

# CANADIAN TAHOE RESOURCES INC. SECURITIES CLASS ACTION SETTLEMENT

## NOTICE OF CERTIFICATION AND SETTLEMENT APPROVAL HEARING

[www.TahoeCanadianSettlement.ca](http://www.TahoeCanadianSettlement.ca)

**Read this notice carefully as it may affect your legal rights.**

**This notice is to:** All persons and entities, wherever they may reside or be domiciled, who acquired securities of Tahoe Resources Inc. (“Tahoe”) during the period from and including May 24, 2017 to and including July 5, 2017 (“Class Period”) on any Canadian exchange (including, without limitation, the Toronto Stock Exchange) or any Canadian alternative trading system, or on any exchange or trading platform outside Canada and the United States, other than certain “Excluded Persons” defined below (“Canadian Class” and “Canadian Class Members”). You are presumed to be a Canadian Class Member if you purchased Tahoe shares during this period and your trading records have the ticker symbol “THO” for those purchases.

A settlement (“Canadian Settlement”) has been reached in the securities class action in the Ontario Superior Court of Justice against Tahoe and its former CEO (“Canadian Action”). This notice contains important details about the Canadian Settlement, how to submit a claim for compensation from the Canadian Settlement, and how to opt out of the Canadian Action.

### IMPORTANT DEADLINES

**Claims Bar Deadline** (to file a claim for compensation): **January 3, 2024**

**Opt Out Deadline** (to exclude yourself from the Canadian Action and the Canadian Settlement): **September 5, 2023**

**Objection Deadline** (to object to the Canadian Settlement, Canadian Plaintiff’s Counsel’s fee request or the Canadian Plan of Allocation): **September 5, 2023**

### IMPORTANT NOTE ABOUT THE SEPARATE U.S. SETTLEMENT

A separate settlement (“U.S. Settlement”) has been reached concurrently in the securities class action in the United States District Court, District of Nevada (“U.S. Action”) on behalf of persons who purchased or otherwise acquired Tahoe’s common stock in the United States or on the New York Stock Exchange between April 3, 2013 and August 24, 2017, inclusive (“U.S. Class” and “U.S. Class Members”). You are presumed to be a U.S. Class Member if you purchased Tahoe common stock during this period and your trading records have the ticker symbol “TAHO” for those purchases.

If you qualify as both a U.S. Class Member and a Canadian Class Member, you must submit a claim for compensation from the settlement of the Canadian Action in respect of all purchases or acquisitions that qualify you as a Canadian Class Member, and you must separately submit a claim for compensation from the settlement of the U.S. Action in respect of all purchases or acquisitions that qualify you as a U.S. Class Member. You will only receive compensation from the settlement fund for the Canadian Settlement in respect of purchases or acquisitions that qualify you as a Canadian Class Member. Likewise, you will only receive compensation from the settlement fund for the U.S. Settlement in respect of purchases or acquisitions that qualify you as a U.S. Class Member.

U.S. Class Members should go to [www.USTahoeSettlement.com](http://www.USTahoeSettlement.com) for important details on the U.S. Settlement, including how to submit a claim for compensation from the U.S. Settlement.

## **THE NATURE OF THE CLAIMS ASSERTED**

The Canadian Action arises out of litigation that was brought before the Guatemalan courts in May 2017 by CALAS, a Guatemalan non-profit organization, concerning Tahoe's Escobal mining project in Guatemala. The Canadian Action asserts that a press release issued by Tahoe on May 24, 2017 did not provide adequate disclosure about the CALAS litigation, including the risk of a suspension of the exploitation license for the Escobal mine arising from the CALAS litigation. On July 5, 2017, Tahoe disclosed that the Supreme Court of Guatemala had provisionally suspended Tahoe's exploitation license. It is alleged that, because of the misrepresentations, Canadian Class Members paid too much when they acquired Tahoe's securities during the Class Period and suffered damages after the alleged misrepresentations were publicly corrected on July 5, 2017.

On behalf of the Canadian Class, the Canadian Action asserts claims under Part XXIII.1 of Ontario's Securities Act and, if necessary, the equivalent provisions of the securities legislation of other provinces. Additionally, the Canadian Action advances claims in common law negligent misrepresentation.

