

2019 August



CHIBOUGAMAU, QUEBEC, GOLD & COPPER

# Forward-Looking Information Disclaimer and Qualified Person

Certain statements in this presentation constitute forward looking information within the meaning of applicable securities laws. These statements relate to future events or AmAuCu Mining Corporation (to be named "Doré Copper Mining Corp.") ("Doré Copper" or "the Company"). Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "forecast", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "outlook" and similar expressions) are not statements of historical fact and may be forward looking information. Forward looking information in this presentation includes, but is not limited to, statements with respect to financing targets, mineral resource estimates, drilling plans, financing success, sequencing of planned engineering studies, strategic plans, including future operations, future work programs, capital expenditures, discovery and production of minerals, metal prices and currency exchange rates, timing of geological reports, corporate and technical objectives, permitting success and relationships with stakeholders.

Forward looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward looking information. Such risks include, among others, the inherent risk of the mining industry; adverse economic and market developments; the risk that the Company will not be successful in completing additional acquisitions, risks relating to the estimation of mineral resources; that the Company's estimated burn rate may be higher than anticipated; risks of unexpected cost increases; risks of labour shortages; risks relating to construction and development activities; risks relating to future prices of mineral resources; incidents; risks related to geological uncertainties and variations, risks related to labor disputes; risks related to government and community support of the company's projects and other risks related to the mining industry.

The Company believes that the expectations reflected in such forward looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon. These statements speak only as of the date of this presentation. The Company does not intend, and does not assume any obligation, to update any forward-looking information except as required by law.

## ***Resource Estimates, Qualified Person***

In accordance with applicable Canadian securities regulatory requirements, unless otherwise stated, all current mineral resource estimates of the Company disclosed in this Presentation have been prepared in accordance with National Instrument 43-101 - Standards of Disclosure for Mineral Projects ("NI 43-101"), classified in accordance with Canadian Institute of Mining Metallurgy and Petroleum's "CIM Standards on Mineral Resources and Reserves Definitions and Guidelines" (the "CIM Guidelines").

Pursuant to the CIM Guidelines, mineral resources have a higher degree of uncertainty than mineral reserves as to their existence as well as their economic and legal feasibility. Inferred mineral resources, when compared with measured or indicated mineral resources, have the least certainty as to their existence, and it cannot be assumed that all or any part of an inferred mineral resource will be upgraded to an indicated or measured mineral resource as a result of continued exploration. Accordingly, readers are cautioned not to assume that all or any part of a mineral resource exists, will ever be converted into a mineral reserve, or is or will ever be economically or legally mineable or recovered. The Company is not aware of any environmental, permitting, legal, title-related, taxation, socio-political, marketing or other relevant issue that could materially affect the mineral resource estimate.

Unless stated otherwise herein, all scientific and technical data contained in this presentation has been reviewed, approved and verified by Andrey Rinta, P. Geo who is a qualified person for the purposes of ("NI 43-101") and is a member of the Association of Professional Geologists of Ontario - APGO. Mr. Rinta serves as Exploration Manager. Mr. Rinta verified all of the scientific and technical disclosure contained in this presentation by discussions with and/or supervision of the professionals who did the mineral resource estimations and provided other technical information in the report. The details of the mineral resource estimations and historical estimates are in the Appendices.

# A Near-Term Re-development Opportunity

## Multiple copper/gold deposits

- Copper and gold focus – four separate high grade deposits Corner Bay, Cedar Bay, Copper Rand and Devlin. The former three which remain open for expansion
- 43-101 Resources at Corner Bay, Cedar Bay and Devlin. Significant historic reserves and resources at Copper Rand. Other known deposits.
- First time all four assets in one vehicle – potential for new discoveries

## Excellent land package

- Located in the prolific Lac Dore (Chibougamau) mining camp that has produced 1.6Blbs of copper and 3.2Mozs of gold with significant exploration potential

## Excellent infrastructure

- Past permitted 2,700 tpd mill and tailings facility

## Quebec is one of the most favourable mining jurisdictions

- Strong redevelopment support
- Experienced contractors and workers
- Attractive flow-through structure

## Strong management alignment and financial partnerships (Ocean Partners, Orion, and RCF)

- Provide the potential for future financing for development operations through offtake/advanced sales



# Experienced Management Team and Board

## Management (Post RTO)

- **Ernest Mast, President and CEO** – Former President and CEO of Primero Mining, and Minera Panama (Inmet Mining). 20 Years with Xstrata/Noranda/Falconbridge. Cofounder.
- **Jean Tanguay, General Manager** – Former Operations Manager with Campbell Mines
- **Andrey Rinta, Exploration Manager** – Former Senior Exploration Geologist with Kinross
- **Gavin Nelson, CFO** – CPA with experience in management of junior and small cap mining companies

## Board

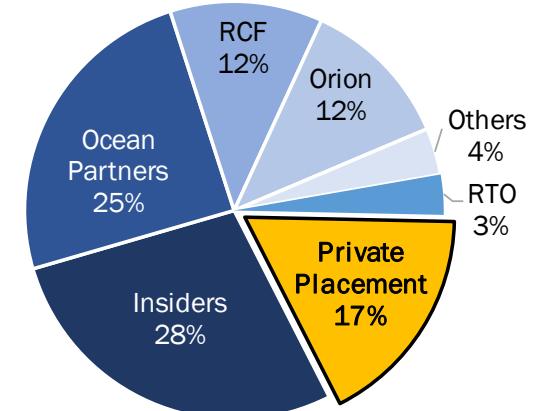
- **Mario Stifano, Executive Chairman** – Former CEO of Cordoba Minerals, Former CFO of Lake Shore Gold. Founder.
- **Frank Balint** – Former VP Corp Dev and Exploration, Inmet Mining
- **Sara Heston** – Former VP Investments, ASA Gold and Precious Metal
- **Matt Manson** – Former CEO, Stornoway Diamonds
- **Ernest Mast – President and CEO**
- **Brent Omland** – CFO, Ocean Partners
- **Joseph de la Plante** - VP Corporate Development, Osisko Gold Royalties

## Advisory Board (Post RTO)

- **Mike Agnew** – Former VP Technology Noranda Falconbridge. GM CEZ refinery
- **Ewan Downie** – Current President & CEO of Premier Gold Mines. Founder.
- **André Gaumond** – Former Board member, Osisko Gold Royalties and former President and CEO of Virginia Mines

Projected Capital Structure Post C\$5M Financing and RTO: 23.1M shares @ C\$1.30	
Cash: \$5.0M	Debt: \$0.5M

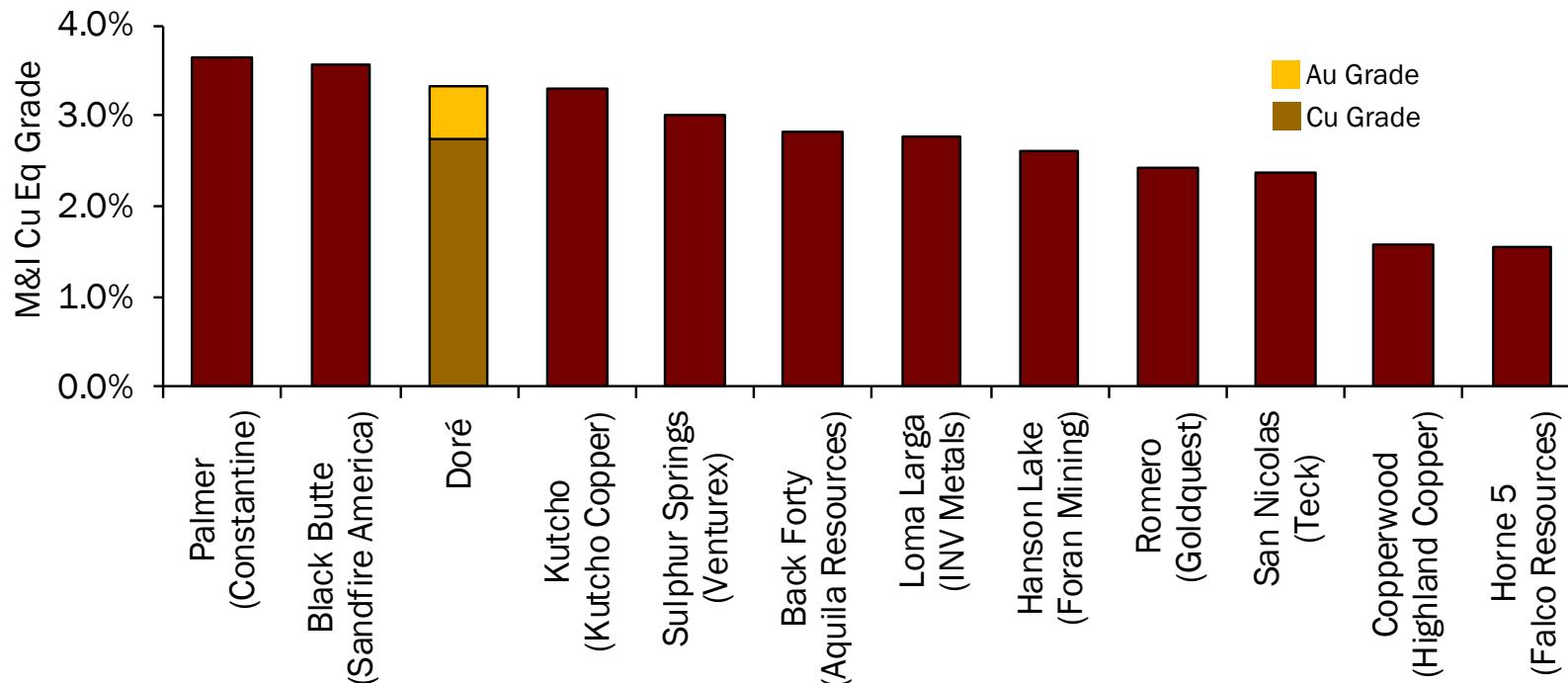
*Note: Cash not adjusted for financing fees*



1.2M options at \$0.50/share  
0.1M options at \$1.21/share  
0.2M warrants at \$1.30/share  
1.9M warrants at \$1.95/share

# Assets: High-Grade and Cu Focused

- Assets are some of the highest-grade undeveloped in the developed world in a stable jurisdiction
- A rare copper focused developer with existing infrastructure and significant gold by-product credit
- Low capital intensity anticipated
- Excellent regional exploration potential
- Local mining expertise – no camp and only 14km from Chibougamau by road



Note: Cu Eq based on M&I on using US\$3.00/lb Cu and US1,300/oz Au. Not including Historic Resources. Based on public disclosure

# Mine History and Recent Highlights



Copper Rand mill commences as Patino Mining. Copper Rand and Portage ore

Patino Mines acquired by Northgate Mines

Westminier (Western Mining, now BHP) acquires Northgate Mines

MSV Resources and Campbell Mines merge

CBAY Minerals formed owned by Ocean Partners and Nuinsco

1959 1960 1981 1982 1988 1993 2001 2008/09 2011

Cedar Bay starts as CamChib (Campbell) Mines  
Ore to principal mill

Rio Algom Inc. discovers the main vein Corner Bay deposit

Westminier (Western Mining, now BHP) sells Quebec assets to MSV Resources

Campbell Resources stops operations and enters CCAA during Financial Crises

19,000m drill program completed on Corner Bay, Cedar Bay

Doré Copper acquires 100% of CBAY. RTO planned

2017 2018 2019

Doré Copper Mining signs option agreement for CBAY Minerals

43-101 report for Corner Bay and Cedar Bay issued



# Doré Copper Project & Geology Overview

## NI&I 43-101 Mineral Estimate:

- Measured 108kt @ 2.90% Cu & 0.30 g/t Au;
- Indicated 1.79 @ 2.78% Cu & 0.95 g/t Au; and
- Inferred 2.24Mt @ 3.22% Cu & 0.91 g/t Au

