These materials are important and require your immediate attention. These materials require shareholders of Dalradian Resources Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your professional advisors. If you have any questions or require more information with regard to the procedures for voting or completing your transmittal documentation, please contact the proxy solicitation agent, D.F. King & Co., by telephone at 1.800.926.7043 toll-free in North America (1.212.771.1133 by collect call) or by email at inquiries@dfking.com.

DALRADIAN
RESOURCES

NOTICE OF SPECIAL MEETING

AND MANAGEMENT INFORMATION CIRCULAR

WITH RESPECT TO A SPECIAL MEETING OF SHAREHOLDERS

OF

DALRADIAN RESOURCES INC.

TO BE HELD ON AUGUST 31, 2018 AT 10:00 A.M. (Toronto Time)

RECOMMENDATION TO SHAREHOLDERS:

YOUR VOTE IS IMPORTANT, TAKE ACTION AND VOTE TODAY. THE BOARD OF DIRECTORS OF DALRADIAN RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION.

August 3, 2018

DALRADIAN
RESOURCES

Dear Shareholders:

On behalf of the Board of Directors (the "**Company Board**") of Dalradian Resources Inc. (the "**Company**" or "**Dalradian**"), we would like to invite you to attend a special meeting (the "**Meeting**") of holders ("**Shareholders**") of common shares of Dalradian ("**Company Shares**") to be held at the offices of Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, at 10:00 a.m. (Toronto time) on August 31, 2018.

THE ARRANGEMENT

On June 20, 2018, the Company entered into an arrangement agreement (the "**Arrangement Agreement**") with OMF Fund II (Au) Ltd (the "**Purchaser**") and Orion Mine Finance Fund II LP (the "**Guarantor**"), in respect of a proposed statutory plan of arrangement (the "**Arrangement**") under Section 182 of the *Business Corporations Act* (Ontario). The purpose of the Arrangement is to, among other things, permit the acquisition by the Purchaser of all of the issued and outstanding Company Shares (other than the Company Shares owned by the Purchaser or its affiliates, and by Sean Roosen, Osisko Gold Royalties Ltd, and members of Dalradian's senior management team, including Patrick F.N. Anderson, Eric Tremblay, Keith D. McKay and Marla Gale (collectively, the "**Remaining Shareholders**")). If the Arrangement becomes effective, each Shareholder, other than the Purchaser, the Remaining Shareholders and any Shareholder who has validly exercised its dissent rights, will receive cash consideration of C$1.47 for each Company Share held (the "**Consideration**"). The Consideration represents a 62% premium to the closing price of the Company Shares on the Toronto Stock Exchange on June 20, 2018, the date immediately prior to the announcement of the Arrangement Agreement, and a 49% premium based on the 30 trading-day volume-weighted average trading price of the Company Shares, calculated as of such date.

In addition, the Company will take all reasonable steps to cancel the securities (other than options and restricted share units held by the Remaining Shareholders) that are outstanding under the Company's incentive plans immediately prior to the effective time of the Arrangement and, in exchange for such cancellation, holders of such securities will be entitled to the following amounts, subject to withholding taxes where applicable: (i) in respect of each outstanding option granted pursuant to the Company's stock option plan, whether vested or unvested, an amount in cash equal to the Consideration less the applicable exercise price in respect of such option; (ii) in respect of each outstanding restricted share unit granted pursuant to the Company's restricted share unit plan, whether vested or unvested, an amount in cash equal to the Consideration; and (iii) in respect of each outstanding deferred share unit granted pursuant to the Company's deferred share unit plan, whether vested or unvested, an amount in cash equal to the Consideration.

At the Meeting, Shareholders will, among other things, be asked to consider and, if deemed advisable, pass a special resolution (the "**Arrangement Resolution**") approving the Arrangement. The accompanying management information circular ("**Circular**") contains a detailed description of the Arrangement and other information relating to Dalradian. Assuming that all of the conditions to the Arrangement are satisfied or waived, Dalradian expects the Arrangement to be completed on or about September 7, 2018.

BOARD RECOMMENDATIONS

The Company Board, based in part on the recommendation of an independent committee of the Company Board (the "**Independent Committee**") and the fairness opinions received from Maxit Capital LP and Raymond James Ltd., has unanimously determined that the Arrangement is fair to Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) and is in the best interests of the Company, and unanimously **recommends** that the Shareholders vote **FOR** the Arrangement Resolution. The determination of the Independent Committee and the Company Board is based on various factors described more fully in the accompanying Circular.

VOTING AGREEMENTS

The Purchaser and the Guarantor have entered into voting agreements (each, a "**Voting Agreement**") with: (i) each of the Remaining Shareholders; (ii) each director and certain officers of Dalradian who are not Remaining Shareholders; and (iii) funds and accounts under management by investment management subsidiaries of BlackRock, Inc. (collectively, the "**Locked-up Shareholders**"), pursuant to which the Locked-up Shareholders have agreed, subject to the terms and conditions of the relevant Voting Agreement, to, among other things, vote their

Company Shares in favour of the Arrangement Resolution. The Locked-up Shareholders collectively beneficially own or exercise control or direction over an aggregate of 77,510,545 Company Shares, representing approximately 21.8% of the outstanding Company Shares.

APPROVAL REQUIREMENTS

In order to become effective, the Arrangement Resolution must be approved by an affirmative vote of: (i) at least 66 2/3% of the votes cast at the Meeting in person or by proxy by the Shareholders; and (ii) a simple majority of the votes cast at the Meeting in person or by proxy by the Shareholders, excluding the votes cast in respect of Company Shares beneficially owned or over which control or direction is exercised by the Purchaser and the Remaining Shareholders. The Arrangement also requires the approval of the Ontario Superior Court of Justice (Commercial List) and is subject to the satisfaction of certain other customary conditions for a transaction of this nature.

This is an important matter affecting the future of Dalradian and your vote is important regardless of the number of Company Shares you own.

If you are a registered holder of Company Shares (shareholders whose names appear on the central securities register of the Company) but are unable to be present at the Meeting in person, we encourage you to vote by completing the enclosed form of proxy. Voting by proxy will not prevent you from voting in person if you attend the Meeting but will ensure that your vote will be counted if you are unable to attend. Forms of proxy must be returned to Computershare Investor Services Inc., the Company's transfer agent, at its offices at 100 University Avenue, 8th Floor, Toronto, Ontario, Canada M5J 2Y1, or by toll free North American fax number at 1.866.249.7775, or by international fax number at 1.416.263.9524 prior to 5:00 p.m. (Toronto time) on August 29, 2018 or at least two days (excluding Saturdays, Sundays and holidays in the Province of Ontario) before the Meeting or any adjournment or postponement of the Meeting. The time limit for the deposit of proxies may be waived by the Chairman of the Meeting in his sole discretion without notice.

If you are a non-registered holder of Company Shares (shareholders who hold Company Shares with a bank, broker or other financial intermediary) and have received these materials through your broker or through another intermediary, please complete and return the proxy, voting instruction form or other authorization provided to you by your broker or by such other intermediary in accordance with the instructions provided with the proxy, voting instruction form or other such authorization. Failure to do so may result in your Company Shares not being eligible to be voted at the Meeting. Non-registered holders of Company Shares who received a voting instruction form or other authorization provided by your broker or by such other intermediary must, in sufficient time in advance of the Meeting, submit such voting instruction form or other authorization as required by your broker or by such other intermediary.

Registered holders of Company Shares should complete and return the enclosed letter of transmittal printed on blue paper which, when properly completed and duly executed and returned to Computershare Trust Company of Canada, the depositary in respect of the Arrangement, together with a certificate(s) representing Company Shares or Direct Registration System ("**DRS**") advice(s), as applicable, and such additional documents, certificates and instruments as Computershare Trust Company of Canada may reasonably require, will enable each registered Shareholder to obtain the Consideration to which such registered Shareholder is entitled under the Arrangement. You are not required to send in your certificate(s) representing Company Shares or DRS advice(s) to validly cast your vote in respect of the Arrangement at the Meeting. However, we encourage registered Shareholders to complete, sign, date and return the letter of transmittal, together with their certificate(s) or DRS advice(s), as applicable, to Computershare Trust Company of Canada as soon as possible, and preferably no later than two business days prior to the effective date of the Arrangement, which will assist in arranging for the prompt payment of the Consideration to which such registered Shareholders are entitled once the Arrangement is completed.

We urge you to carefully consider all of the information in the Circular. If you require assistance, please consult your financial, legal or other professional advisors. If you have any questions or require more information with regard to the procedures for voting or completing your proxy or voting instruction form, please contact D.F. King & Co. by calling toll free in North America at 1.800.926.7043 (1.212.771.1133 by collect call) or by email at inquiries@dfking.com.

On behalf of Dalradian, we would like to thank all Shareholders for their ongoing support.

Yours truly,

"Jim Rutherford"
Jim Rutherford
Non-Executive Chairman

DALRADIAN
RESOURCES

Queen's Quay Terminal
207 Queen's Quay West, Suite 416
Toronto, Ontario M5J 1A7
Phone: 416.583.5600

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that, pursuant to an interim order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated August 3, 2018 (the "**Interim Order**"), a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of common shares (the "**Company Shares**") of Dalradian Resources Inc. ("**Dalradian**" or the "**Company**") will be held at the offices of Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, at 10:00 a.m. (Toronto time) on August 31, 2018, for the following purposes:

1. to consider and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") to approve a plan of arrangement (the "**Plan of Arrangement**") pursuant to Section 182 of the *Business Corporations Act* (Ontario) (the "**OBCA**") involving Dalradian, OMF Fund II (Au) Ltd (the "**Purchaser**"), and Orion Mine Finance Fund II LP (the "**Guarantor**") pursuant to an arrangement agreement dated June 20, 2018 among Dalradian, the Purchaser and the Guarantor. The full text of the Arrangement Resolution is set forth in Appendix A to the accompanying management information circular dated August 3, 2018 (the "**Circular**"); and

2. to transact such other business as may properly be brought before the Meeting or any postponement or adjournment thereof.

Specific details of the matters proposed to be put before the Meeting are set forth in the accompanying Circular. Completion of the proposed Plan of Arrangement is conditional upon certain other matters described in the Circular, including the approval of the Court and receipt of required regulatory approvals.

THE BOARD OF DIRECTORS OF DALRADIAN, AFTER CONSULTATION WITH ITS OUTSIDE LEGAL COUNSEL AND FINANCIAL ADVISORS, RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION.

The Board of Directors of Dalradian has fixed the record date for determining the Shareholders entitled to receive notice of and vote at the Meeting as the close of business on July 16, 2018 (the "**Record Date**"). Only registered Shareholders as of the Record Date are entitled to receive notice of, attend and vote at the Meeting. A registered Shareholder may attend the Meeting in person or may be represented at the Meeting by proxy. Registered Shareholders who are unable to attend the Meeting, or any postponement or adjournment thereof, in person are requested to complete, date, and sign the accompanying form of proxy and deliver it in accordance with the instructions set out in the form of proxy and in the accompanying Circular. The time limit for the deposit of proxies may be waived by the Chairman of the Meeting in his sole discretion without notice.

If you are a non-registered (beneficial) Shareholder and have received these materials through your broker or through another intermediary, please complete and return the voting instruction form provided to you by your broker or other intermediary in accordance with the instructions provided therein.

Pursuant to and in accordance with the Plan of Arrangement, attached as Appendix B to the accompanying Circular, the Interim Order and the provisions of Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement), registered Shareholders have the right to dissent in respect of the Arrangement Resolution. If the Arrangement is completed, dissenting Shareholders who comply with the procedures set forth in Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) will be entitled to be paid the fair value of their Company Shares by the Purchaser. **There can be no assurance that a dissenting Shareholder will receive**

consideration for his or her Company Shares of equal value to the consideration that such dissenting Shareholder would have received under the Arrangement. This dissent right is summarized in the Circular. Failure to strictly comply with the requirements set forth in Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) may result in the loss or unavailability of any right to dissent with respect to the Arrangement.

Persons who are beneficial Shareholders who wish to dissent in respect of the Arrangement Resolution should be aware that only registered Shareholders are entitled to dissent. Accordingly, a beneficial Shareholder desiring to exercise this right of dissent must make arrangements for the Company Shares beneficially owned by such person to be registered in his, her or its name prior to the time the written notice of dissent to the Arrangement Resolution is required to be received by Dalradian or, alternatively, make arrangements for the registered Shareholder to dissent on his, her or its behalf.

In order for registered Shareholders to receive the consideration they are entitled to upon completion of the Arrangement, such registered Shareholders must complete and sign the letter of transmittal and return such letter of transmittal, together with their share certificates or DRS advice(s), as applicable, and related documents to the depositary in accordance with the procedures set out in the letter of transmittal.

Your vote is very important, regardless of the number of securities that you own. Whether or not you expect to attend the Meeting in person, we encourage you to vote your form of proxy or voting instruction form, as applicable, as promptly as possible to ensure that your vote will be counted at the Meeting.

D.F. King & Co. is acting as Dalradian's proxy solicitation agent. If you have any questions or require any assistance in completing your proxy or voting instruction form, please contact D.F. King & Co.:

North American Toll Free Number: 1.800.926.7043
Collect Calls (outside of North America): 1.212.771.1133
Email: inquiries@dfking.com

DATED at Toronto, Ontario this 3rd day of August 2018.
BY ORDER OF THE BOARD OF DIRECTORS

"*Jim Rutherford*"
Non-Executive Chairman

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GLOSSARY OF TERMS

In this Circular, the following capitalized words and terms shall have the following meanings:

"Acceptable Confidentiality Agreement" means a confidentiality agreement between the Company and a third party other than the Purchaser: (i) that is entered into in accordance with the terms of the Arrangement Agreement; (ii) that contains confidentiality restrictions that are no less favourable to the Company than those set out in the Confidentiality Agreement; (iii) that does not permit the third party to acquire any securities of the Company other than as contemplated in (iv); and (iv) that contains customary standstill provisions that only permit the third party to, either alone or jointly with others, make an Acquisition Proposal to the Board that is not publicly announced;

"Acquisition Proposal" means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only the Company and/or one or more of its wholly-owned Subsidiaries, any offer, proposal or inquiry (written or oral) from any Person or group of Persons other than the Purchaser (or any affiliate of the Purchaser) after the date of the Arrangement Agreement relating to (i) any sale, disposition, alliance or joint venture (or any lease, long-term supply agreement or other arrangement having the same economic effect as a sale), direct or indirect, of assets representing 20% or more of the consolidated assets or contributing 20% or more of the consolidated revenue of the Company and its Subsidiaries or of 20% or more of the voting or equity securities of the Company or any of its Subsidiaries (or rights or interests in such voting or equity securities); (ii) any take-over bid, exchange offer or other transaction that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities (including securities convertible into or exercisable or exchangeable for voting or equity securities) of the Company or any of its Subsidiaries; (iii) any plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution, winding up or exclusive license involving the Company or any of its Subsidiaries whose assets individually or in the aggregate constitute 20% or more of the consolidated assets (based on the consolidated financial statements of the Company most recently filed on SEDAR); or (iv) any other similar transaction or series of transactions involving the Company or any of its Subsidiaries;

"affiliate" and **"associate"** have the meanings respectively ascribed thereto under the Securities Act;

"AIM" means the AIM market, operated by the London Stock Exchange;

"Arrangement" means an arrangement under Section 182 of the OBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably;

"Arrangement Agreement" means the arrangement agreement (including the schedules attached thereto) dated June 20, 2018 and entered into among the Purchaser, the Guarantor and the Company, as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms thereof;

"Arrangement Resolution" means the special resolution approving the Plan of Arrangement to be considered at the Meeting, in the form and content of Appendix A attached hereto;

"Articles of Arrangement" means the articles of arrangement of the Company in respect of the Arrangement required by the OBCA to be sent to the Director after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably;

"Board Recommendation" means the unanimous determination of the Company Board (with Messrs. Patrick Anderson, Michael Barton and Sean Roosen having recused themselves and abstained), having received the Fairness Opinions and the Valuation and after receiving legal and financial advice and the recommendation of the Independent Committee, that the Arrangement Resolution is in the best interests of the Company and recommending that the Shareholders vote in favour of the Arrangement Resolution;

"Budget" means the most recent capital expenditure and operating budget that has been approved by the Company Board, set out in Section 1.1 of the Company Disclosure Letter;

"Business Day" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in the Province of Ontario or the State of New York;

"Certificate of Arrangement" means the certificate of arrangement to be issued by the Director pursuant to Section 183(2) of the OBCA in respect of the Articles of Arrangement;

"Change in Recommendation" has the meaning ascribed thereto under "*The Arrangement Agreement – Termination*";

"Circular" means this management information circular and accompanying Notice of Meeting (including all schedules, appendices and exhibits hereto) including any amendments or supplements hereto in accordance with the terms of the Arrangement Agreement;

"Code" means the United States *Internal Revenue Code of 1986*, as amended;

"Collective Agreements" means all collective bargaining agreements or union agreements currently applicable to the Company and/or any of its Subsidiaries and all related documents, including letters or memorandums of understanding, letters of intent or other written communications with bargaining agents for any Company Employee which impose any obligations upon the Company and/or any of its Subsidiaries;

"Company Board" means the board of directors of the Company as constituted from time to time;

"Company Disclosure Letter" means the disclosure letter dated June 20, 2018 regarding the Arrangement Agreement that has been executed by the Company and delivered to the Purchaser with the Arrangement Agreement;

"Company DSU Plan" means the DSU plan of the Company as approved by the shareholders of the Company on June 27, 2016;

"Company DSUs" means the outstanding deferred share units granted under the Company DSU Plan;

"Company Employees" means the employees of the Company and its Subsidiaries;

"Company Filings" means all documents publicly filed under the profile of the Company on the System for Electronic Document Analysis Retrieval (SEDAR) since January 1, 2017;

"Company Option Plan" means the amended incentive stock option plan of the Company as approved by the shareholders of the Company on June 27, 2016;

"Company Options" means the options to purchase Company Shares granted under the Company Option Plan;

"Company Shares" means the common shares without par value in the capital of the Company;

"Company RSU Plan" means the RSU plan of the Company as approved by the shareholders of the Company on June 22, 2018;

"Company RSUs" means the outstanding restricted share units granted under the Company RSU Plan;

"**Company Warrants**" means warrants to purchase Company Shares;

"Computershare" means Computershare Investor Services Inc. or Computershare Trust Company of Canada, as applicable;

"Confidentiality Agreement" means the confidentiality agreement dated as of January 19, 2017, between the Company and Orion Partners (UK) LLP;

"Consideration" means C$1.47 in cash per Company Share, without interest;

"Contract" means any agreement, commitment, engagement, contract, franchise, lease, licence, undertaking, or other right or obligation (written or oral) to which the Company or any of its Subsidiaries is a party or by which it or any of its Subsidiaries is bound or affected or to which any of their respective properties or assets is subject;

"Court" means the Ontario Superior Court of Justice (Commercial List);

"Curraghinalt Gold Project" means the Curraghinalt gold project located in the counties of Tyrone and Londonderry, Northern Ireland, as described in the Company Filings;

"Depositary" means Computershare or such other Person as the Purchaser may appoint to act as depositary in respect of the Arrangement;

"**D.F. King & Co.**" means Dalradian's proxy solicitation agent for the Meeting;

"Director" means the Director appointed pursuant to Section 278 of the OBCA;

"Dissent Rights" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement;

"Dissenting Shareholder" means a registered holder of Company Shares who has duly and validly exercised the Dissent Rights in respect of the Arrangement Resolution in strict compliance with the Dissent Rights and who has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of Company Shares in respect of which Dissent Rights are validly exercised by such holder;

"DRS advice" means an advice under the direct registration system;

"DSU Holder" means the holder of one or more Company DSUs;

"Effective Date" means the date shown on the Certificate of Arrangement giving effect to the Arrangement;

"Effective Time" means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date;

"Fairness Opinions" means, collectively, the Maxit Fairness Opinion and the Raymond James Fairness Opinion;

"Final Order" means the final order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal;

"Financial Advisor" means Maxit Capital LP;

"Governmental Entity" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange;

"Guarantor" means Orion Mine Finance Fund II LP;

"IFRS" means the international financial reporting standards issued by the International Accounting Standards Board that are applicable to public issuers in Canada;

"Independent Committee" means the special committee of independent directors established by the Company Board in connection with the transactions contemplated by the Arrangement Agreement;

"Interim Order" means the interim order of the Court providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably;

"Law" or "Laws" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended;

"Letter of Transmittal" means the letter of transmittal accompanying this Circular;

"Lien" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute;

"Loan Amount" means C$90,000,000;

"Locked-up Shareholder" means (i) each Remaining Shareholder, (ii) each director and certain officers of the Company who are not Remaining Shareholders, and (iii) funds and accounts under management by investment management subsidiaries of BlackRock, Inc.;

"Management Remaining Shareholders" has the meaning ascribed thereto under "*The Arrangement Agreement – Interests of Certain Directors and Executive Officers of Dalradian in the Arrangement*";

"Matching Period" has the meaning ascribed thereto under "*The Arrangement Agreement – Covenants Regarding Non-Solicitation*";

"Material Adverse Effect" means any change, event, occurrence, effect, state of facts or circumstance that, individually or in the aggregate with other such changes, events, occurrences, effects, states of facts or circumstances:

(a) is or would reasonably be expected to be material and adverse to the business, operations, results of operations, assets, properties, capitalization, condition (financial or otherwise) or liabilities (contingent or otherwise) of the Company and its Subsidiaries, taken as a whole, except any such change, event, occurrence, effect, or circumstance resulting from or arising in connection with:

i. any change affecting the gold mining industry as a whole;

ii. any change in general economic, business, regulatory, political or market conditions;

iii. any change in IFRS or Laws;

iv. any change in the price of gold;

v. any changes in currency or exchange rates;

vi. any action taken (or omitted to be taken) by the Company or any of its Subsidiaries which is required to be taken (or omitted to be taken) pursuant to the Arrangement Agreement;

vii. any actions taken (or omitted to be taken) upon the request of the Purchaser;

viii. any change in the market price or trading volume of any securities of the Company (it being understood that the causes underlying such change in market price may be taken into account in determining whether a Material Adverse Effect has occurred);

ix. any change attributable to the announcement of the transactions contemplated by the Arrangement Agreement; or

x. the failure of the Company to meet any internal or published projections, forecasts, guidance or estimates of revenues, earnings or cash flow for any period ending on or after the date of the Arrangement Agreement (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred);

provided, however, that with respect to clauses (i) through to and including (v), such matter does not have a materially disproportionate effect on the Company and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industry in which the Company and/or its Subsidiaries operate; and, unless expressly provided in any particular section of the Arrangement Agreement, references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative or interpretive for purposes of determining whether a "Material Adverse Effect" has occurred;

"Material Contract" means any Contract: (i) that if terminated or modified or if it ceased to be in effect, would reasonably be expected to have a Material Adverse Effect; (ii) relating directly or indirectly to the guarantee of any liabilities or obligations or to indebtedness for borrowed money; (iii) restricting the incurrence of indebtedness by the Company or any of its Subsidiaries (including by requiring the granting of an equal and rateable Lien) or the incurrence of any Liens on any properties or assets of the Company or any of its Subsidiaries, or restricting the payment of dividends by the Company; (iv) under which the Company or any of its Subsidiaries is obligated to make or expects to receive payments in excess of C$2,500,000 over the remaining term; (v) providing for the establishment, investment in, organization or formation of any joint venture, limited liability company or partnership; (vi) that creates an exclusive dealing arrangement or right of first offer or refusal; (vii) that is a Collective Agreement; (ix) providing for contractual severance or change in control payments; (x) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset; (xi) that limits or restricts (A) the ability of the Company or any Subsidiary to engage in any line of business or carry on business in any geographic area, or (B) the scope of Persons to whom the Company or any of its Subsidiaries may sell products or deliver services; (xii) that is made out of the Ordinary Course; or (xiii) that is otherwise material to the Company and its Subsidiaries, taken as a whole;

"Maxit Fairness Opinion" means the opinion of the Financial Advisor to the effect that, as of the date of such opinion, the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) is fair, from a financial point of view, to such Shareholders;

"May 1, 2018 Proposal" has the meaning ascribed thereto under "*The Arrangement – Background to the Arrangement*";

"Meeting" means the special meeting of Shareholders to be held at the offices of Cassels Brock & Blackwell LLP, located at 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, at 10:00 a.m. (Toronto time) on August 31, 2018;

"MI 61-101" means Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*;

"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;

"NI 54-101" means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer;*

"Non-Objecting Beneficial Owners" has the meaning ascribed thereto under "*General Proxy Information – Special Instructions for Voting by Non-Registered Shareholders*";

"Non-Registered Shareholder" has the meaning ascribed thereto under "*General Proxy Information – Special Instructions for Voting by Non-Registered Shareholders*";

"Non-Solicitation Covenants" has the meaning ascribed thereto under "*The Arrangement Agreement – Covenants – Covenants Regarding Non-Solicitation*";

"Notice of Dissent" has the meaning ascribed thereto under "*Rights of Dissenting Shareholders*";

"Notice of Meeting" means the Notice of Special Meeting accompanying this Circular;

"OBCA" means the *Business Corporations Act* (Ontario);

"Objecting Beneficial Owners" has the meaning ascribed thereto under "*General Proxy Information – Special Instructions for Voting by Non-Registered Shareholders*";

"officer" has the meaning specified in the *Securities Act* (Ontario);

"Optionholder" means a holder of one or more Company Options;

"Ordinary Course" means, with respect to an action taken by the Company, that such action is consistent with the past practices of the Company and is taken in the ordinary course of the normal day-to-day operations of the business of the Company;

"Orion" has the meaning ascribed thereto under "*The Arrangement – Background to the Arrangement*";

"Osisko" means Osisko Gold Royalties Ltd;

"Outside Date" means October 31, 2018, or such later date as may be agreed to in writing by the Parties;

"Parties" means the Company and the Purchaser and **"Party"** means any one of them;

"Permits" has the meaning ascribed thereto under "*The Arrangement – Background to the Arrangement*";

"Person" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status;

"Plan of Arrangement" means the plan of arrangement under Section 182 of the OBCA, substantially in the form of Appendix B, subject to any amendments or variations to such plan made in accordance with the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably;

"Proxy" has the meaning ascribed thereto under "*General Proxy Information – Proxy Instructions*";

"Purchaser" means OMF Fund II (Au) Ltd;

"Raymond James Fairness Opinion" means the opinion of the Valuator to the effect that, as of the date of such opinion, and subject to the assumptions, limitations and qualifications contained therein, the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) is fair, from a financial point of view, to such Shareholders;

"Record Date" means July 16, 2018;

"Registered Shareholder" means a registered holder of Company Shares as recorded in the central securities register of Dalradian maintained by Computershare;

"Regulatory Approval" means any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case in connection with the Arrangement;

"Remaining Shareholder Agreements" means the remaining shareholder agreements dated June 20, 2018, entered into between the Purchaser and each Remaining Shareholder;

"Remaining Shareholders" means Sean Roosen, Osisko and members of Dalradian's senior management team, including Patrick F.N. Anderson, Eric Tremblay, Keith D. McKay and Marla Gale;

"Representatives" has the meaning ascribed thereto under "*The Arrangement Agreement – Covenants – Covenants Regarding Non-Solicitation*";

"Restricted Cash Amount" means an amount equal to C$95,000,000;

"RSU Holder" means the holder of one or more Company RSUs;

"Sale Process" has the meaning ascribed thereto under "*The Arrangement – Background to the Arrangement*";

"Shareholders" means the Registered Shareholders and/or Non-Registered Shareholders, as the context requires;

"Subsidiary" has the meaning specified in National Instrument 45-106 – *Prospectus Exemptions* as in effect on the date of the Arrangement Agreement;

"Superior Proposal" means any unsolicited bona fide written Acquisition Proposal from a Person who is an arm's length third party to acquire not less than all of the outstanding Company Shares or all or substantially all of the assets of the Company on a consolidated basis that: (a) complies with Securities Laws and did not result from or involve a breach of Article 5 of the Arrangement Agreement; (b) is reasonably capable of being completed without undue delay, taking into account, all financial, legal, regulatory and other aspects of such proposal and the Person making such proposal; (c) is not subject to any financing contingency and in respect of which adequate arrangements have been made to ensure that the required funds will be available to effect payment in full for all of the Company Shares or assets, as the case may be; (d) is not subject to any due diligence or access condition; and (e) that the Company Board determines, in its good faith judgment, after receiving the advice of its outside legal and financial advisors and after taking into account all the terms and conditions of the Acquisition Proposal, including all legal, financial, regulatory and other aspects of such Acquisition Proposal and the party making such Acquisition Proposal, would, if consummated in accordance with its terms, but without assuming away the risk of non-completion, result in a transaction which is more favourable, from a financial point of view, to the Shareholders (other than the Remaining Shareholders) than the Arrangement (including any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to Section 5.4(2) of the Arrangement Agreement;

"Tax" or **"Taxes"** means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii); (iii) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person or as a result of being a transferee or successor in interest to any party;

"Tax Act" means the *Income Tax Act* (Canada);

"Termination Fee" means C$20 million;

"TSX" means the Toronto Stock Exchange;

"U.S. Exchange Act" means the *U.S. Securities Exchange Act of 1934*, as amended;

"U.S. Securities Act" means the *U.S. Securities Act of 1933*, as amended;

"**USA**" has the meaning ascribed thereto under "*The Arrangement – Interests of Certain Directors and Executive Officers of Dalradian in the Arrangement*";

"Valuation" means the formal valuation prepared by the Valuator for the Independent Committee in accordance with and pursuant to MI 61-101;

"Valuator" means Raymond James Ltd.; and

"Voting Agreements" means the voting agreements dated June 20, 2018 entered into among the Purchaser, the Guarantor and the Locked-up Shareholders, pursuant to which such Persons have agreed, among other things, to vote the Company Shares beneficially owned by them in favour of the Arrangement Resolution in accordance with the terms of such agreements.

MANAGEMENT INFORMATION CIRCULAR

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by or on behalf of the management of Dalradian for use at the special meeting of Shareholders to be held at the offices of Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, at 10:00 a.m. (Toronto time) on August 31, 2018, and at any adjournment(s) or postponement(s) thereof for the purposes set forth in the Notice of Meeting. While it is expected that the solicitation will be made primarily by mail, proxies may be solicited personally or by telephone by directors, officers and employees of the Company or the Company's proxy solicitation agent. Dalradian has retained the services of D.F. King & Co. to assist with Shareholder communication and solicitation of proxies. In connection with these services, the proxy solicitation agent will receive a fee of C$40,000 plus reasonable out-of-pocket expenses, as well as a success fee of C$20,000 if the Arrangement Resolution is approved at the Meeting. Interested Shareholders may contact D.F. King & Co. toll free (North America) at: 1.800.926.7043, by collect call (outside North America) at: 1.212.771.1133, or by email: inquiries@dfking.com. All other costs of this solicitation will be borne by the Company.

Proxy Instructions

Registered Shareholders who cannot attend the Meeting in person may vote by proxy, either by mail, by phone or over the internet. Proxies must be received by Computershare no later than 5:00 p.m. (Toronto time) on August 29, 2018 or the second business day (excluding Saturdays, Sundays and holidays) before any adjournment or postponement thereof at its Toronto office, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1. The time limit for deposit of proxies may be waived by the Chairman of the Meeting in his sole discretion without notice.

A form of proxy ("**Proxy**") returned to Computershare will not be valid unless dated and signed by the Registered Shareholder or by the Registered Shareholder's attorney duly authorized in writing or, if the Registered Shareholder is a company or association, the Proxy must be executed by an officer or by an attorney duly authorized in writing. If the Proxy is executed by an attorney for an individual shareholder or by an officer or attorney of a Registered Shareholder that is a company or association, documentation evidencing the power to execute the Proxy may be required with signing capacity stated. If not dated, the Proxy will be deemed to have been dated the date that it is mailed to the Shareholders.

The Company Shares represented by the Proxy will be voted or withheld from voting in accordance with the instructions of the Registered Shareholder on any ballot that may be called for and, if the Registered Shareholder specifies a choice with respect to any matter to be acted upon, the corresponding Company Shares will be voted accordingly. The Proxy confers discretionary authority upon the named proxyholder with respect to matters identified in the Notice of Meeting if a choice with respect to such matters is not specified. It is intended that the person designated by management in the Proxy will vote the securities represented by the Proxy in favour of each matter identified in the Proxy.

The Proxy confers discretionary authority upon the named proxyholder with respect to amendments to or variations in matters identified in the Notice of Meeting and other matters which may properly come before the Meeting. As at the date of this Circular, management is not aware of any amendments, variations, or other matters. If such should occur, the persons designated by management will vote thereon in accordance with their best judgment, exercising discretionary authority.

Appointment of Proxyholder

A Registered Shareholder has the right to designate a person (who need not be a shareholder of the Company), other than Patrick F.N. Anderson or Keith D. McKay, both officers of the Company and who are the management proxy designees, to attend and act for the Shareholder at the Meeting. If you are returning your Proxy to Computershare, such right may be exercised by inserting in the blank space provided in the enclosed Proxy the name of the person to be designated and striking out the names of the management designees or by completing another proper Proxy and

delivering it to Computershare as provided above, or by phone or over the internet. If you are using the internet, you may designate another proxyholder by following the instructions on the website. It is not possible to appoint an alternative proxyholder by phone. If you appoint a proxyholder, other than the management designees, that proxyholder must attend and vote at the Meeting for your vote to be counted.

Revocation of Proxies

In addition to revocation in any manner permitted by law, you may revoke your Proxy by an instrument in writing signed by you as Registered Shareholder or by your attorney duly authorized in writing, or if you are a representative of a Registered Shareholder that is a company or association, the instrument in writing must be executed by an officer or by an attorney duly authorized in writing, and deposited with the Company's registered office, Queen's Quay Terminal, 207 Queens Quay West, Suite 416, Toronto, Ontario, M5J 1A7, Attention: Marla Gale, Corporate Secretary at any time up to and including the last business day preceding the day of the Meeting or any adjournment thereof or, as to any matter in respect of which a vote shall not already have been cast pursuant to such Proxy, with the Chairman of the Meeting on the day of the Meeting, or at any adjournment thereof, and upon either of such deposits the Proxy is revoked. In addition, Registered Shareholders can also change their vote by phone or via the internet.

Only Registered Shareholders have the right to revoke a Proxy. Non-Registered Shareholders that wish to change their voting instructions must, in sufficient time in advance of the Meeting, contact their intermediary to arrange to change their voting instructions.

Special Instructions for Voting by Non-Registered Shareholders

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Some Shareholders of the Company are "non-registered" Shareholders because the shares they own are not registered in their names but are instead registered in the name of a brokerage firm, bank or trust company. More particularly, a person is not a Registered Shareholder in respect of shares which are held on behalf of the person (the "**Non-Registered Shareholder**") but which are registered in the name of an intermediary (the "**Intermediary**") that the Non-Registered Shareholder deals with in respect of the shares. Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans; or in the name of a clearing agency (such as The Canadian Depository for Securities Limited) of which the Intermediary is a participant.

There are two kinds of Non-Registered Shareholders – those who object to their name being made known to the Company (called OBOs for "**Objecting Beneficial Owners**") and those who do not object to the Company knowing who they are (called NOBOs for "**Non-Objecting Beneficial Owners**"). The Company is not sending the Meeting materials directly to NOBOs.

In accordance with the requirements of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**"), the Company has distributed copies of the Meeting materials to the intermediaries for onward distribution to NOBOs and OBOs. Intermediaries are required to forward the Meeting materials to NOBOs and OBOs unless, in the case of certain proxy-related materials, the NOBO or OBO has waived the right to receive them. Very often, Intermediaries will use service companies to forward the Meeting materials to NOBOs and OBOs. With those Meeting materials, Intermediaries or their service companies should provide NOBOs and OBOs with a "request for voting instruction form" which, when properly completed and signed by such NOBOs or OBOs and returned to the Intermediary or its service company, will constitute voting instructions which the Intermediary must follow. The purpose of this procedure is to permit NOBOs and OBOs to direct the voting of the Company Shares that they beneficially own.

Additionally, the Company may utilize Broadridge's QuickVote™ system, which involves NOBOs of Company Shares being contacted by D.F. King & Co., which is soliciting proxies on behalf of Dalradian, to obtain voting instructions over the telephone and D.F. King & Co. relaying those voting instructions to Broadridge (on behalf of the applicable NOBO's Intermediary). While representatives of D.F. King & Co. are soliciting proxies on behalf of the Company, which is recommending that Shareholders vote FOR the matter to be voted upon at the Meeting, Shareholders are not required to vote in the manner recommended by Dalradian. The QuickVote system is intended to assist NOBOs in placing their vote; however, there is no obligation for any NOBO to vote using the QuickVote system, and NOBOs may vote (or change or revoke their votes) at any other time and in any other applicable manner

described in the Circular. Any voting instructions provided by a NOBO through the QuickVote system will be recorded, and such NOBO will receive a letter from Broadridge (on behalf of the NOBO's Intermediary) as confirmation that his, her or its voting instruction has been accepted.

If a Non-Registered Shareholder wishes to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), the Non-Registered Shareholder should insert the Non-Registered Shareholder's name (or the name of the person the Non-Registered Shareholder wants to attend and vote on the Non-Registered Shareholder's behalf) in the space provided for that purpose on the request for voting instruction form and return it to the Non-Registered Shareholder's Intermediary or send the Intermediary another written request that the Non-Registered Shareholder or its nominee be appointed as proxyholder. The Intermediary is required under NI 54-101 to arrange, without expense to the Non-Registered Shareholder, to appoint the Non-Registered Shareholder or its nominee as proxyholder in respect of the Non-Registered Shareholder's Company Shares. Under NI 54-101, unless corporate law does not allow it, if the Intermediary makes an appointment in this manner, the Non-Registered Shareholder or its nominee, as applicable, must be given authority to attend, vote and otherwise act for and on behalf of the Intermediary (who is the registered shareholder) in respect of all matters that come before the meeting and any adjournment or postponement of the meeting. An Intermediary who receives such instructions at least one business day before the deadline for submission of proxies is required to deposit the proxy within that deadline, in order to appoint the Non-Registered Shareholder or its nominee as proxyholder. If a Non-Registered Shareholder requests that the Intermediary appoint the Non-Registered Shareholder or its nominee as proxyholder, the Non-Registered Shareholder or its appointed nominee, as applicable, will need to attend the meeting in person in order for the Non-Registered Shareholder's vote to be counted.