## **THE LEAVE AND CERTIFICATION ORDER**

By Order dated August 26, 2021, the Ontario Superior Court of Justice ("Canadian Court") certified the Canadian Action as a class proceeding under the Ontario Class Proceedings Act, 1992. The Canadian Court appointed the plaintiff, Abram B. Dyck, as the representative plaintiff for the Canadian Class ("Canadian Plaintiff"). The Canadian Court also granted leave to proceed with statutory secondary market misrepresentation claims under Part XXIII.1 of the Ontario Securities Act and, if necessary, the equivalent provisions of the securities legislation of the other Canadian provinces and territories. Leave of the Canadian Court was a necessary precondition to the assertion of these claims.

By Order dated June 13, 2023, the Canadian Class definition was amended to the following: all persons and entities, wherever they may reside or be domiciled, who acquired securities of Tahoe during the period from and including May 24, 2017 to and including July 5, 2017 on any Canadian exchange (including, without limitation, the Toronto Stock Exchange) or any Canadian alternative trading system, or on any exchange or trading platform outside Canada and the United States, other than certain "Excluded Persons".

The following "Excluded Persons" are excluded from the Canadian Class: Tahoe and Ronald W. Clayton (collectively, "Defendants"), and Tahoe's and Pan American Silver Corp.'s past and present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns, and any member of Mr. Clayton's family.

Also excluded from the Canadian Class is any person who or which timely and validly opts out of the Canadian Action, as is described further below.

## **THE SETTLEMENT**

On May 25, 2023, the Canadian Plaintiff, Defendants and the parties to the U.S. Action executed a Settlement Agreement ("Settlement Agreement"), which is subject to approval by the Canadian Court and U.S. Court. The Settlement Agreement provides for the payment of US\$13,500,000 ("Canadian Settlement Amount") in consideration of the full and final settlement of the claims of Canadian Class Members. All legal fees, the Funder's commission, taxes and administrative expenses will be paid out of the Canadian Settlement Amount.

The Settlement Agreement provides that if approved by the Canadian Court and U.S. Court, the claims of Canadian Class Members (who do not opt out) asserted or that could have been asserted in the Canadian Action will be fully and finally released, and the Canadian Action will be dismissed.

The Settlement Agreement 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.

Under the Settlement Agreement, Tahoe and the other defendants to the U.S. Action have also agreed to pay a separate settlement amount of US\$19,500,000 to resolve the claims of U.S. Class Members in the U.S. Action. The U.S. Settlement is being administered separately. U.S. Class Members are not entitled to make a claim for benefits from the Canadian Settlement in respect of purchases or acquisitions that qualify them as U.S. Class Members. U.S. Class Members should go to [www.USTahoeSettlement.com](http://www.USTahoeSettlement.com) for important details on the U.S. Settlement, including how to submit a claim for compensation from the U.S. Settlement.

### **SETTLEMENT APPROVAL HEARING**

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

The Canadian Court will hear a motion for approval of the Canadian Settlement on September 26, 2023, at 330 University Avenue, Toronto, Ontario or virtually.

The Settlement Agreement is also conditional on approval by the U.S. Court overseeing the U.S. Action.

### **CANADIAN CLAIMS ADMINISTRATOR**

The Canadian Court has appointed Epiq Class Action Services Canada Inc. as the administrator of the Canadian Settlement (“Canadian Claims Administrator”). The Canadian Claims Administrator will, among other things: (i) receive and process claims for compensation from the Canadian Settlement; (ii) determine Canadian Class Members’ eligibility for and entitlement to compensation pursuant to the Plan of Allocation; (iii) communicate with Canadian Class Members regarding claims for compensation; and (iv) manage and distribute the Canadian Settlement Amount in accordance with the Settlement Agreement and the orders of the Canadian Court.

The Administrator can be contacted at:

Canadian Tahoe Resources Settlement Claims Administrator  
c/o Epiq Class Action Services Canada Inc.  
P.O. Box 507 STN B  
Ottawa ON K1P 5P6  
Email: [info@TahoeCanadianSettlement.ca](mailto:info@TahoeCanadianSettlement.ca)  
Telephone : 1-888-565-3801  
Fax: 1-866-262-0816

### **CLASS COUNSEL’S FEES AND OTHER EXPENSES**

The Canadian Plaintiff and the Canadian Class are represented by Siskinds LLP (“Canadian Plaintiff’s Counsel”). Canadian Plaintiff’s Counsel are conducting the Canadian Action on a contingent fee basis. On September 26, 2023, Canadian Plaintiff’s Counsel will make a motion to the Canadian Court for approval of their fees, which will not exceed 28% of the recovery plus reimbursement for expenses incurred in the litigation in the maximum amount of \$1.25 million CAD, not including applicable taxes..

