM common shares acquired in the secondary market or through a public prospectus offering from March 29, 2018 to November 25, 2020 varies depending on when the Authorized Claimant disposed of the common shares, as follows:

- (a) For each NDM common share acquired from March 29, 2018 to August 23, 2020 (inclusive), disposed of between August 24, 2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$1.15.
- (b) For each NDM common share acquired from March 29, 2018 to November 25, 2020 (inclusive), and disposed of on or after November 25, 2020, the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.48.
- (c) For each NDM common share not yet disposed of, the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.48.

Acquisition Expense means the price paid to acquire the security, including brokerage commissions.

CAD\$1.15 is the 10-day volume weighted average common share price following the August 23, 2020 public correction of the misrepresentations.

CAD\$0.48 is the 10-day volume weighted average common share price following the November 25, 2020 public correction of the misrepresentations.

Formula for warrants: The formula for calculating an Authorized Claimant's Notional Entitlement for NDM warrants (issued in 2016 with an exercise price of \$0.65 that expired on or about June 10, 2021) acquired from March 29, 2018 to November 25, 2020 varies depending on when the Authorized Claimant disposed of the warrants, as follows:

- (a) For each NDM 2016 warrant acquired from March 29, 2018 to August 23, 2020 (inclusive), disposed of between August 24, 2020 and November 24, 2020 (inclusive), the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.57.
- (b) For each NDM 2016 warrant acquired from March 29, 2018 to November 25, 2020 (inclusive), and disposed of on or after November 25, 2020, the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.08.
- (c) For each NDM 2016 warrant not disposed of, the Notional Entitlement shall be the difference between the Acquisition Expense and CAD\$0.08.

CAD\$0.57 is the 10-day volume weighted average NDM 2016 warrant price following the August 23, 2020 public correction of the misrepresentations.

CAD\$0.48 is the 10-day volume weighted average NDM 2016 warrant price following the November 25, 2020 public correction of the misrepresentations.

Formula for securities acquired via private placement: The formula for calculating the Notional Entitlement for common shares acquired via private placement and Special Warrants Converted into Common Shares is the same as for common shares except a 25% deduction is applied.

Examples for illustration purposes only:

Example 1:

For a Class Member who acquired 100 of NDM's common shares on March 29, 2018 for \$2.01 (including brokerage fees) per share and disposed of those shares on August 24, 2020, the Notional Entitlement would be \$86:

Acquisition Expense: $\$2.01 * 100 = \201

CAD\$1.15 per share: $\$1.15 * 100 = \115

Acquisition Expense less CAD\$1.15 per share: $\$201 - \$115 = \underline{\$86}$

Example 2:

For a Class Member who acquired 100 of NDM's common shares on March 29, 2018 for \$2.01 (including brokerage fees) per share and disposed of those shares on November 25, 2020, the Notional Entitlement would be \$153:

Acquisition Expense: $\$2.01 * 100 = \201

CAD\$0.48 per share: $\$0.48 * 100 = \48

Acquisition Expense less CAD\$0.48 per share: $\$201 - \$48 = \underline{\$153}$

Example 3:

For a Class Member who acquired 100 of NDM's common shares on March 29, 2018 for \$2.01 (including brokerage fees) per share and has not yet disposed of those shares, the Notional Entitlement would be \$153:

Acquisition Expense: $\$2.01 * 100 = \201

CAD\$0.48 per share: $\$0.48 * 100 = \48

Acquisition Expense less CAD\$0.48 per share: $\$201 - \$48 = \underline{\$153}$

Example 4:

For a Class Member who acquired 100 of NDM's common shares via a private placement that closed on or around March 18, 2019 for CAD\$0.85 and has not yet disposed of those shares, the Notional Entitlement would be \$27.75:

Acquisition Expense: $\$0.85 * 100 = \85

CAD\$0.48 per share: $\$0.48 * 100 = \48

Acquisition Expense less CAD\$0.48 per share multiplied by 0.75: $(\$85 - \$48)*0.75 = \underline{\$27.75}$

PART 4 - CURRENCY

All funds will be paid in Canadian currency.

PART 5 - PAYMENTS TO AUTHORIZED CLAIMANTS

The claims administrator will make payment to Authorized Claimants by cheque or electronic transfer in Canadian currency.

PART 6 - REMAINING AMOUNTS

If Authorized Claimants do not cash cheques within 180 days after the date of distribution or funds otherwise remain after the Authorized Claimants are paid, the aggregate amount of such uncashed cheques will be allocated among all other Authorized Claimants, if feasible. If not feasible, such balance shall be allocated to the Law Foundation of British Columbia.