The Company intends to pay for the Intermediaries to deliver the Meeting materials to the OBOs.

Non-Registered Shareholders that wish to change their voting instructions must, in sufficient time in advance of the Meeting, contact their Intermediary to arrange to change their voting instructions.

Voting Securities and Principal Holders Thereof

The authorized share capital of the Company consists of an unlimited number of Company Shares without par value. July 16, 2018 has been fixed by the directors of the Company as the record date for the purpose of determining those Shareholders entitled to receive notice of and to vote at the Meeting. As at the Record Date, 355,493,448 Company Shares were issued and outstanding, each such share carrying the right to one vote on a poll at the Meeting.

To the knowledge of the directors and executive officers of the Company, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to any class of voting securities of the Company except the following:

Name	Number of Company Shares Held[(1)]	Percentage of Company Shares Issued and Outstanding
Vanguard Precious Metals and Mining Fund[(2)]	45,625,000	12.8%
BlackRock, Inc.	39,147,922	11.0%

Notes :

(1) The information as to Company Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, not being within the knowledge of the Company, is based on filings made by the shareholder pursuant to National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* or TR-1: notification of major holdings filings required by the Financial Conduct Authority in the UK.

(2) Vanguard Precious Metals and Mining Fund has beneficial ownership and M&G Investment Management Limited exercise control or direction over the Company Shares.

REPORTING CURRENCIES AND ACCOUNTING PRINCIPLES

Unless otherwise indicated, all references to "$" or "C$" in this Circular refer to Canadian dollars.

Shareholders in the United States should be aware that the financial statements and financial information of the Company are prepared in accordance with IFRS and are subject to Canadian auditing and auditor independence standards, each of which differ in certain material respects from U.S. generally accepted accounting principles and auditing and auditor independence standards and thus may not be comparable in all respects to financial statements and information of U.S. companies.

If you are a registered Shareholder, you will receive the Consideration per Company Share in Canadian dollars unless you exercise the right to elect in your Letter of Transmittal to receive the Consideration per Company Share in respect of your Company Shares in U.S. dollars or British pound sterling.

If you are a Non-Registered Shareholder, you will receive the Consideration per Company Share in Canadian dollars unless you contact the Intermediary in whose name your Company Shares are registered and request that the Intermediary make an election on your behalf. If your Intermediary does not make an election on your behalf, you will receive payment in Canadian dollars.

The exchange rate that will be used to convert payments from Canadian dollars into U.S. dollars or British pound sterling will be the rate established by Computershare Trust Company of Canada, in its capacity as foreign exchange service provider to the Company, on the date the funds are converted. The risk of any fluctuations in such rates will be solely borne by the Shareholder. Computershare Trust Company of Canada will act as principal in such currency conversion transactions and may earn a commercially reasonable spread between its exchange rate and the rate used by any counterparty from which it purchases the elected currency.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Circular and the documents incorporated herein by reference contain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation (collectively referred to as "**forward-looking statements**"). All statements other than statements of historical fact included, or incorporated by reference in this Circular, are forward-looking statements. Forward-looking statements are based on expectations, estimates and projections as at the date of this Circular or the dates of the documents incorporated herein by reference, as applicable. These forward-looking statements may include, but are not limited to, statements with respect to the expected timing for the required approvals and completion of the Arrangement, the expected benefits of the Arrangement, the anticipated tax consequences of the Arrangement, the delisting of the Company Shares from the TSX and cancellation of admission to trading of the Company Shares on AIM following the Arrangement and the future financial or operating performance of the Company and its Subsidiaries. Often, but not always, forward-looking statements can be identified by the use of words and phrases such as "plans", "expects", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "believes" or variations (including negative variations) of such words and phrases, or statements that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements are based on the opinions and estimates of management as of the date such statements are made and are based on various assumptions such as the receipt of all required approvals, the satisfaction of the terms and conditions of the Arrangement, that the Arrangement will be completed within the expected time frame at the expected cost and that the Company and the Purchaser will not fail to complete the Arrangement for any other reason, including but not limited to the matters discussed under the "*Risk Factors Relating to the Arrangement*" section of this Circular.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Dalradian to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, general business, economic, competitive, political and social uncertainties; the satisfaction of the conditions to complete the Arrangement including the approval of the Arrangement by Shareholders, the Court, and the TSX, the receipt of all required approvals to complete the Arrangement, the anticipated Effective Date of the Arrangement and the absence of any event, change or other circumstances that could give rise to the termination of the

Arrangement Agreement, the delay in or increase in cost of completing the Arrangement and the failure to complete the Arrangement for any other reason and the risks described under "*Risk Factors Relating to the Arrangement*" in this Circular. Additional risks and uncertainties regarding the Company are described in its most recent Annual Information Form which is available under the Company's profile on SEDAR at www.sedar.com.

Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results to differ from those anticipated, estimated or intended. Forward-looking statements contained herein are made as of the date of this Circular and the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or results, except as may be required by applicable securities laws. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.

NOTICE TO SHAREHOLDERS NOT RESIDENT IN CANADA

The Company is a corporation organized under the laws of the Province of Ontario. The solicitation of proxies involves securities of a Canadian issuer and is being effected in accordance with applicable corporate and securities laws in Canada. Shareholders should be aware that the requirements applicable to the Company under Canadian laws may differ from requirements under corporate and securities laws relating to corporations in other jurisdictions.

The enforcement of civil liabilities under the securities laws of other jurisdictions outside Canada may be affected adversely by the fact that the Company is organized under the laws of the Province of Ontario, that all or substantially all of its assets are located in Canada and that all or substantially all of its directors and executive officers are residents of Canada. You may not be able to sue the Company or its directors or officers in a Canadian court for violations of foreign securities laws. It may be difficult to compel the Company to subject itself to a judgment of a court outside Canada.

THIS TRANSACTION HAS NOT BEEN APPROVED OR DISAPPROVED BY ANY SECURITIES REGULATORY AUTHORITY, NOR HAS ANY SECURITIES REGULATORY AUTHORITY PASSED UPON THE FAIRNESS OR MERITS OF THIS TRANSACTION OR UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION CONTAINED IN THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

Shareholders who are foreign taxpayers should be aware that the Arrangement described in this Circular may have tax consequences both in Canada and such foreign jurisdiction. Such consequences for Shareholders are not described in this Circular. It is strongly recommended that all Non-Resident Holders consult their own legal and tax advisors with respect to the income tax consequences applicable in their place of residency of the disposition of their Company Shares.

NOTICE REGARDING INFORMATION

The information contained in this Circular is given as at August 3, 2018, except where otherwise noted and except that information in documents incorporated by reference is given as of the dates noted therein. No person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Circular and, if given or made, any such information or representation should be considered not to have been authorized by Dalradian.

The information concerning the Purchaser and the Guarantor contained in this Circular has been provided by the Purchaser and the Guarantor for inclusion in this Circular. Although Dalradian has no knowledge that any statements contained herein taken from or based on such sources are untrue or incomplete, Dalradian assumes no responsibility for the accuracy or completeness of the information taken from or based upon such sources or for any failure by the Purchaser or the Guarantor to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Dalradian.

This Circular does not constitute the solicitation of an offer to purchase, or the making of an offer to sell, any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation or offer is not authorized or in which the person making such solicitation or offer is not qualified to do so or to any person to whom it is unlawful to make such solicitation or offer.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection therewith.

All references in this Circular to the unanimous approval of the Company Board refers to the unanimous approval by the Company Board, with Messrs. Patrick Anderson, Michael Barton and Sean Roosen having recused themselves and abstained.

Descriptions in this Circular of the terms of the Arrangement Agreement and the Plan of Arrangement are summaries of the terms of those documents and qualified in their entirety by reference to the full text of those documents. Shareholders should refer to the full text of each of the Arrangement Agreement and the Plan of Arrangement for complete details of those documents. The full text of the Arrangement Agreement may be viewed under the Company's profile on SEDAR at www.sedar.com. The Plan of Arrangement is appended hereto as Appendix B.

QUESTIONS AND ANSWERS ABOUT THE MEETING AND THE ARRANGEMENT

The following is a summary of certain information contained in or incorporated by reference into this Circular, together with some of the questions that you, as a Shareholder, may have and answers to those questions. You are urged to read the remainder of this Circular, the attached Appendices and the form of proxy carefully, because the information contained below is of a summary nature, and is qualified in its entirety by the more detailed information contained elsewhere in or incorporated by reference into this Circular, the attached Appendices and the form of proxy, all of which are important and should be reviewed carefully.

Q: Does the Company Board support the Arrangement?

A: **Yes.** The Company Board has unanimously determined (with Messrs. Patrick Anderson, Michael Barton and Sean Roosen having recused themselves and abstained and based, in part, on the unanimous recommendation of the Independent Committee) (i) that the Arrangement and the Consideration are fair to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) and the Arrangement is in the best interests of Dalradian, (ii) that Dalradian should enter the Arrangement Agreement, and (iii) to recommend that the Shareholders vote FOR the Arrangement Resolution.

Prior to entering into the Arrangement Agreement, the Company Board established the Independent Committee, comprised of Jonathan Rubenstein, Patrick Downey and Thomas Obradovich, each an independent director of Dalradian, to negotiate the Arrangement Agreement and to advise the Company Board with respect to any recommendation that the Company Board should make to the Shareholders.

The Independent Committee unanimously determined that the Arrangement is fair to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) and is in the best interests of Dalradian. The Independent Committee then unanimously recommended that the Company Board approve the proposed Arrangement Agreement and that the Company Board recommend that the Shareholders approve the Arrangement.

In making its recommendation, each of the Company Board and the Independent Committee considered a number of factors as described in this Circular under the heading "*The Arrangement — Independent Committee*", including the Valuation, which determined that the fair market value of the Company Shares is in the range of C$1.35 to C$1.70 per Company Share, and the Fairness Opinions, each of which determined that the Consideration payable to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) under the Arrangement Agreement is fair, from a financial point of view, to such Shareholders.

See "*The Arrangement — Background to the Arrangement*" and "*The Arrangement — Reasons for the Arrangement*".

Q: When will the Arrangement become effective?

A: Subject to obtaining Court and other regulatory approvals as well as the satisfaction or waiver of all other conditions precedent, if Shareholders approve the Arrangement Resolution, it is anticipated that the Arrangement will be completed on or about September 7, 2018.

Q: What will I receive for my Company Shares under the Arrangement?

A: If the Arrangement is completed, each holder of Company Shares at the Effective Time (other than the Purchaser, the Remaining Shareholders any Shareholder who has validly exercised its Dissent Rights) will receive, for each Company Share, C$1.47 in cash.

Q: What will happen to Dalradian if the Arrangement is completed?

A: If the Arrangement is completed, the Purchaser will acquire all of the issued and outstanding Company Shares at the Effective Time, other than the Company Shares already owned by the Purchaser and/or its affiliates and the Remaining Shareholders, and all of the outstanding Company Options, Company RSUs and Company DSUs (other than Company Options and Company RSUs held by the Remaining Shareholders) will be transferred to the

Company and cancelled. As a result, immediately upon completion of the Arrangement, Dalradian will become a subsidiary of the Purchaser.

The Company Shares, which are currently listed for trading on the TSX and quoted on AIM, will be de-listed from the TSX and cancelled from admission to trading on AIM following completion of the Arrangement. See "*Cancellation of Admission to Trading on AIM*".

The Purchaser also expects to apply to have Dalradian cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer in Canada.

Q: Who is entitled to vote on the Arrangement Resolution at the Meeting and how will votes be counted?

A: All Shareholders as of the close of business on the Record Date are entitled to vote on the Arrangement Resolution at the Meeting. Computershare Investor Services Inc., the Company's transfer agent and registrar, will count the votes.

Q: What approvals are required to be given by Shareholders at the Meeting?

A: To become effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of: (i) at least 66 2/3% of the votes cast at the Meeting in person or by proxy by the Shareholders; and (ii) a simple majority of the votes cast at the Meeting in person or by proxy by the Shareholders excluding the votes cast in respect of Company Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded any of its related parties or joint actors, all in accordance with MI 61-101, which, in this case, consists of the Company Shares held by the Purchaser and/or its affiliates and the Remaining Shareholders.

All Remaining Shareholders, directors and certain officers of Dalradian, and BlackRock, Inc., holding in aggregate approximately 21.8% of the Company Shares as of June 20, 2018, have entered into the Voting Agreements, pursuant to which they have agreed, subject to certain exceptions, to vote their Company Shares in favour of the Arrangement Resolution.

See "*The Arrangement – Required Approvals*".

Q: What is the quorum for the Meeting?

A: For all purposes contemplated by this Circular, the quorum for the transaction of business at the Meeting shall be two persons present in person, each being a Shareholder entitled to vote thereat or a duly appointed proxy or proxyholder for an absent Shareholder so entitled, holding or representing in the aggregate not less than 25% of the issued and outstanding Company Shares entitled to be voted at the Meeting.

Q: Are the Shareholders entitled to Dissent Rights?

A: Only Registered Shareholders are entitled to Dissent Rights on the Arrangement Resolution if they follow the procedures specified in the OBCA, as modified by the Interim Order, the Final Order, and the Plan of Arrangement. If you are a Registered Shareholder and wish to exercise Dissent Rights, you should review the requirements summarized in this Circular and the Interim Order, Section 185 of the OBCA and the Plan of Arrangement, which are attached to this Circular as Appendices E, G and B, respectively, carefully and consult with legal counsel.

See "*Rights of Dissenting Shareholders*".

Q: What other conditions must be satisfied to complete the Arrangement?

A: In addition to the applicable approvals by the Shareholders at the Meeting, the Arrangement is conditional upon, among other things, the receipt of the Final Order from the Court and approval of the TSX, all in accordance with the terms of the Arrangement Agreement.

See "*The Arrangement Agreement – Conditions of Closing*".

Q: What will happen if the Arrangement Resolution is not approved or the Arrangement is not completed for any reason?

A: If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated. If this occurs, Dalradian will continue to carry on its business operations in the normal and usual course. See "*Risk Factors Relating to the Arrangement*". In certain termination circumstances, Dalradian will be required to pay to the Purchaser a Termination Fee in the amount of C$20 million.

See "*The Arrangement Agreement — Termination*".

Q: What do I need to do now in order to vote at the Meeting?

A: You should carefully read and consider the information contained in this Circular. Registered Shareholders should then complete, sign and date the enclosed Proxy and return the applicable form in the enclosed return envelope or by facsimile as indicated in the Notice of Meeting as soon as possible so that your Company Shares may be represented at the Meeting. To be eligible for voting at the Meeting, the Proxy must be returned by mail or by facsimile to Computershare not later than 5:00 p.m. (Toronto time) on August 29, 2018, or the second business day (excluding Saturdays, Sundays and holidays) before any adjournment or postponement thereof. Additionally, Shareholders may vote using the internet or by telephone.

Non-Registered Shareholders whose Company Shares are held in the name of a nominee, bank, broker or other financial intermediary, should follow the instructions provided by your nominee to ensure your vote is counted at the Meeting.

See "*General Proxy Information – Proxy Instructions*", "*General Proxy Information – Appointment of Proxyholder*", "*General Proxy Information – Revocation of Proxies*" and "*General Proxy Information – Special Instructions for Voting by Non-Registered Shareholders*".

Q: If my Company Shares are held by my broker, will my broker vote my Company Shares for me?

A: A broker will vote the Company Shares held by you only if you provide instructions to your broker on how to vote. Without instructions, those Company Shares may not be voted. Non-Registered Shareholders should instruct their brokers to vote their Company Shares by following the directions provided to them by their brokers. Unless your broker gives you its proxy, voting instruction form or other method to provide voting instructions to vote the Company Shares at the Meeting, you cannot vote your Company Shares in person at the Meeting.

See "*General Proxy Information — Special Instructions for Voting by Non-Registered Shareholders*".

Q: Should I send in my Proxy now?

A: Yes. To ensure that your vote is counted, you should complete and submit the applicable enclosed Proxy or, if applicable, provide your broker with voting instructions as soon as possible to ensure your Company Shares are counted at the Meeting.

See "*General Proxy Information — Proxy Instructions*".

Q: Can I revoke my proxy after I have voted by proxy?

A: Yes. A Shareholder executing the enclosed Proxy has the right to revoke it. A Shareholder may revoke a proxy by depositing an instrument in writing executed by him or her, or by his or her attorney authorized in writing, at the registered office of Dalradian, at any time up to and including the last day (other than a Saturday, Sunday or other holiday in Toronto, Ontario) preceding the day of the Meeting, or any adjournment or postponement thereof, at which the proxy is to be used, or with the Chairman of the Meeting on the day of the Meeting prior to the Meeting, or any adjournment thereof, or in any other manner permitted by law. Non-Registered Shareholders that wish to change their voting instructions must, in sufficient time in advance of the Meeting, contact their intermediary to arrange to change their voting instructions.

Q: What are the Canadian and U.S. federal income tax consequences of the Arrangement to the Shareholders?

A: For a summary of certain material Canadian income tax consequences of the Arrangement, see "*Certain Canadian Federal Income Tax Considerations*" and for a summary of certain material United States income tax consequences of the Arrangement, see "*Certain United States Federal Income Tax Considerations*". **Such summaries are not intended to be legal or tax advice to any particular Shareholder.**

Tax matters are complicated, and the income tax consequences of the Arrangement to you will depend on your particular circumstances. Because individual circumstances may differ, you should consult with your tax advisor as to the specific tax consequences of the Arrangement to you.

Q. Who can help answer my questions?

A: Shareholders who would like additional copies, without charge, of this Circular or have additional questions about the Arrangement or the Meeting, including the procedures for voting Company Shares, should contact D.F. King & Co. at the contact information provided below:

North American Toll Free Number: 1.800.926.7043
Collect Calls (outside of North America): 1.212.771.1133
Email: inquiries@dfking.com

Copies of this Circular and the Meeting materials may also be found on the Company's website at www.dalradian.com and under the Company's profile on SEDAR at www.sedar.com.

SUMMARY OF CIRCULAR

This summary should be read together with and is qualified in its entirety by the more detailed information and financial data and statements contained elsewhere in this Circular, including the appendices hereto and documents incorporated into this Circular by reference. Capitalized terms in this summary have the meanings set out in the Glossary of Terms. The full text of the Arrangement Agreement may be viewed under the Company's profile on SEDAR at www.sedar.com. Copies of this Circular and the Meeting materials may also be found on the Company's website at www.dalradian.com *and under the Company's profile on SEDAR at www.sedar.com.*

The Meeting

Date, Time and Place of Meeting

The Meeting will be held on August 31, 2018, at the offices of Cassels Brock & Blackwell LLP, located at 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, at 10:00 a.m. (Toronto time).

The Record Date

The record date for determining the Shareholders entitled to receive notice of and to attend and vote at the Meeting is July 16, 2018. Only Shareholders of record as of the close of business on the Record Date are entitled to receive notice of and to attend and vote at the Meeting.

Purpose of the Meeting

At the Meeting, Dalradian will ask the Shareholders to consider and, if deemed advisable, pass, with or without variation, the Arrangement Resolution to approve the Arrangement.

Effect of the Arrangement

If the Arrangement is completed, the Purchaser will acquire all of the Company Shares, other than the Company Shares already owned by the Purchaser and/or its affiliates and Company Shares held by the Remaining Shareholders, for cash consideration of C$1.47 per Company Share. The Company Options, Company RSUs and Company DSUs (other than Company Options and Company RSUs held by the Remaining Shareholders) will be transferred to the Company and terminated and will be of no further force and effect, all in exchange for payment, if any, in accordance with the terms of the Arrangement.

Shareholder Approval

To be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of: (i) at least 66 2/3% of the votes cast at the Meeting in person or by proxy by the Shareholders; and (ii) a simple majority of the votes cast at the Meeting in person or by proxy by the Shareholders excluding the votes cast in respect of Company Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded and any of its related parties or joint actors, all in accordance with MI 61-101, which, in this case, consists of the Company Shares held by the Purchaser and/or its affiliates and the Remaining Shareholders, being an aggregate of 72,619,936 Company Shares.

The Arrangement Resolution must be passed in order for Dalradian to seek the Final Order and implement the Arrangement on the Effective Date.

See "*The Arrangement – Required Approvals – Court Approval of the Arrangement*".

The Arrangement

If approved, the Arrangement will become effective at the Effective Time (which is expected to be at 12:01 a.m. (Toronto time)) on the Effective Date, which is expected to be on or about September 7, 2018. At the Effective Time, the following shall be deemed to occur sequentially in the following order:

(a) the Company will lend an amount equal to the Loan Amount (being C$90 million) to the Purchaser, and the Purchaser will deliver to the Company a duly issued and executed demand promissory note to evidence such loan;

(b) each unvested Company RSU outstanding immediately prior to the Effective Time and held by a Remaining Shareholder will be amended such that the Company RSU does not vest immediately prior to the Arrangement and each such Company RSU will remain outstanding and each Company RSU (other than an RSU held by a Remaining Shareholder) outstanding immediately prior to the Effective Time (whether vested or unvested), will be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings, and each such Company RSU will then immediately be cancelled;

(c) each Company DSU outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the Company DSU Plan, will be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings, and each such Company DSU will then immediately be cancelled;

(d) each unvested Company Option outstanding immediately prior to the Effective Time and held by a Remaining Shareholder will be amended to the extent necessary to ensure that the Company Option does not vest as a consequence of any of the transactions in the Arrangement and each such Company Option will remain outstanding;

(e) each of the Company Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised will be deemed to have been transferred to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under the Arrangement and such Dissenting Shareholders will cease to be the holders of such Company Shares and to have any rights as holders of such Company Shares other than the right to be paid fair value by the Purchaser for such Company Shares as set out in the Arrangement;

(f) each Company Share outstanding immediately prior to the Effective Time, other than (i) Company Shares held by a Dissenting Shareholder who has validly exercised such holder's Dissent Right, or (ii) Company Shares held by a Remaining Shareholder or the Purchaser, will be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the Consideration; and

(g) notwithstanding the terms of the Company Option Plan, each Company Option (other than a Company Option held by a Remaining Shareholder) outstanding immediately prior to the Effective Time (whether vested or unvested), will be deemed to be unconditionally vested and exercisable, and such Company Option will be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price of such Company Option, less applicable withholdings, and each such Company Option will then immediately be cancelled (for greater certainty, where such amount is a negative, neither the Company nor the Purchaser will be obligated to pay the holder of such Company Option any amount in respect of such Company Option).

See "*The Arrangement – Description of the Arrangement*".

Recommendation of the Independent Committee

The Independent Committee appointed by the Company Board was formed to, among other things, negotiate the terms of any acquisition proposal made to the Company and to make recommendations to the Company Board with respect to any such acquisition proposal, including with respect to any recommendation that the Company Board should make to Shareholders in respect of such acquisition proposal. After careful consideration, including a thorough review of the Arrangement Agreement, the advice of the Financial Advisor, the Valuation and the Fairness Opinions, as well as a thorough review of other matters, including the matters discussed under the heading "*The Arrangement – Reasons for the Arrangement*," and taking into account the best interests of Dalradian and the impact on stakeholders of Dalradian and consultation with its financial and legal advisors, the Independent Committee unanimously determined that the Arrangement is fair to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) and that the Arrangement is in the best interests of Dalradian. Accordingly, the

Independent Committee unanimously recommended that the Company Board recommend that the Shareholders approve the Arrangement and that the Company Board approve the Arrangement Agreement and the Plan of Arrangement.

See "*The Arrangement – Independent Committee*", "*The Arrangement – Valuation and Raymond James Fairness Opinion*" and "*The Arrangement – Maxit Fairness Opinion*".

Recommendation of the Company Board

After careful consideration, including a thorough review of the Arrangement Agreement, the advice of the Financial Advisor, the Valuation and the Fairness Opinions, as well as a thorough review of other matters, including the matters discussed under the heading "*The Arrangement – Reasons for the Arrangement*" and taking into account the best interests of Dalradian and the impact on stakeholders of Dalradian and consultation with its financial and legal advisors, the Company Board unanimously determined (with Messrs. Anderson, Barton and Roosen having declared an interest in the Arrangement and having recused themselves and abstained) that the Arrangement and the Consideration are fair to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) and that the Arrangement is in the best interests of Dalradian. **Accordingly, the Company Board approved the Arrangement and recommends that the Shareholders vote FOR the Arrangement Resolution.**

See "*The Arrangement – Recommendation of the Company Board*", "*The Arrangement – Valuation and Raymond James Fairness Opinion*" and "*The Arrangement – Maxit Fairness Opinion*".

Voting Agreements

The Purchaser and the Guarantor have entered into a Voting Agreement with each Locked-up Shareholder, pursuant to which the Locked-up Shareholders have agreed, subject to the terms and conditions of the Voting Agreements, to vote their Company Shares in favour of the Arrangement Resolution. The Locked-up Shareholders collectively beneficially own or exercise control or direction over an aggregate of 77,510,545 Company Shares, representing approximately 21.8% of the outstanding Company Shares.

See "*The Arrangement – Voting Agreements*".

Valuation and Raymond James Fairness Opinion

The Valuator was retained by the Independent Committee to provide a formal valuation of the Company Shares in accordance with the requirements of MI 61-101 and to deliver an opinion as to the fairness, from a financial point of view, of the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) pursuant to the Arrangement. On June 20, 2018, the Valuator verbally advised the Independent Committee (subsequently confirmed in writing), that subject to the assumptions, limitations and qualifications set forth in its opinion, it was of the opinion that, as of the date thereof, (i) the fair market value of the Company Shares is in the range of C$1.35 to C$1.70 per Company Share, and (ii) the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) pursuant to the Arrangement is fair from a financial point of view to such Shareholders.

The full text of the Valuation and the Raymond James Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Valuation and the Raymond James Fairness Opinion, are attached as Appendix C. The summary of the Valuation and the Raymond James Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Valuation and the Raymond James Fairness Opinion.

The Valuation and the Raymond James Fairness Opinion were provided solely for use by the Independent Committee in considering the Arrangement and, in the case of the Valuation, to comply with the formal valuation requirements of MI 61-101, and neither the Valuation nor the Raymond James Fairness Opinion is a recommendation to any Shareholder as to how to vote or act on any matter relating to the Arrangement. The Valuation and the Raymond James Fairness Opinion are only one factor that was taken into consideration by the Independent Committee and the Company Board in making their respective determinations. **The Company Board urges the Shareholders to read the Valuation and the Raymond James Fairness Opinion carefully and in its entirety.**

See "*The Arrangement – Valuation and Raymond James Fairness Opinion*" in this Circular and Appendix C.

Maxit Fairness Opinion

The Financial Advisor was requested by the Independent Committee to provide an opinion as to the fairness, from a financial point of view, of the Consideration to be received by Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) pursuant to the Arrangement. On June 20, 2018, the Financial Advisor verbally delivered its opinion (subsequently confirmed in writing), that subject to the assumptions, limitations and qualifications set forth in its opinion, as at the date thereof, the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) pursuant to the Arrangement Agreement is fair, from a financial point of view, to such Shareholders. The full text of the Maxit Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Maxit Fairness Opinion, is attached as Appendix D. The summary of the Maxit Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Maxit Fairness Opinion.

The Maxit Fairness Opinion is not a recommendation to any Shareholder as to how to vote or act on any matter relating to the Arrangement. The Maxit Fairness Opinion is only one factor that was taken into consideration by the Independent Committee and the Company Board in making their respective determinations. **The Company Board urges Shareholders to review the Maxit Fairness Opinion carefully and in its entirety. See Appendix D.**

See "*The Arrangement – Maxit Fairness Opinion*" in this Circular and Appendix D.

Parties to the Arrangement

Dalradian is a company governed by the laws of the Province of Ontario. The registered and head office address of Dalradian is Queen's Quay Terminal, 207 Queens Quay West, Suite 416, Toronto, Ontario, M5J 1A7. The Company Shares are listed for trading on the TSX under the symbol "DNA" and are admitted to trading on AIM under the symbol "DALR".

The Purchaser is OMF Fund II (Au) Ltd, a corporation incorporated under the laws of the Cayman Islands.

The Guarantor is Orion Mine Finance Fund II LP, a limited partnership existing under the laws of Bermuda and managed by Orion Mine Finance Management II Limited. Orion Mine Finance Management II Limited is an exempted company incorporated under the laws of Bermuda.

Letter of Transmittal

For each Registered Shareholder, accompanying this Circular is a Letter of Transmittal (printed on blue paper). The Company has enclosed an envelope with the Meeting materials in order to assist Shareholders with returning Letters of Transmittal and related documents to Computershare, as depositary under the Arrangement.

In order for a Registered Shareholder to receive the Consideration for each Company Share held by such Shareholder, such Registered Shareholder must deposit the certificate(s), or DRS advice(s), as applicable, representing his, her or its Company Shares with Computershare. The Letter of Transmittal, properly completed and duly executed, together with all other documents and instruments referred to in the Letter of Transmittal or reasonably requested by Computershare, must accompany all certificates, or DRS advice(s), as applicable, for Company Shares deposited for payment pursuant to the Arrangement.

Any Shareholder whose Company Shares are registered in the name of a broker, investment dealer, bank, trust corporation, trustee or other nominee should contact that nominee for assistance in depositing such Company Shares and should follow the instructions of such nominee in order to deposit such Company Shares with Computershare.

See "*The Arrangement — Letter of Transmittal*".

Court Approval of the Arrangement

The Arrangement requires approval by the Court under Section 182 of the OBCA. A copy of the Notice of Application applying for the Final Order approving the Arrangement is attached hereto as Appendix F. Subject to the approval of the Arrangement Resolution by Shareholders at the Meeting, the hearing in respect of the Final Order is expected to take place on or about September 4, 2018 at 10:00 a.m. (Toronto time) in the Court at 330 University Avenue, Toronto, Ontario, or as soon thereafter as is reasonably practicable. At the hearing, the Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

See "*The Arrangement – Required Approvals – Court Approval of the Arrangement*".

Interests of Certain Directors and Executive Officers of Dalradian in the Arrangement

In considering the recommendation of the Company Board, Shareholders should be aware that members of the Company Board and the executive officers of Dalradian have interests in the Arrangement or may receive benefits that may differ from, or be in addition to, the interests of Shareholders generally.

See "*The Arrangement – Interests of Certain Directors and Executive Officers of Dalradian in the Arrangement*".

The Arrangement Agreement

The Arrangement Agreement provides for the Arrangement and matters related thereto. Under the Arrangement Agreement, Dalradian has agreed to, among other things, call the Meeting to seek approval of the Arrangement Resolution by the Shareholders and, if approved, apply to the Court for the Final Order.

See "*The Arrangement Agreement*".

Rights of Dissent

The Interim Order expressly provides Registered Shareholders with Dissent Rights with respect to the Arrangement. As a result, any Dissenting Shareholder is entitled to be paid the fair value (determined as of the close of business on the day before the Arrangement Resolution is adopted) of all, but not less than all, of the Company Shares beneficially held by it in accordance with Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement), if the Shareholder dissents with respect to the Arrangement and the Arrangement becomes effective. It is a condition to completion of the Arrangement in favour of the Purchaser that there will not have been delivered and not withdrawn notices of dissent with respect to the Arrangement in respect of more than 10% of the Company Shares. Notwithstanding Section 185(6) of the OBCA (pursuant to which a written objection may be provided at or prior to the Meeting), a Dissenting Shareholder who seeks payment of the fair value of its Company Shares is required to deliver a written objection to the Arrangement Resolution to Dalradian not later than 5:00 p.m. (Toronto time) two Business Days immediately preceding the Meeting (or any adjournment or postponement thereof). Such notice must be delivered to the Corporate Secretary of Dalradian, at Queen's Quay Terminal, 207 Queen's Quay West, Suite 416, Toronto, Ontario M5J 1A7, with a copy to Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, facsimile: 1.416.644.9337, Attention: Jay Goldman.

See "*Rights of Dissenting Shareholders*".

Risk Factors

There is a risk that the Arrangement may not be completed. If the Arrangement is not completed, the Company will continue to face the risks that it currently faces with respect to its affairs, business and operations and future prospects. Additionally, failure to complete the Arrangement could materially and negatively impact the trading price of the Company Shares. The risk factors described under "*Risk Factors Relating to the Arrangement*" should be carefully considered by Shareholders.

Income Tax Considerations

Shareholders should consult their own tax advisors about the applicable Canadian, United States, United Kingdom, Republic of Ireland and foreign federal, provincial, state and local tax consequences of the Arrangement.

For a summary of certain material Canadian income tax consequences of the Arrangement, see "*Certain Canadian Federal Income Tax Considerations*" and for a summary of certain material United States income tax consequences of the Arrangement, see "*Certain United States Federal Income Tax Considerations*". **Such summary is not intended to be legal or tax advice to any particular Shareholder.**

THE ARRANGEMENT

Background to the Arrangement

The Arrangement Agreement is the result of arm's length negotiations among, on the one hand, representatives of the Independent Committee and of the Company that are independent of both the Purchaser and the Remaining Shareholders and, on the other hand, the Purchaser, and their respective financial and legal advisors. The following is a summary of the main events leading up to the Guarantor's proposal for the Arrangement, the negotiation of the Arrangement Agreement and the meetings, negotiations, actions and discussions that preceded the public announcement of the Arrangement.

Management of the Company and the Company Board periodically review the Company's long-term strategic plans and prospects with the goal of maximizing shareholder value, taking the Company's other stakeholders into account. As part of this process, management and the Company Board evaluate the stage of exploration and development of the Company's properties and in particular the Curraghinalt deposit, the timeline to obtain all required approvals, licenses and permits (collectively, the "**Permits**") to commence development and achieve commercial production, cash flow forecasts, potential financing and refinancing alternatives and strategic alternatives relating to the Company's business. When it considered it appropriate, the Company engaged in discussions with various strategic and financial parties with the aim of maximizing shareholder value. In connection with such discussions, the Company would generally enter into confidentiality agreements with such parties consistent with market practice.

In late 2016, management's discussions with parties that had expressed an interest in potentially becoming strategic and/or financial investors intensified following the release of the Company's feasibility study, leading the Company Board to explore a potential sale of, or other transaction involving, the Company (the "**Sale Process**"), while in parallel continuing its activities in progressing the Curraghinalt deposit towards production. On December 9, 2016, the Company Board created a special committee comprised of Mr. Sean Roosen, Ms. Nicole Adshead-Bell and Mr. Jonathan Rubenstein, each an independent director, to supervise the Sale Process.

On December 22, 2016, Dalradian engaged a Canadian investment bank and the Financial Advisor as financial advisors with a mandate to undertake a broad market canvass to determine potential interest in a strategic transaction involving Dalradian. As part of that market canvass, the Canadian investment bank and the Financial Advisor contacted a number of parties that already had confidentiality agreements in place with the Company and additional parties that did not have confidentiality agreements in place. Twelve parties were granted access to an online data room. The Guarantor was not contacted by the Canadian investment bank or the Financial Advisor as part of this process.

Following a period of due diligence (including site visits), the Company received two indicative, non-binding offers, one of which was for a joint venture.

Many of the counterparties who conducted due diligence expressed concerns about the lengthy and uncertain timing of the process to obtain Permits and political events occurring in Northern Ireland at the time. Ultimately, neither of the non-binding proposals that were received advanced any further.

The Guarantor initially approached Dalradian directly in order to consider investment opportunities and not as part of the Sale Process. In order to facilitate discussions between the Guarantor and Dalradian, the Company entered into the Confidentiality Agreement with an affiliate of the Guarantor on January 19, 2017. In May 2017, the special committee received a preliminary non-binding proposal to acquire Dalradian that was supported by the Guarantor. However, after discussions, the parties determined not to proceed with the proposal.

On June 28, 2017, the Company Board determined to terminate the Sale Process, the special committee created on December 9, 2016 was disbanded and the mandate of the Canadian investment bank that had been retained in connection with the Sale Process was terminated.

Management began investigating financing alternatives for the Company and engaged in discussions with parties that had expressed interest in investing in the Company during the Sale Process and other parties about making a strategic investment in the Company. With improved equity markets and in order to provide the Company with

adequate funding through the permitting process, the Company Board decided that it would be appropriate to raise capital, resulting in the completion of a C$78.25 million equity financing in November 2017 with the Guarantor and Osisko (the "**Financing**"). The Financing was completed at a price of C$1.47 per Common Share, which represented a 7% premium to the closing price on the TSX on the announcement date, with the proceeds to be used for exploration, obtaining required licenses and permits and working capital.

Following the completion of the Financing, Michael Barton, a Portfolio Manager at Orion Mine Finance ("**Orion**"), joined the Company Board as a director.

At a meeting of the Company Board held March 15, 2018, Michael Barton noted that Orion was considering making an offer to acquire the Company.

On April 27, 2018, Michael Barton called the Company's Chairman, Jim Rutherford, and said that Orion was potentially interested in acquiring the Company. Mr. Rutherford then contacted the Company's counsel to advise counsel of the discussion and the expected proposal to be made at the upcoming Company Board meeting scheduled for May 1, 2018.

On May 1, 2018, the Purchaser submitted a non-binding proposal for the acquisition of all of the Company Shares (the "**May 1, 2018 Proposal**"). The May 1, 2018 Proposal indicated that the proposal was contingent on Orion reaching agreement with certain key members of management on the continued participation of those key members of management in the Company. Orion also indicated that it intended to invite certain selected other large shareholders to participate by retaining their equity position in the Company. The May 1, 2018 Proposal was subject to a number of conditions, including receiving sufficient shareholder support in the form of lock-up agreements. Orion subsequently began direct negotiations with key members of management and their counsel regarding the terms of their continued employment and participation in the potential transaction. Orion required that these negotiations with management and certain large shareholders be conducted confidentially and without the involvement of the Independent Committee. Orion also expressed to the Independent Committee that it was not interested in pursuing a potential transaction unless and until satisfactory arrangements with key members of management could be reached for their continued employment and for their and certain other shareholders' participation in the potential transaction.