## Copper Rand Historical Information\*

- Proven and Probable Reserves 1,131 kt, 1.67% Cu, 2.91 g/t Au. Measured 94.3kt 1.23% Cu, 2.09 g/t Au, Indicated 536 kt 1.39% Cu, 2.98 g/t Au, Inferred 416kt 1.89% Cu, 2.78 g/t Au

## 2018 drilling program 19,000m

- Corner Bay estimated mineral resource increased by 93% over 2012 NI 43-101 report
- High grade maiden resource at Cedar Bay
- Deposits are open in numerous directions

## Discovery cost of first drill program:

- 1.9cts/lb Cu Eq or \$8/oz Au Eq

## Only limited exploration in camp over past 20 years

- First drill program confirmed high grade exploration potential (Cedar Bay: 2.4m @ 4.54% Cu & 15.4 g/t Au; Corner Bay: 5.1m @ 5.22% Cu)

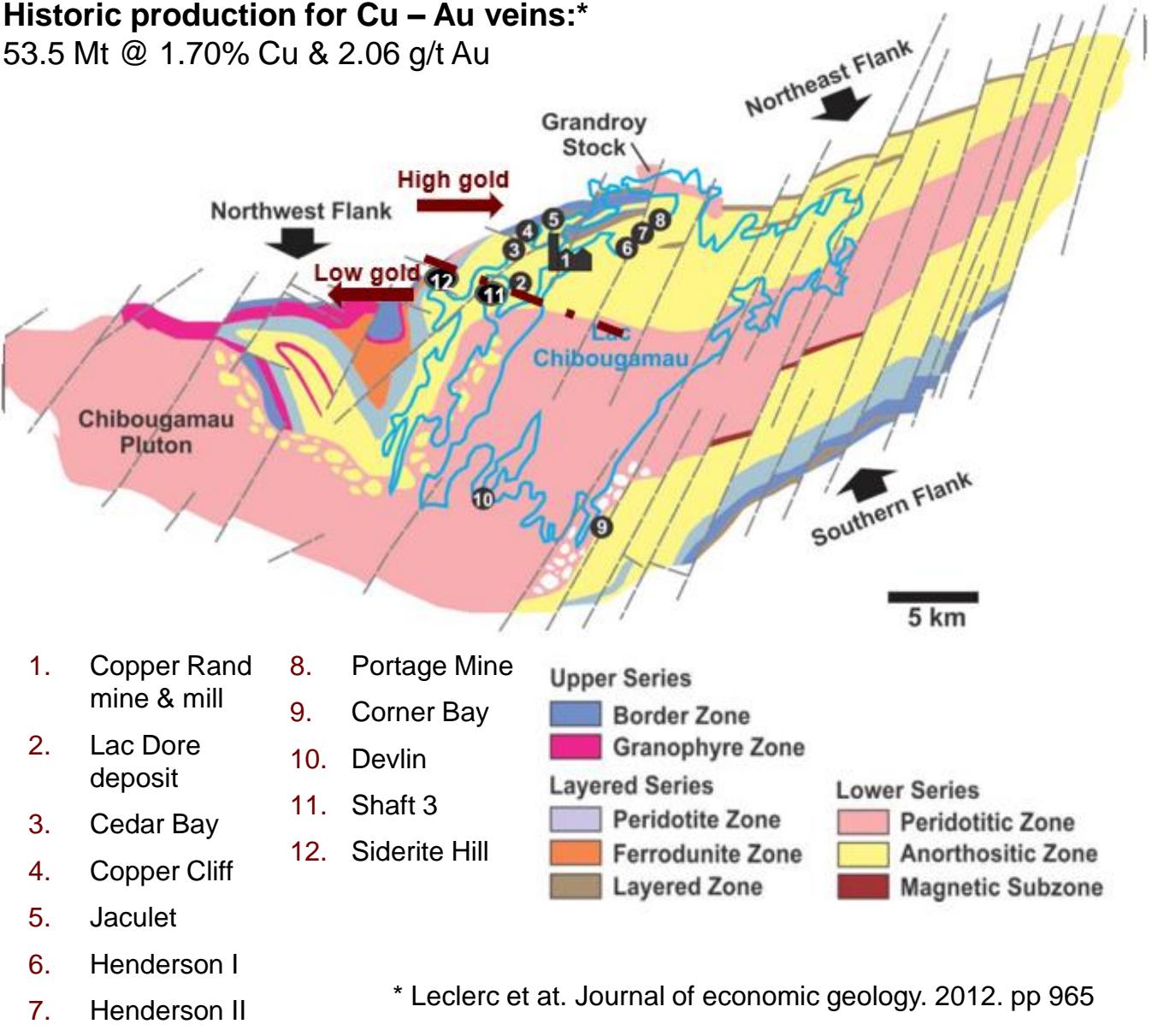
## Historic deposits with upside at depth and along strike