A funding agreement between the Canadian Plaintiff and Claims Funding Australia Pty Ltd. as trustee for the Claims Funding Australia Discretionary Trust (“Canadian Funder”) was previously approved by the Canadian Court on July 20, 2021. Amounts owing to the Canadian Funder will be deducted from the amounts to be distributed to the Canadian Class Members before the actual distribution.

On September 26, 2023, Canadian Plaintiff’s Counsel will also seek the Canadian Court’s approval for the payment of an honorarium to the Canadian Plaintiff in the maximum amount of \$10,000. Canadian Plaintiff’s Counsel will be requesting that the honorarium be deducted directly from the Canadian Settlement Amount.

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

## **SUBMITTING A CLAIM FOR COMPENSATION FROM THE CANADIAN SETTLEMENT**

Canadian Class Members will be eligible for compensation if they submit a completed Claim Form, including any supporting documentation, with the Canadian Claims Administrator, and their claim satisfies the criteria set out in the Canadian Plan of Allocation.

To be eligible for compensation, Canadian Class Members must submit their Claim Form **by no later than January 3, 2024**. Only Canadian Class Members who have not opted out of the Canadian Action are permitted to recover from the Canadian Settlement.

The most efficient way to file a claim is to visit the Canadian Claims Administrator’s website at **www.TahoeCanadianSettlement.ca** and file an online claim. The website provides step by step instructions on how to file a claim. In order to verify claims, the Canadian Claims Administrator will require supporting documentation, including brokerage statements or confirmations evidencing the claimed transactions. Accordingly, Canadian Class Members should visit the Canadian Claims Administrator’s site as soon as possible so that they have time to obtain the required documentation prior to the Claims Bar Deadline.

While online claims are recommended and preferred, the Canadian Claims Administrator will also accept Claim Forms filed by mail or courier. To obtain a copy of the Claim Form, Canadian Class Members may contact the Canadian Claims Administrator to have one sent by email or regular mail. Claim Forms sent by mail or courier should be sent to:

Canadian Tahoe Resources Settlement Claims Administrator  
c/o Epiq Class Action Services Canada Inc.  
P.O. Box 507 STN B  
Ottawa ON K1P 5P6  
Email: [info@TahoeCanadianSettlement.ca](mailto:info@TahoeCanadianSettlement.ca)  
Telephone: 1-888-565-3801  
Fax: 1-866-262-0816

If you have questions about how to complete or file a Claim Form, the documentation required to support a claim, or whether you are a Canadian Class Member or U.S. Class Member (or both), please contact the Canadian Claims Administrator using the contact details in this notice.

## **DISTRIBUTION OF COMPENSATION**

If the Settlement Agreement is approved by the Canadian Court and U.S. Court, the Canadian Settlement Amount, after deduction of Canadian Plaintiff’s Counsel’s fees and disbursements, Administration Expenses, the Canadian Funder’s commission and any approved honorarium (“Canadian Net Settlement Fund”) will be distributed to Canadian Class Members in accordance with the Canadian Plan of Allocation, subject to the Canadian Court’s approval.

The proposed Canadian Plan of Allocation provides that in order to determine the individual entitlements of Canadian 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 Ontario. Once the notional losses of all Canadian Class Members who have filed valid claims have been calculated, the Canadian Net Settlement Fund will be allocated to those Canadian Class Members in proportion to their percentage of the total notional losses calculated for all valid claims filed. Because the Canadian Net Settlement Fund will be

distributed pro rata, it is not possible to estimate the individual recovery of any individual Canadian Class Member until all the claims have been received and reviewed.

The approval of the Settlement Agreement is not contingent on the approval of the Canadian Plan of Allocation. The Canadian Court may still approve the Settlement Agreement even if it does not approve the Canadian Plan of Allocation or approves amendments to the Canadian Plan of Allocation.

In the event any amounts remain undistributed 180 days after the distribution of the Canadian Net Settlement Fund (because of uncashed cheques or for other administrative reasons), those amounts will be distributed to eligible Canadian Class Members (if sufficient to warrant a further distribution) or allocated in a manner approved by the Canadian Court.