The May 1, 2018 Proposal contained a request for exclusivity, the primary purpose of which was for the parties to negotiate terms of the transaction and definitive agreements and to provide Orion with an opportunity to determine whether it could reach terms with key members of management to satisfy its pre-condition to its further pursuit of the potential transaction. Following the May 1, 2018 Proposal, Orion also directly negotiated the Voting Agreements with each of the Locked-Up Shareholders.

On May 2, 2018, the Company Board met with representatives of the Financial Advisor and received a presentation on its fiduciary duties from legal counsel. Mr. Barton declared his conflict and recused himself from the meeting as a principal of the Guarantor.

At this meeting, the Company Board concluded that it would be in the Company's best interests and in the interests of its shareholders to explore the possibility of concluding a transaction with the Guarantor. The Company Board further concluded that, having regard to the actual and potential conflicts of interest of certain members of management and the Company Board in any potential transaction, it would be appropriate to establish a special committee comprised of independent directors. After reviewing the independence and impartiality of its potential members, on May 2, 2018, the Company Board resolved to form the Independent Committee comprised of Messrs. Jonathan Rubenstein (Chair), Patrick Downey and Tom Obradovich.

The mandate of the Independent Committee provided, among other things, that the Independent Committee would review and evaluate the May 1, 2018 Proposal made by the Guarantor and any subsequent proposals received, negotiate the terms of any acquisition proposal, consider any alternatives to the May 1, 2018 Proposal, make recommendations on the May 1, 2018 Proposal to the Company Board and supervise the preparation of a formal valuation (as required by MI 61-101). The mandate provided that the Independent Committee could recommend approval of a transaction to the full Company Board, but the authority to approve any such transaction was reserved to the full Company Board. See "*The Arrangement – Independent Committee*".

Following the May 2, 2018 meeting of the Company Board, each of Messrs. Patrick Anderson and Sean Roosen advised the rest of the Company Board that since (i) Mr. Anderson, being part of the senior management team, anticipated becoming a Remaining Shareholder, and (ii) Mr. Roosen, being both a Shareholder and a principal of Osisko, anticipated a possibility of him and/or Osisko becoming a Remaining Shareholder, there existed conflicts of interest with respect to any transaction involving the Guarantor or its affiliates and thus they would recuse themselves from all further discussions relating to any potential transaction between the Company and the Guarantor. Subsequent negotiations between the Company and the Guarantor (and its advisors) regarding the Arrangement did not involve Messrs. Anderson, Barton or Roosen and were exclusively led by the Independent Committee, its advisors and the Company's advisors.

In the course of its review and evaluation of the May 1, 2018 Proposal and the Arrangement, the Independent Committee met formally eight times and conducted informal consultations with the Company's legal advisors, the Financial Advisor, the Valuator and legal counsel to the Independent Committee on numerous occasions to discuss the progress of negotiations on the definitive documentation, the Valuation and the Fairness Opinions. The Independent Committee also consulted regularly with the Company Board (other than Messrs. Anderson, Barton and Roosen who had declared their respective conflicts and had recused themselves from meetings of the Company Board which related to the potential transaction).

On May 4, 2018, the Independent Committee reviewed the May 1, 2018 Proposal and considered and approved providing the Purchaser with an exclusivity period, as requested by the Guarantor. Exclusivity was considered appropriate in light of the previous market canvass. The exclusivity agreement was entered into between the parties on May 8, 2018 and provided for an initial two week period of exclusivity. The exclusivity period was extended a number of times to facilitate negotiations, most recently on June 11, 2018, to June 20, 2018.

On May 7, 2018, additional representatives of the Purchaser were granted access to the Company's online data room to conduct due diligence on the Company. The Purchaser's due diligence continued through the execution of the Arrangement Agreement on June 20, 2018.

On May 11, 2018, the Independent Committee engaged Blake, Cassels & Graydon LLP as its independent legal counsel.

On May 15, 2018, the Independent Committee met, with the benefit of advice from Blake, Cassels & Graydon LLP, to consider certain issues relating to a potential transaction with the Purchaser, including confirmation of the independence of each member of the Independent Committee, the consideration of issues relating to the proposed participation of certain members of management of the Company in the Arrangement and the process for selecting a valuator to, if requested, provide a fairness opinion and a formal valuation, each on a "fixed fee" basis.

On May 21, 2018, the Independent Committee met and determined, subject to finalizing acceptable terms, to engage the Valuator. At that meeting, the Independent Committee considered, with the benefit of advice from counsel, the arrangements between the Purchaser and the Remaining Shareholders and the circumstances in which a formal valuation would be required under MI 61-101. In addition, the Independent Committee agreed to extend the exclusivity period with Orion until June 11, 2018.

On May 23, 2018, the Independent Committee engaged the Valuator to, if requested, prepare and deliver to the Independent Committee the Valuation of the Company Shares in accordance with the requirements of MI 61-101 and prepare and deliver to the Independent Committee the Raymond James Fairness Opinion. The Independent Committee instructed senior management of the Company to grant the Valuator full access to the necessary Company personnel and advisors and provide all necessary information concerning the Company's business, property, operations, assets, financial condition, strategic and technical plans, technical information (including feasibility studies and mineral resource estimates), and prospects. To this end, senior management provided such access and assembled or made available all information requested by the Valuator. The Valuator also had discussions with management of the Company with regards to the operations, financial condition and corporate strategy of the Company and with the authors of the Company's previous and upcoming feasibility study. The Valuator confirmed to the Independent Committee that it received from management all of the information or access it requested.

On May 25, 2018, the Independent Committee provided the Company Board (other than Messrs. Anderson, Barton and Roosen) with an update on the status of the proposed transaction.

On May 29, 2018, the Independent Committee held two meetings, during which it met with the Financial Advisor and Blake, Cassels & Graydon LLP to receive updates on the status of discussions. During the first meeting, the Independent Committee resolved to contact the Guarantor in order to attempt to have the consideration increased. A discussion followed between the Guarantor and the Independent Committee where the Guarantor indicated that no increase in consideration would be acceptable to the Guarantor. As a result, and having in mind that the existing cash offer represented a substantial premium which the Shareholders might view favourably, during the second meeting the Independent Committee resolved to proceed on the original terms.

On May 30, 2018, the Independent Committee received a summary of the material terms of the arrangements between Orion and certain key members of management. The Company Board (other than Messrs. Anderson, Barton and Roosen) met following this meeting and received an update on the status of the proposed transaction from the Independent Committee.

On June 1, 2018, representatives from Stikeman Elliott LLP, counsel to the Guarantor, provided an initial draft of the Arrangement Agreement to legal counsels to the Company and the Independent Committee (which provided for a loan from the Company to the Purchaser as one of the terms of the Plan of Arrangement and would be advanced at closing of the Arrangement, although the amount of the loan was not quantified). From June 1 through June 20, 2018, the Company, led by the Independent Committee, and the Purchaser and their respective legal and financial advisors engaged in negotiations and discussions in respect of the Purchaser's proposal, including the terms and conditions of the Arrangement Agreement (which included the Loan Amount).

On June 6, 2018, each of the Independent Committee and the Company Board (other than Messrs. Anderson, Barton and Roosen) met with legal counsel to receive updates on the negotiation of the Arrangement Agreement and related documents and to provide legal counsel with instructions on certain points thereof. Over the following two weeks, the Independent Committee received regular updates on the status of negotiations with the Purchaser and the outstanding issues on the Arrangement Agreement and provided instructions to counsel in respect thereof. During the period from May 1, 2018 to June 6, 2018, the gold equity markets deteriorated and the price of the Company Shares fell. As a result, the Guarantor indicated that in order for it to proceed with the transaction, a slight decrease in the consideration would be necessary in a manner consistent with the deterioration of the price of the Company Shares between May 29 and June 6, 2018. After receiving advice from the Financial Advisor, the Company Board and its legal counsel, the Independent Committee resolved to proceed.

In the evening of June 18, 2018, the Company Board (other than Messrs. Anderson, Barton and Roosen) met to review the latest draft of the Arrangement Agreement and Voting Agreements and to receive the preliminary recommendation of the Independent Committee, which was conditional on its receipt of the Valuation from the Valuator and favourable fairness opinions from each of the Financial Advisor and the Valuator, and the advice of its legal advisor, Cassels Brock & Blackwell LLP. The Financial Advisor also provided its preliminary views as to fairness, including a description of the review and analysis carried out by the Financial Advisor to date. Representatives of Cassels Brock & Blackwell LLP also reviewed the key terms of the Arrangement Agreement and Voting Agreements. The Company Board considered and evaluated the Arrangement and engaged in extensive discussion of the key benefits and risks thereof, including those noted under the heading "*The Arrangement – Reasons for the Arrangement*". The Company's advisors were instructed to continue negotiations.

In the afternoon of June 20, 2018, the Independent Committee met to review the latest draft Arrangement Agreement and Voting Agreements in respect of the Arrangement and to receive presentations from the Valuator and the Financial Advisor on the Valuation and the Fairness Opinions and the advice of the Independent Committee's legal advisor, Blake, Cassels & Graydon LLP. Representatives of Blake, Cassels & Graydon LLP also reviewed the key terms of the Arrangement Agreement and Voting Agreements. Then, each of the Financial Advisor and the Valuator reviewed their respective methodologies and analysis underlying their respective Fairness Opinions and, in the case of the Valuator, the Valuation. At this Independent Committee meeting, the Valuator advised the Independent Committee that subject to the assumptions, limitations and qualifications set forth in its opinion, it was of the opinion that, as of June 20, 2018, (i) the fair market value of the Company Shares is in the range of C$1.35 to C$1.70 per Company Share, and (ii) the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) pursuant to the Arrangement is fair from a financial point of view to such Shareholders. See "*The Arrangement – Valuation and Raymond James Fairness Opinion*". In addition, at this Independent Committee meeting, the Financial Advisor advised the Independent Committee that subject to the assumptions, limitations and qualifications set forth in its opinion, it was of the opinion that, as of June 20, 2018, the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining

Shareholders) pursuant to the Arrangement is fair from a financial point of view to such Shareholders. See "*The Arrangement – Maxit Fairness Opinion*". After extensive discussion, including of the matters discussed under the heading "*The Arrangement – Reasons for the Arrangement*," and taking into account the best interests of Dalradian and the impact on stakeholders of Dalradian and consultation with its financial and legal advisors, the Independent Committee unanimously determined that the Arrangement is fair to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) and that the Arrangement is in the best interests of Dalradian. Accordingly, the Independent Committee unanimously recommended that the Company Board recommend that the Shareholders approve the Arrangement.

As a result of the recommendation of the Independent Committee, the Company Board, unanimously (subject to the abstention from each of Messrs. Anderson, Barton and Roosen) determined that the Arrangement is in the best interests of the Company and accordingly, determined to recommend that Shareholders vote in favour of the Arrangement.

Following these meetings and the determinations of the Independent Committee and the Company Board, counsel to the Company and the Purchaser continued to finalize the Arrangement Agreement and certain ancillary documents, and the Arrangement Agreement was entered into the evening of June 20, 2018. At this time, the Voting Agreements were also entered into between the Purchaser and the Locked-Up Shareholders.

A news release announcing the Arrangement was issued on June 21, 2018 prior to the opening of trading on the TSX and AIM.

Independent Committee

The Independent Committee was appointed by the Company Board to, among other things:

(a) review, assess and respond to expressions of interest from any party or parties to: (a) acquire control of the Company by way of an offer to acquire outstanding shares of the Company or otherwise; (b) acquire all or substantially all of the Company's assets; (c) effect any merger, amalgamation, plan of arrangement, reorganization or other business combination pursuant to which the assets and business of the Company are combined with one or more other persons; or (d) effect a transaction involving the issue by the Company to one or more other persons of securities of the Company in numbers sufficient to constitute an acquisition of control of the Company;

(b) establish, supervise and manage a process that it considers necessary or advisable to identify, evaluate and consider potential improvements to any acquisition proposal or any alternatives to any acquisition proposal;

(c) establish, supervise and manage a process that it considers necessary or advisable to identify, evaluate and consider alternatives to any acquisition proposal;

(d) negotiate the terms of any acquisition proposal;

(e) make recommendations to the Company Board in respect of any acquisition proposal and matters that the Independent Committee considers to be relevant in response to any Acquisition Proposal, including with respect to the recommendation that the Company Board should make to the shareholders of the Company in respect of any acquisition proposal and reasons for making such recommendations; and

(f) take such actions in connection with the foregoing as in its opinion are necessary or desirable in the discharge of its responsibilities.

Each member of the Independent Committee, being Messrs. Jonathan Rubenstein (Chair), Patrick Downey and Tom Obradovich, is "independent" of the Company within the meaning of National Instrument 52-110 – *Audit Committees* and does not have an ownership interest in the Purchaser or any of its affiliates.

After careful consideration, including a thorough review of the Arrangement Agreement, the advice of the Financial Advisor, the Valuation and the Fairness Opinions, as well as a thorough review of other matters, including the matters discussed under the heading "*The Arrangement – Reasons for the Arrangement*," and taking into account the best interests of Dalradian and the impact on stakeholders of Dalradian and consultation with its financial and legal

advisors, the Independent Committee unanimously determined that the Arrangement is fair to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) and that the Arrangement is in the best interests of Dalradian. Accordingly, the Independent Committee unanimously recommended that the Company Board recommend that the Shareholders approve the Arrangement and that the Company Board approve the Arrangement Agreement and the Plan of Arrangement.

Reasons for the Arrangement

The Company Board and the Independent Committee, in unanimously determining that the Arrangement is fair to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) and in the best interests of Dalradian, and in making its recommendation to Shareholders, considered and relied upon a number of factors, including, among others, the following:

1. ***Valuation –*** The Valuation, which concludes that as of June 20, 2018 and based upon and subject to the analysis, assumptions, qualifications and limitations set forth in the Valuation, the fair market value of the Company Shares was in the range of C$1.35 to C$1.70 and the fact that the Consideration falls within this range.

2. ***Premium to Share Price*** – The Consideration of C$1.47 per Company Share represents a 62% premium to Dalradian's closing share price on the TSX on June 20, 2018, the final trading day prior to announcing the Arrangement, and a 49% premium to the volume weighted average price of the Company Shares over the 30 trading days prior to June 20, 2018.

3. ***Process –*** The Arrangement with the Purchaser resulted from discussions that started over 12 months ago. During that time, the Company, through its advisors, canvassed several other potential parties, none of which were prepared to make an offer to acquire the Company.

4. ***Business and Industry Risks –*** The Company Board and the Independent Committee concluded that the Consideration provides certainty of value to Shareholders, which Shareholders may consider as more favourable than continuing with the Company's current business plan, in light of the risks and uncertainties affecting the Company and its business. These risks and uncertainties include: the current business, operations, assets, financial performance and condition, operating results and prospects of the Company, including the long-term expectations regarding the Company's material development property, financing risks associated with development (including dilution to Shareholders, the weak current market for financing development stage gold projects, financing fatigue and the uncertain timeline for achieving permitting and development), its risks as a single-property company, the risks inherent in development of a mine and regulatory risks, its limited cash resources, the current industry and economic conditions and trends, the extended lack of a government in Northern Ireland, and the Independent Committee's informed expectations of price risks and the continuing volatility in the gold industry.

5. ***Fairness Opinions –*** The Maxit Fairness Opinion from the Financial Advisor and the Raymond James Fairness Opinion from the Valuator, that, subject to and based on the considerations, qualifications, assumptions and limitations described therein, the Consideration to be received by Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) is fair, from a financial point of view, to such Shareholders. The Independent Committee considered the compensation arrangements of the Financial Advisor and the Valuator when considering the advice provided in the Maxit Fairness Opinion and the Raymond James Fairness Opinion, respectively, in particular that the Valuator was engaged to provide the Raymond James Fairness Opinion on a fixed fee basis that is not contingent on the conclusions reached therein or the completion of the Arrangement.

6. ***Acceptance by Directors, Officers and Major Shareholders –*** Pursuant to the Voting Agreements, the Locked-up Shareholders have agreed to vote all of their Company Shares, including any Company Shares issuable upon exercise of their Company Options, in favour of the Arrangement Resolution.

7. ***Form of Consideration –*** The form of consideration payable to Shareholders, being cash, provides certainty of value and immediate liquidity.

8. ***Credibility of the Guarantor –*** The Guarantor's commitment, credit worthiness and record of completing transactions and anticipated ability to complete the Arrangement and the fact that the Purchaser's obligations, including its obligation to pay the Consideration, have been guaranteed by the Guarantor. The Guarantor is expected to be better able to withstand permitting delays, fund development costs and bring the Curraghinalt Gold Project into production, in part as a result of its financial position and access to capital.

9. ***Ability to Respond to Unsolicited Superior Proposals –*** On and subject to the terms of the Arrangement Agreement, the Company Board will remain able to respond to any unsolicited bona fide written proposal that, having regard for all of its terms and conditions of such proposal, if consummated in accordance with its terms, may lead to a transaction more favourable to Shareholders from a financial point of view than the Arrangement and the fact that the amount of the Termination Fee payable in certain circumstances, being C$20,000,000, would not, in the view of the Company Board and the Independent Committee, after consultation with their legal and financial advisors, preclude a third party from potentially making a Superior Proposal.

10. ***Negotiated Transaction –*** The Arrangement Agreement was the result of a comprehensive negotiation process with respect to the key elements of the Arrangement Agreement and Plan of Arrangement, which includes terms and conditions that are reasonable in the judgment of the Independent Committee. The Independent Committee took an active and independent role in negotiating the material terms of the Arrangement Agreement and the negotiation of the Consideration.

11. ***Fairness of the Conditions –*** The Arrangement Agreement provides for certain conditions to complete the Plan of Arrangement, which conditions are not unduly onerous or outside market practice and could reasonably be expected to be satisfied.

12. ***No Financing Condition –*** The Purchaser's obligation to pay the aggregate Consideration is not subject to a financing condition.

13. ***Shareholder Approval –*** The Arrangement must be approved by not less than two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting and entitled to vote, as a class, plus the minority approval required pursuant to MI 61-101.

14. ***Regulatory Approval –*** The Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to Shareholders.

15. ***Dissent Rights –*** The terms of the Arrangement provide that Registered Shareholders who oppose the Arrangement may, upon compliance with certain conditions, exercise Dissent Rights and, if ultimately successful, receive fair value for their Company Shares (as described in the Plan of Arrangement).

In the course of their deliberations, the Company Board and the Independent Committee, in consultation with the Company's management and their legal and financial advisors, also considered a number of potential issues regarding and risks (as described in greater detail under the heading "*Risk Factors Relating to the Arrangement*") relating to the Arrangement, including:

1. the risks to the Company and the Shareholders if the Arrangement is not completed, including the costs to the Company in pursuing the Arrangement and the diversion of the Company's management from the conduct of the Company's business in the ordinary course;

2. the terms of the Arrangement Agreement restricting the Company from soliciting third parties to make an Acquisition Proposal and the specific requirements regarding what constitutes a Superior Proposal;

3. the terms of the Arrangement Agreement that require the Company to conduct its business in the ordinary course and prevent the Company from taking certain specified actions, which may delay or prevent the Company from taking certain actions to advance its property pending consummation of the Arrangement;

4. the fact that, following the Arrangement, the Company will no longer exist as an independent public company, the Company Shares will be delisted from the TSX and cancelled from admission to trading on

AIM and Shareholders will forego any future increases in value that might result from the achievement of the Company's long-term plans;

5. the Termination Fee payable to the Purchaser in certain circumstances, including if the Company enters into an agreement in respect of a Superior Proposal to acquire the Company;

6. the conditions to the Purchaser's obligations to complete the Plan of Arrangement;

7. the right of the Purchaser to terminate the Arrangement Agreement under certain circumstances;

8. the Arrangement will be taxable for Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders), and as a result the Shareholders will generally be required to pay taxes on any gains that result from the receipt of the Consideration under the Arrangement;

9. the arrangements with the Remaining Shareholders;

10. judgments against the Purchaser and Guarantor in Canada for a breach of the Arrangement Agreement may be difficult to enforce against the Guarantor's assets outside of Canada; and

11. if the Arrangement Agreement is terminated, and the Company Board decides to seek another transaction or business combination, there is no assurance that the Company will be able to find a party willing to pay greater or equivalent value as compared to the Consideration under the Arrangement.

The Company Board's and the Independent Committee's reasons for recommending the Arrangement include certain assumptions relating to forward-looking information, and such information and assumptions, are subject to various risks. See "*Cautionary Statement Regarding Forward-Looking Statements*" and "*Risk Factors Relating to the Arrangement*" in this Circular.

The foregoing summary of the information and factors considered by the Company Board and the Independent Committee is not intended to be exhaustive. In view of the variety of factors and the amount of information considered in connection with its evaluation of the Arrangement, neither the Company Board nor the Independent Committee found it practical to, and did not, quantify or otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusion and recommendation. Their recommendations were made after considering all of the above-noted factors and in light of the Company Board's and the Independent Committee's knowledge of the business, financial condition and prospects of Dalradian, and was also based on the advice of financial advisors and legal advisors to the Company Board and the Independent Committee. In addition, individual members of the Company Board and the Independent Committee may have assigned different weights to different factors.

Recommendation of the Company Board

After careful consideration, including a thorough review of the Arrangement Agreement, Valuation and the Fairness Opinions, as well as a thorough review of other matters, including the matters discussed under the heading "*The Arrangement —Reasons for the Arrangement*," and on the unanimous recommendation of the Independent Committee, the Company Board unanimously determined (with Messrs. Anderson, Barton and Roosen having declared an interest in the Arrangement and having recused themselves and abstained) that the Arrangement and the Consideration are fair to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) and that the Arrangement is in the best interests of Dalradian. **Accordingly, the Company Board approved the Arrangement and recommends that the Shareholders vote FOR the Arrangement Resolution.**

Valuation and Raymond James Fairness Opinion

Mandate

Pursuant to MI 61-101, the Arrangement is a "business combination" for which a formal valuation is required as one or more "interested parties," namely the Remaining Shareholders, are "joint actors" (as defined in MI 61-101) with the Purchaser and will, as a consequence of the Arrangement, directly or indirectly, acquire the Company or the business of the Company, or combine with the Company, through an amalgamation, arrangement or otherwise.

Consequently, by an engagement agreement dated May 23, 2018, the Independent Committee retained the Valuator to prepare under the supervision of the Independent Committee and provide the Independent Committee with a formal valuation of the fair market value of the Company Shares in accordance with MI 61-101. The engagement agreement also provides that the Valuator will provide the Independent Committee with an opinion as to the fairness, from a financial point of view, of the Consideration to be received by the Shareholders (other than the Purchaser and the Remaining Shareholders).

At the request of the Independent Committee, the Valuator verbally advised the Independent Committee on June 20, 2018 that subject to the assumptions, limitations and qualifications set forth in its opinion, it was of the opinion that, as at June 20, 2018, (i) the fair market value of the Company Shares is in the range of C$1.35 to C$1.70 per Company Share, and (ii) the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to such Shareholders. The Valuation and the Raymond James Fairness Opinion were subsequently formalized in writing.

The Valuator's engagement agreement provides for the payment of fees to the Valuator in the aggregate amount of $1,000,000, exclusive of applicable taxes, for the preparation and delivery of the Valuation and the Raymond James Fairness Opinion. These fees are not contingent, in whole or in part, on the conclusions reached in the Valuation and the Raymond James Fairness Opinion and/or completion of the Arrangement. In addition, the Company has agreed to reimburse the Valuator for its reasonable expenses, and to indemnify the Valuator in respect of certain liabilities that might arise out of its engagement.

Valuation and Raymond James Fairness Opinion

The following summary is qualified in its entirety by the full text of the Valuation and the Raymond James Fairness Opinion which sets forth the assumptions made, the matters considered, and the limitations and qualifications on the review undertaken by the Valuator in connection with the Valuation and the Raymond James Fairness Opinion.

Shareholders are urged to read the Valuation and the Raymond James Fairness Opinion in its entirety. The full text of the Valuation and the Raymond James Fairness Opinion setting out the assumptions made, matters considered, limitations and qualifications on the review undertaken, is attached as Appendix C and will also be available under the Company's profile on SEDAR at www.sedar.com.

Credentials of the Valuator

The Valuator is a North American full-service investment dealer with operations across Canada, Europe and the United States. The Valuator and its officers have prepared numerous valuations and fairness opinions and have participated in a significant number of transactions involving private and publicly-traded companies.

The Valuation and the Raymond James Fairness Opinion represent the opinions of the Valuator and the form and content of the Valuation and the Raymond James Fairness Opinion have been reviewed and approved for release by a committee of managing directors of the Valuator, each of whom is experienced in providing valuations and fairness opinions for mergers and acquisitions transactions, as well as proving capital markets advice.

Independence of the Valuator

After consideration of the credentials of the Valuator, the Independent Committee was satisfied that the Valuator was qualified and competent to provide the services under its engagement agreement and was independent of the Company, the Purchaser and each of the Remaining Shareholders within the meaning of MI 61-101. In October 2017, the Valuator acted as a member of the underwriting syndicate, but not as a lead or co-lead underwriter, for Osisko's $300 million convertible senior unsecured debenture offering. Otherwise, the Valuator has not provided any financial advisory services nor has it participated in any financings involving the Company, the Purchaser or any of the Remaining Shareholders in the 24-month period preceding the date the Valuator was first contacted in respect of the Valuation and the Raymond James Fairness Opinion.

There are no understandings, agreements or commitments between the Valuator and the Company, the Purchaser, any of the Remaining Shareholders or any of their respective associates or affiliates with respect to future business

dealings. The Valuator may, in the future, in the ordinary course of its business, provide financial advisory, investment banking or other financial services to the Company, the Purchaser, any of the Remaining Shareholders or their respective associates or affiliates from time to time.

Restrictions, Limitations and Assumptions

With the Independent Committee's approval, the Valuator relied upon information provided by the Company's management, including details of the Arrangement, the Company's financial projections and the Company's assets and liabilities. The Valuation and the Raymond James Fairness Opinion is conditional upon the completeness, accuracy and fair presentation of all financial and other information and representations obtained from the Company's management. Senior officers of the Company have represented to the Valuator, among other things, that the information provided by or on behalf of the Company for the purpose of preparing the Valuation and the Raymond James Fairness Opinion was, true and correct in all material respects and contained no untrue statement of a material fact concerning the Company and the Arrangement, and did not omit to state a material fact in respect of the Company or the Arrangement necessary to make the information not misleading in light of the circumstances under which the information was provided, except as disclosed publicly or in writing to the Valuator there was no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company and no material change had occurred in the information or any part thereof which would have or which would reasonably be expected to have a material effect on the Valuation, the Raymond James Fairness Opinion or the Arrangement.

The Valuation and the Raymond James Fairness Opinion were rendered on the basis of securities market, economic and general business and financial conditions prevailing as of June 20, 2018 and the conditions and prospects, financial and otherwise, of the Company as they were reflected in the information provided to the Valuator by or on behalf of the Company and as represented to the Valuator in discussions with management of the Company and its affiliates and advisors. In its analyses, the Valuator made numerous assumptions with respect to industry performance, general business, markets, regulatory, political and economic conditions, metal prices, currency or exchange rates, mineral grade and recovery rates, the obtention of requisite planning permissions and permitting, environmental approvals and other matters, many of which are beyond the control of any party involved in the Arrangement.

As the preparation of a valuation report and fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description, the Valuator believes that its analysis and supporting factors must be considered as a whole. Any attempt to partially analyze or summarily describe the contents of the Valuation or the Raymond James Fairness Opinion could lead to undue emphasis on any particular factor or analysis. The Valuation and the Raymond James Fairness Opinion are not intended to be and do not constitute a recommendation to any Shareholder as to how to vote their Company Shares at the Meeting.

Scope of Review

In preparing the Valuation and the Raymond James Fairness Opinion, the Valuator reviewed and relied upon certain information regarding the Company, including the Company's public disclosure record and certain non-public information provided by the Company. Among other things, the Valuator reviewed such other corporate, industry financial information, investigations and analyses as the Valuator considered appropriate in the circumstances, all as more fully described in the Valuation and the Raymond James Fairness Opinion.

Definition of Fair Market Value

In accordance with MI 61-101 and for purposes of the Valuation, fair market value is defined as the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act.

The Valuator did not make any downward adjustment to the fair market value of the Company Shares to reflect the liquidity of the Company Shares, the effect of the Arrangement on the Company Shares or the fact that the Company Shares do not form part of a controlling interest. Consequently, the Valuation provides a conclusion on a per Company Share basis with respect to the Company's "en bloc" value, being the price at which all of the Company Shares could be sold to one or more buyers at the same time.

Valuation Methodologies

In preparing the Valuation, the Valuator relied on the following principal methodologies for determining the fair market value of the Company Shares:

(i) the net asset value approach;

(ii) the premium paid approach;

(iii) the selected public company trading with premium approach; and

(iv) the selected precedent transaction approach.

(i) Net Asset Value Approach

As part of the net asset value approach, the Valuator applied a discounted cash flow ("**DCF**") analysis to determine the net asset value ("**NAV**") of the Company. Under this analysis, the Valuator discounted the unlevered, after-tax, constant-dollar future free cash flows at an appropriate discount rate to generate a net present value ("**NPV**") over the life of the Curraghinalt Gold Project. The DCF analysis addresses unique characteristics of the Curraghinalt Gold Project from a long-term operating perspective. The DCF analysis requires that certain assumptions be made to derive the NPV including, among other things, metal prices, development timing, production rates, capital and operating costs, mine life, working capital, taxes and discount rates. This approach adjusts for corporate items such as cash and debt, as well as ongoing general, administrative and other costs. As part of the net asset value approach, the Valuator also ascribed a value of US$50 per unmined troy ounce ("**oz**") of gold that was not included in the mine plan on an in-situ basis and therefore did not form part of the DCF analysis.

The Valuator used two approaches in the Valuation to assess a NAV for the Company, the selection of which depended upon the particular valuation methodology being utilized: the NAV-market approach and the NAV-WACC approach. The NAV-market approach, which was used for purposes of the selected public company trading with premium approach and the selected precedent transaction approach, involved applying assumptions with respect to gold price forecasts and discount rates utilized by equity research analysts for valuing selected publicly-traded development stage gold mining companies that the Valuator considered relevant. This resulted in the utilization for the NAV-market approach of a gold price of US$1,300 per oz and a real discount rate of 5.0%. To derive an "en bloc" range of values for the Company using the NAV-market approach, the Valuator applied a range of "en bloc" premiums (discussed under "Premium Paid Approach" below) to a range of price to NAV ("**P/NAV**") trading multiples (discussed under "Selected Public Company Trading with Premium Approach" below).

The NAV-WACC approach, which was used for purposes of the net asset value approach, involved discounting the Company's expected cash flows using a discount rate that was determined by estimating the real weighted average cost of capital ("**WACC**") for the Company. For the NAV-WACC approach, the Valuator applied a real discount rate range of 11.0% to 13.0% and utilized the approximate gold price at the time of the Valuation of US$1,275 per oz. As the NAV-WACC approach estimates a WACC for the Company, no market multiple adjustments are made to the NAV-WACC for the purposes of deriving a value for the Company. To derive a range of values using the NAV-WACC approach, the Valuator applied the aforementioned real discount range of 11.0% to 13.0%, which resulted in a range of $1.38 to $1.57 per Company Share. As the NAV-WACC approach estimates an actual cost of capital for the Company, and is an "en bloc" valuation methodology, trading multiples and "en bloc" premiums were not applied to the NAV under this approach to determine a value range for the Company Shares.

(ii) Premium Paid Approach

Under the premium paid approach, the Valuator observed the premiums paid for shares of target companies in select Canadian change of control transactions having transaction values of US$100 million or more since January 2011 that were considered relevant. Based on the premiums observed with respect to prior mining and precious metal transactions, the Valuator selected a premium range of 35.0% to 45.0%, which implied a valuation range per Company Share of $1.31 to $1.41 under this approach.

(iii) Selected Public Company Trading with Premium Approach

Under the selected public company trading with premium approach, the Valuator compared public market trading statistics of the Company to corresponding data from selected publicly-traded development stage gold mining companies that were considered relevant. The Valuator considered trading multiples based on equity value and Total Enterprise Value ("**TEV**") (calculated as equity value of the Company plus debt, less cash and cash equivalents, and if applicable, adjusted for any minority interests or unconsolidated investments).

In considering this approach, the Valuator considered trading multiples of P/NAV, TEV/Total Reserves and TEV/Total Resources to be the most relevant metrics for the Company. The Valuator examined multiples based on P/NAV, TEV/Total Reserves and TEV/Total Resources for each of the selected public companies and then applied a range of selected multiples to the corresponding data of the Company to calculate an implied equity value of the Company, to which the Valuator added a change of control premium which was derived from the review of the change of control premiums observed under the premium paid approach. The application of a change of control premium considers value in the context of the purchase or sale of a public company to estimate the "en bloc" value of a particular company. Based on the results of the premium paid approach, the Valuator applied a premium of 35% to the high end, and 45% to the low end, of the range of each applicable public company metric. The Valuator determined that the selected public company trading with premium approach implied a valuation range per Company Share of $1.38 to $1.63 for P/NAV, $1.05 to $1.47 for TEV/Total Reserves, and $1.34 to $2.00 for TEV/Total Resources.

(iv) Selected Precedent Transactions Approach

The selected precedent transactions approach considers transaction multiples in the context of the purchase or sale of a public company or assets. The Valuator reviewed publicly available information in connection with 22 change of control transactions involving selected publicly-traded development stage gold mining companies that were considered relevant.

The Valuator considered the multiples of P/NAV and TEV/Total Resources to be the most relevant metrics for the Company in its consideration of precedent transactions. To adjust for different prevailing market environments at the time of each precedent transaction, the TEV/Total Resources multiple for each precedent transaction was adjusted by the Amex Gold BUGS Index (the HUI Index), a modified equal dollar weighted index of companies involved in gold mining ("**TEV/Total Resources (HUI Adj.)**"). Based on this analysis, the Valuator determined that the selected precedent transactions approach implied a value range per Company Share of $1.48 to $1.87 for NAV (as determined under the NAV-market approach), and $1.26 to $1.82 for TEV/Total Resources (HUI Adj.).

Valuation Conclusion

In arriving at an opinion of the fair market value of the Company Shares, the Valuator did not attribute any particular weight to any specific factor but made qualitative judgments based on its experience in rendering such opinions and on the circumstances prevailing as to the significance and relevance of each factor. Based on the information and documents reviewed and analyses performed, and subject to the assumptions, limitations and qualifications noted in the Valuation, the Valuator concluded that, as at June 20, 2018, the fair market value of the Company Shares is in the range of $1.35 to $1.70 per Company Share.

Fairness Considerations and Conclusion

In considering the fairness, from a financial point of view, of the Consideration to be received by Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders), the Valuator reviewed, considered and relied upon the following:

(i) a comparison of the value of the Consideration payable to Shareholders to the fair market value range of the Company Shares as determined in the Valuation, which indicated that the Consideration of $1.47 per Company Share is within the fair market value range of the Company Shares, as at June 20, 2018, as determined in the Valuation;

(ii) the results of the Sale Process; and

(iii) such other information, investigations and analyses considered necessary or appropriate by the Valuator in the circumstances.

The Valuator did not assess any income tax consequences that any particular Shareholder may face in connection with the Arrangement in considering the fairness, from a financial point of view, of the Consideration to be received by Shareholders.

Based on the information and documents reviewed and analyses performed, and subject to the assumptions, limitations and qualifications noted in the Raymond James Fairness Opinion, the Valuator concluded that, as at June 20, 2018, the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders), is fair, from a financial point of view, to such Shareholders.

The Company urges Shareholders to review the Valuation and the Raymond James Fairness Opinion carefully and in its entirety. See Appendix C.

Maxit Fairness Opinion

The Financial Advisor was requested by the Independent Committee to provide an opinion as to the fairness, from a financial point of view, of the Consideration to be received by Shareholders pursuant to the Arrangement Agreement.

On June 20, 2018, the Financial Advisor verbally delivered its opinion (subsequently confirmed in writing), that as at the date thereof, the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) pursuant to the Arrangement Agreement is fair, from a financial point of view, to such Shareholders. The full text of the Maxit Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Maxit Fairness Opinion, is attached as Appendix D. The summary the Maxit Fairness Opinion described in this Circular is qualified in its entirety by reference to the full text of the Maxit Fairness Opinion.

Under the engagement letter with the Financial Advisor, Dalradian has agreed to pay the Financial Advisor certain fees for its services, a portion of which was payable upon delivery of the Maxit Fairness Opinion to the Independent Committee (regardless of its conclusions) and a significant portion of which is contingent on completion of the Arrangement. Dalradian has also agreed to indemnify the Financial Advisor against certain liabilities in connection with its engagement.

Neither the Financial Advisor nor any of its affiliates is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) or the rules made thereunder) of the Company, Orion, or any other interested party (as such term is defined in MI 61-101) or any of their respective associates or affiliates. The Financial Advisor has not been engaged to provide any financial advisory services nor has it participated in any financings involving such parties within the past two years, other than: (i) acting as financial advisor pursuant to the Company's engagement letter with the Financial Advisor; and (ii) being retained to act as financial advisor to Orion pursuant to the potential sale of a mining asset unrelated to its engagement in respect of the Company. Other than as described above, there are no other understandings, agreements or commitments between the Financial Advisor and any of such parties with respect to any current or future business dealings which would be material to the Maxit Fairness Opinion. The Financial Advisor may, in the ordinary course of business, provide financial advisory, investment banking, or other financial services to one or more of such parties from time to time.

The Maxit Fairness Opinion is not a recommendation to any Shareholder as to how to vote or act on any matter relating to the Arrangement. The Maxit Fairness Opinion is only one factor that was taken into consideration by the Independent Committee and the Company Board in making their determinations. **The Company Board urges Shareholders to review the Maxit Fairness Opinion carefully and in its entirety. See Appendix D.**

Voting Agreements

The following description of the Voting Agreements above is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Voting Agreements, a form of which may be found under Company's profile on SEDAR at www.sedar.com.