## Mineralization typically shows excellent continuity

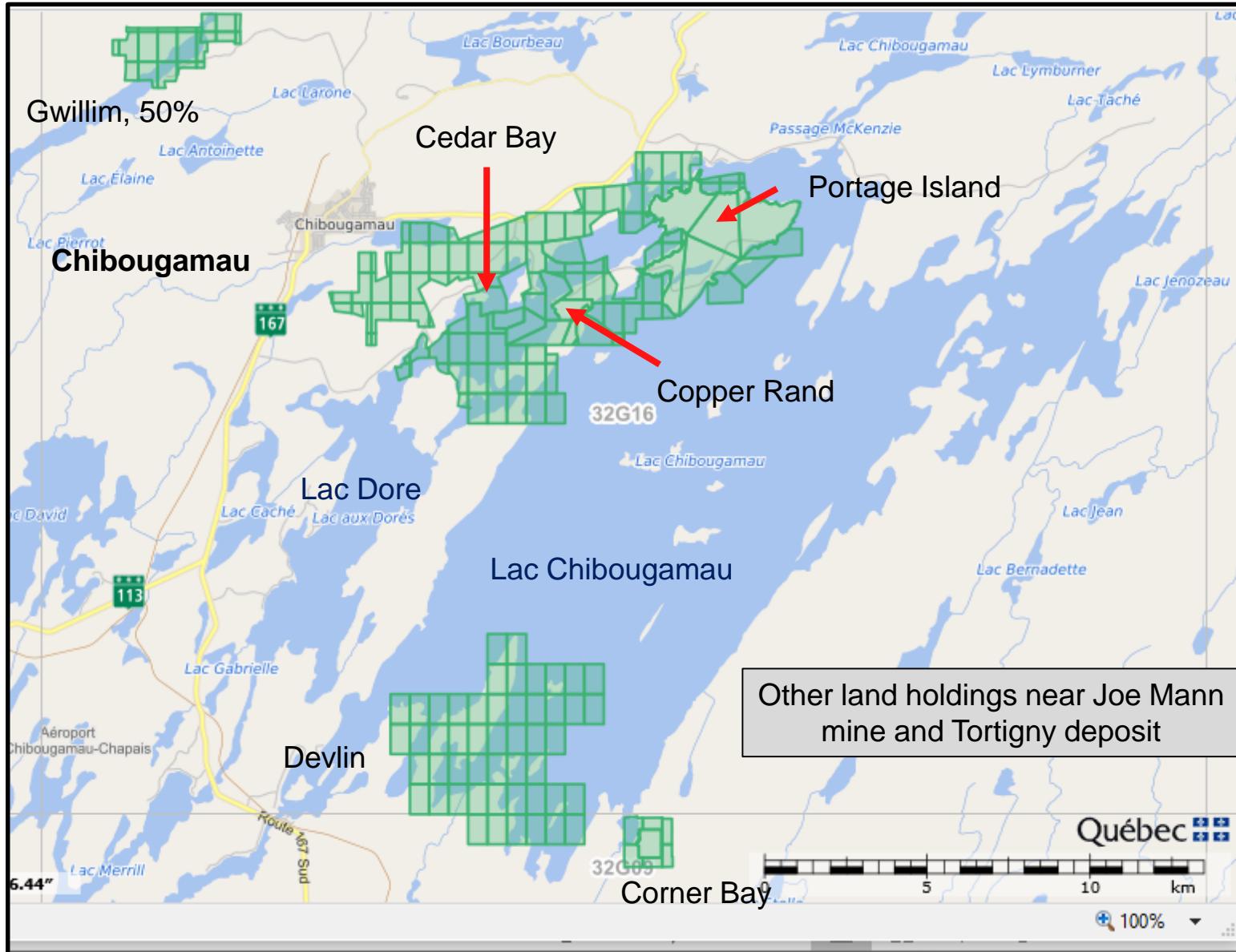
\*See Historical estimate in appendices

## Historic production for Cu – Au veins:\*

53.5 Mt @ 1.70% Cu & 2.06 g/t Au

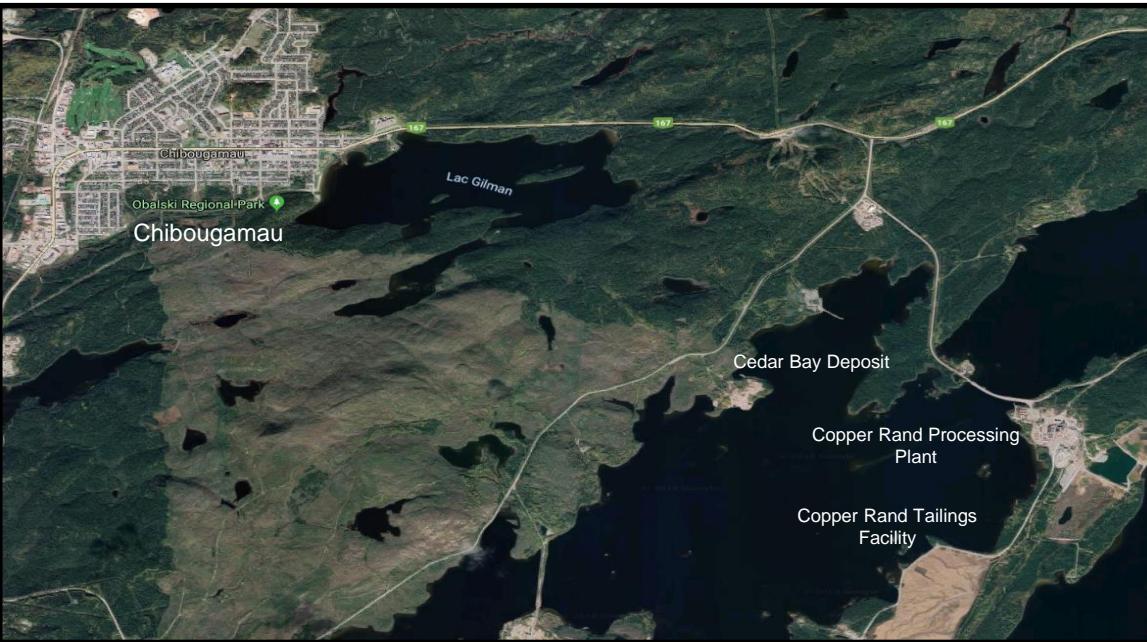


# Doré Copper Land Position



# Key Infrastructure in Place

Existing infrastructure materially reduces CAPEX and time to production



Excellent Location to Current Manpower and Infrastructure



TSF Capacity for 9Mt



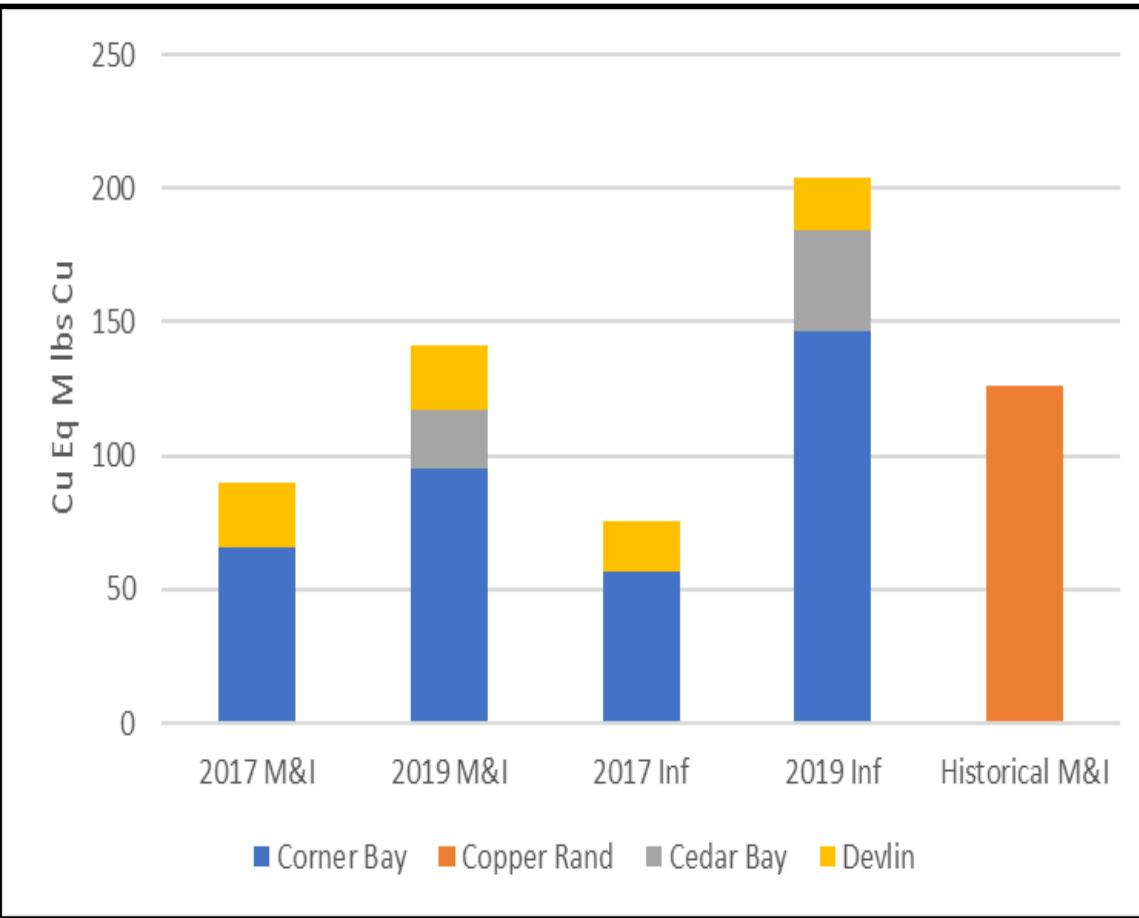
Past Permitted 2,700tpd Processing Plant

## Copper Rand Processing Plant and Existing Tailings Capacity

- Mill is located 14km from the town of Chibougamau – 7,500 person population with a long mining history
- Accessible by paved highway, rail, and daily scheduled air charters
- Operating power line to site maintained by Hydro-Quebec for 25MW power feed to site
- Up to 2,700tpd processing plant and past permitted tailings facility
- Tailings facility has 9Mt capacity with expansion potential
- Berm raise adds more capacity – successful re-vegetation test done and main tailings do not show ARD characteristics

# Significant Resource Opportunity

Estimated Corner Bay mineral resource increased by  $\approx$ 93% and maiden Cedar Bay resource established with only 19,000m of drilling



## Growing Mineral Resources

- Maiden 19,000m drilling program. Increased Corner Bay resource by 93%. High grade resources at Cedar Bay. Remain open in numerous directions and parallel veins exist.
- Copper Rand open at depth when closed in Dec 2008
- Exploration potential at other deposits such as Lac Dore, Shaft 3, Gwillim, and Siderite Hill.
- Exploration targets such as Lake Portage, Baie du Commencement, McKenzie vein, Hematite Gold zone and geophysical exploration targets.

	Measured & Indicated			Inferred		
	Tonnes(kt)	Cu (%)	Au (g/t)	Tonnes(kt)	Cu(%)	Au(g/t)
Corner Bay (Ind.)	1,350	3.01	0.29	1,660	3.84	0.27
Devlin (Mes.)	108	2.90	0.30	347	2.38	0.22
Devlin (Ind.)	305	2.33	0.25			
Cedar Bay (Ind.)	136	1.49	9.11	230	2.13	8.32
<b>Total</b>	<b>1,898</b>	<b>2.79</b>	<b>0.92</b>	<b>2,237</b>	<b>3.44</b>	<b>1.09</b>

Note: Cu calculated with \$2.75/lb Cu and \$1,200/oz Au

# Corner Bay Mine

**\$25M spent on development prior to 2009**

- Access on 55m, 75m, and 105m level

**Near term production**

- Ore trucked to Copper Rand Mill (45km)

**Excellent expansion potential at depth and along strike and other structures**

**Dominant land position in the Corner Bay area**

- 2,668ha additional land acquired in an option agreement
- 4 strong geophysical targets

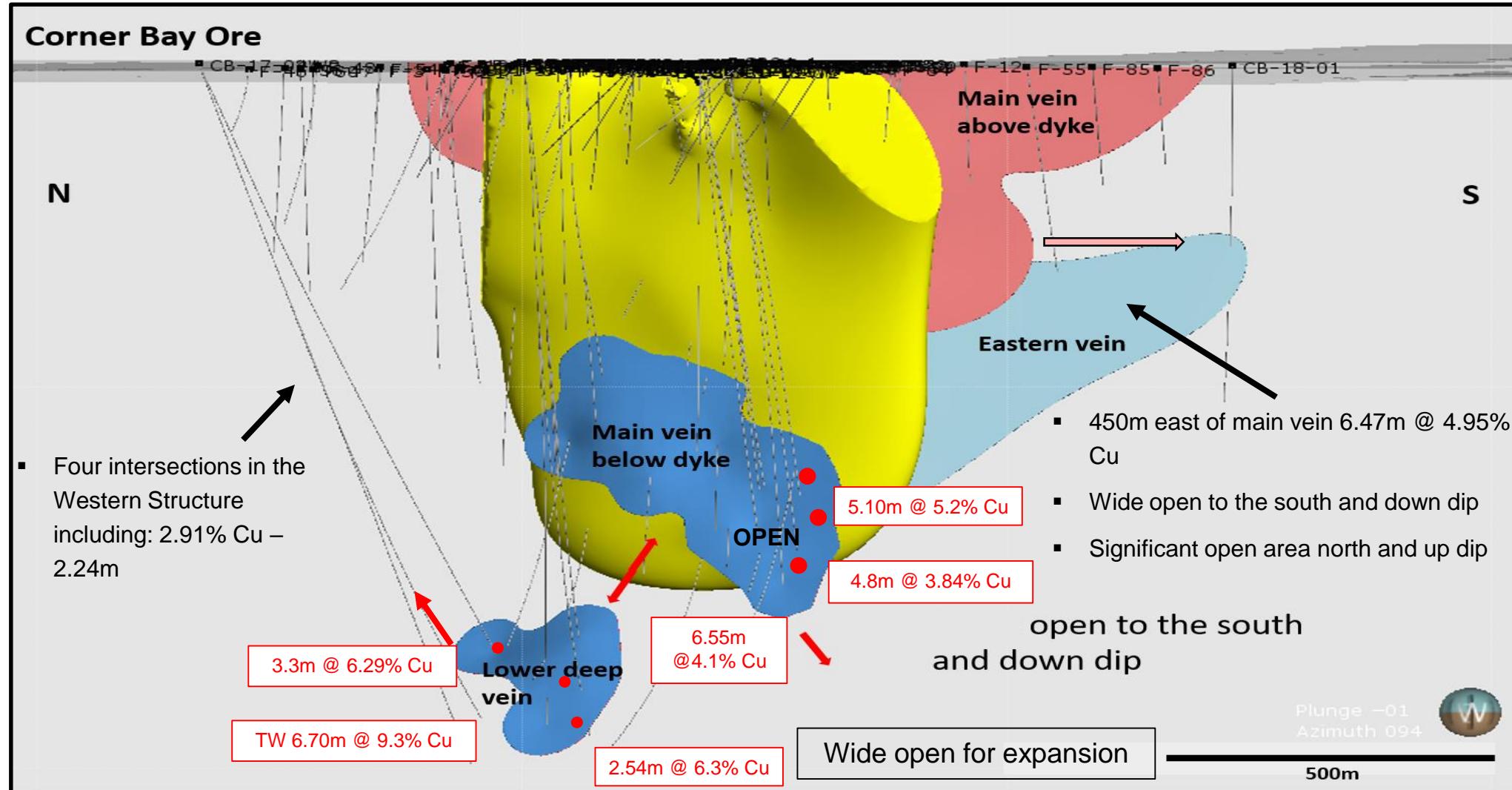
Roscoe Postle Associates 2019			
	Tonnes (t)	Cu (%)	Au (g/t)
Indicated	1,351,000	3.01	0.29
Inferred	1,660,000	3.84	0.27

