

NOTICE OF SETTLEMENT APPROVAL OF THE COLT RESOURCES INC. SECURITIES CLASS ACTION

READ THIS NOTICE CAREFULLY AS IT MAY AFFECT YOUR RIGHTS.

This Notice is directed to:

All persons and entities, excluding certain persons associated with the Defendants, who acquired securities of Colt Resources, Inc. (“**Colt**”) on any stock exchange, over-the-counter, or from Colt directly, during the period from March 15, 2015 to and including January 30, 2017 (the “**Class Period**”), and held some or all of those securities at the close of trading on any of July 13, 2016, November 29, 2016, December 20, 2016, or January 30, 2017 (collectively, the “**Class**” or “**Class Members**”).

PURPOSE OF THIS NOTICE:

A class action brought on behalf of Class Members has been settled. The Settlement has been approved by the Ontario Superior Court of Justice. This Notice provides Class Members with information about how to submit a Claim Form to the Administrator in order to participate in the distribution of the Net Settlement Amount.

THE ACTION:

On July 14, 2017, a proposed class action was commenced on behalf of investors who purchased Colt securities during the Class Period, against Colt, its former CEO, its CFO, and two directors in the Ontario Superior Court: *Manuel Kauf and Web Objective Inc. v. Colt Resources Inc. et al* CV-17-578980-00CP (the “**Action**”). The Plaintiffs in the Action allege that the Defendants made misrepresentations relating to Colt’s investment of approximately CDN \$740,000 in a Turkish company named Turcolt Resources Madencilik Anonim Sirketi (“**Turcolt**”), resulting in Colt’s securities trading at artificially inflated prices during the Class Period.

On April 4, 2019, the Court granted the Plaintiffs’ motion for leave to bring an action for damages under Part XXIII.1 of Ontario’s *Securities Act*.

After a mediation held by a senior mediator with experience with bankruptcy and shareholder disputes, the Plaintiffs and the Defendants executed a Settlement Agreement providing for the settlement of the Action (the “**Settlement**”), which is subject to approval by the Court.

SUMMARY OF THE SETTLEMENT TERMS:

The Settlement provides for the payment of CDN \$950,000 (the “**Settlement Amount**”) in consideration of the full and final settlement of all claims against the Defendants, including Class Counsel’s fees, applicable taxes and expenses, and interest, a full release and a dismissal of the Action.

On January 4, 2021, the Court certified the Action as a class action on behalf of the Class Members for settlement purposes only.

**This notice has been approved by the Court. Questions about matters
in this notice should NOT be directed to the Court.**

On April 6, 2021, the Court approved the Settlement Agreement and ordered that it be implemented in accordance with its terms.

The Court also awarded Class Counsel legal fees in the amount of \$266,000, which is 28% of \$950,000, plus up to \$80,000 inclusive of HST, to be paid from the Settlement Amount. Class Counsel has not been paid as the matter has proceeded over the last three years and has funded all of the out-of-pocket expenses of conducting the litigation.

ADMINISTRATION OF THE SETTLEMENT:

The Court has also appointed Class Counsel, as the Administrator of the Settlement. As Administrator, Class Counsel will, among other things: (i) receive and process the Claim Forms; (ii) make determinations of each Class Member's eligibility for compensation pursuant to the Plan of Allocation; (iii) communicate with Class Members regarding their eligibility for compensation; and (iv) manage and distribute the Settlement Amount. Class Counsel can be contacted at:

Colt Resources Inc. Class Action

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CLASS MEMBER'S ENTITLEMENT TO COMPENSATION

Class Members will be required to submit an online Claim Form to the Administrator within the time prescribed by the Court by 5:00pm EST on July 5, 2021.

The Claim Form and additional information about this Settlement can be found at www.morgantico.com/colt-resources-inc/.

For those Class Members that purchased Colt's shares and units between March 15, 2015 and July 13, 2016, they will also be required to identify the document(s) that he/she relied upon in making a decision to hold the previously purchased shares and units until after July 13, 2016.

Each Class Member who submits a valid Claim Form will be entitled to receive compensation calculated in accordance with a Plan of Allocation, in a form approved by the Court.

INTERPRETATION:

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

DO NOT CONTACT THE COURT DIRECTLY:

Please do not contact the Court with inquiries about the class action or the Settlement. All inquiries should be directed to Class Counsel.

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

**This notice has been approved by the Court. Questions about matters
in this notice should NOT be directed to the Court.**