The Purchaser and the Guarantor have entered into the Voting Agreement with the Locked-up Shareholders pursuant to which the Locked-up Shareholders have agreed, subject to the terms and conditions of the Voting Agreement, to, among other things, vote their Company Shares in favour of the Arrangement Resolution. The Locked-up Shareholders collectively beneficially own or exercise control or direction over an aggregate of 77,510,545 Company Shares, representing approximately 21.8% of the outstanding Company Shares.

Their respective obligations under the Voting Agreement will automatically terminate on the earliest to occur of any of the following: (i) the Effective Time; (ii) the date on which the Arrangement Agreement is terminated in accordance with its terms; and (iii) the date, if any, upon which the Arrangement Agreement is amended in any manner to provide for less consideration than is provided for as of the date of the Voting Agreement, or, without the prior written consent of the Locked-up Shareholder, the form of consideration is changed (other than to add consideration) or the terms of the Arrangement Agreement are otherwise changed in any manner that is materially adverse to the Locked-up Shareholder. Solely with respect to the voting agreement entered into with funds and accounts under management by investment management subsidiaries of BlackRock, Inc., the voting agreement will terminate upon a higher offer by a third party being made and/or announced with respect to the Company following the date of the voting agreement.

Description of the Arrangement

The following description of the Arrangement is qualified in its entirety by reference to the full text of the Plan of Arrangement, a copy of which is attached as Appendix B of this Circular.

Following receipt of the Final Order and, in any event, not later than the Business Day prior to the filing by the Company of the Articles of Arrangement with the Director, the Purchaser will provide the Depositary with sufficient funds to be held in escrow (the terms and conditions of such escrow to be satisfactory to the Company and the Purchaser, acting reasonably) to satisfy the aggregate Consideration (less the Loan Amount, being C$90 million) payable to the Shareholders and holders of Company Options, Company DSUs and Company RSUs (other than the Remaining Shareholders) as provided in the Plan of Arrangement. On the same date, the Company will deposit or cause to be deposited in escrow an amount equal to the Loan Amount with the Depositary in connection with the Arrangement.

If the Arrangement is completed, the Purchaser will acquire all of the Company Shares, other than the Company Shares already owned by the Purchaser and/or its affiliates, if any, and Company Shares held by the Remaining Shareholders. The Company Options, Company RSUs and Company DSUs (other than Company Options and Company RSUs held by the Remaining Shareholders) will be transferred to the Company and terminated and will be of no further force and effect, all in exchange for payment, if any, in accordance with the terms of the Arrangement.

Pursuant to the Arrangement, Shareholders (other than to the Purchaser and the Remaining Shareholders and those who validly exercise their Dissent Rights) will receive, in accordance with the terms and conditions set forth in the Plan of Arrangement, a cash payment of C$1.47 from the Purchaser in consideration for each such Shareholder's Company Shares, less any withholdings or deductions required to be made pursuant to the Plan of Arrangement. Dissenting Shareholders will be deemed to have assigned and transferred their Company Shares to the Purchaser, and will cease to have any rights as Shareholders other than the right to be paid the fair value for such Company Shares in accordance with the Plan of Arrangement.

At the Effective Time, the following will occur or be deemed to occur sequentially in the following order:

(a) the Company will lend an amount equal to the Loan Amount (being C$90 million) to the Purchaser, and the Purchaser will deliver to the Company a duly issued and executed demand promissory note to evidence such loan;

(b) notwithstanding the terms of the Company RSU Plan, each unvested Company RSU outstanding immediately prior to the Effective Time and held by a Remaining Shareholder will be amended such that the Company RSU does not vest immediately prior to the Arrangement and each such Company RSU will remain outstanding, and such amendment will not constitute a disposition, novation, rescission or substitution of the holder's rights thereunder and each Company RSU (other than an RSU held by a Remaining Shareholder) outstanding immediately prior to the Effective Time (whether vested or unvested), will without any further action by or on behalf of a holder of Company RSUs, be deemed to be assigned

and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings, and each such Company RSU will then immediately be cancelled;

(c) each Company DSU outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the Company DSU Plan, will, without any further action by or on behalf of a holder of Company DSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings, and each such Company DSU will then immediately be cancelled;

(d) notwithstanding the terms of the Company Option Plan, each unvested Company Option outstanding immediately prior to the Effective Time and held by a Remaining Shareholder will be amended to the extent necessary to ensure that the Company Option does not vest as a consequence of any of the transactions in the Arrangement and each such Company Option will remain outstanding, and such amendment will not constitute a disposition, novation, rescission or substitution of the holder's rights thereunder;

(e) each of the Company Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised will be deemed to have been transferred without any further act or formality to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under the Arrangement and such Dissenting Shareholders will cease to be the holders of such Company Shares and to have any rights as holders of such Company Shares other than the right to be paid fair value by the Purchaser for such Company Shares as set out in the Arrangement;

(f) each Company Share outstanding immediately prior to the Effective Time, other than (i) Company Shares held by a Dissenting Shareholder who has validly exercised such holder's Dissent Right, or (ii) Company Shares held by a Remaining Shareholder or the Purchaser, will, without any further action by or on behalf of a holder of Company Shares, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the Consideration; and

(g) notwithstanding the terms of the Company Option Plan, each Company Option (other than an Company Option held by a Remaining Shareholder) outstanding immediately prior to the Effective Time (whether vested or unvested), will be deemed to be unconditionally vested and exercisable, and such Company Option will be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price of such Company Option, less applicable withholdings, and each such Company Option will then immediately be cancelled (for greater certainty, where such amount is a negative, neither the Company nor the Purchaser will be obligated to pay the holder of such Company Option any amount in respect of such Company Option).

Key Procedural Steps for the Arrangement to Become Effective

In order for the Arrangement to become effective:

(a) the Arrangement Resolution must be approved by the Shareholders in the manner set forth in the Interim Order;

(b) the Court must grant the Final Order approving the Arrangement;

(c) all conditions precedent to the Arrangement, as set forth in the Arrangement Agreement, must be satisfied or waived by one or both of Dalradian or the Purchaser, as appropriate; and

(d) the Articles of Arrangement in the form prescribed by the OBCA must be filed with the Director.

If approved, the Arrangement will become effective at the Effective Time, which is expected to be at 12:01 a.m. (Toronto time) on the date the Articles of Arrangement are filed with the Director, which is expected to be on or about September 7, 2018. Upon issuance of the Final Order and on or before the fifth Business Day following satisfaction or waiver of the last of the conditions precedent to the Arrangement set forth in the Arrangement

Agreement, Dalradian will file the Articles of Arrangement and such other documents as may be required to give effect to the Arrangement with the Director pursuant to Section 183(1) of the OBCA, whereupon the transactions comprising the Arrangement will occur and will be deemed to have occurred in the order set out in the Plan of Arrangement without any further act or formality. The Arrangement will be binding on the Purchaser, the Guarantor, the Company, the Shareholders, all holders of Company Options, Company RSUs and Company DSUs, including Dissenting Shareholders, the Remaining Shareholders, the registrar and transfer agent of the Company, the Depositary and all other Persons, at and after, the Effective Time without any further act or formality required on the part of any Person.

See the Plan of Arrangement attached as Appendix B for additional information.

Required Approvals

Shareholder Approval

In order for the Company to seek the Final Order and for the Arrangement to be effective, the Arrangement Resolution must be approved, with or without variation, by the affirmative vote of: (i) at least 66 2/3% of the votes cast at the Meeting in person or by proxy by the Shareholders; and (ii) a simple majority of the votes cast at the Meeting in person or by proxy by the Shareholders excluding the votes cast in respect of Company Shares beneficially owned or over which control or direction is exercised by any persons whose votes must be excluded and any of its related parties or joint actors, all in accordance with MI 61-101. The votes cast in respect of Company Shares beneficially owned or owed which control or direction is exercised by the Purchaser, the Guarantor and the Remaining Shareholders will be excluded.

Notwithstanding the approval by Shareholders of the Arrangement Resolution, the Arrangement Resolution authorizes the Company Board to, without notice to or approval of Shareholders, (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement and/or the Plan of Arrangement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

Court Approval of the Arrangement

The OBCA requires that the Court approve the Arrangement.

On August 3, 2018, Dalradian obtained the Interim Order providing for the calling and holding of the Meeting and other procedural matters. A copy of the Interim Order is attached hereto as Appendix E. The Notice of Application applying for the Final Order approving the Arrangement is attached as Appendix F.

Subject to the approval of the Arrangement Resolution by Shareholders at the Meeting, the hearing in respect of the Final Order is expected to take place on or about September 4, 2018 at 10:00 a.m. (Toronto time) in the Court at 330 University Avenue, Toronto, Ontario, or as soon thereafter as is reasonably practicable. Any Shareholder who wishes to appear or be represented and to present evidence or arguments must serve and file a notice of appearance as set out in the Notice of Application for the Final Order and satisfy any other requirements of the Court. The Court will consider, among other things, the fairness and reasonableness of the terms and conditions of the Arrangement and the rights and interests of every person affected. The Court may approve the Arrangement in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

Shareholders who wish to participate in or be represented at the Court hearing for the Final Order should consult their legal advisors as to the necessary requirements.

Letter of Transmittal

For each Registered Shareholder, accompanying this Circular is a Letter of Transmittal (printed on blue paper). The Company has enclosed an envelope with the Meeting materials in order to assist Registered Shareholders with returning Letters of Transmittal and related documents to Computershare, as depositary under the Arrangement.

In order for a Registered Shareholder to receive the Consideration for each Company Share held by such Shareholder, such Registered Shareholder must deposit the certificate(s) or DRS advice(s), as applicable,

representing his, her or its Company Shares with Computershare. The Letter of Transmittal, properly completed and duly executed, together with all other documents and instruments referred to in the Letter of Transmittal or reasonably requested by Computershare, must accompany all certificates or DRS advice(s), as applicable, for Company Shares deposited for payment pursuant to the Arrangement.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. In all cases, payment of the Consideration for Company Shares will be made only after timely receipt by Computershare of a duly completed and signed Letter of Transmittal, together with certificates or DRS advice(s), as applicable, representing such Company Shares and such other documents and instruments referred to in the Letter of Transmittal or as Computershare may require from time to time, acting reasonably. Computershare will pay the Consideration a Shareholder is entitled to receive in accordance with the instructions in the Letter of Transmittal. The Purchaser reserves the right, if it so elects in its absolute discretion, to instruct Computershare to waive any irregularity contained in any Letter of Transmittal received by Computershare. As soon as practicable following the later of the Effective Date and the deposit of the Company Shares, including delivery of the Letter of Transmittal, certificates or DRS advice(s), as applicable, and other corresponding documents required from the Shareholder, Computershare will forward the Consideration payable to the applicable Shareholder in accordance with the Plan of Arrangement.

Any Shareholder whose Company Shares are registered in the name of a broker, investment dealer, bank, trust corporation, trustee or other Intermediary should contact that Intermediary for assistance in depositing such Company Shares and should follow the instructions of such Intermediary in order to deposit such Company Shares with Computershare.

The method used to deliver a Letter of Transmittal and any accompanying certificates or DRS advice(s), as applicable, and other relevant documents, if any, is at the option and risk of the relevant Shareholder. Delivery will be deemed effective only when such documents are actually received by Computershare at the address set out in the Letter of Transmittal. The Company recommends that the necessary documentation be hand delivered to Computershare and a receipt obtained; otherwise, the use of registered mail with return receipt requested, properly insured, is recommended.

Under no circumstances will any Person be entitled to receive any interest, dividends, premium or other payment in connection with the Consideration or the Arrangement.

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Company Shares that were transferred pursuant to the Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, cash deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such cash, give a bond satisfactory to the Purchaser and the Depositary (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser, the Company and the Depositary in a manner satisfactory to the Purchaser, the Company and the Depositary, each acting reasonably, against any claim that may be made against the Purchaser, the Company and the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

Following the receipt of the Final Order and prior to filing the Articles of Arrangement, the Purchaser will deposit or arrange to be deposited to the Depositary, for the benefit of Shareholders and holders of Company Options, Company DSUs and Company RSUs, the aggregate Consideration, less the Loan Amount (with the amount per Company Share in respect of which Dissent Rights have been exercised being deemed to be the Consideration for this purpose) in accordance with the provisions of the Plan of Arrangement, which Consideration will be held by the Depositary as agent and nominee for the Shareholders for distribution to Shareholders and holders of Company Options, Company DSUs and Company RSUs in accordance with the provisions of the Plan of Arrangement. For greater certainty, the Remaining Shareholders will not be entitled to any Consideration or any payment with respect to their Company Options or Company RSUs under the Plan of Arrangement.

Other than for Remaining Shareholders, upon surrender to the Depositary for cancellation of certificates or DRS advice(s), as applicable, which immediately prior to the Effective Time represented outstanding Company Shares

that were transferred pursuant to the Plan of Arrangement, together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificates or DRS advice(s), as applicable, shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the cash which such holder has the right to receive under the Plan of Arrangement for such Company Shares, less any amounts withheld pursuant to the Plan of Arrangement and any certificates or DRS advice(s), as applicable, so surrendered shall forthwith be cancelled. Dalradian and the Purchaser will cause the Depositary, as soon as practicable after a Shareholder becomes entitled to the Consideration in accordance with the Plan of Arrangement, to issue a cheque (or a form of payment of immediately available funds) for the Consideration to which such Shareholder is entitled, less any amounts required to be deducted or withheld in accordance with the Plan of Arrangement. Unless the Shareholder instructs the Depositary to hold the cheque for pick-up by checking the appropriate box in the Letter of Transmittal, cheques will be forwarded by first class mail to the address specified in the Letter of Transmittal. If no address is provided, cheques will be forwarded by first class mail to the address of the Shareholder as shown on the register maintained by or on behalf of Dalradian immediately prior to the Effective Time.

On or as soon as practicable after the Effective Date, the Depositary shall deliver, on behalf of the Company, to each holder of Company Options and Company RSUs (other than the Remaining Shareholders) and each holder of Company DSUs, as reflected on the register maintained by or on behalf of the Company, a cheque (or a form of payment of immediately available funds) representing the cash payment, if any, which such holders have the right to receive under the Plan of Arrangement, less any amount withheld pursuant to the Plan of Arrangement.

Cancellation of Rights

If any former Registered Shareholder fails to deliver to Computershare on or before the third anniversary of the Effective Date the Letter of Transmittal, the certificates or DRS advice(s), as applicable, representing the Company Shares held by such Shareholder and any other certificates, documents or instruments required to be delivered to Computershare in order for such Shareholder to receive the Consideration which such former holder is entitled to receive, on the third anniversary of the Effective Date (i) such former holder will be deemed to have donated and forfeited to the Purchaser or its successor any Consideration held by Computershare in trust for such former holder to which such former holder is entitled and (ii) any certificate or DRS advice, as applicable, representing Company Shares formerly held by such former holder will cease to represent a claim of any nature whatsoever and will be deemed to have been surrendered to the Purchaser and will be cancelled. None of the Company, the Guarantor, or the Purchaser will be liable to any person in respect of any Consideration (including any Consideration previously held by Computershare in trust for any such former holder) which is forfeited to the Company or the Purchaser or delivered to any public official pursuant to any applicable abandoned property, escheat or similar law.

Any payment made by way of cheque by the Depositary pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the third anniversary of the Effective Time, and any right or claim to payment thereunder that remains outstanding on the third anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.

Withholding Rights

Pursuant to the terms of the Plan of Arrangement, the Purchaser, Dalradian and Computershare will be entitled to deduct and withhold from any consideration otherwise payable to any Shareholder or any person under the Plan of Arrangement (including any payment to Dissenting Shareholders and holders of Company Options, Company RSUs and Company DSUs) such amounts as the Company, the Purchaser, or Computershare is required or permitted to deduct and withhold with respect to such payment under the Tax Act, or any provision of any Laws in respect of Taxes. To the extent that Taxes or other amounts are so deducted or withheld, such deducted or withheld Taxes or other amounts shall be treated for all purposes under the Arrangement Agreement as having been paid to the Person in respect of which such deduction or withholding was made, provided that such deducted or withheld Taxes or other amounts are actually remitted to the appropriate taxing authority.

Treatment of Company Options, Company RSUs and Company DSUs

A total of 9,841,666 Company Options, 1,740,000 Company RSUs and 504,000 Company DSUs are currently outstanding. Pursuant to the Plan of Arrangement, other than the 4,695,000 Company Options and 1,455,000 Company RSUs held by Remaining Shareholders, (i) notwithstanding the terms of the Company Option Plan, each Company Option outstanding immediately prior to the Effective Time (whether vested or unvested) will be deemed to be unconditionally vested and exercisable, and such Company Option will, without any further action by or on behalf of an Optionholder, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment under the Arrangement equal to the amount, if any, by which the Consideration exceeds the exercise price of such Company Option and each such Company Option will immediately be cancelled and, for greater certainty, where such amount is zero or negative, such Company Option will be cancelled without any consideration; (ii) each Company RSU outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the Company RSU Plan, will be deemed to be unconditionally vested, and such Company RSU will, without any further action by or on behalf of such RSU Holder, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment under the Arrangement equal to the amount of the Consideration for each Company RSU and each such Company RSU will immediately be cancelled; and (iii) each Company DSU outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the Company DSU Plan, will be deemed to be unconditionally vested, and such Company DSU will, without any further action by or on behalf of such DSU Holder, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment under the Arrangement equal to the amount of the Consideration for each Company DSU and each such Company DSU will immediately be cancelled.

Expenses of the Arrangement

The Company estimates that expenses in the aggregate amount of approximately C$8.5 million will be incurred by the Company in connection with the Arrangement, including legal, financial advisory, accounting, filing and printing costs, the cost of preparing and mailing this Circular and fees in respect of the Fairness Opinions and the Valuation.

Interests of Certain Directors and Executive Officers of Dalradian in the Arrangement

In considering the recommendation of the Company Board with respect to the Arrangement Resolution, the Shareholders should be aware that certain members of the Company Board and the executive officers of Dalradian have interests in the Arrangement or may receive benefits that may differ from, or be in addition to, the interests of Shareholders generally that may present them with actual or potential conflicts of interest in connection with the Arrangement.

In particular, directors, executive officers and other members of Dalradian's senior management team who are Remaining Shareholders (including Patrick Anderson, Eric Tremblay, Keith McKay and Marla Gale and collectively, the "**Management Remaining Shareholders**") will not receive the Consideration and will retain their Company Shares. The Management Remaining Shareholders will retain a collective 1.4% interest in the Company, on a non-diluted basis.

Remaining Shareholder Agreements

Concurrently with the entering into of the Arrangement Agreement, the Purchaser and each of the Remaining Shareholders entered into a letter agreement (each, a "**Remaining Shareholder Agreement**", and collectively, the "**Remaining Shareholder Agreements**"), pursuant to which the Remaining Shareholders agreed, among other things, that all Company Shares and, where applicable, Company Options and Company RSUs, held by them at the Effective Time will remain outstanding following closing of the Arrangement. The Remaining Shareholder Agreements also provide that each Remaining Shareholder will enter into certain agreements with the Company and/or the Purchaser at the Effective Time, including a unanimous shareholders agreement (the "**USA**") governing the rights and obligations arising out of or in connection with the ownership of securities of the Company following closing of the Arrangement and if applicable, an amending agreement to certain of the Management Remaining Shareholder's existing employment agreements, governing the terms and conditions of employment of such Management Remaining Shareholder as an employee of the Company following closing of the Arrangement. The USA includes, among other things, customary restrictions on the transfer of shares, tag-along rights and drag-along rights as well as certain put and call rights on securities of the Company in select circumstances. In addition, the

Management Remaining Shareholders will be offered the opportunity to subscribe for additional contingent equity interests in the Company following the completion of the Arrangement.

Executive Employment Agreements

Dalradian has employment agreements (the "**Employment Agreement**s") with certain of its executive officers. At the Effective Time, the Company and each of the Management Remaining Shareholders will enter into amending agreements (the "**Amending Agreements**") to their respective Employment Agreements. Where applicable, the summary of the change of control entitlements of the Management Remaining Shareholders below reflects the terms set forth in their respective Employment Agreements, as amended by the Amending Agreements.

The Employment Agreements provide for payments upon termination or resignation of the employment of such officers in connection with a triggering event within 12 months following a "change of control" of Dalradian. Each of the Employment Agreements provide that an executive's employment may be terminated by the Company at any time for just cause without notice and without any payment in lieu of notice, or payment for severance, benefits, damages or any other sums. None of the Management Remaining Shareholders will receive any change of control payments on completion of the Arrangement under their respective Employment Agreements.

Unless otherwise noted below, if the Company terminates an executive's employment without cause, or if the executive terminates his or her employment as a result of a triggering event, then he or she is entitled to two years of base salary (other than for Ms. Gale and Mr. Hope, who are entitled to 12 months of base salary), plus accrued but unused vacation to the date of termination. Upon such termination, the executive is entitled to receive a bonus for the year of termination with reference to the average annual bonus (as defined in the respective employment agreements) (other than Ms. Gale who is not entitled to any bonus), and the executive is entitled to participate in the Company's benefits plan until the earlier of the second anniversary of the termination date (other than Ms. Gale and Mr. Hope, in which case it is 12 months from the termination date), or the date when alternate benefits coverage is obtained. If such participation is not permitted under the terms of any such plan, the Company must provide the executive with an amount sufficient for him or her to obtain equivalent coverage.

Unless otherwise noted below, if within the 12 month period after any change of control during the term of an executive's employment, (a) the Company gives notice of its intention to terminate the executive's employment for any reason other than just cause, or (b) a triggering event occurs and the executive elects to terminate his or her employment, such executive is entitled to the same benefits he or she would receive as if he or she was terminated without cause, in addition to two times his average annual bonus (other than Ms. Gale, who is entitled to an amount equal to 12 months of her prior fiscal year's annual bonus and Mr. Hope who is entitled to a payment equal to the full performance bonus entitlement for one year).

A "change of control" means the occurrence of any one or more of the following events: (a) less than 50% of the Company Board being composed of continuing directors; (b) the acquisition by an acquirer, other than through a private offering of securities undertaken with the Company Board's consent, of control of the voting securities of the Company which, when added to the already held securities of the acquirer totals more than 50% of the votes attached to all of the Company's outstanding voting securities; (c) the passing of a resolution regarding the acquisition described in (b) above, even if the securities have not been transferred or issued to the acquirer; (d) the Company's sale or transfer of property or assets (i) aggregating more than 50% of the Company's and its subsidiaries' consolidated assets as at the most recently completed financial year of the Company, or (ii) which generated or was expected to generate during the most recently completed financial year, more than 50% of the consolidated operating income or cash flow of the Company and its subsidiaries, to any other person; (e) the passing of a resolution regarding the sale or transfer described in (d) above; or (f) the sale of all or substantially all of the Company's assets.

A "triggering event" can mean any one of the following events which occurs without the express agreement in writing of the executive (see summaries below for which triggering events apply to each of the Company's executive officers):

(a) the assignment to the executive of any duties materially inconsistent in any respect with such executive's position (including status, offices or titles held, or reporting requirements), authority, duties or responsibilities, or any other action by the Company which results in a significant diminution in such position, authority, duties or responsibilities with the Company from that which existed immediately prior

to such change or a material adverse change in any of the benefits or perquisites of the executive as they exist;

(b) a negative change to the executive's title;

(c) a material reduction by the Company in the executive's base salary in effect at such time;

(d) any failure by the Company to comply with any other terms of the executive's employment such as payment of salary or annual incentive review, allowable activities and vacation, other than an isolated, insubstantial and inadvertent failure not occurring in bad faith and which is remedied by the Company promptly after receipt of written notice thereof given by the executive;

(e) a change in the office or body to whom the executive reports, except if such office or body is of equivalent rank or stature, provided that this shall not include a change resulting from a promotion in the normal course of business; or

(f) a change in the location of the Company's head office that is outside of a forty (40) kilometre radius from the current location.

The Arrangement Agreement also provides that the Company may, prior to the Effective Time, purchase prepaid non-cancellable run-off directors' and officers' liability insurance providing coverage for a period of six years from the Effective Date with respect to claims arising from or related to facts or events which occur on or prior to the Effective Date.

Holdings of Company Securities

As of August 3, 2018, the directors and officers of Dalradian beneficially owned, directly or indirectly, or exercised control or direction over, in the aggregate, 7,847,159 Company Shares, which represented approximately 2.21% of the total number of outstanding Company Shares, and 9,085,000 Company Options, 1,705,000 Company RSUs and 504,000 Company DSUs. All securities held by the directors and officers of Dalradian, other than those held by the Remaining Shareholders, will be treated identically and in the same manner under the Arrangement as securities held by any other Shareholders.

The following table sets out the names and positions of the directors and officers of Dalradian and as of August 3, 2018, the number and percentage of Company Shares, Company Options, Company RSUs and Company DSUs owned, or over which control or direction is exercised, by each such director or officer of Dalradian and, where known after reasonable enquiry, by their respective associates or affiliates:

Name and Office Held	**Number and Percentage of Company Shares**[(1)(2)]	**Number and Percentage of Company Options**[(1)(2)]	**Number and Percentage of Company RSUs**[(1)(2)]	**Number and Percentage of Company DSUs**[(1)(2)]
Patrick F.N. Anderson *President, Chief Executive Officer and Director*	4,341,361 1.22%	1,600,000 16.26%	486,000 27.93%	nil 0%
Keith D. McKay *Chief Financial Officer*	636,000 0.18%	525,000 5.33%	251,000 14.43%	nil 0%
Eric Tremblay *Chief Operating Officer*	5,000 0.001%	1,050,000 10.67%	394,000 22.64%	nil 0%

Name and Office Held	Number and Percentage of Company Shares[(1)(2)]	Number and Percentage of Company Options[(1)(2)]	Number and Percentage of Company RSUs[(1)(2)]	Number and Percentage of Company DSUs[(1)(2)]
Marla Gale *Vice President, Communications and Corporate Secretary*	90,700 0.03%	700,000 7.11%	289,000 16.61%	nil 0%
Gregory Hope *Vice President, Exploration*	nil 0%	500,000 5.08%	285,000 16.38%	nil 0%
Jim Rutherford *Chair*	125,000 0.04%	680,000 6.91%	nil 0%	72,000 14.29%
Dr. Nicole Adshead-Bell *Director*	nil 0%	530,000 5.39%	nil 0%	72,000 14.29%
Michael Barton *Director*	nil 0%	250,000 2.54%	nil 0%	nil 0%
Patrick G. Downey *Director*	291,250 0.08%	680,000 6.91%	nil 0%	72,000 14.29%
Ronald Gagel *Director*	199,812 0.06%	580,000 5.89%	nil 0%	72,000 14.29%
Thomas J. Obradovich *Director*	262,853 0.07%	580,000 5.89%	nil 0%	72,000 14.29%
Sean E.O. Roosen *Director*	1,815,583 0.51%	580,000 5.89%	nil 0%	72,000 14.29%
Jonathan Rubenstein *Director*	79,600 0.02%	830,000 8.43%	nil 0%	72,000 14.29%

Notes:

(1) A total of 7,847,159 Company Shares, 9,085,000 Company Options (not all of which are in-the-money), 1,705,000 Company RSUs and 504,000 Company DSUs are currently beneficially owned or controlled by the directors and officers of Dalradian. The information as to Company Shares, Company Options, Company RSUs and Company DSUs beneficially owned or controlled by each director or officer is not within the knowledge of Dalradian management and has been furnished by the respective individual.

(2) Based on a total of 355,493,448 Company Shares issued and outstanding on a non-diluted basis, 9,841,666 issued and outstanding Company Options, 1,740,000 issued and outstanding Company RSUs and 504,000 issued and outstanding Company DSUs at the date hereof.

Business Combination under MI 61-101

Dalradian is a reporting issuer in the Province of Ontario and is therefore subject to MI 61-101, which is intended to regulate certain transactions to ensure equality of treatment among shareholders, generally by requiring enhanced disclosure, approval by a majority of shareholders excluding "interested parties" or "related parties" and, in certain instances, independent valuations and approval and oversight of the transaction by a special committee of independent directors. The protections of MI 61-101 generally apply to a "business combination" (as defined in MI 61-101) that terminate the interests of shareholders without their consent. MI 61-101 provides that, in certain circumstances, where a "related party" of an issuer (as defined in MI 61-101 which includes directors, and senior officers of the Company and Shareholders holding over 10% of the Company Shares) would, as a consequence of the transaction, directly or indirectly acquire the issuer (whether alone or with joint actors) or is entitled to receive (a) consideration per equity security that is not identical to an amount to the entitlement of the general body of holders in Canada of securities of the same class; or (b) a "collateral benefit" (as defined in MI 61-101) in

connection with an arrangement (such as the Arrangement), such transaction may be considered a "business combination" for the purposes of MI 61-101 and subject to minority approval requirements.

The Arrangement is a "business combination" for the purposes of MI 61-101.

Valuation

Pursuant to MI 61-101, a formal valuation of the Company Shares is required. A copy of the Valuation is attached as Appendix C.

Minority Approval

As the Arrangement is a "business combination" for the purposes of MI 61-101, the minority approval requirements of MI 61-101 will also apply in connection with the Arrangement. In addition to obtaining approval of the Arrangement Resolution by at least 66 2/3% of the votes cast on the Arrangement Resolution at the Meeting by Shareholders, present in person or represented by proxy and entitled to vote at the Meeting, approval will also be sought from a simple majority of the votes cast at the Meeting by the Shareholders present in person or represented by proxy at the Meeting, excluding the votes of the Purchaser, the Guarantor, the Remaining Shareholders and any other "interested parties", "related parties of interested parties" or "joint actors" whose votes may not be included in determining minority approval of a "business combination" under MI 61-101, as set out below.

In particular, certain officers and directors of the Company who are not Remaining Shareholders hold Company Shares, Company Options, Company RSUs and/or Company DSUs. If the Arrangement is completed, the vesting of all Company Options, Company RSUs and Company DSUs (other than Company Options and Company RSUs held by the Remaining Shareholders) is to be accelerated and such executive officers and directors are to receive cash payments as set out in the Plan of Arrangement at the Effective Time. In addition, pursuant to pre-existing arrangements, certain executive officers are also entitled to certain payments if such executive officer is terminated or resigns upon the completion of the Arrangement in connection with the terms of their respective employment agreements. See ''*The Arrangement — Interests of Certain Directors and Executive Officers of Dalradian in the Arrangement*".

Following disclosure by each such directors and executive officers to the Independent Committee of the number of Company Shares held by them and the benefits or payments that they expect to receive pursuant to the Arrangement, the Independent Committee has determined that the aforementioned benefits or payments, other than with respect to Mr. Patrick Anderson (who holds more than 1% of the outstanding Company Shares), fall within an exception to the definition of "collateral benefit" for the purposes of MI 61-101, since the benefits are received solely in connection with the related parties' services as employees or directors of the Company or of any affiliated entities of the Company, are not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related parties for their Company Shares, are not conditional on the related parties supporting the Arrangement in any manner, and, at the time of the entering into of the Arrangement Agreement, none of the related parties entitled to receive the benefits exercised control or direction over, or beneficially owned, more than 1% of the outstanding Company Shares, as calculated in accordance with MI 61-101.

For the purposes of obtaining Minority Approval, the following votes will be excluded:

Name	Number of Company Shares
Orion Mine Finance Fund II LP	34,013,605
Osisko Gold Royalties Ltd	31,717,687
Patrick F.N. Anderson	4,341,361
Keith McKay	636,000
Eric Tremblay	5,000
Marla Gale	90,700
Sean Roosen	1,815,583
Total:	72,619,936

Prior Valuations

To the knowledge of Dalradian, after reasonable inquiry, other than the Valuation, there has been no prior valuation of Dalradian, the Company Shares or its material assets in the 24 months prior to the date of this Circular.

Source of Funds

Pursuant to the terms of the Arrangement, an aggregate cash amount of approximately C$419.1 million will be required by the Purchaser in order to fund the Arrangement. The cash amounts payable pursuant to the Arrangement will be financed using cash on hand in the Company made available to the Purchaser as the Loan Amount (in the amount C$90 million) and through cash available to the Purchaser. The Purchaser has confirmed that it has sufficient cash available to finance the balance of the cash required to complete the Arrangement, and the Guarantor has guaranteed the Purchaser's obligation to pay the aggregate Consideration on and subject to the terms of the Arrangement Agreement.

THE ARRANGEMENT AGREEMENT

The Arrangement Agreement provides for the implementation of the Plan of Arrangement. The following is a summary only of certain provisions of the Arrangement Agreement and reference should be made to the full text of the Arrangement Agreement under the Company's profile on SEDAR at www.sedar.com and the Plan of Arrangement attached as Appendix B. This summary does not purport to be complete and may not contain all of the information about the Arrangement Agreement or the Plan of Arrangement that is important to you. Shareholders are encouraged to read the Arrangement Agreement and the Plan of Arrangement (attached as Appendix B) in their entirety.

The Arrangement Agreement and this summary of its terms have been included to provide you with information regarding the terms of the Arrangement Agreement. The Arrangement Agreement contains representations and warranties made by the Company to the Purchaser and representations and warranties made by the Purchaser and to the Company. The representations and warranties in the Arrangement Agreement and the description of them in this Circular should not be read alone, but instead should be read in conjunction with the other information contained in the reports, statements and filings under the Company's profile on SEDAR at www.sedar.com.

Covenants

In the Arrangement Agreement, the Company and the Purchaser have agreed to certain covenants, certain of which are described below.

Covenants of the Purchaser

Each of the Purchaser and the Guarantor has given, in favour of the Company, usual and customary covenants for an agreement of the nature of the Arrangement Agreement, including covenants: (i) use its commercially reasonable efforts to oppose, lift or rescind any injunction, restraining or other order seeking to prohibit or adversely affect the consummation of the Arrangement; (ii) use its commercially reasonable efforts to satisfy all conditions precedent and carry out the terms of the Interim Order and the Final Order, and (iii) not to take any commercially reasonable action or refraining from taking any commercially reasonable action, or permitting any action to be taken or not taken, which is inconsistent with the Arrangement Agreement or would reasonably be expected to prevent, delay or impede consummation of the Arrangement. The Purchaser has an obligation to notify the Company of any notices alleging consent is required in connection with the Arrangement, any notice from any Governmental Entity in connection with the Arrangement Agreement, or any material filing or proceeding being commenced or threatened in connection with the Arrangement.

Following receipt of the Final Order and, in any event, not later than the Business Day prior to the filing by the Company of the Articles of Arrangement with the Director, the Purchaser will provide the Depositary with sufficient funds to be held in escrow (the terms and conditions of such escrow to be satisfactory to the Company and the Purchaser, acting reasonably) to satisfy the aggregate Consideration (less the Loan Amount) payable to the Shareholders and holders of Company Options, Company DSUs and Company RSUs (other than the Remaining Shareholders) as provided in the Plan of Arrangement.

Covenants of Dalradian

The Company has given, in favour of the Purchaser, usual and customary covenants for an agreement of the nature of the Arrangement Agreement, including covenants: (i) to conduct business in the Ordinary Course of business during the period from the date of the Arrangement Agreement until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms; (ii) not to undertake certain actions without the prior written consent of the Purchaser, including among others, amendments to its constating documents and Material Contracts, certain corporate actions, making capital expenditures not contemplated in the Budget or disposing of any of its assets; (iii) to obtain and maintain all third party or other consents necessary in connection with the Arrangement; (iv) to oppose any injunction, restraining or other order seeking to prohibit or adversely affect the consummation of the Arrangement; (v) to assist in securing resignations of the directors of the Company; (vi) to satisfy all conditions precedent and carry out the terms of the Interim Order and the Final Order, and (vii) not to take any commercially reasonable action or refraining from taking any commercially reasonable action which is inconsistent with the Arrangement Agreement or would reasonably be expected to prevent, delay or impede consummation of the Arrangement. The Company has an obligation to notify the Purchaser of the occurrence of any Material Adverse Effect after the date of the Arrangement Agreement, of any notices alleging consent is required in connection with the Arrangement, any notice from any Governmental Entity in connection with the Arrangement Agreement, or any material filing or proceeding being commenced or threatened in connection with the Arrangement.

Following receipt of the Final Order, the Company will deposit or cause to be deposited in escrow an amount equal to the Loan Amount with the Depositary in connection with the Arrangement.

Covenants Regarding Regulatory Approvals

The Parties have agreed to prepare and file all necessary documents and applications required for the Regulatory Approvals and to use commercially reasonable efforts to obtain and maintain all Regulatory Approvals. In addition, the parties have agreed to cooperate with one another in connection with obtaining the Regulatory Approvals including providing one another with copies of all notices and information or other correspondence supplied to, filed with or received from any Governmental Entity and keeping one another fully informed as to the status and processes relating to obtaining such approvals.

Covenants Regarding Non-Solicitation

The Company has provided certain non-solicitation covenants (the "**Non-Solicitation Covenants**") in favour of the Purchaser, as set forth below.

(a) Except as permitted in the Arrangement Agreement, the Company and its Subsidiaries will not, directly or indirectly, through any officer, director, employee, representative (including any financial or other adviser) or agent of the Company or any of its Subsidiaries (collectively, "**Representatives**") or otherwise, and will not permit any such Person to:

(i) solicit, initiate, encourage or otherwise knowingly facilitate, (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Company or any Subsidiary) any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(ii) enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser and its affiliates) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal, provided that the Company may contact such Person solely to clarify the terms and conditions of such Acquisition Proposal;

(iii) make a Change in Recommendation;

(iv) accept, approve, endorse or recommend, or publicly propose to accept, approve, endorse or recommend, or take no position or remain neutral with respect to, any Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to an Acquisition Proposal for a period of no more than five Business Days following the formal announcement or public disclosure of such Acquisition Proposal will not be considered to be in violation of the Non-Solicitation Covenants, provided that the Company Board has rejected such Acquisition Proposal and affirmed the Board Recommendation before the end of such five Business Day period (or in the event that the Meeting is scheduled to occur within such five Business Day Period, prior to the third Business Day prior to the Meeting)); or

(v) enter into or publicly propose to enter into any agreement in respect of an Acquisition Proposal other than as permitted in the Non-Solicitation Covenants.