*Note: 1.5% Cu Cut-off*



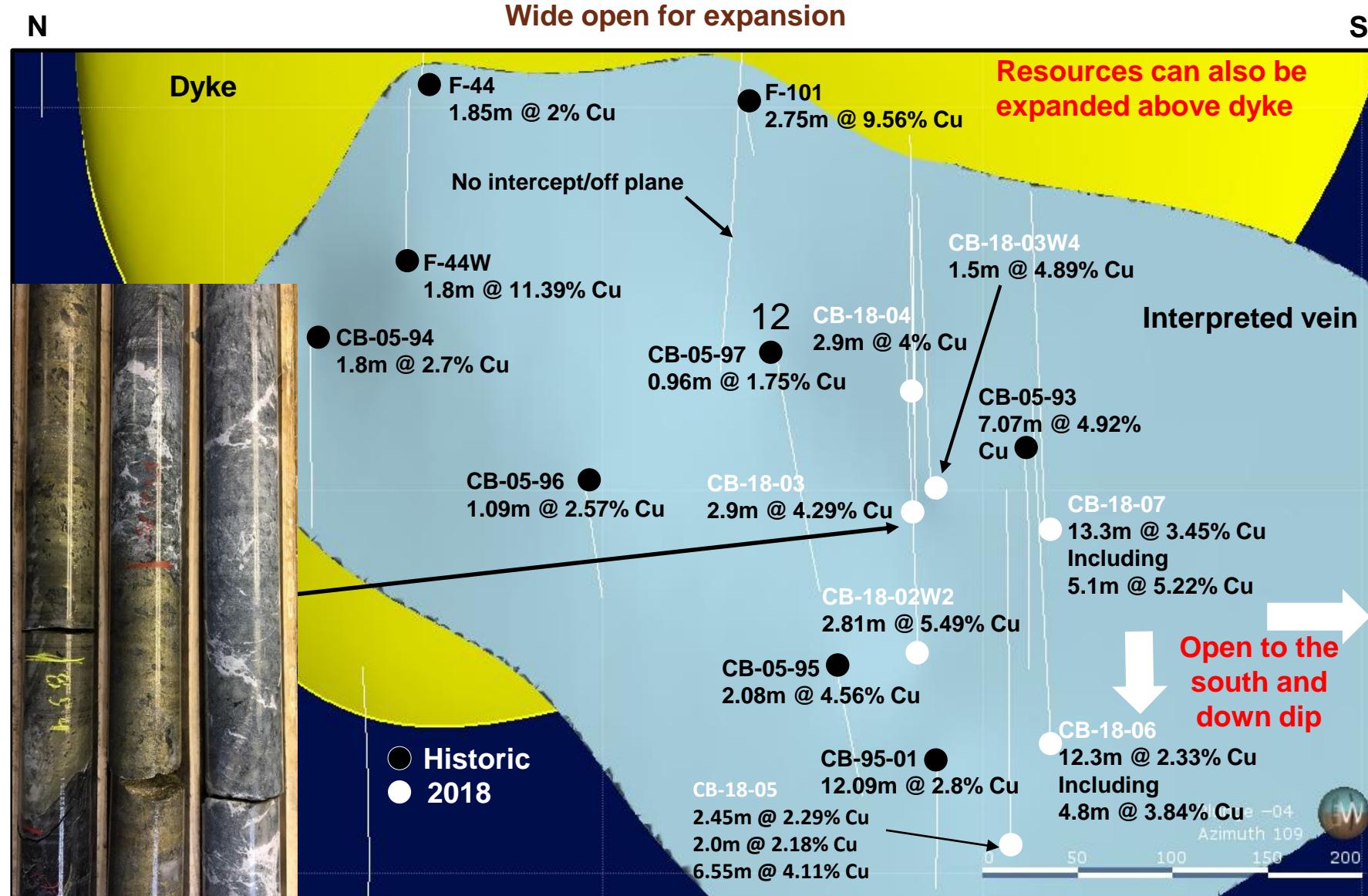
# Further Exploration Upside at Corner Bay

- Main vein remains open – potential for new veins
- 60% of drilling meters in 2019/2020 to be drilled at Corner Bay for expanding Resources and establishing new zones



# Corner Bay Drilling – Long Section

## Long Section looking east – Immediately below the dike. Every 2018 new hole intersected mineralization



# Cedar Bay and Copper Rand

Located across Lac Dore from each other

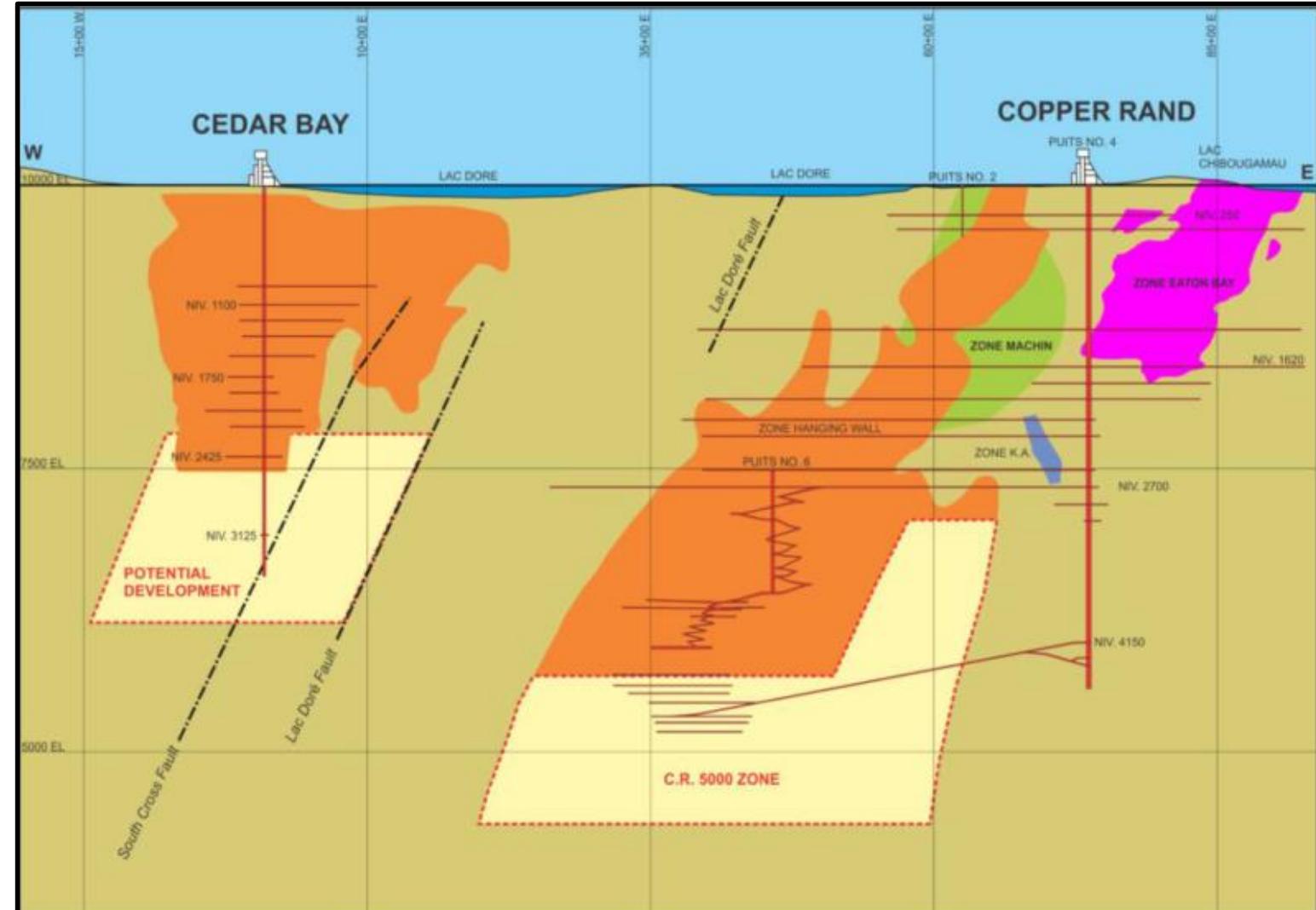
Strategy for Copper Rand can be to rehabilitate its shaft or access via Cedar Bay

- Trade off to include dewatering vs keeping a pillar

Copper Rand and Cedar Bay can share infrastructure

- Maintenance shop
- Shaft and mining equipment, if connected

Although the deposits are close, they are only related in that they are extensional faults off the Lac Dore fault



# Cedar Bay Mine – Drilling Confirmed High Grade

## Cedar Bay Historic production (1960-90)

- 3.8Mt @ 1.57% Cu & 3.12 g/t Au

## Mining production stopped at 700m

- Existing shaft extends to 1,100m

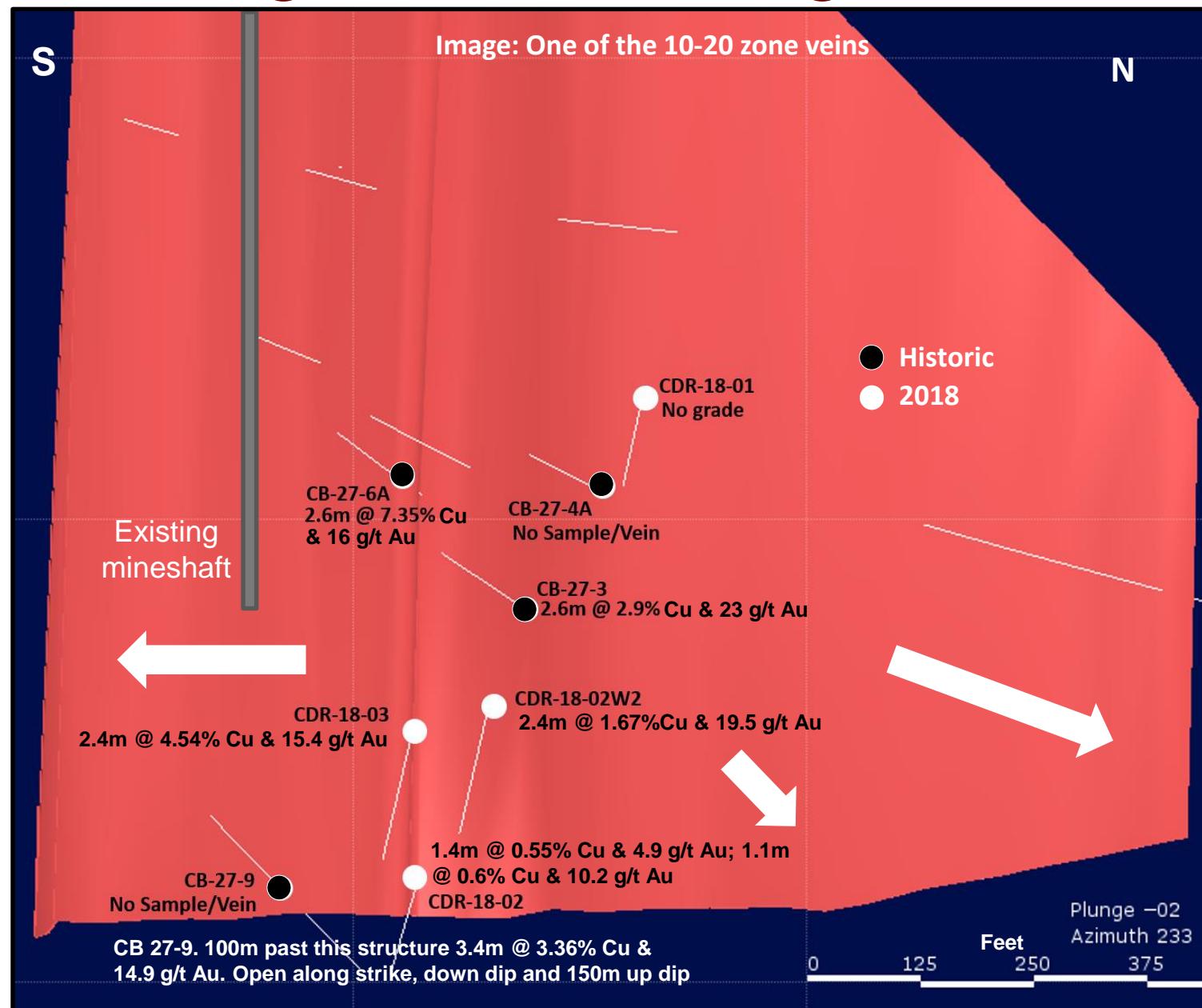
## At time of closure resource

- 300kt @ 0.97% Cu & 0.16 opt Au (5.5 g/t)
- Historic resources in different areas than 2018 drilling