## **YOU MUST OPT OUT IF YOU DO NOT WANT TO BE BOUND BY THE CANADIAN SETTLEMENT**

If you are a Canadian Class Member, you will be bound by the outcome of the Canadian Action, including the terms of the Settlement Agreement if approved, unless you opt out of the Canadian Action.

Canadian Class Members who do not opt out will (i) be entitled to make a claim for the payment of compensation from the Canadian Settlement Amount; (ii) be bound by the terms of the Canadian Settlement; and (iii) not be permitted to bring other legal proceedings in relation to the matters alleged in the Canadian Action against the Defendants, or any person released by the approved Settlement Agreement. Conversely, if you are a Canadian Class Member who opts out of the Canadian Action, you will not be able to make a claim to receive compensation from the Canadian Settlement Amount but will maintain the right to pursue your own claim against the Defendants relating to the matters alleged in the Canadian Action.

Class Members who do not want to be bound by the outcome of the Canadian Action must “opt out,” meaning that they must exclude themselves from the Canadian Action in accordance with the procedure described herein.

If you wish to opt out of the Canadian Action, you must complete, sign and return (by email, mail or courier) the opt-out form, which is available on Canadian Plaintiff’s Counsel’s website at <https://www.siskinds.com/class-action/tahoe/> or the Canadian Claims Administrator’s website at **[www.TahoeCanadianSettlement.ca](http://www.TahoeCanadianSettlement.ca)**

In order for your opt-out to be valid, your complete and signed opt-out form must be postmarked or received **by no later than September 5, 2023.**

U.S. Class Members should go to **[www.USTahoeSettlement.com](http://www.USTahoeSettlement.com)** for details on how to opt out of the U.S. Action and the U.S. Settlement.

## **PARTICIPATION IN THE APPROVAL MOTION**

The following material will be posted on Canadian Plaintiff’s Counsel’s website dedicated to this action (<https://www.siskinds.com/class-action/tahoe/>) on or before the dates set out below: (1) the Settlement Agreement and Canadian Plan of Allocation (posted prior to or at the time of the publication of this notice); (2) a summary of the basis upon which Canadian Plaintiff’s Counsel recommends the Settlement and Canadian Plan of Allocation **by August 21, 2023**; (3) the Canadian Plaintiff’s evidence in support of the approval of the Settlement Agreement and Canadian Plan of Allocation **by September 15, 2023**; and (4) Canadian Plaintiff’s Counsel’s evidence in support of their fee request **by September 15, 2023.**

Canadian Class Members who wish to comment on, or make an objection to, the approval of the Settlement Agreement, the Canadian Plan of Allocation or the fees and disbursements of Canadian Plaintiff’s Counsel shall deliver (by email, mail or courier) a written submission to Canadian Plaintiff’s Counsel, at the email address or address provided below, postmarked or received **by no later than September 5, 2023.** Any objections delivered by that date will be filed with the Canadian Court.

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

## **ADDITIONAL INFORMATION**

This notice has been approved by the Ontario Superior Court of Justice. The Court offices cannot answer any questions about the matters in this notice. The Orders of the Court and other information in both languages are available on Canadian Plaintiff's Counsel's website at <https://www.siskinds.com/class-action/tahoe/> or the Canadian Claims Administrator's website at **[www.TahoeCanadianSettlement.ca](http://www.TahoeCanadianSettlement.ca)**

Questions relating to the Canadian Action may be directed to the Canadian Claims Administrator or Canadian Plaintiff's Counsel:

Canadian Tahoe Resources Settlement Claims Administrator  
c/o Epiq Class Action Services Canada Inc.  
P.O. Box 507 STN B  
Ottawa ON K1P 5P6  
Email: [info@TahoeCanadianSettlement.ca](mailto:info@TahoeCanadianSettlement.ca)  
Telephone: 1-888-565-3801  
Fax: 1-866-262-0816

- OR -

Garett Hunter  
Siskinds LLP  
275 Dundas Street, Unit 1, P.O. Box 2520, London, ON N6B 3L1  
Tel: (519) 660-7802  
Email: [garett.hunter@siskinds.com](mailto:garett.hunter@siskinds.com)

If you require assistance in the French language, please contact the Canadian Claims Administrator or Canadian Plaintiff's Counsel using the contact details above and we will direct your inquiry to an appropriate person.

**THE PUBLICATION OF THIS NOTICE WAS AUTHORIZED BY THE ONTARIO SUPERIOR COURT OF JUSTICE**