(b) The Company will, and will cause its Subsidiaries and its Representatives to, immediately cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion, negotiations, or other activities commenced prior to the date of the Arrangement Agreement with any Person (other than the Purchaser and its affiliates) with respect to any inquiry, proposal or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, and in connection with such termination, the Company will: (a) discontinue access to and disclosure of all information; and (b) request, and exercise all rights it has to require (i) the return or destruction of all copies of any confidential information regarding the Company or any Subsidiary provided to any Person (other than the Purchaser, its affiliates or any of their Representatives) in the past two years, and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Company or any Subsidiary, to the extent that such information has not previously been returned or destroyed, using its commercially reasonable efforts to ensure that such requests are fully complied with.

(c) The Company represented to the Purchaser that the Company has not waived any confidentiality, standstill or similar agreement or restriction to which the Company or any Subsidiary is a party, and covenanted and agreed that (i) the Company will take all necessary action to enforce each confidentiality, standstill, use, business purpose or similar agreement or restriction to which the Company or any Subsidiary is a party, and (ii) neither the Company, nor any Subsidiary nor any of their respective Representatives will, without the prior written consent of the Purchaser (which may be withheld or delayed in the Purchaser's sole and absolute discretion), release any Person from, or waive, amend, suspend or otherwise modify such person's obligations respecting the Company, or any of its Subsidiaries, under any confidentiality, standstill, use, business purpose or similar agreement or restriction to which the Company or any Subsidiary is a party (it being acknowledged by the Purchaser that the automatic termination or release of any standstill restrictions of any such agreements as a result of entering into and announcing the Arrangement Agreement was not a violation of the Arrangement Agreement).

(d) If the Company or any of its Subsidiaries or any of their respective Representatives, receives or otherwise becomes aware of any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Company or any Subsidiary, including but not limited to information, access, or disclosure relating to the properties, facilities, books or records of the Company or any Subsidiary, the Company will promptly notify the Purchaser, at first orally, and then as soon as practicable and in any event within 24 hours in writing, of such Acquisition Proposal, inquiry, proposal, offer or request, including a description of its material terms and conditions, the identity of all Persons making the Acquisition Proposal, inquiry, proposal, offer or request, and will provide the Purchaser with copies of all written documents, correspondence or other material received in respect of, from or on behalf of any such Person. The Company will keep the Purchaser fully informed on a current basis of the status of developments and (if permitted) negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request and will provide to the Purchaser copies of all material or substantive correspondence if in writing or electronic form, and if not in writing or electronic form, a description of the material terms of such correspondence communicated to the Company by or on behalf of any Person making any such Acquisition Proposal, inquiry, proposal, offer or request.

(e) Notwithstanding anything to the contrary contained in items (a) through (d) above, if at any time, prior to obtaining the approval by the Shareholders of the Arrangement Resolution, the Company receives a written Acquisition Proposal, the Company may engage in or participate in discussions or negotiations with such Person regarding such Acquisition Proposal, and may provide copies of, access to or disclosure of confidential information, properties, facilities, books or records of the Company or its Subsidiaries, if and only if:

(i) the Company Board first determines in good faith, after consultation with its financial advisors and its outside counsel, that such Acquisition Proposal constitutes or could reasonably be expected to constitute or lead to a Superior Proposal, and, after consultation with its outside counsel, that the failure to engage in such discussions or negotiations would be inconsistent with its fiduciary duties;

(ii) such Person was not restricted from making such Acquisition Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction;

(iii) the Company has been, and continues to be, in compliance with its obligations under the Non-Solicitation Covenants; and

(iv) prior to providing any such copies, access, or disclosure, the Company enters into an Acceptable Confidentiality Agreement with such Person and any such copies, access or disclosure provided to such Person will have already been (or simultaneously be) provided to the Purchaser and the Company promptly provides the Purchaser, prior to providing any such copies, access or disclosure, with a true, complete and final executed copy of the Acceptable Confidentiality Agreement.

(f) Nothing contained in the Arrangement Agreement will prevent the Company Board from complying with Section 2.17 of National Instrument 62-104 – *Takeover Bids and Issuer Bids* and similar provisions under Securities Laws relating to the provision of a directors' circular in respect of an Acquisition Proposal that the Company Board determines is not a Superior Proposal.

(g) If the Company receives an Acquisition Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution, the Company Board may enter into a definitive agreement with respect to such Superior Proposal if and only if: (i) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing confidentiality, standstill, non-disclosure, use, business purpose or similar restriction; (ii) the Company has been and continues to be in compliance with the Non-Solicitation Covenants; (iii) the Company has delivered to the Purchaser a written notice of the determination of the Company Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Company Board to enter into such definitive agreement, together with a written notice

from the Company Board regarding the value in financial terms that the Company Board, in consultation with its financial advisors, has determined should be ascribed to any non-cash consideration offered under such Acquisition Proposal; (iv) the Company has provided the Purchaser a copy of the proposed definitive agreement and all supporting materials, including any financing documents, supplied to the Company connection therewith; (v) at least five Business Days (such period being the "**Matching Period**") will have elapsed from the date the Purchaser received the notice referred to in this item (iii) above and the date on which the Purchaser received the materials set out in this item (iv) above; (vi) during any Matching Period, the Purchaser has had the opportunity, but not the obligation, to propose to amend the terms of the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal; (vii) if the Purchaser has offered to amend the Arrangement Agreement the Arrangement, the Company Board has determined in good faith, after consultation with the Company's outside legal and financial advisers, that such Acquisition Proposal continues to constitute a Superior Proposal compared to the proposed amended terms; (viii) the Company Board has determined in good faith, after consultation with the Company's outside legal counsel, that the failure of the Company Board to enter into a definitive agreement with respect to such Superior Proposal would be inconsistent with its fiduciary duties; and (ix) prior to or concurrently with entering into such definitive agreement with respect to such Superior Proposal, the Company terminates the Arrangement Agreement and pays the Termination Fee.

(h) During the Matching Period, or such longer period as the Company may approve in writing for such purpose: (i) the Purchaser will have the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement; (ii) the Company Board will review any offer made by the Purchaser to amend the terms of the Arrangement Agreement and the Arrangement in good faith in order to determine whether such proposal would, upon acceptance, result in the Acquisition Proposal previously constituting a Superior Proposal ceasing to be a Superior Proposal; and (iii) the Company will negotiate in good faith with the Purchaser to make such amendments to the terms of the Arrangement Agreement and the Arrangement as would enable the Purchaser to proceed with the transactions contemplated by the Arrangement Agreement on such amended terms. If the Company Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Company will promptly so advise the Purchaser and the Company, the Purchaser and the Guarantor will amend the Arrangement Agreement to reflect such offer made by the Purchaser, and will take an cause to be taken all such actions as are necessary to give effect to the foregoing.

(i) Each successive amendment to any Acquisition Proposal will constitute a new Acquisition Proposal, and the Purchaser will be afforded a new five Business Day Matching Period from the later of the date on which the Purchaser received the notice in (f)(iii) above and all of the material set forth in (f)(iv) above for the new Superior Proposal from the Company.

(j) The Company Board will promptly reaffirm the Board Recommendation by press release after any Acquisition Proposal which is not determined to be a Superior Proposal is publicly announced or publicly disclosed or the Company Board determines that a proposed amendment to the terms of the Arrangement Agreement would result in an Acquisition Proposal no longer being a Superior Proposal. The Company shall provide the Purchaser and its outside legal with a reasonable opportunity to review the form and content of any such press release and shall make all reasonable amendments to such press release as requested by the Purchaser and its counsel.

(k) If the Company provides a notice to the Purchaser after a date that is less than 10 Business Days before the Meeting, the Company will either proceed with or postpone the Meeting, as directed by the Purchaser acting reasonably, to a date that is not more than 15 Business Days after the scheduled date of the Meeting but before the Outside Date.

Other Covenants

Insurance and Indemnification

The Company will purchase customary "tail" policies of directors' and officers' liability insurance, at a cost not exceeding 250% of the Company's current annual aggregate premium for policies currently maintained by the

Company, providing coverage for a period of six years from the Effective Date with respect to claims arising from or related to facts or events which occur on or prior to the Effective Date.

Pre-Acquisition Reorganization

The Company has agreed that, upon request of the Purchaser, it will use its commercially reasonable efforts to perform such reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions (each, a "**Pre-Acquisition Reorganization**") as the Purchaser may reasonably request; provided, however, that the Company need not effect a Pre-Acquisition Reorganization unless such Pre-Acquisition Reorganization, among other things: (i) can be completed prior to the Effective Date; and (ii) does not impair the ability of the Company, the Purchaser or the Guarantor to consummate, and will not materially delay the consummation of, the Arrangement. The Purchaser has agreed that it will be responsible for all costs and expenses associated with any Pre-Acquisition Reorganization to be carried out at its request and will indemnify and save harmless the Company and its affiliates from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgements and penalties suffered or incurred by any of them in connection with or as a result of any such Pre-Acquisition Reorganization.

Guarantee

Pursuant to the Arrangement Agreement, the Guarantor has unconditionally and irrevocably guaranteed, as principal and not as surety, the performance (and, where applicable, payment) by the Purchaser (and its successors and permitted assigns) of each of its obligations and liabilities under the Arrangement Agreement.

Representations and Warranties

The Arrangement Agreement contains representations and warranties made by the Company to the Purchaser and representations and warranties made by the Purchaser and the Guarantor to the Company. The representations and warranties were made solely for the purposes of the Arrangement Agreement and are subject to important qualifications and limitations agreed to by the parties in connection with negotiating its terms. Moreover, some of the representations and warranties contained in the Arrangement Agreement have been made as of specified dates or are subject to a contractual standard of materiality (including Material Adverse Effect) that are different from what may be viewed as material to Shareholders, or may have been used for the purpose of allocating risk between parties to an agreement instead of establishing such matters as facts. For the foregoing reasons, you should not rely on the representations and warranties contained in the Arrangement Agreement as statements of factual information at the time they were made or otherwise.

The representations and warranties provided by the Company in favour of the Purchaser relate to, among other things: (i) organization and powers; (ii) authority relative to the Arrangement Agreement; (iii) required approvals; (iv) no defaults under any Material Contracts or organizational documents and no violations of laws; (v) authorized and issued capital; (vi) subsidiaries; (vii) the existence of acquisition and repurchase rights; (viii) the Company not being subject to any shareholders agreement; (ix) listing of shares, reporting issuer and securities law matters; (x) auditors, financial statements, disclosure controls and internal control over financial reporting; (xi) undisclosed liabilities and absence of certain changes; (xii) no Material Adverse Effect; (xiii) compliance with laws; (xiv) authorizations and other rights; (xv) litigation; (xvi) solvency; (xvii) operational matters; (xviii) mineral resources; (xix) taxes; (xx) Material Contracts; (xxi) title to real property and personal property; (xxii) project property interests and maintenance thereof; (xxiii) expropriation; (xxiv) employment matters and employment laws; (xxv) health and safety; (xxvi) acceleration of benefits; (xxvii) pension and employee benefits; (xxviii) security; (xxix) independent contractors; (xxx) intellectual property; (xxxi) environmental compliance; (xxxii) insurance; (xxxiii) books and records; (xxxiv) non-arm's length transactions; (xxxv) financial advisors; (xxxvi) fairness opinions; and (xxxvii) special committee and Company Board approval.

The representations and warranties provided by the Purchaser and the Guarantor in favour of the Company relate to, among other things: (i) organization and power; (ii) authority relative to the Arrangement Agreement; (iii) required approvals; (iv) no violation; (v) sufficient funds; (vi) share ownership; and (vii) litigation.

Conditions of Closing

Mutual Conditions

The Parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, which conditions may only be waived, in whole or in part, by the mutual consent of each of the Parties:

(a) the Arrangement Resolution will have been approved by the Shareholders at the Meeting in accordance with the Interim Order;

(b) the Interim Order and Final Order will have been obtained on terms consistent with the Arrangement Agreement, and have not been set aside or modified in a manner unacceptable to either the Company or the Purchaser, each acting reasonably, on appeal or otherwise;

(c) the Articles of Arrangement will have been filed with the Director under the OBCA in accordance with the Arrangement will be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably;

(d) no Law will be in effect that makes consummation of the Arrangement illegal or otherwise prohibits or enjoins the Company or the Purchaser from consummating the Arrangement; and

(e) the Regulatory Approvals will have been obtained.

Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of the Purchaser and may only be waived, in whole or in part, by the Purchaser in its sole discretion:

(a) the representation and warranties of the Company:

  (i) that are the fundamental representations of the Company (including representations relating to organization, authority relative to the Arrangement Agreement, regulatory approvals, no violations, books and records, non-arm's length transactions and financial advisors) were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time, in all respects;

  (ii) that are the capitalization and subsidiary representations and warranties of the Company were true and correct (other than de minimis inaccuracies) as of the date of the Arrangement Agreement and are true and correct as of the Effective Time, in all respects (other than de minimis inaccuracies); and

  (iii) other than the representations and warranties to which items (i) or (ii) above applies, the representations and warranties of the Company are true and correct in all respects (disregarding for this purpose all materiality or Material Adverse Effect qualifications contained therein) as of the Effective Time as if made on and as of such date except for breaches of representations and warranties which are not, and have not had, a Material Adverse Effect, except in each case, for representations and warranties made as of a specified date, the accuracy of which will be determined as of such specified date;

(b) the Company will have fulfilled or complied in all material respects with each of the covenants of the Company in the Arrangement Agreement to be fulfilled or complied with by it on or before the Effective Time;

(c) there is no action or proceeding pending or threatened by any Person (other than the Purchaser) in any jurisdiction that is reasonably likely to: (i) cease trade, enjoin, prohibit, or impose any limitations, damages or conditions on, the Purchaser's ability to acquire, hold, or exercise full rights of ownership over, any

Company Shares, including the right to vote the Company Shares; or (ii) prohibit or restrict the Arrangement, or the ownership or operation by the Purchaser of the business or assets of the Purchaser, the Company or any of its Subsidiaries, or compel the Purchaser to dispose of or hold separate any material portion of the business or assets of the Purchaser, the Company or any of its Subsidiaries as a result of the Arrangement; or (iii) prevent or materially delay the consummation of the Arrangement, or if the Arrangement is consummated, have a Material Adverse Effect;

(d) Dissent Rights will not have been exercised (and not withdrawn) with respect to more than 10% of the issued and outstanding Company Shares;

(e) since the date of the Arrangement Agreement, there will not have occurred a Material Adverse Effect; and

(f) the Company and its Subsidiaries, on a consolidated basis, will have unrestricted cash in an amount equal to no less than the Restricted Cash Amount.

Additional Conditions Precedent to the Obligations of the Company

The Company is not required to complete the Arrangement unless each of the following conditions is satisfied on or before the Effective Time, which conditions are for the exclusive benefit of the Company and may only be waived, in whole or in part, by the Company in its sole discretion:

(a) (i) the representations and warranties of the Purchaser with respect to organization, authority relative to the Arrangement Agreement, required approvals and non-contravention were true and correct as of the date of the Arrangement Agreement and are true and correct as of the Effective Time, in all respects, and (ii) all other representations and warranties of the Purchaser and the Guarantor are true and correct as of the Effective Time, in all material respects, in each case except for representations and warranties made as of a specified date, the accuracy of which will be determined as of such specified date, except where the failure of such representations and warranties to be so true and correct, individually or in the aggregate, would not materially impede or materially delay the completion of the Arrangement; and

(b) the Purchaser and the Guarantor will have complied in all material respects with each of the covenants in the Arrangement Agreement to be performed and complied with by it on or before the Effective Time.

Termination

The Arrangement Agreement may be terminated prior to the Effective Time by:

(a) the mutual agreement of the Parties;

(b) either the Company or the Purchaser (on its own behalf or on behalf of the Guarantor) if:

(i) the approval of Shareholders as set forth in this Circular is not obtained at the Meeting in accordance with the Interim Order provided that a Party may not terminate pursuant to this provision if the failure to obtain such approval has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement;

(ii) any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise permanently prohibits or enjoins the Company or the Purchaser from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable, provided the Party seeking to terminate pursuant to this provision has used its commercially reasonable efforts to, as applicable, appeal or overturn such Law or otherwise have it lifted or rendered non-applicable in respect of the Arrangement; or

(iii) the Effective Time does not occur on or prior to the Outside Date, provided that a Party may not terminate pursuant to this provision if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party or, in the case of the Purchaser, by the Purchaser or the Guarantor) of any of its representations or warranties or the failure of such Party (or, in the case of

the Purchaser, by the Purchaser or the Guarantor) to perform any of its covenants or agreements under the Arrangement Agreement.

(c) the Company if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser under the Arrangement Agreement occurs that would cause any condition described above under the headings "*Mutual Conditions*" and "*Additional Conditions Precedent to the Obligations of the Company*" not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date or is not cured in accordance with the terms of the Arrangement Agreement; provided that the Company is not then in breach of the Arrangement Agreement so as to cause any condition in not to be satisfied; or

(ii) prior to the approval by the Shareholders of the Arrangement Resolution, the Company Board authorizes the Company to enter into a written agreement (other than an Acceptable Confidentiality Agreement) with respect to a Superior Proposal, provided the Company is then in compliance with the Non-Solicitation Covenants and that prior to or concurrent with such termination the Company pays the Termination Fee.

(d) the Purchaser, on its own behalf and on behalf of the Guarantor:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Company under the Arrangement Agreement occurs that would cause any condition described above under the headings "*Mutual Conditions*" and "*Additional Conditions Precedent to the Obligations of the Company*" not to be satisfied, and such breach or failure is incapable of being cured on or prior to the Outside Date or is not cured in accordance with the terms of the Arrangement Agreement; provided that the Purchaser is not then in breach of the Arrangement Agreement so as to cause any condition not to be satisfied;

(ii) the Company Board or any committee of the Company Board fails to unanimously recommend or withdraws, amends, modifies or qualifies, publicly proposes or states its intention to do so, or fails to publicly reaffirm (without qualification) within five Business Days after having been requested in writing by the Purchaser, acting reasonably, to do so, the Board Recommendation, or takes no position or a neutral position with respect to a publicly announced or otherwise publicly disclosed Acquisition Proposal for more than five Business Days after such Acquisition Proposal's public announcement or public disclosure (or in the event that the Meeting is scheduled to occur within such five Business Day Period, prior to the third Business Day prior to the Meeting), or accepts, approves, endorses or recommends, or publicly proposes to accept, approve, endorse or recommend an Acquisition Proposal, or enters into a written agreement (other than an Acceptable Confidentiality Agreement) with respect to an Acquisition Proposal (a "**Change in Recommendation**"), or the Company breaches the Non-Solicitation Covenants in any respect or, the Company Board or any committee of the Company Board resolves or proposes to take any of the foregoing actions; or

(iii) there has occurred a Material Adverse Effect on or after the date of the Arrangement Agreement.

Termination Fee

The Arrangement Agreement specifies that the Company will pay the Purchaser the Termination Fee upon termination of the Arrangement Agreement:

(a) by the Purchaser pursuant to item (d)(ii) under "*The Arrangement Agreement – Termination*" {*Change of Recommendation*} or pursuant to any of the items in (b) under "*The Arrangement Agreement – Termination*" if at such time the Purchaser was entitled to terminate pursuant to a Change of Recommendation;

(b) by the Company pursuant to item (c)(ii) under "*The Arrangement Agreement – Termination*" {*Superior Proposal*};

(c) by the Company or the Purchaser pursuant to items (b)(i) {*Arrangement Resolution Not Approved*} or (b)(iii) {*Occurrence of Outside Date*} or by the Purchaser pursuant to item (c)(i) {*Company Breach of Representation*}, all under "*The Arrangement Agreement – Termination*" above, where: (i) prior to such termination, an Acquisition Proposal is made or publicly announced or otherwise publicly disclosed by any Person other than the Purchaser or any of its affiliates or any Person (other than the Purchaser or any of its affiliates) will have publicly announced an intention to do so; and (ii) within 365 days following the date of such termination, (A) an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above) is consummated or effected, or (B) the Company or one or more of its Subsidiaries, directly or indirectly, in one or more transactions, enters into a contract in respect of an Acquisition Proposal (whether or not such Acquisition Proposal is the same Acquisition Proposal referred to in clause (i) above) and such Acquisition Proposal is later consummated or effected (whether or not within 365 days after such termination); provided, however, that for the purposes of this item (d) all references to "20% or more" in the definition of Acquisition Proposal will be changed to "50% or more".

RISK FACTORS RELATING TO THE ARRANGEMENT

The following risk factors relating to the Arrangement should be considered by Shareholders in evaluating whether to vote to approve the Arrangement Resolution. These risk factors should be considered in conjunction with the other information contained in or incorporated by reference into this Circular.

There can be no certainty that all conditions precedent to the Arrangement will be satisfied. Failure to complete the Arrangement could negatively impact the market price of the Company Shares.

The Arrangement is subject to certain conditions that are outside the control of Dalradian and the Purchaser. The Arrangement is conditional upon, among other things, approval of the Arrangement Resolution by Shareholders, approval by the Court and Dalradian and the Purchaser having obtained all government or regulatory approvals required by law, policy or practice. There can be no assurance that these conditions will be satisfied or waived, or, if satisfied or waived, when they will be satisfied or waived. A substantial delay in obtaining satisfactory approvals or the imposition of unfavourable terms or conditions in any government or regulatory approvals could have an adverse effect on the business, financial condition or results of operations of Dalradian. If the Arrangement is not completed, the market price of the Company Shares may decline. If the Arrangement is not completed and the Company Board decides to seek another merger or business combination, there can be no assurance that it will be able to find a party willing to pay consideration for the Company Shares that is equivalent to, or more attractive than, the Consideration payable pursuant to the Arrangement.

The Arrangement Agreement may be terminated by the Parties in certain circumstances.

Each of the Purchaser and Dalradian has the right to terminate the Arrangement Agreement and the Arrangement in certain circumstances. Accordingly, there can be no assurance that the Arrangement Agreement will not be terminated by either the Purchaser or Dalradian before the completion of the Arrangement. See "*The Arrangement Agreement — Termination*".

Directors and executive officers of Dalradian may have interests in the Arrangement that are different from those of Shareholders generally.

Certain executive officers and directors of Dalradian may have interests in the Arrangement that may be different from, or in addition to, the interests of Shareholders generally including, but not limited to, the participation of the Remaining Shareholders in the Arrangement. In particular, the Remaining Shareholders will receive different consideration than other Shareholders as they will be entitled to retain their resulting interest in the Company. The Company Board established the Independent Committee comprised of independent directors to evaluate the Arrangement, including obtaining the Valuation, and advise the full Company Board on whether the Arrangement is in the best interests of Dalradian and fair to the Shareholders. The Independent Committee and the Company Board each recommended in favour of the Arrangement. Nevertheless, Shareholders should consider these interests in connection with their vote on the Arrangement Resolution, including whether these interests may have influenced Dalradian's executive officers and directors to recommend or support the Arrangement. See "*The Arrangement – Interests of Certain Directors and Executive Officers of Dalradian in the Arrangement*".

The Termination Fee provided under the Arrangement Agreement if the Arrangement Agreement is terminated in certain circumstances may discourage other parties from attempting to acquire the Company.

Under the Arrangement Agreement, the Company is required to pay a Termination Fee of C$20 million in the event the Arrangement Agreement is terminated in certain circumstances. While the Company Board has determined that the Termination Fee is reasonable, it may nevertheless discourage other parties from attempting to acquire the Company Shares, even if those parties would otherwise be willing to offer greater value than that offered under the Arrangement. The Company Board is also limited in its ability to change its recommendation with respect to arrangement-related proposals. See "*The Arrangement Agreement — Termination*".

If the Company is unable to complete the Arrangement or if completion of the Arrangement is delayed, there could be an adverse effect on the Company's business, financial condition, operating results and the price of its Company Shares.

The completion of the Arrangement is subject to the satisfaction of numerous closing conditions, including the approval of the Arrangement Resolution by the Shareholders, receipt of each of the Interim Order and Final Order and the necessary conditional approvals or equivalent approvals. A substantial delay in obtaining satisfactory approvals could have an adverse effect on the business, financial condition or results of operations of the Company or could result in the termination of the Arrangement Agreement. If (a) Shareholders choose not to approve the Arrangement, (b) the Company otherwise fails to satisfy, or fails to obtain a waiver of the satisfaction of, the closing conditions to the transaction and the Arrangement is not completed, (c) a Material Adverse Effect has occurred that results in the termination of the Arrangement Agreement, or (d) any legal proceeding results in enjoining the transactions contemplated by the Arrangement, the Company could be subject to various adverse consequences, including that the Company would remain liable for significant costs relating to the Arrangement, including, among others, legal, accounting, financial advisory and financial printing expenses.

There is uncertainty surrounding completion of the Arrangement.

As the Arrangement is dependent upon satisfaction of a number of conditions precedent, its completion is uncertain. In response to this uncertainty, the entities which do business with Dalradian may delay or defer decisions concerning Dalradian. Any delay or deferral of those decisions by such entities could adversely affect the business and operations of Dalradian, regardless of whether the Arrangement is ultimately completed.

Similarly, uncertainty may adversely affect Dalradian's ability to attract or retain key personnel. In the event the Arrangement Agreement is terminated, Dalradian's relationships with business partners, suppliers, employees and other stakeholders may be adversely affected. Changes in such relationships could adversely affect the business and operations of Dalradian.

While the Arrangement is pending, the Company is restricted from taking certain actions.

The Arrangement Agreement restricts the Company from taking certain specified actions until the Arrangement is completed without the consent of the Purchaser. These restrictions may prevent the Company from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

The pending Arrangement may divert the attention of the Company's management.

The Arrangement could cause the attention of the Company's management to be diverted from the day-to-day operations and customers or suppliers may seek to modify or terminate their business relationships with the Company. These disruptions could be exacerbated by a delay in the completion of the Arrangement and could have an adverse effect on the business, operating results or prospects of the Company.

Dalradian will incur costs.

Certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by Dalradian even if the Arrangement is not completed.

INFORMATION REGARDING DALRADIAN

Dalradian is a TSX and London (AIM)-quoted mineral exploration and development company focused on advancing its high-grade Curraghinalt Gold Project located in Northern Ireland. The Company's registered address and head office is located at Queen's Quay Terminal, 207 Queens Quay West, Suite 416, Toronto, Ontario, M5J 1A7.

Dalradian's authorized capital consists of an unlimited number of Company Shares. As at August 3, 2018, 355,493,448 Company Shares were issued and outstanding.

Market for Securities

The Company Shares are listed and traded on the TSX under the symbol "DNA" and on AIM under the symbol "DALR". Dalradian is a reporting issuer in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland, and is subject to the informational reporting requirements under applicable Canadian securities laws. On June 20, 2018, the last trading day prior to the announcement that Dalradian, the Purchaser and the Guarantor had entered into the Arrangement Agreement, the closing price of the Company Shares on the TSX was C$0.91.

Trading Price and Volume

The following sets out the volume of trading and price range (in C$) of the Company Shares traded or quoted on the TSX under the symbol "DNA" during the 6-month period preceding August 2, 2018, the last trading day before the date of this Circular:

Period	High	Low	Close	Total Volume
December 2017	1.42	1.23	1.33	4,638,246
January 2018	1.35	1.16	1.24	3,235,566
February 2018	1.23	0.91	1.09	6,616,159
March 2018	1.10	0.96	0.96	4,093,076
April 2018	1.15	0.94	1.02	3,697,876
May 2018	1.09	0.95	0.95	4,692,008
June 2018	1.46	0.89	1.44	25,280,869
July	1.46	1.44	1.45	11,614,191
August 1 to 2	1.45	1.42	1.44	18,655,362

On the last trading day before the date of this Circular, the closing price of the Company Shares on the TSX was C$1.44.

If the Arrangement is completed, the Purchaser will acquire all of the Company Shares, other than the Company Shares already owned by the Purchaser (which is expected to include the Company Shares currently held by the Guarantor, which the Guarantor intends to transfer to the Purchaser prior to the Effective Date), and Company Shares held by the Remaining Shareholders, and the Company Options, Company RSUs and Company DSUs (other than Company Options and Company RSUs held by the Remaining Shareholders) will be transferred to the Company and terminated and will be of no further force and effect, all in exchange for payment, if any, in accordance with the terms of the Arrangement. As a result, immediately upon completion of the Arrangement, Dalradian will become a subsidiary of the Purchaser.

The Purchaser intends to have the Company Shares de-listed from the TSX and cancelled from admission to trading on AIM following completion of the Arrangement.

The Purchaser expects to apply to have Dalradian cease to be a reporting issuer in all jurisdictions in which it is a reporting issuer in Canada.

Prior sales

Other than the Shares issued pursuant to the exercise of Company Warrants, Company Options, Company RSUs and Company DSUs, no Company Shares or other securities of Dalradian have been purchased or sold by Dalradian during the 12-month period preceding the date of this Circular, other than noted in the table below under the heading "*Information Regarding Dalradian – Previous Distributions*".

Previous Distributions

The following table sets forth the Company Shares distributed during the five-year period preceding the date of this Circular:

Date of Issuance	Transaction	No. of Company Shares Issued	Purchase/Exercise/Deemed Price per Company Share
February 19, 2014	Bought deal prospectus offering	19,837,500	$0.70[(1)]
July 3, 2014	Option exercise	250,000	$0.75
July 31, 2014	Non-brokered private placement	11,200,000	$0.90[(2)]
July 31, 2014	Bought deal prospectus offering	19,205,000	$0.90[(3)]
November 26, 2014	Option exercise	15,000	$0.25
January 2015	Warrant exercise	208,500	$0.90
February 2015	Warrant exercise	9,373,150	$0.90
February 9, 2015	Non-brokered private placement	12,556,000	$0.90[(4)]
February 24, 2015	Broker warrant exercise	74,800	$0.70
March 2015	Warrant exercise	802,415	$0.70
March 10, 2015	Warrant exercise	81,822	$0.90
July 2015	Warrant exercise	125,214	$0.70
July 10, 2015	Option exercise	135,000	$0.25
July 21, 2015	Option exercise	250,000	$0.75
August 2015	Warrant exercise	187,821	$0.70
August 10, 2015	Option exercise	45,000	$0.75
October 7, 2015	Bought deal prospectus offering	50,312,500	$0.80[(5)]
November 30, 2015	Land acquisition[(6)]	960,995	$0.71
January 5, 2016	Option exercise	400,000	$0.25
January 8, 2016	Land acquisition[(6)]	150,000	$0.81
February 18, 2016	Option exercise	20,192	$0.71
April 2016	Warrant exercise	122,579	$1.04
April 2016	Warrant exercise	734,100	$0.90
May 9, 2016	Warrant exercise	144,038	$0.90
May 17, 2016	RSU vest	250,000	N/A
July 2016	Warrant exercise	864,340	$0.90
August 15, 2016	Warrant exercise	90,000	$1.04
August 16, 2016	Option exercise	15,703	$0.97

Date of Issuance	Transaction	No. of Company Shares Issued	Purchase/Exercise/Deemed Price per Company Share
August 16, 2016	Option exercise	6,413	$0.87
August 16, 2016	Option exercise	4,386	$0.67
September 2016	Warrant exercise	23,776,825	$1.04
September 15, 2016	Option exercise	150,000	$0.98
September 19, 2016	Option exercise	250,000	$0.71
September 19, 2016	Option exercise	150,000	$0.98
September 19, 2016	Option exercise	50,000	$0.67
October 2016	Warrant exercise	70,000	$1.04
November 2016	Warrant exercise	47,500	$1.04
December 9, 2016	Option exercise	100,000	$0.92
December 12, 2016	Land acquisition[7]	75,000	$1.33
December 16, 2016	Option exercise	90,000	$0.67
December 29, 2016	RSU vest	600,000	N/A
January 2017	Warrant exercise	26,000	$1.04
February 2, 2017	Option exercise	267	$1.30
February 3, 2017	Warrant exercise	6,278,000	$1.15
February 6, 2017	Warrant exercise	370,500	$1.04
February 10, 2017	Option exercise	12,838	$1.10
February 10, 2017	Option exercise	6,869	$0.87
February 10, 2017	Option exercise	9,122	$0.67
March 2017	Warrant exercise	214,375	$1.04
April 2017	Warrant exercise	546,625	$1.04
May 2017	Warrant exercise	250,000	$1.04
June 2017	Warrant exercise	903,900	$1.04
June 2017	Warrant exercise	454,783	$1.50
June 1, 2017	Option exercise	150,000	$1.11
June 12, 2017	Option exercise	115,094	$0.98
June 19, 2017	Option exercise	46,820	$0.92
June 22, 2017	Option exercise	193,561	$1.02
July 2017	Warrant exercise	9,878,428	$1.50
July 2017	Warrant exercise	1,387,000	$1.04
August 2017	Warrant exercise	662,921	$1.04
August 30, 2017	Royalty acquisition	15,489,942	$1.65
September 2017	Warrant exercise	3,255,125	$1.04
September 27, 2017	Warrant exercise	62,500[8]	$1.04
October 2017	Warrant exercise	18,459,650	$1.04
November 27, 2017	Private placement financing	53,231,292	$1.47
December 7, 2017	Option exercise	216,165	$1.11
February 14, 2018	Option exercise	3,676	$0.87
February 14, 2018	Option exercise	5,719	$0.67

Notes:

(1) Price per unit issued by the Company under the bought deal prospectus offering, with each unit being comprised of one common share and one-half of one common share purchase warrant, each such warrant exercisable until February 19, 2015 at an exercise price of $0.90.
(2) Price per unit issued by the Company under the non-brokered private placement, with each unit being comprised of one common share and one-half of one common share purchase warrant, each such warrant exercisable until July 31, 2017 at an exercise price of $1.50.
(3) Price per unit issued by the Company under the bought deal prospectus offering, with each unit being comprised of one common share and one-half of one common share purchase warrant, each such warrant exercisable until July 31, 2017 at an exercise price of $1.50.
(4) Price per unit issued by the Company under the non-brokered private placement, with each unit being comprised of one common share and one-half of one common share purchase warrant, each such warrant exercisable until February 9, 2017 at an exercise price of $1.15.
(5) Price per unit issued by the Company under the bought deal prospectus offering, with each unit being comprised of one common share and one common share purchase warrant, each such warrant exercisable until October 7, 2017 at an exercise price of $1.04.
(6) Issued to a landowner as part of a deal to acquire land for a proposed mine site processing plant and associated facilities in proximity to the Curraghinalt gold deposit.
(7) Issued to a landowner as part of a land purchase agreement for access to a proposed mine site processing plant and associated facilities.
(8) The 62,500 Company Shares were subsequently cancelled on the same date as they were incorrectly issued.

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CANCELLATION OF TRADING ON AIM

If the Arrangement becomes effective, there will be no reason for the Company Shares to continue to be admitted to trading on AIM as the Company will then be held by the Purchaser and the Remaining Shareholders. As a result, if the Arrangement becomes effective, the admission of the Company Shares to trading on AIM will be cancelled.

On August 3, 2018, the Company Board approved the proposed cancellation of the admission of the Company Shares to trading on AIM conditional on the Arrangement closing. If the Arrangement becomes effective on September 7, 2018, it is expected that the last day of dealings on AIM in Company Shares will be September 7, 2018 and the Company Shares will be cancelled from admission to trading on AIM by 8:00 a.m. (UK time) on September 10, 2018, being the date that is the trading day after the Effective Date.

INFORMATION REGARDING THE PURCHASER

The information regarding the Purchaser and the Guarantor contained in this Circular has been provided by Purchaser. Although Dalradian has no knowledge that would indicate that any statements contained herein taken from or based upon such information provided by Purchaser expressly for inclusion herein are untrue or incomplete, Dalradian does not assume any responsibility for the accuracy or completeness of the information taken from or based upon such information.

The Purchaser is OMF Fund II (Au) Ltd, a corporation incorporated under the laws of the Cayman Islands, formed for the purpose of acquiring Dalradian and consummating the transactions contemplated by the Arrangement Agreement.

The Guarantor is Orion Mine Finance Fund II LP, a limited partnership existing under the laws of Bermuda and managed by Orion Mine Finance Management II Limited. Orion Mine Finance Management II Limited is an exempted company incorporated under the laws of Bermuda.

Orion Resource Partners, the investment manager, is a global alternative investment management firm with $4.5 billion under management. Orion specializes in institutional metals and mining investment strategies in the base and precious metals space.

The Purchaser, the Guarantor and Orion Mine Finance Management II Limited are organized under the laws of a foreign jurisdiction and all of the directors and executive officers of the Purchaser reside outside of Canada. All or substantially all of the assets of these persons (including Purchaser and the Guarantor) may be located outside Canada. It may not be possible for Shareholders to effect service of process within Canada upon Purchaser, the Guarantor or any of the directors and executive officers referred to above. Shareholders are advised that it may not be possible to enforce judgments obtained in Canada against any person that is incorporated, continued or otherwise organized under the laws of a foreign jurisdiction or resides outside of Canada.

RIGHTS OF DISSENTING SHAREHOLDERS

The Interim Order expressly provides Registered Shareholders with Dissent Rights with respect to the Arrangement. As a result, any Dissenting Shareholder is entitled to be paid the fair value (determined as of the close of business on the day before the Arrangement Resolution is adopted) of all, but not less than all, of the Company Shares beneficially held by it in accordance with Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement), if the Shareholder dissents with respect to the Arrangement and the Arrangement becomes effective. It is a condition to completion of the Arrangement in favour of the Purchaser that there will not have been delivered and not withdrawn notices of dissent with respect to the Arrangement in respect of more than 10% of the Company Shares.

The following is a summary of Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) relating to the rights of Dissenting Shareholders. These provisions are technical and complex and registered holders of Company Shares who wish to exercise Dissent Rights should consult a legal advisor.

Section 185 of the OBCA provides that a Shareholder may only make a claim under that section with respect to all of the Company Shares held by the Dissenting Shareholder on behalf of any one beneficial owner and registered in the name of the Dissenting Shareholder. One consequence of this provision is that a Shareholder may only exercise the Dissent Rights under Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) in respect of Company Shares that are registered in that Shareholder's name.