## New resources from 10-20 zone

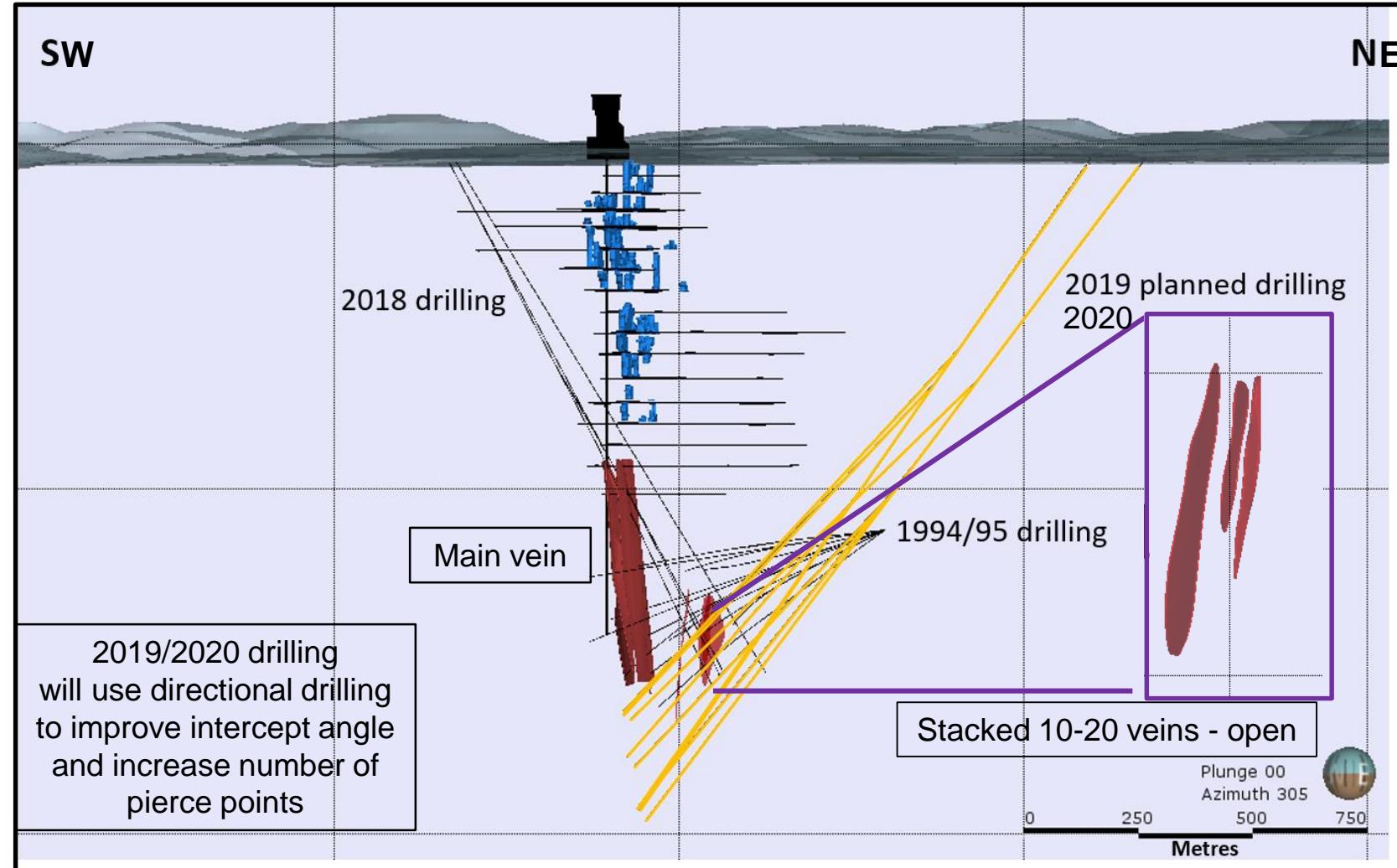
Roscoe Postle Associates 2019			
	Tonnes (t)	Cu (%)	Au (g/t)
Indicated	130,000	1.55	9.44
Inferred	230,000	2.13	8.32

Note: 2.6 g/t Au Cut-off



# Cedar Bay – Next Drilling Campaign

- Mineralization open at depth → 20% of drilling meters in 2019 to be drilled at Cedar Bay
- Mineralization extends well below existing shaft in high grade structures (2.4m @ 4.54% Cu & 15.4 g/t Au; 2.4m @ 1.67% Cu & 19.5 g/t Au)
- Potential for shallow mineralization (1.3m @ 4.9% Cu; 1.8m @ 2.7% Cu)



# Copper Rand Mine

**Copper Rand historic production\*: Largest mine in the district**

- 14.9Mt @ 1.8% Cu & 2.76 g/t Au

**Potential to access via Copper Rand infrastructure or Cedar Bay shaft**

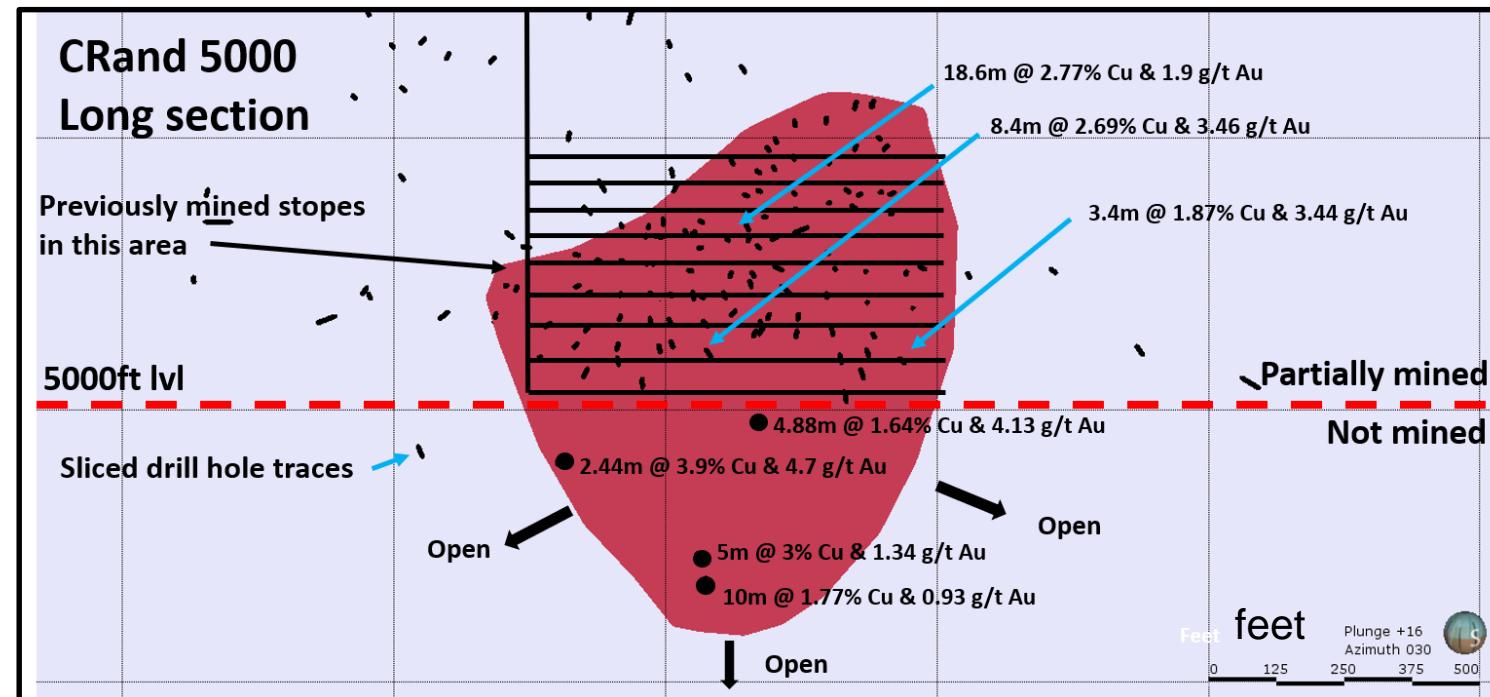
**Mine currently flooded**

**Mining production stopped December 2008**

- Copper Rand 5000 last zone mined
- Open along strike and at depth

**Current plans are to start Copper Rand later in LOM**

- Potential Restart in year 6 or 7
- Evaluate restart alternatives



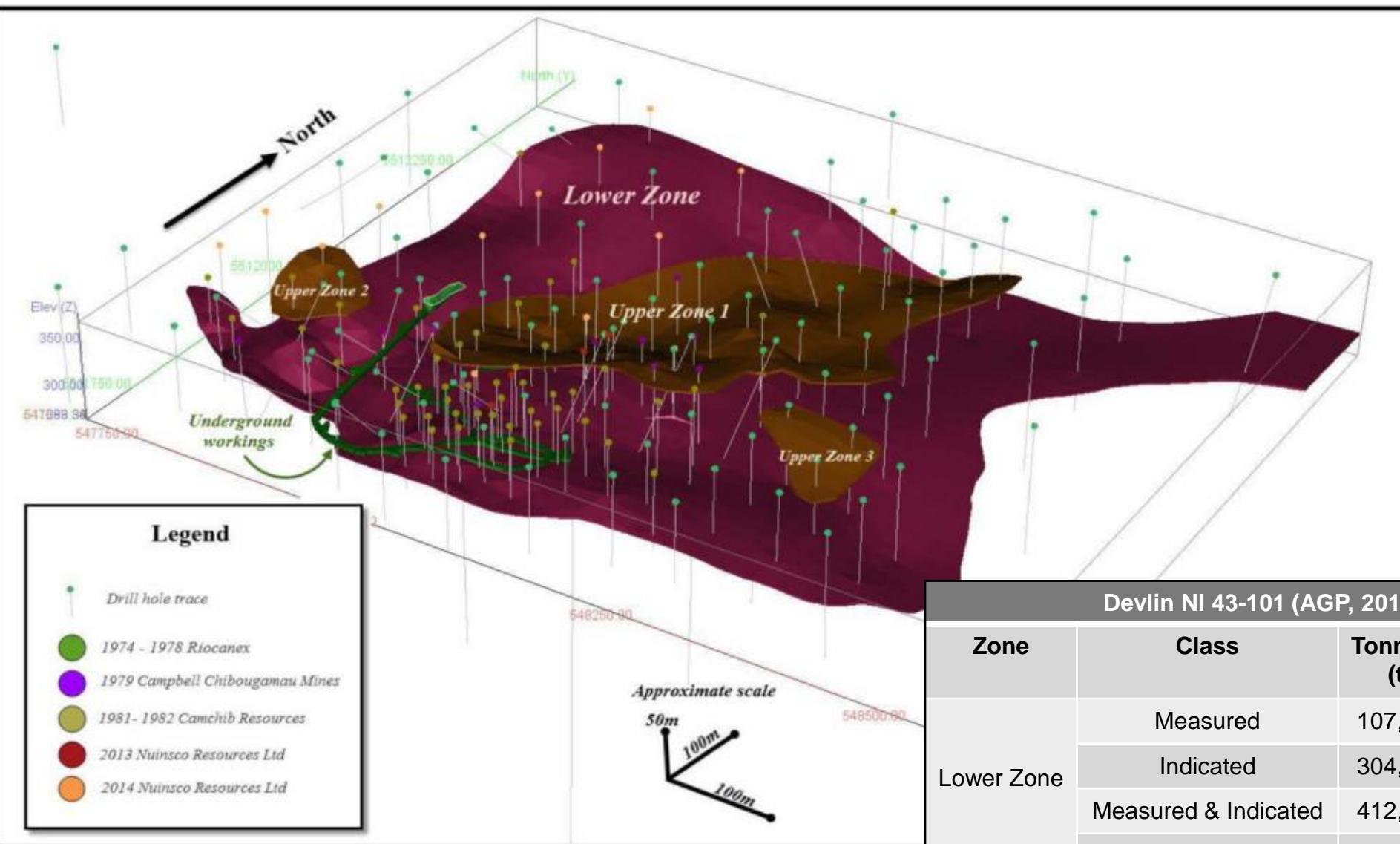
As filed with the U.S. Securities Exchange Commission by Campbell Resources, Form 20-7. Annual Report ending Dec. 31, 2007\* Resources are exclusive of Reserves

	Proven Reserves			Probable Reserves			Measured			Indicated			Inferred		
	Tonnes	Cu (%)	Au (g/t)	Tonnes	Cu (%)	Au (g/t)	Tonnes	Cu (%)	Au (g/t)	Tonnes	Cu (%)	Au (g/t)	Tonnes	Cu (%)	Au (g/t)
Copper Rand	368,880	1.92	2.41	762,040	1.54	3.18	94,540	1.23	2.08	536,300	1.39	2.98	416,240	1.89	2.77

Reserves calculated at \$800/oz Au and \$2.75/lb Cu. US/CDN exchange \$1.00

\*See Appendices for additional details and history. Subsequent to this Mineral Estimation 183,348 tonnes treated @ 2.1% Cu and 2.36g/t Au

# Devlin Deposit

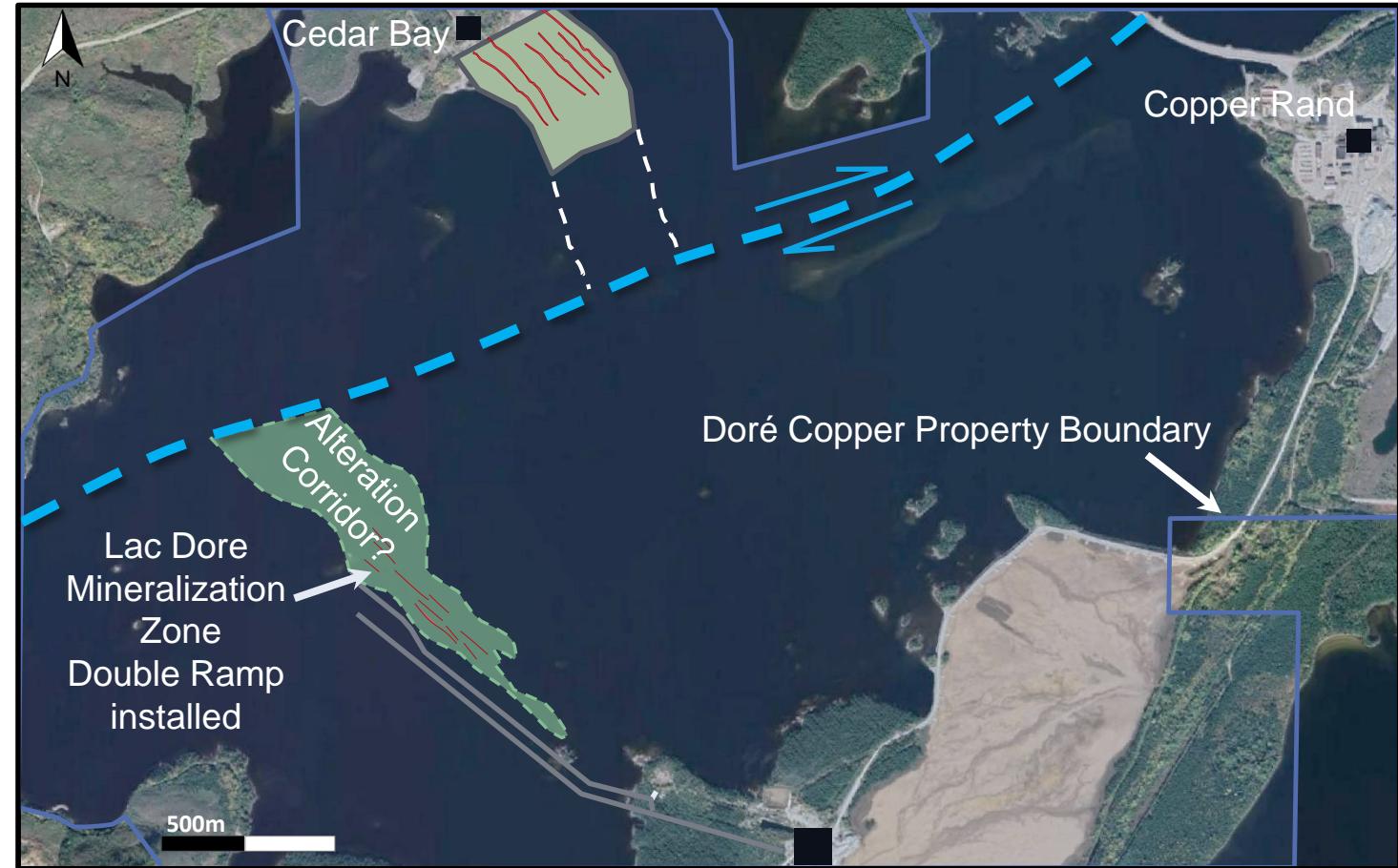


- Located within 80m of surface and has an existing decline to mineralized zone
- Flat-lying deposit with no vertical feeders identified yet
- Easy access and low capital intensity results in potential for near term mill feed
- Potential extension area recently staked

Devlin NI 43-101 (AGP, 2018)				
Zone	Class	Tonnage (t)	Cu (%)	Au (g/t)
Lower Zone	Measured	107,900	2.90	0.3
	Indicated	304,500	2.33	0.25
	Measured & Indicated	412,400	2.48	0.27
	Inferred	336,800	2.42	0.19
Upper Zone	Inferred	10,500	1.79	0.31

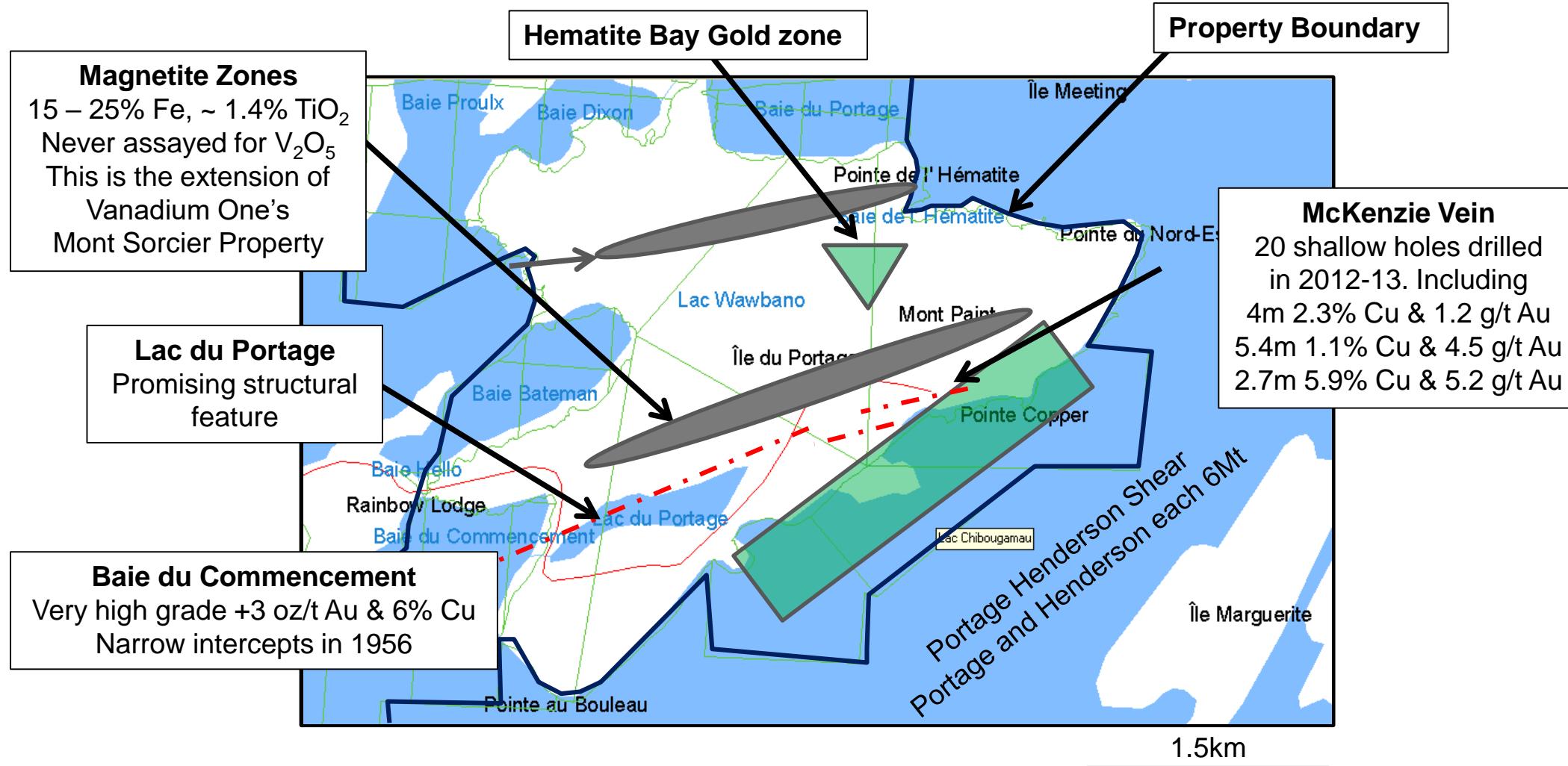
# New Resource Area Potential: Lac Dore Area

- Located within 80m of surface and has an existing double ramp
- Previously mined UG with access. Low gold prices at time of mining ~1991 made it unattractive.
- Lac Dore deposit is potential extension of Cedar Bay deposit according to theory of horizontal displacement along the Lac Doré fault
- Deposit not explored towards Lac Dore fault and not at depths greater than 400m
- Deposit not explored towards SE along strike.
- Easy access from Copper Rand site
- Assay examples numerous assays +1% Cu and + 5 g/t Au from drill holes 1987 to 1992 by Northgate Mines and Westminier Canada Lte.



# New Resource Potential: Portage Island

- Large gaps in previous drilling



# Stakeholder Engagement

Major stakeholders have been presented the Doré Copper story

- **Cree Nation based in Ouje Bougamau:** Experienced with mining and natural resources. Will start with pre-development agreement and eventually an IBA
- **Investissement Quebec (IQ):** Doré Copper participated in SME New York Mine Finance IQ sponsored conference
- **Municipality of Chibougamau**
- **Numerous other companies in the area**
- **Quebec Investment Funds:** Potential investors.
- **MERN:** Closure plans to be developed for each deposit after mine restart plans developed
- **MELCC:** Approval for small remediation projects obtained
- **Plan Nord:** Cooperation in development of mines. Doré Copper participation is Plan Nord sponsored supplier 1 on 1s.
- **Societe Development du Baie James:** Group holds \$4.2M closure bond for Copper Rand site
- **SOQUEM:** Partner on Tortigny property and neighbor in a few areas in the Chibougamau Camp

# Next Steps

## 2019 drilling & H2 2020 PEA

**Funding required: \$7M to \$11M**

**30,000m to 40,000m drill program**

- Expand Resources at Corner Bay, 20,000 m, and Cedar Bay 7,200 m via controlled step-outs. Repeat of success of the first drilling campaign.
- Evaluate drilling of current deposits along structure and at depth
- 7,000 m exploration. Lac Dore area MEGATEM Geophysics follow-up and drill priority targets
- Follow-up on regional structural concepts in Chibougamau Area

## PEA

- Evaluation of commencing with Corner Bay and Cedar Bay
- Evaluate incorporation of Copper Rand and Delvin during LOM
- Determine mill refurbishment cost, permitting requirements