In many cases, Shares beneficially owned by a holder, being Non-Registered Shareholders, are registered either (a) in the name of an Intermediary that the Non-Registered Shareholder deals with in respect of such Company Shares, such as, among others, banks, trust companies, securities brokers, trustees and other similar entities, or (b) in the name of a depository, such as CDS, of which the Intermediary is a participant. Accordingly, a Non-Registered Shareholder will not be entitled to exercise his or her Dissent Rights directly (unless the Company Shares are re-registered in the Non-Registered Shareholder's name). A Non-Registered Shareholder who wishes to exercise Dissent Rights should immediately contact the Intermediary with whom the Non-Registered Shareholder deals in respect of its Company Shares and either (i) instruct the Intermediary to exercise the Dissent Rights on the Non-Registered Shareholder's behalf (which, if the Company Shares are registered in the name of CDS or any other clearing agency, may require that such Company Shares first be reregistered in the name of the Intermediary), or (ii) instruct the Intermediary to re-register such Company Shares in the name of the Non-Registered Shareholder, in which case the Non-Registered Shareholder would have to exercise the Dissent Rights directly.

The execution or exercise of a proxy does not constitute a written objection for purposes of the Dissent Rights.

The following summary does not purport to be comprehensive with respect to the procedures to be followed by a Shareholder seeking to exercise Dissent Rights with respect to the Arrangement Resolution as provided in the Interim Order and is qualified in its entirety by reference to the full text of the Interim Order, Article 3 of the Plan of Arrangement and Section 185 of the OBCA, which are set forth in Appendix E, Appendix B and Appendix G and to this Circular, respectively.

The Interim Order, the Plan of Arrangement and the OBCA require strict adherence to the procedures established therein and failure to adhere to such procedures may result in the loss of all Dissent Rights with respect to the Arrangement Resolution. Accordingly, each Shareholder who desires to exercise rights of dissent should carefully consider and comply with the provisions of Section 185 of the OBCA (as modified by the Interim Order and the Plan of Arrangement) and consult its legal advisors.

Notwithstanding Section 185(6) of the OBCA (pursuant to which a written objection may be provided at or prior to the Meeting), a Dissenting Shareholder who seeks payment of the fair value of its Company Shares is required to deliver a written objection to the Arrangement Resolution to Dalradian not later than5:00 p.m. (Toronto time) two Business Days immediately preceding the Meeting (or any adjournment or postponement thereof). Such notice must be delivered to the Corporate Secretary of Dalradian, at Queen's Quay Terminal, 207 Queen's Quay West, Suite 416, Toronto, Ontario M5J 1A7, with a copy to Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, Canada M5H 3C2, facsimile: 1.416.644.9337, Attention: Jay Goldman. A vote against the Arrangement Resolution or a withholding of votes does not constitute a written objection. Within 10 days after the Arrangement Resolution is approved by the Shareholders, Dalradian must so notify the Dissenting Shareholder

(unless such Shareholder voted for the Arrangement Resolution or has withdrawn its objection) who is then required, within 20 days after receipt of such notice (or, if such Shareholder does not receive such notice, within 20 days after learning of the approval of the Arrangement Resolution), to send to Dalradian a written notice containing its name and address, the number and Company Shares in respect of which the Shareholder dissents and a demand for payment of the fair value of such Company Shares and, within 30 days after sending such written notice, to send to Dalradian or its transfer agent the appropriate share certificate or certificates.

A Dissenting Shareholder who fails to send to Dalradian, within the appropriate time frame, a written objection, demand for payment and certificates representing the Company Shares in respect of which the Shareholder dissents forfeits the right to make a claim under Section 185 of the OBCA as modified by the Interim Order and the Plan of Arrangement. The transfer agent of Dalradian will endorse on the share certificates received from a Dissenting Shareholder a notice that the holder is a Dissenting Shareholder and will forthwith return the certificates to the Dissenting Shareholder.

On sending a demand for payment to Dalradian, a Dissenting Shareholder ceases to have any rights as a Shareholder other than the right to be paid the fair value of such holder's Company Shares, notwithstanding anything to the contrary contained in Section 185 of the OBCA, which fair value will be determined as of the close of business on the day before the Arrangement Resolution is adopted, except where:

(a) the Dissenting Shareholder withdraws the demand for payment before Dalradian makes an offer to the Dissenting Shareholder pursuant to the OBCA,

(b) Dalradian fails to make an offer as hereinafter described and the Dissenting Shareholder withdraws the demand for payment, or

(c) the proposal contemplated in the Arrangement Resolution does not proceed,

in which case the Dissenting Shareholder's rights as a Shareholder will be reinstated as of the date the Dissenting Shareholder sent the demand for payment.

Shareholders who duly exercise their Dissent Rights are deemed to have transferred the Company Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser and if such Dissenting Shareholders:

(a) ultimately are entitled to be paid fair value for such Company Shares: (i) will be deemed not to have participated in the Plan of Arrangement; (ii) will be entitled to be paid the fair value of such Company Shares, which fair value, notwithstanding anything to the contrary contained in Part XIV of the OBCA, will be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Company Shares; or

(b) ultimately are not entitled, for any reason, to be paid the fair value for such Company Shares by the Purchaser, will be deemed to have participated in the Arrangement on the same basis as any non-Dissenting Shareholder.

From and after the Effective Time, in no case is the Purchaser, the Guarantor or the Company or any other Person required to recognize a Dissenting Shareholder as a holder of Company Shares or as a holder of any securities of any of the Purchaser, the Guarantor, the Company or any of their respective subsidiaries and the names of the Dissenting Shareholders are to be deleted from Dalradian register of holders of Company Shares.

In addition to any other restrictions under Section 185 of the OBCA, none of the following will be entitled to exercise Dissent Rights: (i) the Remaining Shareholders; (ii) holders of Company Options, (iii) holders of Company RSUs, (iv) holders of Company DSUs; and (v) Shareholders who vote or have instructed a proxyholder to vote such Company Shares in favour of the Arrangement Resolution (but only in respect of such Company Shares).

If the Plan of Arrangement becomes effective, the Purchaser will be required to send, not later than the seventh day after the later of: (i) the Effective Date; or (ii) the day the demand for payment is received, to each Dissenting

Shareholder whose demand for payment has been received, a written offer to pay for such Dissenting Shareholder's shares such amount as the Purchaser's board of directors considers fair value thereof accompanied by a statement showing how the fair value was determined.

The Purchaser must pay for the Company Shares of a Dissenting Shareholder within ten days after an offer made as described above has been accepted by a Dissenting Shareholder, but any such offer lapses if the Purchaser does not receive an acceptance thereof within 30 days after such offer has been made.

If such offer is not made or accepted, the Purchaser may, within 50 days after the Effective Date or within such further period as a court may allow, apply to the Court to fix the fair value of such Company Shares. There is no obligation of the Purchaser to apply to the Court. If the Purchaser fails to make such an application, a Dissenting Shareholder has the right to so apply within a further 20 days. A Dissenting Shareholder is not required to give security for costs in such an application.

Upon an application to the Court, all Dissenting Shareholders whose Company Shares have not been purchased by the Purchaser will be joined as parties and be bound by the decision of the Court, and the Purchaser will be required to notify each Dissenting Shareholder of the date, place and consequences of the application and of the right to appear and be heard in person or by counsel. Upon any such application to a court, the court may determine whether any person is a Dissenting Shareholder who should be joined as a party, and the court will then fix a fair value for the Shares of all Dissenting Shareholders who have not accepted an offer to pay. The final order of the Court will be rendered against the Purchaser in favour of each Dissenting Shareholder and for the amount of the Dissenting Shareholder's Company Shares as fixed by the Court. The Court may, in its discretion, allow a reasonable rate of interest on the amount payable to each such Dissenting Shareholder from the Effective Date until the date of payment.

Registered Shareholders who are considering exercising Dissent Rights should be aware that there can be no assurance that the fair value of their Company Shares as determined under the applicable provisions of the OBCA (as modified by the Interim Order and the Plan of Arrangement) will be more than or equal to the Consideration offered under the Arrangement. In addition, any judicial determination of fair value will result in delay of receipt by a Dissenting Shareholder of consideration for such Shareholder's Company Shares.

Under the OBCA, the Court may make any order in respect of the Arrangement it thinks fit, including a Final Order that amends the Dissent Rights as provided for in the Plan of Arrangement and the Interim Order. In any case, it is not anticipated that additional Shareholder approval would be sought for any such variation.

The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder who seeks payment of fair value of the Dissenting Shareholder's Shares.

Section 185 of the OBCA (as modified by the Plan of Arrangement and the Interim Order) requires strict adherence to the procedures established therein and failure to do so may result in a loss of a Dissenting Shareholder's Dissent Rights. Accordingly, each Dissenting Shareholder who desires to exercise Dissent Rights should carefully consider and comply with the provisions of that section, the full text of which is set out in Appendix G, as modified by the Plan of Arrangement and the Interim Order, or should consult with such Dissenting Shareholder's legal advisor.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary fairly describes the principal Canadian federal income tax considerations relating to the Arrangement generally applicable to beneficial shareholders who, for purposes of the Tax Act, and at all relevant times (i) hold all Company Shares as capital property, (ii) deal at arm's length with Dalradian and the Purchaser, (iii) are not affiliated with Dalradian or the Purchaser, and (iv) disposes of such Company Shares to Purchaser under the Arrangement (a "**Holder**").

Company Shares will generally be considered to be capital property to a Holder unless such securities are held by the Holder in the course of carrying on a business of buying and selling securities, or were acquired in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**"), the published administrative policies and assessing practices of the Canada Revenue Agency ("**CRA**") made available publicly prior to the date hereof and all specific proposals to amend the Tax Act and the Regulations which have been publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes all such Proposed Amendments will be enacted in their present form. No assurances can be given that the Proposed Amendments will be enacted as proposed or at all. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by judicial, governmental or legislative action or decision, or changes in the administrative policies and assessing practices of the CRA, nor does it take into account other federal or any provincial, territorial or foreign income tax legislation or considerations, which may differ significantly from the Canadian federal income tax considerations discussed herein.

This summary is not applicable to a Holder (i) that is a "financial institution" for the purposes of the "mark-to-market property" rules as defined in the Tax Act , (ii) that is a "specified financial institution" or "restricted financial institution" both as defined in the Tax Act, (ii) an interest in which is a "tax shelter investment" as defined in the Tax Act, (iv) that has made an election to report its Canadian tax results in a currency other than the Canadian currency, (v) that has entered or will enter into, with respect to Company Shares, a "derivative forward agreement" or a "synthetic disposition arrangement", or (vi) that has acquired Company Shares on the exercise of a stock option. Such Holders should consult their own tax advisers. Such Holders should consult their own tax advisors as to the tax consequences of the Arrangement.

This summary does not address the Canadian federal income tax considerations applicable to holders of Company Options, Company RSUs or Company DSUs. Such holders should consult their own tax advisors as to the tax consequences of the Arrangement applicable to them.

THIS SUMMARY IS OF A GENERAL NATURE ONLY AND IS NOT, AND IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY PARTICULAR HOLDER AND NO REPRESENTATIONS WITH RESPECT TO THE TAX CONSEQUENCES TO ANY PARTICULAR HOLDER ARE MADE. THIS SUMMARY IS NOT EXHAUSTIVE OF ALL CANADIAN FEDERAL INCOME TAX CONSIDERATIONS. ACCORDINGLY, HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS HAVING REGARD TO THEIR OWN PARTICULAR CIRCUMSTANCES.

Holders Resident in Canada

The following portion of the summary is generally applicable to a Holder who is resident in Canada, or is deemed to be resident in Canada, for purposes of the Tax Act (a "**Resident Holder**") at all relevant times.

Certain Resident Holders who might not otherwise be considered to own Company Shares as capital property may be entitled to have them and every other "Canadian security", as defined in the Tax Act, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. **Resident Holders contemplating making a subsection 39(4) election should consult their own tax advisers for advice as to whether the election is available or advisable in their particular circumstances.**

Disposition of Company Shares

A Resident Holder that disposes of Company Shares, pursuant to the Arrangement, will realize a capital gain (or a capital loss) equal to the amount by which the Consideration received by the Resident Holder in respect of the Company Shares exceeds (or is exceeded by) the aggregate of the adjusted cost base to the Resident Holder of such Company Shares, determined immediately before the disposition, and any reasonable costs of disposition. The tax treatment of capital gains and capital losses is discussed in greater detail below under "*Holders Resident in Canada - Taxation of Capital Gains and Capital Losses*".

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder will be required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "taxable capital gain") realized by it in that year. A Resident Holder will generally be required to deduct one-half of the amount of any capital loss (an "allowable capital loss") realized in a taxation year

from taxable capital gains realized by the Resident Holder in that year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back to any of the three preceding taxation years or carried forward to any subsequent taxation year and deducted against net taxable capital gains realized in such years, subject to the detailed rules contained in the Tax Act.

A capital loss realized on the disposition of a Company Share by a Resident Holder that is a corporation may, to the extent and under the circumstances specified by the Tax Act, be reduced by the amount of dividends received or deemed to have been received by the corporation on such shares (or on a share for which such share is substituted or exchanged). Similar rules may apply where shares are owned by a partnership or trust of which a corporation, trust or partnership is a member or beneficiary. Resident Holders to whom these rules may be relevant should consult their own advisors.

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be required to pay an additional refundable tax on certain investment income, which includes taxable capital gains.

Alternative Minimum Tax

A capital gain realized by a Resident Holder who is an individual (including certain trusts) may give rise to liability for alternative minimum tax under the Tax Act.

Dissenting Resident Holders

A Resident Holder who exercises Dissent Rights (a "**Dissenting Resident Holder**") will transfer such holder's Company Shares to Purchaser in exchange for payment by Purchaser of the fair value of such Company Shares. In general, a Dissenting Resident Holder will realize a capital gain (or a capital loss) equal to the amount by which the cash received in respect of the fair value of the holder's Company Shares (other than in respect of interest awarded by a court) exceeds (or is exceeded by) the aggregate of the adjusted cost base of such Company Shares and any reasonable costs of disposition. See "*Holders Resident in Canada – Disposition of Company Shares*", above.

Interest (if any) awarded by a court to a Dissenting Resident Holder will be included in the Dissenting Resident Holder's income for the purposes of the Tax Act. A Dissenting Resident Holder that is throughout its taxation year a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable for a refundable tax on its "aggregate investment income", including on any aforementioned capital gains and on such interest income. Dissenting Resident Holders should consult their own tax advisors.

Holders Not Resident in Canada

This portion of the summary applies to a Holder who, at all relevant times, for the purposes of the Tax Act, is not, and is not deemed to be, resident in Canada for the purposes of the Tax Act and does not use or hold, and is not deemed to use or hold, Company Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). This portion of the summary is not applicable to a Non-Resident Holder that is: (i) an insurer carrying on an insurance business in Canada and elsewhere; (ii) a "financial institution" (as defined in the Tax Act); or (iii) an "authorized foreign bank" (as defined in the Tax Act).

Disposition of Company Shares

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of Company Shares under the Arrangement unless: (i) the Company Shares are "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition; and (ii) the Non-Resident Holder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Holder is resident.

Generally, Company Shares will not be taxable Canadian property to a Non-Resident Holder at the time of disposition under the Arrangement provided that the Company Shares are listed on a designated stock exchange (which currently includes the TSX) at that time, unless at any time during the 60-month period that ends at that time: (a) one or any combination of the Non-Resident Holder, persons with whom the Non-Resident Holder does not deal at arm's length, a partnership in which the Non-Resident Holder or a non-arm's length person holds a membership interest directly or indirectly through one or more partnerships, owned 25% or more of the issued shares of any class

of the capital stock of Dalradian; and (b) more than 50% of the fair market value of the Company Shares was derived, directly or indirectly, from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" (as defined in the Tax Act), "timber resource properties" (as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such property (whether or not such property exists).

Notwithstanding the above, a Company Share may be deemed under the Tax Act to be "taxable Canadian property" of a particular Non-Resident Holder where the Non-Resident Holder acquired or held the share in certain circumstances, including acquiring the share in consideration of the disposition of other taxable Canadian property. Non-Resident Holders for whom a Company Share may be taxable Canadian property should consult their own tax advisors.

Even if the Company Shares are "taxable Canadian property" of a Non-Resident Holder, such Non-Resident Holder may be exempt from Canadian tax on any capital gain realized on the disposition of such shares by virtue of an applicable income tax treaty or convention. Non-Resident Holders whose Company Shares constitute "taxable Canadian property" should consult their own tax advisors in this regard.

If the Company Shares constitute "taxable Canadian property" of a Non-Resident Holder and such Non-Resident Holder is not eligible for relief pursuant to an applicable income tax treaty or convention, then the disposition of the Non-Resident Holder's Company Shares pursuant to the Arrangement will generally be subject to the same Canadian tax consequences applicable to a Resident Holder with respect to the disposition of such Resident Holder's Company Shares, as discussed above under the headings "*Holders Resident in Canada*" and "*Disposition of Company Shares*".

Non-Resident Holders who dispose of Company Shares that are or are deemed to be "taxable Canadian property" (as defined in the Tax Act) should consult their own tax advisors concerning the Canadian income tax consequences of the disposition and the potential requirement to file a Canadian income tax return depending on their particular circumstances.

Dissenting Non-Resident Holders

A Non-Resident Holder who exercises Dissent Rights (a "**Dissenting Non-Resident Holder**") will transfer such holder's Company Shares to Purchaser in exchange for payment by Purchaser of the fair value of such Company Shares. In general, a Dissenting Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of Company Shares provided that the Company Shares are not "taxable Canadian property" (as defined in the Tax Act), as discussed above under the headings "*Holders Not Resident in Canada*" and "*Disposition of Company Shares*", to the Dissenting Non-Resident Holder at the time of the disposition or an applicable income tax treaty or convention exempts the capital gain from tax under the Tax Act.

Interest (if any) awarded by a court to a Dissenting Non-Resident Holder generally should not be subject to withholding tax under the Tax Act, unless such interest is considered "participating debt interest" as defined in the Tax Act.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a general discussion of certain U.S. federal income tax consequences of the Arrangement that are applicable to a U.S. Holder (as defined below) of Company Shares whose Company Shares are exchanged for cash pursuant to the Arrangement. This discussion is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may be relevant to a U.S. Holder in connection with the disposition of Company Shares pursuant to the Arrangement in light of such U.S. Holder's individual facts or circumstances. Accordingly, this discussion is not intended to be, and should not be construed as, legal or U.S. federal income tax advice with respect to any U.S. Holder. This discussion does not address any tax consequences arising under the unearned income Medicare contribution tax pursuant to the Health Care and Education Reconciliation Act of 2010, the U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences to U.S. Holders of the disposition of Company Shares pursuant to the Arrangement. In addition, except as discussed below, this discussion does not discuss reporting requirements. Each U.S. Holder should consult its own tax advisor regarding the U.S. federal, U.S. federal estate and gift, U.S.

state and local, and non-U.S. tax consequences of the disposition of Company Shares pursuant to the Arrangement. This discussion does not discuss the tax consequences to U.S. Holders with respect to Company Options, Company DSUs or Company RSUs.

No opinion from U.S. legal counsel or ruling from the Internal Revenue Service (the "**IRS**") has been or will be requested regarding the U.S. federal income tax consequences of the disposition of Company Shares pursuant to the Arrangement. This discussion is not binding on the IRS or any court, and the IRS is not precluded from taking a position that is different from, and contrary to, the tax consequences described in this discussion. In addition, because the authorities on which this discussion is based are subject to various interpretations, the IRS or a court could disagree with the tax consequences described in this discussion. No assurance can be given that the conclusions reached in this discussion will not be challenged, which challenge could be sustained.

Scope of this Disclosure

Authorities

This discussion is based on the Code, U.S. Treasury Regulations, published rulings and administrative positions of the IRS, U.S. court decisions, and other applicable authorities, in each case, as in effect as of the date of this Information Circular. These authorities are subject to change, possibly on a retroactive basis, and any such change could affect the accuracy of the statements and conclusions set forth in this discussion.

U.S. Holders

For purposes of this discussion, the term "**U.S. Holder**" means a beneficial owner of Company Shares that is for U.S. Federal income tax purposes:

- an individual citizen or resident of the United States;
- a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that (a) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons for all substantial decisions or (b) has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

Non-U.S. Holders

For purposes of this discussion, the term "**non-U.S. Holder**" means a beneficial owner of Company Shares that is not a U.S. Holder and is not an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes. Except as discussed below under "Information Reporting; Backup Withholding Tax," this discussion does not address the U.S. federal income tax consequences applicable to non-U.S. Holders arising from the Arrangement. **Accordingly, a non-U.S. Holder should consult its own tax advisor regarding the potential U.S. federal, U.S. state and local, and non-U.S. tax consequences (including the potential application of and operation of any tax treaties) of the Arrangement.**

U.S. Holders Subject to Special U.S. Federal Income Tax Rules Not Addressed

This discussion does not address any U.S. federal income tax considerations of the Arrangement that may be relevant to U.S. Holders that are subject to special treatment under the U.S. federal income tax laws, including, for example: (a) tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts; (b) financial institutions, underwriters, insurance companies, mutual funds, real estate investment trusts, regulated investment companies, partnerships (or other entities or arrangements treated as partnerships for U.S. federal income tax purposes), S corporations or other pass-through entities or investors in such entities; (c) broker-dealers, dealers, or traders in securities or currencies that elect to apply a mark-to-market accounting method; (d) holders that have a "functional currency" other than the U.S. dollar; (e) holders that own Company Shares as part of a straddle, hedging transaction, conversion transaction, constructive sale, or other integrated transaction; (f)

holders that acquired Company Shares in connection with the exercise of employee stock options or otherwise as compensation for services; (g) holders subject to the alternative minimum tax; (h) holders that hold Company Shares other than as a capital asset within the meaning of Section 1221 of the Code (generally, property held for investment); (i) are required to accelerate the recognition of any item of gross income with respect to Company Shares as a result of such income being recognized on an applicable financial statement; (j) holders that own, directly, indirectly, or by attribution, 10% or more, by voting power or value, of the outstanding Company Shares. This summary also does not address the U.S. federal income tax considerations applicable to U.S. Holders who are: (a) persons that have been, are, or will be resident or deemed to be resident in Canada for purposes of the Tax Act; (b) persons whose Company Shares constitute "taxable Canadian property" under the Tax Act; (c) U.S. expatriates or former long-term residents of the United States; (d) holders that exercise Dissent Rights; (e) persons that have been, are, or will be a resident or deemed to be a resident in Canada for purposes of the Tax Act; (f) persons that use or hold, will use or hold, or that are or will be deemed to use or hold Company Shares in connection with carrying on a business in Canada; or (g) persons that have a permanent establishment in Canada for the purposes of the Convention Between Canada and the United States of America with Respect to Taxes on Income and Capital, signed September 26, 1980, as amended. U.S. Holders that are subject to special provisions under the Code, including holders described immediately above, should consult their own tax advisors regarding the U.S. and non-U.S. tax consequences relating to the Arrangement.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds Company Shares, the U.S. federal income tax consequences to such partnership and the partners of such partnership generally will depend in part on the activities of the partnership and the status of such partners. This discussion does not address the tax consequences to any such partner or partnership. **Partners of entities or arrangements that are classified as partnerships for U.S. federal income tax purposes should consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement.**

U.S. Holders should consult their own tax advisors to determine the particular tax consequences to them of the Arrangement, including the applicability and effect of the alternative minimum tax, and any state, local, non-U.S. or other tax laws.

U.S. Holders Selling Company Shares Pursuant to the Arrangement

The receipt by a U.S. Holder of cash in exchange for Company Shares pursuant to the Arrangement will be a taxable transaction for U.S. federal income tax purposes. For U.S. federal income tax purposes, subject to the PFIC (as defined below) rules discussed below, a U.S. Holder who receives cash in exchange for Company Shares pursuant to the Arrangement will generally recognize gain or loss in an amount equal to the difference, if any, between (i) the U.S. dollar value of the Canadian dollars received in exchange for such U.S. Holder's Company Shares and (ii) such U.S. Holder's adjusted tax basis for U.S. federal income tax purposes in such Company Shares (as determined in U.S. dollars). Subject to the PFIC rules discussed below, any gain or loss realized by the U.S. Holder generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period in the Company Shares exchanged pursuant to the Arrangement is greater than one year as of the date of the Effective Date. Long-term capital gains of certain non-corporate U.S. Holders (including individuals) are generally subject to taxation at preferential rates. The deductibility of capital losses is subject to limitations. If a U.S. Holder acquired different blocks of Company Shares at different times or prices, such U.S. Holder must determine its adjusted tax basis and holding period separately with respect to each block of Company Shares.

Tax Consequences of the Arrangement Under the Passive Foreign Investment Company Rules

Notwithstanding the foregoing, certain adverse U.S. federal income tax consequences could apply to a U.S. Holder if the Company is or was treated as a "passive foreign investment company" ("**PFIC**") for any taxable year during which the U.S. Holder holds or held Company Shares. A non-U.S. corporation, such as the Company, will be classified as a PFIC for U.S. federal income tax purposes for any taxable year in which, after applying certain look through rules, either (a) 75% or more of its gross income for such year consists of certain types of "passive income" or (b) 50% or more of the value of its assets (determined on the basis of a quarterly average) during such year consists of assets that produce, or are held for the production of, passive income. Passive income generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions.

The Company believes that it was classified as a PFIC during the tax year ended December 31, 2017 and for certain prior tax years. No determination has been made regarding the PFIC status of the Company for the current tax year. The determination of whether any corporation was, or will be, a PFIC for a tax year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. In addition, whether any corporation will be a PFIC for any tax year depends on the assets and income of such corporation over the course of each such tax year and, as a result, cannot be predicted with certainty as of the date of this document. Accordingly, there can be no assurance that the IRS will not challenge any PFIC determination made by the Company. Each U.S. Holder should consult its own tax advisor regarding its status as a PFIC and the PFIC status of each of the non-U.S. subsidiaries of the Company.

If the Company were to be treated as a PFIC for any tax year, and if a U.S. Holder disposes of Company Shares in the Arrangement that were held by such U.S. Holder directly or indirectly during any time that Company was a PFIC (such shares held by a U.S. Holder directly or indirectly during any time that the Company was a PFIC are sometimes referred to herein as "**PFIC Shares**"), regardless of whether the Company was a PFIC in the year in which the Effective Date occurs, such U.S. Holder could be subject to certain adverse U.S. federal income tax consequences with respect to gain realized on the disposition of such PFIC Shares pursuant to the Arrangement. In general, if a U.S. Holder who disposes of PFIC Shares has not made either a timely and effective election to treat the Company as a "qualified electing fund" under the Code with respect to each taxable year during the U.S. Holder's holding period during which the Company was a PFIC or a timely and effective election to mark such PFIC Shares to market, the gain the U.S. Holder recognizes as a result of the Arrangement with respect to such PFIC Shares will be treated as earned *pro rata* over such U.S. Holder's holding period. With respect to gain allocated to any period preceding the first year in such U.S. Holder's holding period when the Company was a PFIC and gain allocated to the year of disposition, such gain will be treated as gain arising in the year of disposition and taxed at ordinary U.S. federal income tax rates for the year of disposition. With respect to gain allocated to each of the other years, such gain will be taxed at the highest ordinary U.S. federal income tax rate in effect for each of those years and will be subject to punitive interest charges. A U.S. Holder that is not a corporation must treat such interest as non-deductible personal interest.

U.S. Holders should be aware that there can be no assurances that the Company will satisfy the record keeping requirements that apply to a qualified electing fund, or that the Company will supply U.S. Holders with information that such U.S. Holders are required to report under the qualified electing fund rules, in the event that the Company is a PFIC. Thus, U.S. Holders may not be able to make an election to treat the Company as a qualified electing fund with respect to their Company Shares. Each U.S. Holder should consult its own tax advisors regarding the availability of, and procedure for making, a qualified electing fund election.

The PFIC rules are complex, and each U.S. Holder should consult its own tax advisor regarding the potential application of the PFIC rules to its disposition of the Company Shares pursuant to the Arrangement, including the effect of any qualified electing fund or mark to market election.

Other Considerations

Foreign Tax Credit

A U.S. Holder that pays (whether directly or through withholding) Canadian income tax in connection with the Arrangement may be entitled, at the election of such U.S. Holder, to receive either a deduction or a credit for such Canadian income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a tax year.

Complex limitations apply to the foreign tax credit, including the general limitation that the credit cannot exceed the proportionate share of a U.S. Holder's U.S. federal income tax liability that such U.S. Holder's "foreign source" taxable income bears to such U.S. Holder's worldwide taxable income. In applying this limitation, a U.S. Holder's various items of income and deduction must be classified, under complex rules, as either "foreign source" or "U.S. source." Generally, dividends paid by a foreign corporation should be treated as foreign source for this purpose, and gains recognized on the sale of stock of a foreign corporation by a U.S. Holder should be treated as U.S. source for this purpose, except as otherwise provided in an applicable income tax treaty, and if an election is properly made

under the Code. This limitation is calculated separately with respect to specific categories of income. The foreign tax credit rules are complex, and each U.S. Holder should consult its own U.S. tax advisors regarding the foreign tax credit rules.

Receipt of Foreign Currency

The U.S. dollar value of any Canadian dollars received as a result of the Arrangement generally will be determined based on exchange rate applicable on the date such Canadian dollar payment is received or includible in income, as applicable, regardless of whether such Canadian dollars are converted into U.S. dollars at that time. A U.S. Holder who receives payment in Canadian dollars and converts such Canadian dollars into U.S. dollars at an exchange rate other than the rate used to determine the U.S. dollar value of the Canadian dollars received may recognize a foreign currency exchange gain or loss that generally would be U.S. source ordinary income or loss. U.S. Holders that receive any amounts in Canadian dollars as a result of the Arrangement should consult their own tax advisors regarding the U.S. federal income tax consequences of receiving, owning, and disposing of Canadian dollars.

Information Reporting; Backup Withholding

Payments of cash to U.S. Holders in exchange for their Company Shares made in the United States (and, in certain cases, outside of the United States) generally will be subject to U.S. federal information reporting requirements and may be subject to U.S. federal backup withholding (currently, at the rate of 24%) if a U.S. Holder fails to furnish the U.S. Holder's correct U.S. taxpayer identification number (generally, on IRS Form W-9) and comply with certain certification and other requirements or to otherwise establish an exemption. Certain U.S. Holders (such as corporations) are exempt from this information reporting and backup withholding tax rules. A non-U.S. Holder should consult the Letter of Transmittal to determine whether, to prevent U.S. federal backup withholding, such non-U.S. Holder must certify that it is not a "United States person" (by providing a properly executed IRS Form W-8BEN, IRS Form W-BEN-E, or other applicable IRS Form W-8) or otherwise establish an exemption from backup withholding. Backup withholding is not an additional U.S. federal income tax. Any amounts withheld under the U.S. backup withholding rules may be allowed as a credit against a Holder's U.S. federal income tax liability, if any, or may be refunded to the extent such amounts exceed such liability, provided the required information is timely furnished to the IRS. Each Holder should consult its own tax advisor regarding the information reporting and backup withholding rules.

THE ABOVE DISCUSSION IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL TAX CONSIDERATIONS RELEVANT TO U.S. HOLDERS OF COMPANY SHARES WITH RESPECT TO THE DISPOSITION OF THOSE SHARES PURSUANT TO THE ARRANGEMENT. U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSIDERATIONS RELEVANT TO THEM IN THEIR PARTICULAR CIRCUMSTANCES.

INDEBTEDNESS OF OFFICERS AND DIRECTORS OF DALRADIAN

No director, executive officer, or employee of Dalradian or any of its subsidiaries, former director, executive officer, or employee of Dalradian or any of its subsidiaries, or any associate of any of the foregoing, (i) has been or is indebted to Dalradian or any of its subsidiaries, at any time during its last completed fiscal year, or (ii) has had any indebtedness to another entity at any time during its last completed fiscal year which has been the subject of a guarantee, support agreement, letter of credit, or other similar arrangement provided by Dalradian or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Except as disclosed herein, no director or executive officer of Dalradian who has held such position at any time since January 1, 2017, and no associate or affiliate of any such person, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

See "*The Arrangement – Interests of Certain Directors and Executive Officers of Dalradian in the Arrangement*".

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed in this Circular, to the knowledge of Dalradian, after reasonable enquiry, no informed person of Dalradian, or any associate or affiliate of any informed person, has or had any material interest, direct or indirect, in any transaction since the commencement of Dalradian's most recently completed fiscal year or in any proposed transaction which has materially affected or would materially affect Dalradian.

MANAGEMENT CONTRACTS

No management functions of the Company or any subsidiaries are performed to any substantial degree by a person other than the directors or executive officers of the Company.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found under the Company's profile on SEDAR at www.sedar.com. Additional financial information is provided in the Company's comparative financial statements and management's discussion and analysis for the financial year ended December 31, 2017, which can be found on SEDAR at www.sedar.com or on the Company's website at www.dalradian.com. Shareholders may also request these documents from the Company by phone at 416.583.5600 or by e-mail at info@dalradian.com.

OTHER MATTERS

Management of Dalradian is not aware of any other matter to come before the Meeting other than as set forth in the notice of Meeting. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the shares represented thereby in accordance with their best judgment on such matter.

DIRECTORS' APPROVAL

The contents and the sending of the Notice of Meeting and this Circular have been approved by the Board of Directors of the Company.

DATED: August 3, 2018

ON BEHALF OF THE BOARD OF DIRECTORS OF
DALRADIAN RESOURCES INC.

"*Jim Rutherford*"
Jim Rutherford
Non-Executive Chairman

CONSENT OF RAYMOND JAMES LTD.

DATED: August 3, 2018

To the Independent Committee of the Board of Directors of Dalradian Resources Inc.

We refer to the valuation and fairness opinion dated June 20, 2018, which we prepared for the Independent Committee of the board of directors of Dalradian Resources Inc. in connection with the arrangement involving the acquisition by OMF Fund II (Au) Ltd of all of the outstanding common shares of Dalradian Resources Inc.

We hereby consent to the filing of our valuation and fairness opinion with the securities regulatory authorities, and to the references in this Circular dated August 3, 2018 to our firm name and to our valuation and fairness opinion dated June 20, 2018 contained under the headings "*Glossary of Terms*", "*Questions and Answers About the Meeting and the Arrangement*", "*Summary of Circular – Recommendation of the Independent Committee*" , "*Summary of Circular – Recommendation of the Company Board*", "*Summary of Circular – Valuation and Raymond James Fairness Opinion*", "*The Arrangement – Background to the Arrangement*", "*The Arrangement – Independent Committee*", "*The Arrangement – Reasons for the Arrangement*", "*The Arrangement – Recommendation of the Company Board*", "*The Arrangement – Valuation and Raymond James Fairness Opinion*", "*The Arrangement – Expenses of the Arrangement*" and "*The Arrangement – Business Combination under MI 61-101*", in the letter to shareholders of Dalradian Resources Inc. attached thereto under the heading "*Board Recommendation*" and the inclusion of the valuation and fairness opinion dated June 20, 2018 as Appendix C to this Circular dated August 3, 2018.

Our valuation and fairness opinion was given as at June 20, 2018 and remains subject to the assumptions qualifications and limitations contained therein.

(Signed) "*Raymond James Ltd.*"

CONSENT OF MAXIT CAPITAL LP

DATED: August 3, 2018

To the Independent Committee of the Board of Directors of Dalradian Resources Inc.

We refer to the fairness opinion dated June 20, 2018, which we prepared for the board of directors of Dalradian Resources Inc. in connection with the arrangement involving the acquisition by OMF Fund II (Au) Ltd of all of the outstanding common shares of Dalradian Resources Inc.

We hereby consent to the filing of our fairness opinion with the securities regulatory authorities, and to the references in this Circular dated August 3, 2018 to our firm name and to our fairness opinion dated June 20 2018 contained under the headings "*Glossary of Terms*", "*Questions and Answers About the Meeting and the Arrangement*", "*Summary of Circular – Recommendation of the Independent Committee*", "*Summary of Circular – Recommendation of the Company Board*", "*Summary of Circular – Maxit Fairness Opinion*", "*The Arrangement – Background to the Arrangement*", "*The Arrangement – Independent Committee*", "*The Arrangement – Reasons for the Arrangement*", "*The Arrangement – Maxit Fairness Opinion*", "*The Arrangement – Recommendation of the Company Board*", "*The Arrangement – Expenses of the Arrangement*", in the letter to shareholders of Dalradian Resources Inc. attached thereto under the heading "*Board Recommendation*" and the inclusion of the fairness opinion dated June 20, 2018 as Appendix D to this Circular dated August 3, 2018.

Our fairness opinion was given as at June 20, 2018 and remains subject to the assumptions qualifications and limitations contained therein.

(Signed) "*Maxit Capital LP*"

APPENDIX A
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") under Section 182 of the *Business Corporations Act* (Ontario) (the "**OBCA**") of Dalradian Resources Inc. (the "**Company**"), pursuant to the arrangement agreement (the "**Arrangement Agreement**") between the Company, OMF Fund II (Au) Ltd and Orion Mine Finance Fund II LP dated June 20, 2018, all as more particularly described and set forth in the management information circular of the Company dated August 3, 2018 (the "**Circular**"), accompany the notice of this meeting (as the Arrangement may be modified or amended in accordance with its terms) is hereby authorized, approved and adopted.

2. The plan of arrangement of the Company (as it has been or may be amended, modified or supplemented in accordance with the Arrangement Agreement and its terms (the "**Plan of Arrangement**")), the full text of which is set out in Appendix B to the Circular, is hereby authorized, approved and adopted.

3. The (i) Arrangement Agreement and related transactions, (ii) actions of the directors of the Company in approving the Arrangement Agreement, and (iii) actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement, and any amendments, modifications or supplements thereto, are hereby ratified and approved.

4. The Company be and is hereby authorized to apply for a final order from the Ontario Superior Court of Justice (Commercial List) (the "**Court**") to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular).