**Environmental baseline studies for Corner Bay, Cedar Bay**

## 2021 Feasibility

- Additional drilling, exploration and infill
- Detailed LOM Plans
- Mine design and rehabilitation plans
- Determine mine development strategies
- Detailed sequential mill rehabilitation cost
- HR training strategy
- Concurrent permitting process
- Complete First Nations IBA
- Updated closure cost

# Summary

- **One of Canada's premier near-term development opportunities** in mine-friendly Quebec
- **Excellent infrastructure** with past operating mill and tailings
- Three deposits with Current 43-101 resources: **Measured 108 kt @ 2.90% Cu & 0.30 g/t Au Indicated 1.791Mt @ 2.78% Cu & 0.95 g/t Au and Inferred 2.7Mt @ 3.44% Cu & 1.09 g/t Au.** Significant historic reserves and resources at Copper Rand
- **Substantial exploration** upside providing near term catalysts
- **Opportunity to further consolidate the camp** through acquisition
- **High Grade Copper/Gold deposits** that provide commodity diversification
- **Financial partnerships** provide the potential for future financing for operations (oftake/advance sales and solid investors)



# APPENDICES

# Resource Estimation Notes

## Corner Bay

- Technical Report on the Corner Bay and Cedar Bay Projects, Northwest Quebec, Canada, January 23rd 2019, Roscoe Postle and Associates Inc. NI 43-101 Report. QP Luc Evans, M. Sc., P. Eng.
- Minimum mining width 2m
- 1.5% Cu cut-off
- Density 2.9 t/m<sup>3</sup>

## Cedar Bay

- Technical Report on the Corner Bay and Cedar Bay Projects, Northwest Quebec, Canada, January 23rd 2019, Roscoe Postle and Associates Inc. NI 43-101 Report. QP Luc Evans M. Sc. P. Eng.
- Minimum mining width 2m
- 2.6 g/t Au cut-off

## Devlin

- Independent Mineral Resource Estimate of the Devlin Project, Internal Report. AGP Mining Consultants Inc. September 15th, 2018. QP Pierre Desautels P. Geo
- Minimum mining width 1.8m (horizontal height)
- 1.6% Cu cut-off
- Density 2.87 t/m<sup>3</sup>

# Resource Estimation Notes

## Copper Rand

- Form 20-7. SEC Annual Report Filing effective December 31, 2007. Campbell Resources\*
- Reserves calculated at Au price \$800/oz, Cu Price \$2.75/oz. US:CAN exchange 1.00. Cu recovery 96.6%, Au recovery 81.33%. Gold grades capped at 13.71 g/t and copper grades capped at 6.0%. Polygon on orthogonal projection. Cut-off \$58 NSR.
- Resources calculated at Au price \$800/oz, Cu Price \$2.75/oz. US:CAN exchange 1.00. Cu recovery 96.6%, Au recovery 81.33%. Gold grades capped at 13.71 g/t and copper grades capped at 6.0%. Polygon on orthogonal projection. Cut-off \$58 NSR.

Densities used. 3.64 t/m3 siderite veins. 3.60 t/m3 high grade veins, 3.27 t/m3 all other veins, 2.91 t/m3 waste

Mining dilution. Vein width 1.81m – 2.43m = 40%

2.43m – 3.05m = 30%

3.05m – 4.57m = 20%

4.751m - 7.62m = 15%

>7.621m = 10%

Dilution grades of 0.25% Cu and 0.31 g.t Au used based on drill core analysis adjacent to veins.

Projections determined using Promine software.

Minimum true width used 1.82 m.

QP. V. Larouche. Ing. Campbell Resources chief geologist.

**Historic Production.** *Economic Geology*, v. 107, pp. 963–989, 2012. Structural and Stratigraphic Controls on Magmatic, Volcanogenic, and Shear Zone-Hosted Mineralization in the Chapais-Chibougamau Mining Camp Northeastern Abitibi, Canada(1,2) F. Leclerc et al.

## Historical Estimates

A qualified person has not done sufficient work to classify the historical estimates contained in this presentation as current mineral resources or mineral reserves and the Company is not treating the historical estimates as current mineral resources or mineral reserves.

# Resource Estimation Notes

## Historic Lac Doré

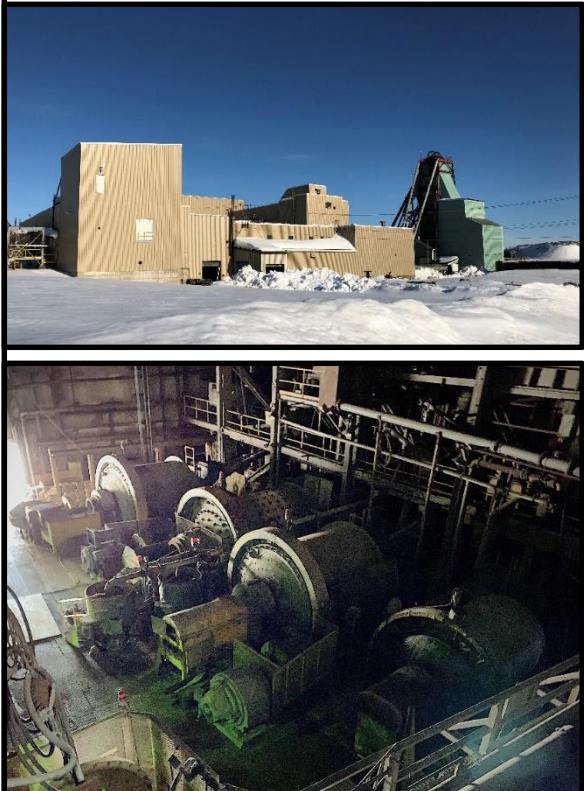
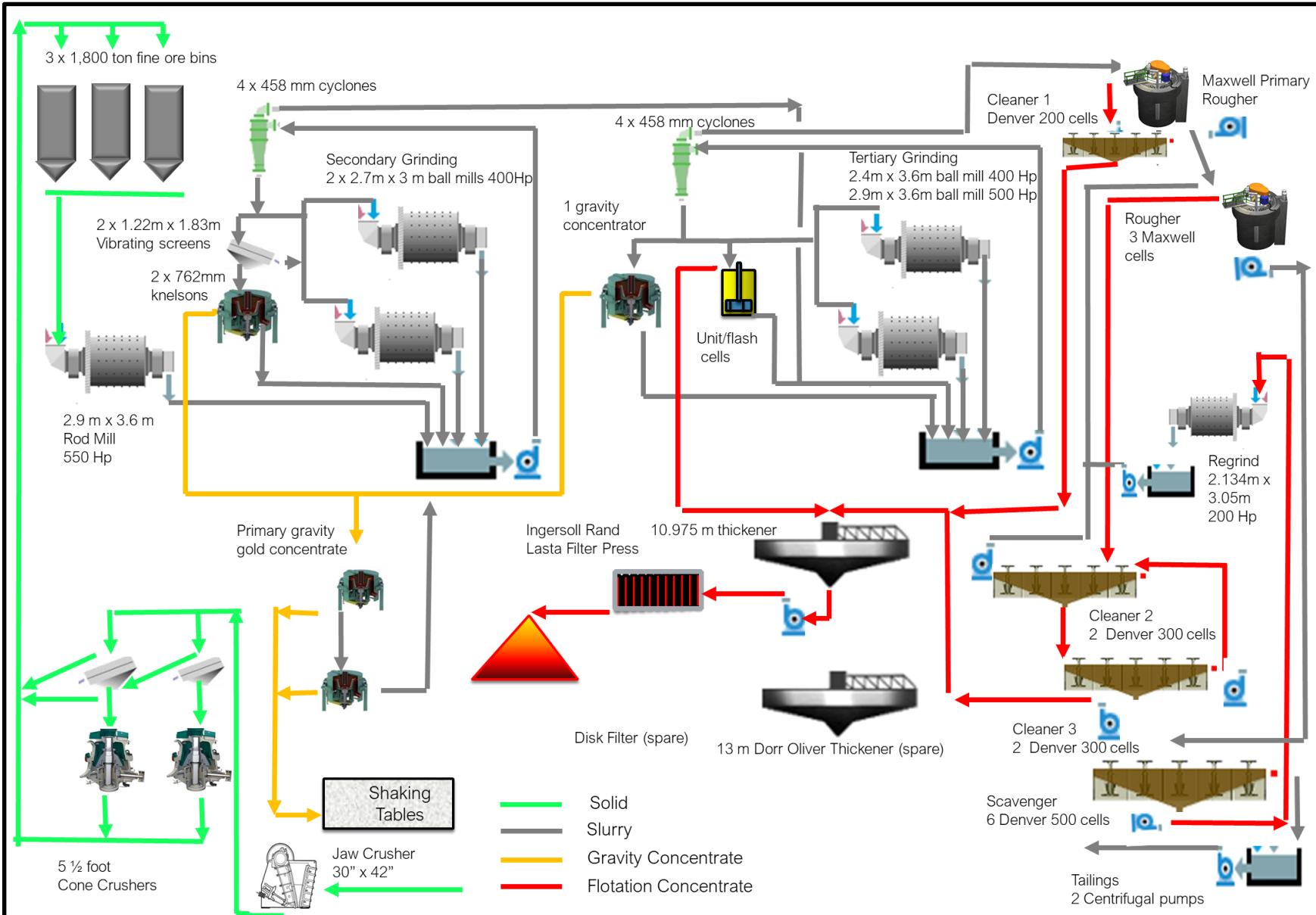
- Lac Doré Project, Westminier Canada Lte, November 1992.
- Includes lenses 25-4, 45-2, 98-2, 95-1, 95-2, 98-3
- Capping Cu 6.0%. Au 34.25 g/t, Density 3.268 t/m<sup>3</sup>

**Historic Production.** *Economic Geology*, v. 107, pp. 963–989, 2012. Structural and Stratigraphic Controls on Magmatic, Volcanogenic, and Shear Zone-Hosted Mineralization in the Chapais-Chibougamau Mining Camp Northeastern Abitibi, Canada(1,2) F. Leclerc et al.

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# Process Plant – Existing Flowsheet



**DORÉ COPPER MINING**

# Purchaser Rights

## General

The following statutory rights of action for damages or rescission will only apply to a purchase of the securities of Doré Copper in the event that the foregoing investor summary is deemed to be an offering memorandum pursuant to applicable securities legislation in the Provinces of Ontario, Saskatchewan, Manitoba, Nova Scotia and New Brunswick. These remedies, or notice with respect thereto, must be exercised, or delivered, as the case may be, by the purchaser within the time limits prescribed by the applicable provisions of such provincial securities legislation. Purchasers of securities, if any, should refer to such applicable securities legislation for the complete text of these rights or consult with a legal adviser. Where used in the discussion below, "misrepresentation" means an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made.

## Ontario

Securities legislation in Ontario provides that when an offering memorandum is delivered to an investor to whom securities are distributed in reliance upon the "accredited investor" prospectus exemption provided in Section 2.3 of National Instrument 45-106 – Prospectus Exemptions (the "Accredited Investor Exemption"), the right of action described below is applicable, unless the prospective purchaser is: (a) an association governed by the Cooperative Credit Associations Act (Canada) or a central cooperative credit society for which an order has been made under Section 473(1) of that Act; (b) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services corporation, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction in Canada; (c) a Schedule III bank, meaning an authorized foreign bank named in Schedule III of the Bank Act (Canada); (d) the Business Development Bank of Canada incorporated under the Business Development Bank of Canada Act (Canada); or (e) a subsidiary of any person or company referred to in paragraphs (a), (b), (c) or (d), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by the directors of the subsidiary.