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the shareholders of the Company or that the Arrangement has been approved by the Court, the directors of the Company are hereby authorized and empowered to, at their discretion, without notice to or approval of the shareholders of the Company: (i) amend, modify or supplement the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement and/or the Plan of Arrangement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

6. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute and deliver for filing with the Director under the OBCA articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

7. Any officer or director of the Company is hereby authorized and directed for and on behalf of the Company to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

APPENDIX B
PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER SECTION 182 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)

ARTICLE 1
INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**Affected Securities**" means, collectively, the Common Shares, Options, RSUs and DSUs.

"**Affected Securityholders**" means, collectively, the Shareholders, the holders of Options, the holders of RSUs and the holders of DSUs.

"**Arrangement**" means the arrangement under Section 182 of the OBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations made in accordance with the terms of the Arrangement Agreement and Section 5.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement dated as of June 20, 2018 between the Company, the Purchaser and the Guarantor, as it may be amended, modified or supplemented from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution approving this Plan of Arrangement to be considered at the Company Meeting by Shareholders.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement required by the OBCA to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in form and substance satisfactory to the Company and the Purchaser, each acting reasonably.

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in the Province of Ontario or the State of New York.

"**Certificate of Arrangement**" means the certificate of arrangement to be issued by the Director pursuant to Subsection 183(2) of the OBCA in respect of the Articles of Arrangement.

"**Common Shares**" means the common shares in the capital of the Company.

"**Company**" means Dalradian Resources Inc., a corporation existing under the laws of Ontario.

"**Company Circular**" means the notice of the Company Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to the Shareholders in connection with

the Company Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.

"**Company Meeting**" means the special meeting of Shareholders, including any adjournment or postponement of such special meeting in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

"**Consideration**" means $1.47 in cash per Common Share, without interest.

"**Court**" means the Ontario Superior Court of Justice (Commercial List).

"**Depositary**" means Computershare Investor Services Inc. or such other Person as the Purchaser may appoint to act as depositary in respect of the Arrangement.

"**Director**" means the Director appointed pursuant to Section 278 of the OBCA.

"**Dissent Rights**" has the meaning specified in Section 3.1.

"**Dissenting Holder**" means a registered Shareholder who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Common Shares in respect of which Dissent Rights are validly exercised by such registered Shareholder.

"**DSU Plan**" means the DSU plan of the Company effective May 13, 2016.

"**DSUs**" means the outstanding deferred share units granted under the DSU Plan.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

"**Final Order**" means the final order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal.

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange.

"**Guarantor**" means Orion Mine Finance Fund II LP.

"**Interim Order**" means the interim order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably.

"**Law**" or "**Laws**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.

"**Letter of Transmittal**" means the letter of transmittal sent to holders of Common Shares for use in connection with the Arrangement.

"**Loan Amount**" means $90,000,000.

"**OBCA**" means the *Business Corporations Act* (Ontario).

"**Options**" means the options to purchase Common Shares granted under the Stock Option Plan.

"**Parties**" means the Company, the Purchaser and the Guarantor, and "**Party**" means any one of them.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means this plan of arrangement proposed under Section 182 of the OBCA, and any amendments or variations made in accordance with the Arrangement Agreement and Section 5.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Purchaser**" means OMF Fund II (Au) Ltd.

"**Remaining Shareholders**" means the Persons who entered into a remaining shareholder agreement with the Purchaser, including Patrick F.N. Anderson, Eric Tremblay, Keith D. McKay, Marla Gale, Sean Roosen and Osisko Gold Royalties Ltd.

"**Remaining Shares**" means any Common Share which is held by a Remaining Shareholder immediately prior to the Effective Time.

"**RSU Plan**" means the RSU plan of the Company as approved by the shareholders of the Company on June 23, 2015.

"**RSUs**" means the outstanding restricted share units granted under the RSU Plan.

"**Shareholders**" means the registered and/or beneficial holders of Common Shares, as the context requires.

"**Stock Option Plan**" means the amended incentive stock option plan of the Company as approved by the shareholders of the Company on June 27, 2016.

"**Tax Act**" means the *Income Tax Act* (Canada).

1.2 Certain Rules of Interpretation

In this Plan of Arrangement, unless otherwise specified:

(1) **Headings, etc.** The division of this Plan of Arrangement into Articles, Sections and subsections and the insertion of headings are for convenience of reference only and do not affect the meaning or interpretation of this Plan of Arrangement.

(2) **Currency.** All references to dollars or to $ are references to Canadian dollars.

(3) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(4) **Certain Phrases, etc.** The words **"including"**, **"includes"** and **"include"** mean **"including (or includes or include) without limitation,"** and **"the aggregate of"**, **"the total of"**, **"the sum of"**, or a phrase of similar meaning means **"the aggregate (or total or sum), without duplication, of."** Unless stated otherwise, **"Article"** and **"Section"** followed by a number or letter mean and refer to the specified Article or Section of this Plan of Arrangement.

(5) **Statutes**. Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(6) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 5:00 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 5:00 p.m. on the next Business Day if the last day of the period is not a Business Day.

(7) **Time References.** References to time herein or in any Letter of Transmittal are to local time, Toronto, Ontario.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to the Arrangement Agreement.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective, and be binding on the Purchaser, the Guarantor, the Company, the Shareholders, all holders of Options, RSUs and DSUs, including Dissenting Holders, the Remaining Shareholders, the register and transfer agent of the Company, the Depositary and all other Persons, at and after, the Effective Time without any further act or formality required on the part of any Person.

2.3 Arrangement

Commencing at the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

(a) the Company shall lend an amount equal to the Loan Amount to the Purchaser, and the Purchaser shall deliver to the Company a duly issued and executed demand promissory note to evidence such loan;

(b) notwithstanding the terms of the RSU Plan,

(i) each unvested RSU outstanding immediately prior to the Effective Time and held by a Remaining Shareholder shall be amended such that the RSU does not vest immediately prior to the "Change of Control" (within the meaning of the RSU Plan) and each such RSU shall remain outstanding, and such amendment shall not constitute a disposition, novation, rescission or substitution of the holder's rights thereunder; and

(ii) each RSU (other than an RSU held by a Remaining Shareholder) outstanding immediately prior to the Effective Time (whether vested or unvested), shall, without any further action by or on behalf of a holder of RSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings, and each such RSU shall immediately be cancelled and (A) the holders of such RSUs shall cease to be the holders thereof, and to have any rights as holders of such RSUs other than the right to receive the consideration to which they are entitled under Section 2.3(b) of this Plan of Arrangement; (B) such holders' name shall be removed from the register of the RSUs maintained by or on behalf of the Company; and (C) all agreements relating to the RSUs (other than the RSU Plan) shall be terminated and shall be of no further force and effect;

(c) each DSU outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the DSU Plan, shall, without any further action by or on behalf of a holder of DSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings, and each such DSU shall immediately be cancelled and (i) the holders of such DSUs shall cease to be the holders thereof, and to have any rights as holders of such DSUs other than the right to receive the consideration to which they are entitled under Section 2.3(c) of this Plan of Arrangement; (ii) such holders' name shall be removed from the register of the DSUs maintained by or on behalf of the Company; and (iii) the DSU Plan and all agreements relating to the DSUs shall be terminated and shall be of no further force and effect;

(d) notwithstanding the terms of the Stock Option Plan, each unvested Option outstanding immediately prior to the Effective Time and held by a Remaining Shareholder shall be amended to the extent necessary to ensure that the Option does not vest as a consequence of any of any of the transactions in this Plan of Arrangement and each such Options shall remain outstanding, and such amendment shall not constitute a disposition, novation, rescission or substitution of the holder's rights thereunder;

(e) each of the Common Shares held by Dissenting Holders in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under Article 3, and:

(i) such Dissenting Holders shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to

be paid fair value by the Purchaser for such Common Shares as set out in Section 3.1;

(ii) such Dissenting Holders' names shall be removed as the holders of such Common Shares from the register of Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares free and clear of all Liens, and shall be entered in the register of Common Shares maintained by or on behalf of the Company;

(f) each Common Share outstanding immediately prior to the Effective Time, other than (i) Common Shares held by a Dissenting Holder who has validly exercised such holder's Dissent Right, or (ii) Common Shares held by a Remaining Shareholder or the Purchaser, shall, without any further action by or on behalf of a holder of Common Shares, be deemed to be assigned and transferred by the holder thereof to the Purchaser in exchange for the Consideration, and:

(i) the holders of such Common Shares shall cease to be the holders of such Common Shares and to have any rights as holders of such Common Shares other than the right to be paid the Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) such holders' names shall be removed from the register of the Common Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Common Shares (free and clear of all Liens) and shall be entered in the register of the Common Shares maintained by or on behalf of the Company; and

(g) notwithstanding the terms of the Stock Option Plan, each Option (other than an Option held by a Remaining Shareholder) outstanding immediately prior to the Effective Time (whether vested or unvested), shall be deemed to be unconditionally vested and exercisable, and such Option shall, without any further action by or on behalf of a holder of Options, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the amount by which the Consideration exceeds the exercise price of such Option, less applicable withholdings, and each such Option shall immediately be cancelled and, for greater certainty, where such amount is a negative, neither the Company nor the Purchaser shall be obligated to pay the holder of such Option any amount in respect of such Option and (A) the holders of such Options shall cease to be the holders thereof, and to have any rights as holders of such Options other than the right to receive the consideration to which they are entitled under Section 2.3(g) of this Plan of Arrangement; (B) such holders' name shall be removed from the register of the Options maintained by or on behalf of the Company; and (C) all agreements relating to the Options (other than the Stock Option Plan) shall be terminated and shall be of no further force and effect.

ARTICLE 3
RIGHTS OF DISSENT

3.1 Rights of Dissent

Registered Shareholders may exercise dissent rights with respect to the Common Shares held by such holders ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Section 185 of the OBCA, as modified by the Interim Order and this Section 3.1; provided that, notwithstanding subsection 185(6) of the OBCA, the written objection to the Arrangement Resolution referred to in subsection 185(6) of the OBCA must be received by the Company not later than 5:00 p.m. (Toronto time) two Business Days immediately preceding the date of the Company Meeting (as it may be adjourned or postponed from time to time). Dissenting Holders who duly exercise their Dissent Rights shall be deemed to have transferred the Common Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser free and clear of all Liens, as provided in Section 2.3(e), and if they:

(a) ultimately are entitled to be paid fair value for such Common Shares: (i) shall be deemed not to have participated in the transactions in Article 2 (other than Section 2.3(e); (ii) will be entitled to be paid the fair value of such Common Shares, which fair value, notwithstanding anything to the contrary contained in Part XIV of the OBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (iii) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Common Shares; or

(b) ultimately are not entitled, for any reason, to be paid fair value for such Common Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Common Shares or provided for in Section 2.3(f) of this Plan of Arrangement.

3.2 Recognition of Dissenting Holders

(a) In no circumstances shall the Purchaser, the Guarantor or the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Common Shares in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall the Purchaser, the Guarantor or the Company or any other Person be required to recognize Dissenting Holders as holders of Common Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.3(e), and the names of such Dissenting Holders shall be removed from the registers of holders of the Common Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 2.3(e) occurs. In addition to any other restrictions under Section 185 of the OBCA, none of the following shall be entitled to exercise Dissent Rights: (i) the Remaining Shareholders; (ii) holders of Options, (iii) holders of RSUs, (iv) holders of DSUs; and (v) Shareholders who vote or have instructed a proxyholder to vote such Common Shares in favour of the Arrangement Resolution (but only in respect of such Common Shares).

ARTICLE 4
CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

(a) Prior to the filing of the Articles of Arrangement, the Purchaser shall deposit, or arrange to be deposited, for the benefit of Affected Securityholders, cash with the Depositary in the aggregate amount equal to the payments in respect of Affected Securities required by this Plan of Arrangement, less the Loan Amount, with the amount per Common Share in respect of which Dissent Rights have been exercised being deemed to be the Consideration for this purpose. For greater certainty, the Remaining Shareholders shall not be entitled to any Consideration under this Plan of Arrangement.

(b) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Common Shares that were transferred pursuant to Section 2.3(f), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, the cash which such holder has the right to receive under this Plan of Arrangement for such Common Shares, less any amounts withheld pursuant to Section 4.3, and any certificate so surrendered shall forthwith be cancelled.

(c) On or as soon as practicable after the Effective Date, the Depositary shall deliver, on behalf of the Company, to each holder of Options, RSUs and DSUs, as reflected on the register maintained by or on behalf of the Company in respect of Options, RSUs and DSUs, a cheque representing the cash payment, if any, which such holder of Options, RSUs and DSUs has the right to receive under this Plan of Arrangement for such Options, RSUs and DSUs, less any amount withheld pursuant to Section 4.3.

(d) Until surrendered as contemplated by this Section 4.1, each certificate that immediately prior to the Effective Time represented Common Shares (other than Remaining Shares), shall be deemed after the Effective Time to represent only the right to receive upon such surrender a cash payment in lieu of such certificate as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.3. Any such certificate formerly representing Common Shares not duly surrendered on or before the third anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Common Shares of any kind or nature against or in the Company, the Purchaser or the Guarantor. On such date, all cash to which such former holder of Common Shares was entitled shall be deemed to have been surrendered to the Purchaser or the Company, as applicable, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

(e) Any payment made by way of cheque by the Depositary pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary or that otherwise remains unclaimed, in each case, on or before the third anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the third anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Affected Securities pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.

(f) No holder of Affected Securities shall be entitled to receive any consideration with respect to such Affected Securities other than any cash payment to which such holder is entitled to receive in accordance with Section 2.3 and this Section 4.1 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Common Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, cash deliverable in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such cash, give a bond satisfactory to the Purchaser and the Depositary (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser, the Company and the Depositary in a manner satisfactory to the Purchaser, the Company and the Depositary, each acting reasonably, against any claim that may be made against the Purchaser, the Company and the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Withholding Rights

The Purchaser, the Company and the Depositary, as applicable, shall be entitled to deduct and withhold from any amount otherwise payable or deliverable to any Person under this Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 3.1), such amounts as the Purchaser, the Company or the Depositary, as applicable, are required to deduct and withhold, or reasonably believe to be required to deduct and withhold, from such amount otherwise payable or deliverable under any provision of any Laws in respect of Taxes. Any such amounts will be deducted, withheld and remitted from the amount otherwise payable or deliverable pursuant to this Plan of Arrangement and shall be treated for all purposes under this Plan of Arrangement as having been paid to the Person in respect of which such deduction, withholding and remittance was made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

4.4 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

4.5 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Affected Securities issued or outstanding prior to the Effective Time, (b) the rights and obligations of the Affected Securityholders, the Company, the Purchaser, the Guarantor, the Depositary, the Remaining Shareholders and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Affected Securities shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 5
AMENDMENTS

5.1 Amendments to Plan of Arrangement

(a) The Company and the Purchaser may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must (i) be set out in writing, (ii) be approved by the Company and the Purchaser, each acting reasonably, (iii) filed with the Court and, if made following the Company Meeting, approved by the Court, and (iv) communicated to the Affected Securityholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company or the Purchaser at any time prior to the Company Meeting (provided that the Company or the Purchaser, as applicable, shall have consented thereto) with or without any other prior notice or communication, and if so proposed and accepted by the Persons voting at the Company Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Company Meeting shall be effective only if (i) it is consented to in writing by each of the Company and the Purchaser (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Shareholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former holder of Affected Securities.

ARTICLE 6
FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

RAYMOND JAMES

June 20, 2018

The Independent Committee of the Board of Directors of
Dalradian Resources Inc.
Queen's Quay Terminal
207 Queens Quay West
Suite 416
Toronto, Ontario M5J 1A7

To the Independent Committee of the Board of Directors:

Raymond James Ltd. ("**Raymond James**" or "**we**" or "**us**") understands that OMF Fund II (AU) Ltd. (the "**Purchaser**" or "**Orion**"), Orion Mine Finance Fund II LP (the "**Guarantor**") and Dalradian Resources Inc. (the "**Company**" or "**Dalradian**") propose to enter into an arrangement agreement ("**Arrangement Agreement**") pursuant to which the Purchaser will acquire 100% of the issued and outstanding common shares of Dalradian (each, a "**Company Share**") not already owned by Sean Roosen, Osisko Gold Royalties Ltd. ("**Osisko**"), certain members of Dalradian's senior management team, including Patrick F.N. Anderson, Eric Tremblay, Keith D. McKay and Marla Gale (collectively, the "**Remaining Shareholders**"), the Purchaser and the Guarantor. Each Dalradian shareholder (a "**Shareholder**") (other than the Purchaser, the Guarantor and the Remaining Shareholders) will be entitled to receive $1.47 in cash (the "**Consideration**") for each Company Share held. The Guarantor and the Remaining Shareholders who hold Company Shares will retain their Company Shares and remain as Shareholders upon the conclusion of the Transaction (defined below).

Raymond James further understands that:

i. the transaction (the "**Transaction**") contemplated by the Arrangement Agreement is proposed to be effected by way of a plan of arrangement under the *Business Corporations Act* (Ontario). The terms and conditions of the Transaction will be summarized in the Company's management information circular (the "**Circular**") to be mailed to Shareholders of the Company in connection with a special meeting of Shareholders (the "**Special Meeting**") to be held to consider and, if deemed advisable, approve the Transaction; and

ii. a special committee of the board of directors (the "**Board**") of Dalradian, who are independent of the Purchaser, the Guarantor and the other Remaining Shareholders and their respective affiliates, has been constituted to consider the Transaction and make recommendations thereon to the Board (the "**Independent Committee**").

Raymond James has been advised by legal counsel to the Independent Committee that the Transaction is a "business combination" within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") of the Ontario Securities Commission, the Alberta Securities Commission, Manitoba Securities Commission, New Brunswick Securities Commission and the Québec Autorité des marchés financiers. The Independent Committee has retained Raymond James to prepare and deliver to the Independent Committee a formal valuation of the Company Shares (the "**Valuation**") in accordance with the requirements of MI 61-101. The Independent Committee has also engaged Raymond James to prepare and deliver to the Independent Committee an opinion (the "**Opinion**") as to whether the Consideration payable pursuant to the Transaction is fair, from a financial point of view, to Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders).

The Valuation has been prepared in accordance with the requirements of MI 61-101, and each of the Valuation and Opinion has been prepared in accordance with the applicable disclosure standards of the Investment Industry Regulatory Organization of Canada ("**IIROC**") but IIROC has not been involved in the preparation or review of the Valuation or the Opinion.

Unless otherwise specified, all dollar amounts herein are expressed in Canadian dollars.

Engagement of Raymond James

The Independent Committee initially contacted Raymond James on May 16, 2018 regarding a potential assignment to prepare and deliver a fairness opinion, and potentially, a formal valuation for purposes of MI 61-101. Raymond James was formally engaged by the Independent Committee pursuant to an agreement dated May 23, 2018 (the "**Engagement Letter**"). Pursuant to the terms of the Engagement Letter, Raymond James is to be paid a fixed fee upon delivery of the Opinion (the "**Opinion Fee**") as well as a further fixed fee of which one-half is payable upon delivery of a presentation in support of the Valuation to the Independent Committee and the balance is payable upon delivery of the written Valuation. Raymond James was paid a fixed retainer fee upon execution of the Engagement Letter, which is fully creditable against the Opinion Fee.

The fees to be paid to Raymond James under the Engagement Letter were agreed between Raymond James and the Independent Committee. None of the fees payable to Raymond James are contingent upon the conclusions reached by Raymond James in the Valuation or the Opinion or on the completion of the Transaction. Raymond James is to be reimbursed by the Company for all of its reasonable legal and other out-of-pocket expenses incurred in respect of its engagement pursuant to the terms of the Engagement Letter. Raymond James and its affiliates and their respective directors, officers, partners, employees, agents and controlling persons are to be indemnified by the Company from and against certain potential liabilities arising out of its engagement.

Credentials of Raymond James

Raymond James is a full-service North American investment bank and a member of the Toronto Stock Exchange (the "**TSX**"), the TSX Venture Exchange, the Montreal Exchange, IIROC, the Investment Funds Institute of Canada, and the Canadian Investor Protection Fund. Raymond James is an indirectly wholly-owned subsidiary of Raymond James Financial, Inc. ("**Raymond James Financial**"), a diversified financial services holding company listed on the New York Stock Exchange (NYSE: RJF), whose subsidiaries engage primarily in investment and financial planning, including securities and insurance, brokerage, investment banking, asset management, banking, cash management, and trust services. Raymond James Financial's investment banking operations are located across Canada, Europe, and the United States.

Raymond James and its officers have prepared numerous valuations and fairness opinions and have participated in a significant number of transactions involving private and publicly-traded companies. The Valuation and Opinion herein represent the opinions of Raymond James and the form and content of this Valuation and Opinion have been reviewed and approved for release by a committee of managing directors of Raymond James. The committee members are professionals experienced in providing valuations and fairness opinions for mergers and acquisitions as well as providing capital markets advice.

Independence of Raymond James

Raymond James has considered the requirements of MI 61-101 regarding the independence and qualifications of a valuator and has confirmed to the Independent Committee that we are independent of the Company and all interested parties (as such term is defined in MI 61-101) in the Transaction and have the appropriate qualifications to prepare the Valuation and Opinion.

In October 2017, Raymond James acted as a member of the underwriting syndicate, but not as a lead or co-lead underwriter, for Osisko's $300 million convertible senior unsecured debenture offering. Otherwise, Raymond James has not been engaged to provide any financial advisory services nor has it participated in any financings involving the Company, the Purchaser, the Guarantor, the Remaining Shareholders, or any of their respective associates or affiliates within the 24-month period preceding the date we were first contacted in respect of the Valuation and Opinion.

There are no understandings, agreements or commitments between Raymond James, the Company, the Purchaser, the Guarantor, the Remaining Shareholders, or any of their respective associates or affiliates with respect to future business dealings. Raymond James may, in the future, in the ordinary course of business, provide financial advisory, investment banking, or other financial services to the Company, the Purchaser, the Guarantor, the Remaining Shareholders, or any of their respective associates or affiliates from time to time.

Raymond James and certain of our affiliates act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of the Company, the Purchaser, the Guarantor, Osisko or any of their respective associates, from time to time, may have executed or may execute transactions on behalf of the Company, the Purchaser, the Guarantor, the Remaining Shareholders, or any of their respective associates or affiliates for which Raymond James or such affiliates received or may receive compensation. As investment dealers, Raymond James and certain of our affiliates conduct research on securities and may, in the ordinary course of business, provide research reports and investment advice to clients on investment matters, including with respect to the Company, the Purchaser, the Guarantor, Osisko or any of their respective associates or affiliates, or the Transaction.

Scope of Review

In connection with this presentation, we have reviewed and relied upon, without independent verification and among other things, the following:

i. a draft of the Arrangement Agreement dated June 16, 2018 and the schedules attached thereto and the disclosure letter relating thereto;

ii. consolidated annual financial statements, management's discussion and analysis and annual report of the Company for the fiscal years ended December 31, 2017 and December 31, 2016 together with the notes thereto and the auditors' reports thereon;

iii. the Company's interim consolidated unaudited financial statements, and management's discussion and analysis for the three month periods ended March 31, 2018, September 30, 2017, June 30, 2017, and March 31, 2017;

iv. the NI 43-101 Feasibility Study Technical Report on the Curraghinalt Gold Project with an effective date of December 12, 2016 prepared under the direction of JDS Energy & Mining Inc. (the "**2016 Feasibility Study**");

v. the press release for the updated mineral resource estimate ("**2018 Mineral Resource Estimate**") for the Curraghinalt Gold Project with an effective date of May 10, 2018 prepared by SRK Consulting (Canada) Inc.;

vi. certain public disclosure by the Company as filed on the System for Electronic Document Analysis and Retrieval ("**SEDAR**"), including press releases issued by the Company;

vii. certain public investor presentations and marketing materials prepared by the Company;

viii. the results of the sale process run by a Canadian investment bank and Maxit Capital LP, from December 2016 to May 2017 wherein 14 potential buyers were approached (the "**Market Check**") with respect to a potential sale of the Company, including the three proposals that resulted from the Market Check;

ix. the written proposals submitted to the Company by the Purchaser dated May 1, 2018 and May 1, 2017;

x. discussions with management of the Company ("**Management**") with regards to the operations, financial condition and corporate strategy of the Company and with JDS Energy & Mining Inc. ("**JDS**"), the independent engineers, regarding the 2016 Feasibility Study and an upcoming updated feasibility study;

xi. certain internal financial, operational, corporate and other information with respect to the Company, including financial models and presentations prepared by Management which included internal operating and financial projections ("**Management Projections**");

xii. selected public market trading statistics and financial information of the Company and other entities considered by us to be relevant;

xiii. other public information relating to the business, operations and financial condition of the Company and the Purchaser considered by us to be relevant;

xiv. other publicly available information relating to selected public companies considered by us to be relevant, including published reports by equity research analysts and industry reports;

xv. information with respect to selected precedent transactions considered by us to be relevant;

xvi. a certificate addressed to us dated as of the date hereof from two senior officers of the Company as to the completeness and accuracy of the Information (as hereinafter defined); and

xvii. such other information, analyses, investigations, and discussions as we considered necessary or appropriate in the circumstances.

We have also engaged in discussions with Blake, Cassels & Graydon LLP, legal counsel to the Independent Committee, in respect of the Transaction and related matters. Raymond James has not, to the best of its knowledge, been denied access by the Company to any information requested by Raymond James.

Prior Valuations

The Chief Executive Officer and the Chief Financial Officer of the Company have represented to Raymond James that, to the best of their knowledge, information and belief, after due enquiry, there are no valuations or appraisals relating to the Company or any of its subsidiaries or any of their respective material properties or assets made in the preceding 24 months.

Assumptions and Limitations

Our Valuation and Opinion are subject to the assumptions, qualifications and limitations set forth below.

With your permission, we have relied upon, and have assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations obtained by us from public sources, or provided to us by the Company or its affiliates or advisors or otherwise obtained by us pursuant to our engagement, and our Valuation and Opinion are conditional upon such completeness, accuracy and fair presentation. We have not been requested to, or attempted to verify independently the accuracy, completeness or fairness of presentation of any such information, data, advice, opinions and representations. We have not met separately with the independent auditors of the Company in connection with preparing this Valuation and Opinion and with your permission, we have assumed the accuracy and fair presentation of, and relied upon, the Company's audited consolidated financial statements and the reports of the auditors thereon and the Company's interim unaudited consolidated financial statements.

With respect to the historical financial data, operating and financial forecasts provided to us concerning the Company and relied upon in our financial analyses, we have assumed that they have been reasonably prepared on bases reflecting the most reasonable assumptions, estimates and judgements of Management, having regard to the Company's business, plans, financial condition and prospects. We have also assumed that the Transaction will be completed substantially in accordance with its terms and all applicable laws, and that the Arrangement Agreement and the Circular will disclose all material facts relating to the Transaction and will satisfy all applicable legal requirements. We have assumed that the Arrangement Agreement (including the schedules thereto and the disclosure letter relating thereto) will not differ materially from the form of the drafts reviewed by us. We have assumed that the representations and warranties made by the parties in the Arrangement Agreement are true and correct.

The Company has represented to us, in a certificate of the Chief Executive Officer and the Chief Financial Officer of the Company dated the date hereof, among other things, to the best knowledge, information and belief of such officers, after due enquiry, that (i) the financial and other information, data, documents and materials (collectively, the "**Information**") provided orally or in writing by the Company or any of its subsidiaries or representatives to us (or filed on SEDAR) relating to the Company or the Transaction (other than future-oriented information referred to in (v) below) was at the date the Information was provided to us, and is, at the date hereof (except as set forth in (ii) below with respect to historical Information), true, complete and correct in all material respects and did not and does not contain any untrue statement of a material fact and did not and does not omit to state a material fact necessary to make the Information not misleading in light of the circumstances under which the Information was made or provided; (ii) with respect to historical Information, there have been no changes in any material facts or new material facts since the

respective dates thereof which have not been disclosed to us or which have not been updated by more current information and data provided to us by the Company; (iii) since the respective dates on which the Information was provided to us, except as disclosed to us in writing, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Valuation, the Opinion or the Transaction; (iv) all financial information and other financial data concerning the Transaction and the Company and its subsidiaries, including projections or forecasts provided to us, were prepared on a basis consistent in all material respects with the accounting policies used in the preparation of the most recent audited consolidated financial statements of the Company; (v) any portions of the Information provided to us (or filed on SEDAR) which constitute budgets, forecasts, projections, estimates or other future-oriented information were prepared using the assumptions identified therein, which in the reasonable opinion of the Company, are (or were at the time of preparation and continue to be) reasonable in the circumstances and are not misleading in any material respect in light of the assumptions used therefor; and (vi) other than the Transaction, there have been no verbal or written offers or indications of interest for any material part of the properties or assets owned by, or securities of, the Company or any of its subsidiaries received by the Company or any of its subsidiaries, and no negotiations for or transactions involving any of the foregoing have occurred, within the preceding 24 months which have not been publicly disclosed or disclosed in complete detail to us.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Transaction.

Our Valuation and Opinion are rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Company as they are reflected in the Information and as they were represented to us in our discussions with Management and its affiliates and advisors. In our analyses and in connection with the preparation of our Valuation and Opinion, and pursuant to discussions with Management, we relied on numerous assumptions with respect to industry performance, general business, markets, regulatory, political and economic conditions, metal prices, currency exchange rates, mineral grade and recovery rates, permitting, environmental approvals and other matters, many of which are beyond the control of any party involved in the Transaction.

The Valuation and Opinion are being provided to the Independent Committee for exclusive use only in considering the Transaction and, except for the inclusion of the Valuation and Opinion in its entirety and a summary thereof and references thereto (in a form acceptable to us) in the Circular, may not be published, disclosed to any other person, relied upon by any other person, or used for any other purpose, without the prior written consent of Raymond James. Our Valuation and Opinion are not intended to be and does not constitute a recommendation to any Shareholder as to how to vote their Company Shares at the Special Meeting.

Raymond James believes that its analyses must be considered as a whole and that selecting portions of its analyses and the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Valuation and Opinion. The preparation of the Valuation and Opinion is complex and is not necessarily susceptible to partial analysis or summary description and any attempt to do so could lead to undue emphasis on any particular factor or analysis. Accordingly, this Valuation and Opinion should be read in its entirety.

The Valuation and Opinion are given as of the date hereof and, although we reserve the right to change or withdraw the Valuation and Opinion if we learn that any of the information that we relied upon in preparing them was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw the Valuation and Opinion, to advise any person of any change that may come to our attention, or to update the Valuation and Opinion after the date hereof.

Description of Dalradian

Dalradian is a Canadian-based junior precious metals corporation involved in the acquisition, exploration, evaluation and development of mineral properties in Northern Ireland. The Company's main focus is on advancing its 100% owned, feasibility study-level, Curraghinalt Gold Project located in Northern Ireland.

The Company is listed on the TSX under the stock symbol "DNA" and the AIM Market of the London Stock Exchange ("**AIM**") under the symbol "DALR". The following table sets forth for the periods indicated, the high and low closing prices, as well as trading volumes for the Company Shares on the TSX.

TSX Trading Range and Volume of the Company Shares

	Closing Price ($ per Share)		
	High	**Low**	**Total Volume**
2017			
January	1.33	1.14	4,991,988
February	1.51	1.23	9,652,725
March	1.41	1.20	5,629,739
April	1.44	1.21	4,388,588
May	1.50	1.15	8,132,159
June	1.75	1.57	9,967,642
July	1.63	1.49	4,982,105
August	1.65	1.44	4,652,118
September	1.69	1.34	3,788,799
October	1.40	1.22	12,984,609
November	1.47	1.23	8,193,814
December	1.41	1.25	4,638,246
2018			
January	1.33	1.17	3,235,566
February	1.18	0.93	6,616,159
March	1.08	0.96	4,093,076
April	1.15	0.94	3,697,876
May	1.07	0.95	4,692,008
June 1st to June 20th	0.96	0.91	1,054,163

Source: Bloomberg Financial Markets

On June 20, 2018 the trading day immediately prior to the announcement of the Transaction, the closing price of the Company Shares on the TSX was $0.91 and the 20-day volume weighted average price ("**VWAP**") was $0.97.

Overview of Northern Ireland Properties

Dalradian's Northern Ireland Properties are comprised of six contiguous license areas, DG1, DG2, DG3, DG4, DG5 and DG6 (collectively referred to as the "**Northern Ireland Properties**") spanning over 120,000 hectares of land in County Tyrone and County Londonderry, Northern Ireland, United Kingdom. The Company holds a 100% interest in option agreements and prospecting licenses of the Northern Ireland Properties, subject to a 4% royalty payable to the Crown Estate Commissioners upon production and sale of gold and silver on the Northern Ireland Properties.

The Company's Curraghinalt Gold Project is located on DG1 of the Northern Ireland Properties and is approximately 100 km west of the City of Belfast and approximately 60 km south of Derry/Londonderry. During 2015 and 2016, the Company purchased surface rights for a potential mine site processing plant and associated facilities located near to the communities of Greencastle, Rouskey, Gortin and Omagh. The site is accessible by major highways with grid power and other services. Power requirements are expected to be met by an extension to the regional high voltage transmission network.

The 2016 Feasibility Study prepared under the direction of JDS was completed with an effective date of December 12, 2016. The 2016 Feasibility Study envisioned an underground mining operation producing an average of 1,400 tonnes per day of ore that would be processed at a flotation and cyanide leach facility over an 11-year production period. Pre-production capital costs were estimated at US$192 million with life-of-mine capital costs estimated at US$357 million. At US$1,250 per oz gold, the project would generate, assuming a 5.0% discount rate, an after-tax Net Present Value ("**NPV**") of US$301.3 million and an Internal Rate of Return ("**IRR**") of 24.4%.

JDS identified potential risks in the 2016 Feasibility Study including, but not limited to, permitting, availability of grid power, impacts from groundwater, mine dilution, geomechanical conditions and cyanide management.

The Company submitted its planning application to permit the building of the underground mine and infrastructure to the Northern Ireland Department for Infrastructure on November 27, 2017. On May 10, 2018, the Company announced the 2018 Mineral Resource Estimate, and we understand the Company intends to use the 2018 Mineral Resource Estimate in an updated feasibility study which is currently being prepared.

Gold Reserves

The mineral reserve estimate consists of 17,000 troy ounces (each an "**oz**") of contained gold in the Proven category (0.03 million tonnes at 18.88 g/t) and 1.4 million oz of contained gold in the Probable category (5.21 million tonnes at 8.48 g/t gold).

Category	Tonnes (Millions)	Au Grade (g/t)	Contained Au (oz)
Proven	0.03	18.88	17,000
Probable	5.21	8.48	1,421,000
Total Reserves	**5.24**	**8.54**	**1,438,000**

Source: 2016 Feasibility Study

Gold Resources

The current mineral resource estimate consists of 3.1 million oz of contained gold in the Measured and Indicated categories (6.35 million tonnes at 15.02 g/t) and 3.0 million oz contained gold in the Inferred category (7.72 million tonnes at 12.24 g/t gold).

Category	Tonnes (Millions)	Au Grade (g/t)	Contained Au (oz)
Measured	0.04	25.66	33,000
Indicated	6.31	14.95	3,033,000
Total M&I	**6.35**	**15.02**	**3,066,000**
Inferred	7.72	12.24	3,038,000

Source: 2018 Mineral Resource Estimate

Definition of Fair Market Value

For purposes of the Valuation, fair market value means the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay to a prudent and informed seller, each acting at arm's length with the other and each under no compulsion to act. In accordance with MI 61-101, Raymond James has not made any downward adjustment to the value of the Company Shares to reflect the liquidity of the Company Shares, the effect of the Transaction on the Company Shares, or whether or not the Company Shares form part of a controlling interest. Consequently, the Valuation provides a conclusion on a per Company Share basis with respect to Dalradian's "en bloc" value, being the price at which all of the Company Shares could be sold to one or more buyers at the same time.

Valuation Methodologies

For the purposes of determining the fair market value of the Company Shares, Raymond James relied on the following principal methodologies:

i. Net Asset Value Approach;
ii. the Premium Paid Approach;
iii. Selected Public Company Trading with Premium Approach; and
iv. Selected Precedent Transactions Approach.

Raymond James is aware that certain potential buyers of all of the Company Shares may realize unique benefits as a result of such a transaction. Furthermore, these benefits are not necessarily available to all buyers

and the amount of any benefit may vary by buyer. As the Valuation is on an "en bloc" basis, the value of such benefits, if any, cannot be attributed to the "en bloc" value of Dalradian and, accordingly, has not been factored into our Valuation conclusion. In addition, we considered whether any material cost savings would accrue to the Purchaser as a consequence of the Transaction, such as the elimination of public company expenses and the elimination of certain general and administrative functions, and concluded that any such estimated cost savings were not material to our Valuation conclusion.

Although not forming part of our Valuation analysis, Raymond James also reviewed historical trading data as well as research analyst estimates and target prices for Dalradian.

Net Asset Value Approach

As part of the Net Asset Value ("**NAV**") Approach, Raymond James relied on a discounted cash flow ("**DCF**") analysis whereby the unlevered, after-tax, constant-dollar future free cash flows over the life of the Curraghinalt Gold Project were discounted at a prescribed discount rate to generate a net present value. The DCF analysis addresses unique characteristics of the Curraghinalt Gold Project from a long-term operating and production perspective. The DCF analysis requires that certain assumptions be made to derive the NPV for Dalradian including, among other things, metal prices, development timing, production rates, capital and operating costs, mine life, working capital, taxes and discount rates. The Net Asset Value Approach adjusts for corporate items such as cash and debt, as well as ongoing general, administrative and other costs.

As part of the Net Asset Value Approach, Raymond James also ascribed a value per unmined oz of gold that was not included in the mine plan on an in-situ basis and therefore did not form part of the DCF analysis. The value that Raymond James ascribed was US$50 per oz.