Where an offering memorandum that contains a misrepresentation is delivered in connection with a trade made in reliance on the Accredited Investor Exemption or certain other exemptions available under applicable securities legislation in Ontario, a purchaser who purchases a security offered by the offering memorandum during the period of distribution has, without regard to whether the purchaser relied on the misrepresentation, a statutory right of action for damages against the issuer and a selling security holder on whose behalf the distribution was made or, if the purchaser purchased the security from the issuer or a selling security holder on whose behalf the distribution was made, the purchaser may elect to exercise a right of rescission against the person or company. If the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages. The right of action will be exercisable by the purchaser only if the purchaser commences the action, in the case of any action for rescission, not more than 180 days after the date of the transaction that gave rise to the cause of action and in the case of any action, other than an action for rescission, before the earlier of: (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the date of the transaction that gave rise to the cause of action.

A defendant shall not be liable for a misrepresentation if it proves that the purchaser purchased the securities with knowledge of the misrepresentation. In an action for damages, the defendant shall not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon. In no case shall the amount recoverable for the misrepresentation exceed the price at which the securities were offered.

# Purchaser Rights

## Saskatchewan

Saskatchewan securities legislation provides that where an offering memorandum, or amendment to an offering memorandum, that contains a misrepresentation is sent or delivered to a purchaser, a purchaser who purchases a security covered by the offering memorandum or the amendment to the offering memorandum has, without regard to whether the purchaser relied on the misrepresentation, a right of action for rescission against the issuer or a selling security holder on whose behalf the distribution is made or has a right of action for damages against: (a) the issuer or a selling security holder on whose behalf the distribution is made; (b) every promoter and director of the issuer or the selling security holder, as the case may be, at the time the offering memorandum or any amendment to it was sent or delivered; (c) every person or company whose consent has been filed respecting the offering, but only with respect to reports, opinions or statements that have been made by them; (d) every person who or company that, in addition to the persons or companies mentioned in (a) to (c) above, signed the offering memorandum or the amendment to the offering memorandum; and (e) every person who or company that sells securities on behalf of the issuer or selling security holder under the offering memorandum or amendment to the offering memorandum.

Such rights of rescission and damages are subject to certain limitations including the following: (a) if the purchaser elects to exercise its right of rescission against the issuer or selling security holder, it shall have no right of action for damages against that party; (b) in an action for damages, a defendant will not be liable for all or any portion of the damages that he, she or it proves do not represent the depreciation in value of the securities resulting from the misrepresentation relied on; (c) no person or company, other than the issuer or a selling security holder, will be liable for any part of the offering memorandum or any amendment to it not purporting to be made on the authority of an expert and not purporting to be a copy of, or an extract from, a report, opinion or statement of an expert (an "Expert Opinion"), unless the person or company failed to conduct a reasonable investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation or believed that there had been a misrepresentation; (d) in no case shall the amount recoverable exceed the price at which the securities were offered to the public; and (e) no person or company is liable in an action for rescission or damages if that person or company proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In addition, no person or company, other than the issuer or selling security holder, will be liable in an action for rescission or damages if the person or company proves, among other things, that: (a) the offering memorandum or amendment to it was sent or delivered without the person's or company's knowledge or consent and that, on becoming aware of it being sent or delivered, that person or company immediately gave reasonable general notice that it was so sent or delivered; or (b) with respect to any part of the offering memorandum purporting to be made on the authority of an expert, or purporting to be a copy of, or an extract from, an Expert Opinion, that person or company had no reasonable grounds to believe and did not believe that there had been a misrepresentation, or that the part of the offering memorandum or of the amendment to the offering memorandum did not fairly represent the Expert Opinion, or was not a fair copy of, or an extract from, the Expert Opinion.

Saskatchewan securities legislation also provides: (a) similar rights of action for damages and rescission in respect of a misrepresentation in advertising and sales literature disseminated in connection with a trade of securities pursuant to a prospectus, an exemption from prospectus requirements or a decision of the Financial and Consumer Affairs Authority of Saskatchewan; (b) that where an individual makes a verbal statement to a purchaser of a security that contains a misrepresentation relating to the security purchased and the verbal statement is made either before or contemporaneously with the purchase of the security, the purchaser has, without regard to whether the purchaser relied on the misrepresentation, a right of action for damages against the individual who made the verbal statement; (c) a purchaser with the right to void the purchase agreement and to recover all money and other consideration paid by the purchaser for the securities if the securities are purchased from a vendor who is trading in Saskatchewan in contravention of Saskatchewan securities legislation whether that vendor is trading on his own behalf or by another person or agent on his behalf; and (d) a right of action for rescission or damages to a purchaser of securities to whom an offering memorandum or an amendment to an offering memorandum was required to be sent or delivered but was not sent or delivered in accordance with Saskatchewan securities legislation.

Saskatchewan securities legislation provides that no action shall be commenced to enforce any of the foregoing rights more than: (a) in the case of an action for rescission or cancellation, 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of an action for damages, the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action; or (ii) six years after the date of the transaction that gave rise to the cause of action.

Saskatchewan securities legislation also provides that a purchaser who has received an amended offering memorandum delivered in accordance with such legislation has a right to withdraw from the agreement to purchase the securities by delivering a notice to the person who or company that is selling the securities, indicating the purchaser's intention not to be bound by the purchase agreement, provided such notice is delivered by the purchaser within two business days of receiving the amended offering memorandum.

# Purchaser Rights

## Manitoba

Manitoba securities legislation provides that in the event that an offering memorandum contains a misrepresentation and it is a misrepresentation at the time of purchase, a purchaser who purchases a security offered by the offering memorandum shall be deemed to have relied upon the misrepresentation and shall have, in addition to any other rights it may have at law:

- (a) a right of action for damages against:
  - i. the issuer of such securities;
  - ii. every director of the issuer of such securities at the date of the offering memorandum (collectively, the "Directors"); and
  - iii. every person or corporation who signed the offering memorandum (collectively, the "Signatories"); and
- (b) a right of rescission against the issuer.

If a misrepresentation is contained in a record that is incorporated by reference in, or that is deemed to be incorporated into, the offering memorandum, the misrepresentation is deemed to be contained in the offering memorandum.

If the purchaser chooses to exercise a right of rescission against the issuer, the purchaser will have no right of action for damages against the issuer, Directors or Signatories.

All persons or companies referred to above that are found to be liable or accept liability are jointly and severally liable. A person or corporation who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

Directors or Signatories will not be liable:

- (a) if they prove that the purchaser had knowledge of the misrepresentation;
- (b) if they prove the offering memorandum was sent to the purchaser without their knowledge or consent and, on becoming aware of its delivery, promptly gave reasonable notice to the issuer that it was delivered without their knowledge and consent;
- (c) if they prove that, after becoming aware of a misrepresentation in the offering memorandum they withdrew their consent to the offering memorandum and gave reasonable notice to the issuer of their withdrawal and the reasons therefore;
- (d) if, with respect to any part of the offering memorandum purporting to be made on the authority of an expert or to be a copy of, or an extract from, an Expert Opinion, such person proves they did not have any reasonable grounds to believe and did not believe that there was a misrepresentation or that the relevant part of the offering memorandum did not fairly represent the Expert Opinion or was not a fair copy of, or an extract from, such Expert Opinion; or
- (e) with respect to any part of the offering memorandum not purporting to be made on an expert's authority, and not purporting to be a copy of, or an extract from an Expert Opinion, unless the Director or Signatory (i) did not conduct an investigation sufficient to provide reasonable grounds for a belief that there had been no misrepresentation, or (ii) believed that there had been a misrepresentation.

# Purchaser Rights

In an action for damages, the issuer, Directors and Signatories will not be liable for all or any part of the damages that they prove do not represent the depreciation in value of the securities as a result of the misrepresentation. The amount recoverable under the right of action shall not exceed the price at which the securities were offered for sale under the offering memorandum.

A purchaser of securities to whom an offering memorandum was required to be delivered, but that was not sent within the prescribed time for sending the offering memorandum, has a right of rescission or a right of action for damages against the issuer, offeror or dealer who failed to comply with the requirement.

A purchaser of securities to whom an offering memorandum is required to be sent may rescind the contract to purchase the securities by sending a written notice of rescission to the issuer not later than midnight on the second day, excluding Saturdays, Sundays and holidays, after the purchaser signs the agreement to purchase the securities.

Unless otherwise provided under applicable securities legislation, no action shall be commenced to enforce a right of action described above unless the right is exercised:

- (a) in the case of rescission, not later than 180 days from the day of the transaction that gave rise to the cause of action; or
- (b) in the case of an action, other than an action for rescission, by the earlier of (i) 180 days from the day the purchaser first had knowledge of the facts giving rise to the cause of action; and (ii) two years from the day of the transaction that gave rise to the cause of action.

## **Nova Scotia**

Nova Scotia securities legislation provides that if an offering memorandum, any amendment to the offering memorandum, or any advertising or sales literature (as defined in the Securities Act (Nova Scotia)) contains a misrepresentation, a purchaser of securities is deemed to have relied upon such misrepresentation if it was a misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the seller of such securities, the directors of the seller at the date of the offering memorandum and the persons who have signed the offering memorandum or, alternatively, while still the owner of the securities, may elect instead to exercise a statutory right of rescission against the seller, in which case the purchaser shall have no right of action for damages against the seller, the directors of the seller or the persons who have signed the offering memorandum. The rights described above are subject to certain limitations, including: (a) no action may be commenced to enforce the right of action for rescission or damages by a purchaser subject to Nova Scotia securities legislation later than 120 days after the date payment was made for the securities (or after the date on which the initial payment was made for the securities where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment); (b) no person or company will be liable if it proves that the purchaser purchased the securities with knowledge of the misrepresentation; (c) in the case of an action for damages, no person or company will be liable for all or any portion of the damages that it proves do not represent the depreciation in value of the securities resulting from the misrepresentation; and (d) in no case will the amount recoverable in any action exceed the price at which the securities were offered under the offering memorandum or amendment to the offering memorandum.

The liability of all persons or companies referred to above is joint and several with respect to the same cause of action. A defendant who is found liable to pay a sum in damages may recover a contribution, in whole or in part, from a person or company who is jointly and severally liable to make the same payment in the same cause of action unless, in all the circumstances of the case, the court is satisfied that it would not be just and equitable.

# Purchaser Rights

## New Brunswick

New Brunswick securities legislation provides that where an offering memorandum is delivered to a purchaser of securities in connection with a distribution of securities made in reliance on the Accredited Investor Exemption, and the document contains a misrepresentation, a purchaser who purchases the securities is deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has, subject to certain limitations and defences, a statutory right of action for damages against the issuer and a selling security holder on whose behalf the distribution was made for damages or, where the purchaser purchased the securities from the issuer or a selling security holder, a statutory right of rescission against that person. If the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages. The right of action will be exercisable by the purchaser only if the purchaser commences the action, in the case of any action for rescission, not more than 180 days after the date of the transaction that gave rise to the cause of action, and, in the case of any action for damages, before the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) six years after the date of the transaction that gave rise to the cause of action.

A defendant is not liable for a misrepresentation if it proves that the purchaser purchased the securities with knowledge of the misrepresentation. In an action for damages, the defendant shall not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon. In no case shall the amount recoverable for the misrepresentation exceed the price at which the securities were offered.

## Other Canadian Jurisdictions

Purchasers of securities should note that similar rights of action also exist in the Provinces of Prince Edward Island and Newfoundland and Labrador; however, the rights are not mandated by law to be described in an offering memorandum. No such rights of action exist in the Provinces of British Columbia or Alberta.