Raymond James used two approaches in assessing a NAV for Dalradian, the selection of which depended upon the particular valuation methodology being utilized:

NAV-Market Approach: The NAV-Market Approach involved applying assumptions with respect to gold price forecasts and discount rates utilized by equity research analysts for valuing selected publicly-traded development stage gold mining companies that we considered relevant. This resulted in the utilization for the NAV-Market Approach of a gold price of US$1,300 per oz and a real discount rate of 5.0%. We utilized the NAV-Market Approach with respect to assessing the value of the Company Shares utilizing the Selected Public Company Trading with Premium Approach (as hereinafter defined) and the Selected Precedent Transactions Approach (as hereinafter defined).

NAV-WACC Approach: The NAV-WACC Approach involved discounting the Company's expected cash flows using a discount rate that was determined by estimating the real weighted average cost of capital ("**WACC**") for Dalradian (assumptions for which are hereinafter disclosed). For the NAV-WACC Approach, we applied a real discount rate range of 11.0% to 13.0% and utilized the approximate gold price at the time of the Valuation of US$1,275 per oz. As the NAV-WACC Approach estimates a WACC for the Company, no market multiple adjustments are made to the NAV-WACC for the purposes of deriving a value for Dalradian. We utilized the NAV-WACC Approach with respect to assessing the value of the Company Shares utilizing the Net Asset Value Approach.

Assumptions

In the preparation of the NAV Approach, Raymond James accepted, and did not independently verify, the assumptions of Management with respect to, among other things, production volumes, grades, operating

costs, development and sustaining capital, and permitting timeline. Based on our discussions with Management, Raymond James completed sensitivity analyses to assess the impact of changes in gold prices, corporate tax rate, and timing to commencement of construction.

i) Gold Prices

Raymond James utilized a gold price of US$1,300 per oz (derived from research consensus gold price estimates) for the NAV-Market Approach and utilized a gold price of US$1,275 for the NAV-WACC Approach.

ii) Foreign Exchange Rates

Raymond James utilized a current exchange rate of 0.75 USD/CAD per the rate as of June 20, 2018 and the following long-term exchange rates in the Management Projections:

Exchange Rates

USD/CAD	0.80
USD/GBP	1.40
USD/EUR	1.05

Source: Management Projections

iii) Operating Assumptions

The Management Projections included life-of-mine ("**LoM**") operating plans for the Curraghinalt Gold Project, which provide for long-term operating and financial projections, development capital expenditures, sustaining capital expenditures, and working capital requirements. We understand that many of the assumptions in the Management Projections were derived from the 2016 Feasibility Study, which was adjusted by Management to reflect (among other things) the 2018 Mineral Resource Estimate. Raymond James held due diligence sessions with each of Management and JDS to discuss underlying assumptions in the Management Projections.

Mining

LoM tonnage	Mt	8.0
Mine Life	Years	16.0
Au Grade	g/t	9.5
Ag Grade	g/t	2.4
Contained Au	mmoz Au	2.5
Contained Ag	mmoz Ag	0.6

LoM Operating Costs

Mining	US$/t	81
Processing	US$/t	30
G&A	US$/t	12
Royalties	US$/t	15
Cash Cost	US$/oz Au	483
AISC	US$/oz Au	598

Processing/Recoveries

Throughput	tpd	1,400
Au Recovery	%	94.3%
Ag Recovery	%	57.9%
Recovered Au	mmoz Au	2.3
Recovered Ag	mmoz Ag	0.4

Capex

Initial (Incl. Contingency)	US$mm	191
Sustaining (Incl. Contingency)	US$mm	263
Salvage and Closure	US$mm	12

Taxes

Tax Rate	%	17.0%

Source: Management Projections

iv) **Discount Rate**

The discount rate utilized by Raymond James for the NAV-Market Approach, Selected Public Company Trading with Premium Approach (as defined herein) and Precedent Transaction Approach (as defined herein) of 5.0% is based on the discount rates of selected equity research analysts for valuing selected publicly-traded development stage gold mining companies that we considered relevant.

For the NAV-WACC Approach, Raymond James selected appropriate discount rates to apply to our projected unlevered free cash flows by calculating Dalradian's WACC. The WACC is calculated based on an assumed optimal capital structure for Dalradian, which was chosen based upon a review of the capital structures of selected public companies. The cost of equity was calculated using the Capital Asset Pricing Model ("**CAPM**") which calculates the cost of equity capital as a function of the risk-free rate of return, the volatility of equity prices in relation to a benchmark "**beta**" and a premium for equity risk. The cost of debt was determined as a function of the risk-free rate of return plus an appropriate borrowing spread to reflect credit risk, assuming an optimal capital structure.

The assumptions used by Raymond James in estimating WACC for Dalradian are provided below:

Weighted Average Cost of Capital Calculation

Cost of Equity	
Nominal Risk Free Rate [1]	2.2%
Less: Inflation Target [2]	(2.0%)
Real Risk Free Rate	0.2%
Equity market risk premium	5.0%
Levered Beta	1.1
Country Risk Premium [3]	0.6%
Size Premium [4]	5.6%
Company Specific Premium [5]	5.4%
Cost of equity [6]	**17.4%**
Cost of Debt	
Nominal Risk Free Rate [1]	2.2%
Less: Inflation Target [2]	(2.0%)
Real Risk Free Rate	0.2%
Industrial Spread	4.5%
Pre-tax cost of debt	4.7%
Corporate Tax Rate [7]	17.0%
After-tax Cost of Debt	**3.9%**
WACC Calculation	
Optimal capital structure (% equity)	61.5%
Optimal capital structure (% debt)	38.5%
Real WACC calculated from above	**12.2%**

Source: Bloomberg Financial Markets, Company Reports, Duff & Phelps, Damodaran Risk Premiums, Cap. IQ

1. Yield on Canadian 10 year government bond as of June 20, 2018
2. Midpoint of Bank of Canada inflation target as of June 20, 2018
3. Country risk premium based on the default spread for the U.K. adjusted for relative equity market volatility per Damodaran
4. Size premium based on Duff & Phelps Valuation Handbook
5. Based on mining risk pertaining to project mineralization and permitting
6. Cost of equity = risk free rate + β x market risk premium + size premium + country risk premium + company specific premium
7. Corporate tax rate for Northern Ireland

Based upon the foregoing, Raymond James determined the appropriate real WACC for Dalradian to be in the range of 11.0% to 13.0%.

Summary of Projections

The table below illustrates Dalradian's projected revenue, cash costs, earnings before interest, taxes, depreciation and amortization ("**EBITDA**"), capital expenditures, working capital changes, taxes and unlevered after-tax free cash flows, as per the Management Projections at a gold price of US$1,300 per oz.

	Year Ending June 30,					
	2020	**2021**	**2022**	**2023**	**2024**	**2025+[1]**
			US$mm			
Revenue	--	--	$140	$192	$192	$2,488
Total Cash Costs	--	--	($65)	($73)	($74)	($906)
EBITDA	--	--	$75	$118	$118	$1,582
Total Capex	($62)	($136)	($42)	($20)	($17)	($188)
Working Capital Changes	--	($12)	$0	($0)	$0	$12
Taxes	--	--	($4)	($12)	($13)	($221)
Unlevered After-Tax FCF	($62)	($149)	$29	$86	$88	$1,185

Source: Management Projections
1. Until end of mine life.

The table below illustrates Dalradian's projected EBITDA, capital expenditures, working capital changes, taxes and unlevered after-tax free cash flows, as per the Management Projections at a gold price of US$1,275 per oz.

	Year Ending June 30,					
	2020	**2021**	**2022**	**2023**	**2024**	**2025+[1]**
			US$mm			
Revenue	--	--	$138	$188	$188	$2,440
Total Cash Costs	--	--	($65)	($73)	($74)	($904)
EBITDA	--	--	$73	$115	$115	$1,536
Total Capex	($62)	($136)	($42)	($20)	($17)	($188)
Working Capital Changes	--	($12)	$0	($0)	$0	$12
Taxes	--	--	($4)	($12)	($13)	($213)
Unlevered After-Tax FCF	($62)	($148)	$27	$83	$85	$1,147

Source: Management Projections
1. Until end of mine life.

The present value of the unlevered after-tax free cash flows derived from the Net Asset Value Approach represents an aggregate DCF value of the Curraghinalt Gold Project, as per the LoM operating plans. To arrive at an equity value of Dalradian, and subsequently an equity value per Company Share, Raymond James made additional adjustments, as previously described.

Summary of Net Asset Value Approach

The following is a summary of the range of equity values of the Company Shares under the Net Asset Value Approach.

	NAV-Market Approach 5.0% Discount Rate US$1,300/oz Gold Price	NAV-WACC Approach 12.2% Discount Rate US$1,275/oz Gold Price
	(US$mm, unless otherwise noted)	
Mining Assets		
Curraghinalt NPV	$600	$222
Additional Resources[(1)]	$152	$152
Total Mining Assets	**$752**	**$374**
Corporate Adjustments		
Cash & Equivalents	$95	$95
ITM Proceeds	$5	$5
Debt	$0	$0
Corporate G&A	($106)	($64)
Permitting Costs	($3)	($3)
Engineering Costs	($6)	($5)
Total Corporate Adjustments	**($14)**	**$28**
Net Asset Value	**$738**	**$403**
Net Asset Value per Company Share (US$/share)	**$2.02**	**$1.10**
Net Asset Value per Company Share (C$/share)	**$2.69**	**$1.47**

Source: Management Projections

1. Calculated as 3.038 million oz gold valued at US$50 per oz gold.

To derive an "en bloc" range of values for Dalradian using the NAV-Market Approach, we applied a range of "en bloc" premiums to a range of price to NAV ("**P/NAV**") trading multiples. The selection of the "en bloc" premiums is detailed below under "***Premium Paid Approach***" and the selection of P/NAV trading multiples is detailed below under "***Selected Public Company Trading with Premium Approach***".

To derive a range of values using the NAV-WACC Approach, we selected a real discount range of 11.0% to 13.0%, which resulted in a range of $1.38 to $1.57 per Company Share. As the NAV-WACC Approach estimates an actual cost of capital for Dalradian, and is an "en bloc" valuation methodology, trading multiples and "en bloc" premiums were not applied to the Net Asset Value to determine a value range for Company Shares.

Premium Paid Approach

Raymond James observed the premiums paid for shares of target companies in select Canadian change of control transactions of size US$100 million or more since January 2011 considered by us to be relevant. A summary of which follows below.

Transaction Type[(1)]	Median 20-Day VWAP Premium	1-Day Unaffected Premium	Number of Transactions
All Transactions	34%	33%	275
Mining Transactions	37%	36%	85
Precious Metal Transactions	41%	41%	53

Source: Company Reports

1. Includes announced majority stake acquisitions of public Canadian companies from January 2011 to June 2018; excludes transaction values less than US$100 million, mergers of equals, management buyouts and transactions with negative premiums.

Based on the premiums observed with respect to prior mining and precious metal transactions, we selected a premium range of 35.0% to 45.0%, which implies a valuation range per Company Share of $1.31 to $1.41.

Selected Public Company Trading with Premium Approach

Raymond James compared public market trading statistics of the Company to corresponding data from selected publicly-traded development stage gold mining companies that we considered relevant. Raymond James considered trading multiples based on equity value and Total Enterprise Value ("**TEV**") (calculated as equity value of the Company plus debt, less cash and cash equivalents, and if applicable, adjusted for any minority interests or unconsolidated investments). The most relevant metrics for the Company in consideration of the Selected Public Company Trading Approach were P/NAV, the Consideration per oz of National Instrument 43-101 compliant proven and probable gold reserves ("**TEV/Total Reserves**"), and the Consideration relative to the measured, indicated and inferred gold resources of the Company ("**TEV/Total Resources**"). Raymond James examined multiples based on P/NAV, TEV/Total Reserves and TEV/Total Resources for each of the selected public companies and then applied a range of selected multiples to the corresponding data of the Company to calculate an implied equity value of the Company, to which Raymond James added a change of control premium to reflect an "en bloc" valuation.

In order to apply a change of control premium, Raymond James reviewed change of control premiums pursuant to the Premium Paid Approach. The application of a change of control premium considers value in the context of the purchase or sale of a public company to estimate the "en bloc" value of a particular company. Based on the Premium Paid Approach, Raymond James selected 35.0% to 45.0% as an appropriate premium range for the purposes of the Selected Public Company Trading with Premium Approach. For the range of each respective applicable public company metric, Raymond James applied a 35.0% premium to the high end of the range and a 45.0% premium to the low end of the range.

Selected Public Companies

Company Name	TEV/ Reserves	TEV/ Resources	P/NAV
	US$/oz AuEq	US$/oz AuEq	(x)
Almaden Minerals Ltd.	$27	$15	0.28x
Belo Sun Mining Corp	$14	$9	0.23x
Continental Gold Inc.	$137	$55	0.49x
Eastmain Resources Inc.	--	$16	0.13x
GoldQuest Mining Corp.	$17	$7	0.25x
Harte Gold Corp.	--	$111	0.51x
IDM Mining Ltd.	$36	$26	0.25x
INV Metals Inc.	$8	$5	0.12x
Lundin Gold Inc.	$119	$60	0.53x
Lydian International Limited	$121	$69	0.44x
MAG Silver Corp.	--	$192	0.80x
Marathon Gold Corporation	--	$32	0.42x
Orca Gold Inc.	--	$19	0.35x
Pure Gold Mining Inc.	--	$49	0.54x
Sabina Gold & Silver Corp.	$98	$34	0.41x
Victoria Gold Corp.	$30	$18	0.44x
Mean	**$61**	**$45**	**0.39x**
Median	**$33**	**$29**	**0.41x**
High	**$137**	**$192**	**0.80x**
Low	**$8**	**$5**	**0.12x**
Selected Range	**$40 - $80**	**$25 - $50**	**0.35x - 0.45x**

Source: Company Reports, Cap. IQ

For the Selected Public Company Trading with Premium Approach, Raymond James utilized a TEV/Total Reserves range of US$40 per oz to US$80 per oz gold, a TEV/Total Resources range of US$25 per oz gold to US$50 per oz gold, and a P/NAV range of 0.35x to 0.45x.

	NAV-Market	Multiple		Valuation	
	(US$mm)	Low	High	Low	High
		(Multiple)	(Multiple)	(US$mm)	(US$mm)
Equity Value	$738	0.35	0.45	258	332
Change of Control Premium				45%	35%
Equity Value (Adjusted for Change of Control Premium)				**375**	**448**
Equity Value per Company Share (US$/share)				**1.03**	**1.23**
Equity Value per Company Share (C$/share)				**1.38**	**1.63**

	Total Reserves	Multiple		Valuation	
	(mmoz)	Low	High	Low	High
		(Multiple)	(Multiple)	(US$mm)	(US$mm)
TEV/Reserves	2.5	40	80	98	197
Add: Cash[(1)]				97	100
Change of Control Premium				45%	35%
Equity Value (Adjusted for Change of Control Premium)				**284**	**401**
Equity Value per Company Share (US$/share)				**0.79**	**1.10**
Equity Value per Company Share (C$/share)				**1.05**	**1.47**

	Total Resources	Multiple		Valuation	
	(mmoz)	Low	High	Low	High
		(Multiple)	(Multiple)	(US$mm)	(US$mm)
TEV/Resources	6.1	25	50	153	305
Add: Cash[(1)]				99	102
Change of Control Premium				45%	35%
Equity Value (Adjusted for Change of Control Premium)				**364**	**550**
Equity Value per Company Share (US$/share)				**1.01**	**1.51**
Equity Value per Company Share (C$/share)				**1.34**	**2.00**

1. Cash includes proceeds from in-the-money instruments based on the Consideration

In summary, the methodologies under the Selected Public Company Trading Approach imply a valuation range per Company Share of:

i. $1.38 to $1.63 for P/NAV;
ii. $1.05 to $1.47 for TEV/Total Reserves; and
iii. $1.34 to $2.00 for TEV/Total Resources.

Precedent Transactions Approach

The precedent transactions approach considers transaction multiples in the context of the purchase or sale of a public company or assets. Raymond James reviewed publicly available information in connection with 22 change of control transactions involving selected publicly-traded development stage gold mining companies that we considered relevant (the "**Precedent Transactions Approach**").

Raymond James considered the multiples of P/NAV and TEV/Total Resources to be the most relevant metrics for the Company in consideration of precedent transactions. To adjust for different prevailing market environments at the time of each precedent transaction, the TEV/Total Resources multiple for each precedent transaction was adjusted by the Amex Gold BUGS Index (the HUI Index), a modified equal dollar weighted index of companies involved in gold mining ("**TEV/Total Resources (HUI Adj.)**").

Selected Precedent Transactions

Annoucement Date	Acquirer/Target (Asset)	TEV/ Total Resources (HUI Adj.)	P/NAV
		US$/oz AuEq	(x)
18-Jun-12	Yamana Gold Inc./Extorre Gold Mines Limited	$68	0.55x
7-Aug-12	Endeavour Mining Corporation/Avion Gold Corporation	$39	0.50x
15-Oct-12	Argonaut Gold Inc./Prodigy Gold Inc.	$16	0.56x
8-Nov-12	Hochschild Mining plc/Andina Minerals Inc.	$4	0.63x
13-Dec-12	Primero Mining Corp./Cerro Resources NL	$26	n.a.
27-Mar-13	Troy Resources Limited/Azimuth Resources Limited	$56	0.62x
31-May-13	New Gold Inc./Rainy River Resources Ltd.	$21	0.51x
17-Dec-13	Asanko Gold Inc./PMI Gold Corporation	$16	0.69x
21-May-14	Rio Alto Mining Limited/Sulliden Gold Corporation Ltd.	$49	0.60x
3-Jun-14	B2Gold Corp./Papillon Resources Pty. Ltd.	$86	0.96x
8-Sep-14	Agnico Eagle Mines Limited/Cayden Resources Inc.	n.a.	n.a.
12-Oct-14	SEMAFO Inc./Orbis Gold Limited	$64	0.58x
17-Dec-14	Coeur Mining, Inc./Paramount Gold and Silver Corp.	$51	1.20x
19-Jan-15	Goldcorp Inc./Probe Mines Limited	$84	1.33x
17-Feb-15	Timmins Gold Corp./Newstrike Capital Inc.	$51	0.78x
30-Jul-15	OceanaGold Corporation/Romarco Minerals Inc.	$151	0.87x
12-May-16	Goldcorp Inc./Kaminak Gold Corp.	$56	1.12x
7-Jun-16	Fortuna Silver Mines Inc./Goldrock Mines Corp.	$14	0.61x
29-Sep-16	Sandstorm Gold Ltd./Mariana Resources Limited	$4	0.65x
28-Mar-17	Goldcorp Inc./Exeter Resource Corporation	$123	n.a.
15-May-17	Eldorado Gold Corporation/Integra Gold Corp.	$117	0.97x
28-Jun-17	Endeavour Mining Corporation/Avnel Gold Mining Limited	$38	0.52x
Mean		**$54**	**0.75x**
Median		**$51**	**0.63x**
High		**$151**	**1.33x**
Low		**$4**	**0.50x**
Selected Range		**$40 - $65**	**0.55x - 0.70x**

Source: Company Reports, Cap. IQ

For the Precedent Transactions Approach, Raymond James utilized a P/NAV range of 0.55x to 0.70x as well as a TEV/Total Resources (HUI Adj.) range of US$40 per oz gold to US$65 per oz gold.

	NAV-Market	Multiple		Valuation	
	(US$mm)	Low	High	Low	High
		(Multiple)	(Multiple)	(US$mm)	(US$mm)
Equity Value	$738	0.55	0.70	406	517
Equity Value per Company Share (US$/share)				**1.11**	**1.41**
Equity Value per Company Share (C$/share)				**1.48**	**1.87**

	Total Resources	Multiple		Valuation	
	(mmoz)	Low	High	Low	High
		(Multiple)	(Multiple)	(US$mm)	(US$mm)
TEV/Resources (HUI Adj.)	6.1	40	65	244	397
Add: Cash[(1)]				95	95
ITM Proceeds				6	11
Equity Value (Adjusted for Change of Control Premium)				**346**	**503**
Equity Value per Company Share (US$/share)				**0.95**	**1.37**
Equity Value per Company Share (C$/share)				**1.26**	**1.82**

1. Cash includes proceeds from in-the-money dilutive instruments based on the Consideration

In summary, these methodologies imply a valuation range per Company Share of $1.48 to $1.87 for P/NAV, and $1.26 to $1.82 for TEV/Total Resources (HUI Adj.).

Valuation Summary

The following is a summary of the range of fair market values of the Company Shares resulting from the Net Asset Value Approach, the Premium Paid Approach, the Selected Public Company Trading with Premium Approach, and the Selected Precedent Transaction Approach.

	Equity Value Per Company Share	
	Low	High
	($/sh)	
Net Asset Value Approach (NAV-WACC)	$1.38	$1.57
Premium Paid Approach	$1.31	$1.41
Selected Public Company Trading with Premium Approach (TEV/Total Reserves)	$1.05	$1.47
Selected Public Company Trading with Premium Approach (TEV/Total Resources)	$1.34	$2.00
Selected Public Company Trading with Premium Approach (NAV-Market)	$1.38	$1.63
Selected Precedent Transactions Approach (TEV/Total Resources - HUI Adj.)	$1.26	$1.82
Selected Precedent Transactions Approach (NAV-Market)	$1.48	$1.87

Valuation Conclusion

In arriving at an opinion as to the fair market value of the Company Shares, Raymond James has not attributed any particular weight to any specific factor but has made qualitative judgments based on our experience in rendering such opinions and on circumstances prevailing as to the significance and relevance of each factor. Based upon and subject to the foregoing and such other factors as we considered relevant, Raymond James is of the opinion that, as of the date hereof, the fair market value of the Company Shares is in the range of $1.35 to $1.70 per Company Share.

Overview of the Consideration

The Consideration of $1.47 per Company Share multiplied by the issued and outstanding shares and in-the-money dilutive instruments (including options, restricted stock units and deferred stock units) of the Company implies a fully-diluted equity value of the Company, as at June 20, 2018, of approximately $537 million and a TEV of approximately $403 million as of such date. The premium represented by the Consideration, calculated with reference to the 20-day VWAP closing price of the Company Shares on the TSX as at June 20, 2018 (the trading day immediately preceding the proposed date of announcement of the Arrangement Agreement) was approximately 52%. The Consideration implies a P/NAV-Market multiple of 0.55x, a P/NAV-WACC multiple of 1.00x, a TEV/Total Reserves multiple of US$123 per oz gold and a TEV/Total Resources multiple of US$50 per oz gold for the Company.

Fairness Considerations

In considering the fairness, from a financial point of view, to the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) of the Consideration payable to such Shareholders pursuant to the Transaction, Raymond James reviewed, considered and relied upon or carried out, among other things, those items listed under "Scope of Review" and the following:

a) a comparison of the value of the Consideration payable to the Shareholders pursuant to the Transaction to the fair market value range of the Company Shares as determined in the Valuation;
b) the results of the Market Check; and
c) such other information, investigations and analyses considered necessary or appropriate in the circumstances.

Raymond James did not, in considering the fairness of the Consideration, from a financial point of view, assess any income tax consequences that any particular Shareholder may face in connection with the Transaction.

Comparison of the Consideration Offered to the Valuation

Based upon and subject to the foregoing, Shareholders would receive Consideration of $1.47 per Company Share pursuant to the Transaction, which amount is within the fair market value range of the Company Shares as of the date hereof as determined by Raymond James in the Valuation.

Opinion

Based upon and subject to the foregoing and such other matters as we considered relevant, it is our opinion that, as of the date hereof, the Consideration to be received by the Shareholders (other than the Purchaser, the Guarantor and the Remaining Shareholders) pursuant to the Transaction is fair, from a financial point of view, to such Shareholders.

Yours very truly,

Raymond James Ltd

Raymond James Ltd.

APPENDIX D
MAXIT FAIRNESS OPINION

MAXIT CAPITAL

Brookfield Place, 181 Bay Street, Suite 830
Toronto, ON M5J 2T3

June 20, 2018

Dalradian Resources Inc.
207 Queen's Quay West, Suite 416
Toronto, ON M5J 1A7

To the Independent Committee of Dalradian Resources Inc.:

Maxit Capital LP ("Maxit Capital", "we" or "us") understands that Dalradian Resources Inc. ("Dalradian" or the "Company") proposes to enter into an arrangement agreement as of the date hereof (the "Arrangement Agreement") with certain affiliates of Orion Mine Finance (collectively, "Orion" or the "Purchaser") pursuant to which, among other things, Orion will acquire all of the issued and outstanding common shares of Dalradian ("Dalradian Shares") by way of statutory plan of arrangement (the "Arrangement") under the *Business Corporations Act* (Ontario) (the "Transaction"). Under the terms of the Arrangement Agreement, the Dalradian Shares held by certain members of the Dalradian senior management team, Sean Roosen and Osisko Gold Royalties Ltd. (collectively, the "Remaining Shareholders") will not be acquired by Orion.

Under the terms of the Arrangement, each Dalradian shareholder (other than the Purchaser and the Remaining Shareholders) will receive cash consideration of C$1.47 for each Dalradian Share held (the "Consideration"). The stock options and restricted share units of the Company outstanding immediately prior to the effective time of the Arrangement (other than those held by the Remaining Shareholders) will be cancelled in exchange for the "in-the-money" amount of such stock options or the Consideration for each restricted share unit, respectively. The deferred share units of the company outstanding immediately prior to the effective time of the Arrangement will be cancelled in exchange for the Consideration for each deferred share unit.

The terms and conditions of the Arrangement will be fully described in the Company's management information circular (the "Circular") to be mailed to the holders of the Dalradian Shares (the "Shareholders") in connection with a special meeting of the Shareholders to be held to consider and, if deemed advisable, approve the Arrangement.

We also understand that the Company's board of directors (the "Board of Directors") has appointed an independent committee (the "Independent Committee") to consider the Arrangement and to make recommendations to the Board of Directors concerning the Arrangement.

Engagement of Maxit Capital

By letter agreement dated December, 22, 2016 (the "Engagement Agreement"), an independent committee retained Maxit Capital to act as financial advisor in connection with any proposal to acquire control of the Company. Pursuant to the Engagement Agreement, the Independent Committee has requested that we prepare and deliver a written opinion (the "Opinion") as to the fairness, from a financial point of view, of the Consideration to be received by Dalradian Shareholders (other than the Purchaser and the Remaining Shareholders) pursuant to the Arrangement.

Maxit Capital will be paid a fixed fee for rendering the Opinion, no portion of which is conditional upon the Opinion being favourable. Maxit Capital will also be paid an additional fee if the Arrangement or any alternative transaction thereto is completed. The Company has also agreed to reimburse us for reasonable out-of-pocket expenses and to indemnify Maxit Capital in respect of certain liabilities that might arise out of our engagement.

Credentials of Maxit Capital

Maxit Capital is an independent advisory firm with expertise in mergers and acquisitions. The Opinion expressed herein is the opinion of Maxit Capital and the form and content herein have been approved for release by its managing partners, each of whom is experienced in merger, acquisition, divestiture and valuation matters.

Independence of Maxit Capital

Neither Maxit Capital, nor any of our affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) or the rules made thereunder) of the Company, Orion, or any other interested party (as such term is defined in Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*) or any of their respective associates or affiliates (collectively, the "Interested Parties").

Maxit Capital has not been engaged to provide any financial advisory services nor has it participated in any financings involving the Interested Parties within the past two years, other than:

i. acting as financial advisor pursuant to the Engagement Agreement; and
ii. being retained to act as financial advisor to Orion pursuant to the potential sale of a mining asset unrelated to the Engagement Agreement.

Other than as described above, there are no other understandings, agreements or commitments between Maxit Capital and any of the Interested Parties with respect to any current or future business dealings which would be material to the Opinion. Maxit Capital may, in the ordinary course of business, provide financial advisory, investment banking, or other financial services to one or more of the Interested Parties from time to time.

Scope of Review

In connection with rendering the Opinion, we have reviewed and relied upon, among other things, the following:

i. a draft of the Arrangement Agreement dated June 20, 2018;
ii. a draft of the Plan of Arrangement dated June 20, 2018;
iii. drafts of the voting and support agreements dated June 20, 2018;
iv. a form of the Remaining Shareholder Agreement between Orion and Osisko dated June 14, 2018;
v. a form of the Remaining Shareholder Agreement between Orion and Dalradian management dated June 14, 2018;
vi. publicly available documents regarding the Company, including annual and quarterly reports, financial statements, annual information forms, management circulars and other filings deemed relevant;
vii. certain internal financial, operating, corporate and other information prepared or provided by or on behalf of the Company concerning the business operations, assets, liabilities and prospects of the Company;
viii. internal management forecasts, development and operating projections, estimates (including future estimates of mineable resources) and budgets prepared or provided by or on behalf of the Company;
ix. discussions with management of the Company relating to the business, financial condition and prospects of the Company;
x. selected public market trading statistics and relevant financial information of the Company and other public entities;
xi. selected financial statistics and relevant financial information with respect to relevant precedent transactions;
xii. selected technical reports on the assets of the Company, selected reports published by equity research analysts and industry sources regarding the Company and other comparable public entities;
xiii. a certificate addressed to us, dated as of the date hereof, from two senior officers of the Company as to the completeness and accuracy of the Information (as defined below); and
xiv. such other information, analyses, investigations, and discussions as we considered necessary or appropriate in the circumstances.

Maxit Capital has also participated in discussions regarding the Arrangement and related matters with Cassels Brock & Blackwell LLP (Canadian legal counsel to the Company) and Blake, Cassels & Graydon LLP (legal counsel to the Independent Committee).

Assumptions and Limitations

The Opinion is subject to the assumptions, qualifications and limitations set forth below. We have not been asked to prepare, and have not prepared, an independent evaluation, formal valuation or appraisal of the securities or assets of the Company. We did not conduct any physical inspection of the properties or facilities of the Company. Furthermore, the Opinion does not address the solvency or fair value of the Company under any applicable laws relating to bankruptcy or insolvency. The Opinion should not be construed as advice as to the price at which the securities of the Company may trade at any time and does not address any legal, tax or regulatory aspects of the Arrangement.

With your permission, we have relied upon, and have assumed the completeness, accuracy and fair presentation of all financial and other information, data, documents, materials, advice, opinions and representations obtained by us, including information provided by Dalradian in relation to the Company, data, advice, opinions and representations obtained by us from public sources, or provided to us by the Company or any of its affiliates or advisors or otherwise obtained by us pursuant to our engagement, and the Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to or attempted to verify independently the accuracy, completeness or fairness of presentation of any such information, data, advice, opinions and representations. We have not met separately with the independent auditors of the Company in connection with preparing this Opinion and with your permission, we have assumed the accuracy and fair presentation of, and relied upon, the audited financial statements of the Company and the reports of the auditors thereon and the interim unaudited financial statements of the Company.

With respect to the historical financial data, financial and operating forecasts and budgets provided to us concerning the Company and relied upon in our financial analyses, we have assumed that they have been reasonably prepared on bases reflecting the most reasonable and currently available assumptions, estimates and judgments of management of the Company having regard to the Company's business, plans, financial condition and prospects.

The Company has represented to us, in a certificate of two senior officers of the Company dated the date hereof, among other things, that (i) the financial and other information, data, advice, opinions, representations and other material provided to us by or on behalf of the Company, including the written information and discussions concerning the Company referred to above under the heading "Scope of Review" (collectively, the "Information"), are complete, true and correct at the date the Information was provided to us and was and is as of the date of the certificate, complete, true and correct in all material respects and did not and does not contain a misrepresentation, and (ii) since the date on which the Information was provided to us, except as disclosed to us, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries and, since the dates on which the Information was provided to us, except as disclosed publicly or to us, no material transaction has been entered into by the Company or any of its subsidiaries and the Company has no material plans and management of the Company is not aware of any circumstances or developments that could reasonably be expected to have a material effect on the assets, liabilities, financial condition, prospects or affairs of the Company and its subsidiaries, taken as a whole.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Arrangement or the sufficiency of this letter for your purposes. The Opinion is rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Company as they are reflected in the Information and as they were represented to us in our discussions with management of the Company or its affiliates and advisors. In our analyses and in connection with the preparation of the Opinion, we made numerous assumptions with respect to industry performance, general business, markets and economic conditions and other matters, many of which are beyond the control of any party involved in the Arrangement.

The Opinion is being provided to the Independent Committee for their exclusive use only in considering the Arrangement and may not be published, disclosed to any other person, relied upon by any other person, or used for any other purpose, without the prior written consent of Maxit Capital, provided that the Opinion may be reproduced in full in the Circular (in a form acceptable to us). The Opinion does not address the relative merits of the Arrangement as compared to other business strategies or transactions that might be available to the Company or in which the Company might engage. The Opinion is not intended to be and does not constitute a recommendation to any Shareholders with respect to the Arrangement. Additionally, we do not express any opinion as to the prices at which the Dalradian Shares may trade at any time.

The Opinion is given as of the date hereof and, although we reserve the right to change or withdraw the Opinion if we learn that any of the Information that we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw the Opinion, to advise any person of any change that may come to our attention or to update the Opinion after the date of this Opinion.

Opinion

Based upon and subject to the foregoing and such other matters as we considered relevant, it is our opinion, as of the date hereof, that the Consideration to be received by the Shareholders (other than the Purchaser and the Remaining Shareholders) pursuant to the Arrangement is fair, from a financial point of view, to the Shareholders (other than the Purchaser and the Remaining Shareholders).

Yours very truly,

Maxit Capital LP

Court File No. CV-18-00602571-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE MR.	)	FRIDAY, THE 3RD DAY
	)	
JUSTICE DUNPHY	)	OF AUGUST, 2018

DALRADIAN RESOURCES INC.

Applicant

IN THE MATTER OF Section 182 of the *BUSINESS CORPORATIONS ACT (ONTARIO)*, being Chapter B.16 of The Revised Statutes of Ontario 1990, as amended and Rules 14.05(2) and 14.05(3) of the *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF a Proposed Arrangement involving DALRADIAN RESOURCES INC., OMF FUND II (AU) LTD and ORION MINE FINANCE FUND II LP

INTERIM ORDER

THIS MOTION made by Dalradian Resources Inc. ("**Dalradian**"), for an interim order for advice and directions pursuant to section 182 of the *Business Corporations Act* (Ontario), R.S.O. 1990, c. B.16, as amended, (the "**OBCA**"), was heard this day at 330 University Avenue, 8th Floor, Toronto, Ontario.

ON READING the Notice of Motion, the Notice of Application issued on August 1, 2018, 2018 and the affidavit of Jonathan Rubenstein sworn August 1, 2018 (the

"**Supporting Affidavit**"), including the draft Plan of Arrangement, which is attached as a Schedule to the draft management information circular of Dalradian (the "**Information Circular**"), which is attached as Exhibit "A" to the Supporting Affidavit, and on hearing the submissions of counsel for Dalradian and counsel for both OMF Fund II (Au) Ltd (the "**Purchaser**") and Orion Mine Finance Fund II LP (the "**Guarantor**").

Definitions

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Information Circular or otherwise as specifically defined herein.

The Meeting

2. **THIS COURT ORDERS** that Dalradian is permitted to call, hold and conduct a special meeting (the "**Meeting**") of the Shareholders to be held at the offices of Cassels Brock & Blackwell LLP, 2100 Scotia Plaza, 40 King Street West, Toronto, Ontario, M5H 3C2, on Friday, August 31, 2018, at 10:00 a.m. (Toronto time) in order for the Shareholders to consider, among other things, and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation, the Arrangement and the Plan of Arrangement (collectively, the "**Arrangement Resolution**").

3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the OBCA, the notice of meeting of the Shareholders, which accompanies the Information Circular (the "**Notice of Meeting**") and the articles and by-

laws of the Shareholders, subject to what may be provided hereafter and subject to further order of this court.

4. **THIS COURT ORDERS** that the record date (the "**Record Date**") for determination of the Shareholders entitled to notice of, and to vote at, the Meeting shall be July 16, 2018, and shall not change in respect of any adjournments or postponements of the Meeting.

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:

(a) the Shareholders or their respective proxyholders;

(b) the officers, directors, auditors and advisors of Dalradian;

(c) representatives and advisors of the Purchaser and the Guarantor; and

(d) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that Dalradian may transact such other business at the Meeting as is contemplated in the Information Circular, or as may otherwise be properly before the Meeting.

Quorum

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by Dalradian and that the quorum at the Meeting shall be not less than two (2) persons at the opening of the Meeting being present in person, each being a Shareholder entitled

to vote thereat or a duly appointed proxy or proxyholder for an absent shareholder so entitled, holding or representing not less than twenty-five per cent (25%) of the issued and outstanding Company Shares.

Amendments to the Arrangement and Plan of Arrangement

8. **THIS COURT ORDERS** that Dalradian is authorized to make, subject to the terms of the Arrangement Agreement, and paragraph 9 below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Shareholders, or others entitled to receive notice under paragraphs 12 and 13 hereof, and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Shareholders at the Meeting and shall be the subject of the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Court at the hearing for the final approval of the Arrangement.

~~9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement, as referred to in paragraph 8 above, would, if disclosed, reasonably be expected to affect any of the Shareholder's decision to vote for or against the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Court, by press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as Dalradian may determine.~~

provided same are to correct clerical errors, are non-material or authorized by subsequent Court order,

Amendments to the Information Circular

10. **THIS COURT ORDERS** that Dalradian is authorized to make such amendments, revisions and/or supplements to the draft Information Circular as it may determine and the Information Circular, as so amended, revised and/or supplemented, shall be the Information Circular to be distributed in accordance with paragraphs 12 and 13 hereof.

Adjournments and Postponements

11. **THIS COURT ORDERS** that Dalradian, if it deems advisable and subject to the terms of the Arrangement Agreement, is specifically authorized to adjourn or postpone the Meeting on one or more occasions, without the necessity of first convening the Meeting or first obtaining any vote of the Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as Dalradian may determine is appropriate in the circumstances. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Notice of Meeting

12. **THIS COURT ORDERS** that, in order to effect notice of the Meeting, Dalradian shall send the Information Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the Letter of Transmittal, along with such amendments or additional documents as Dalradian may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the "**Meeting Materials**"), to the following:

(a) the Registered Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:

(i) by pre-paid ordinary or first class mail at the addresses of the Registered Shareholders as they appear on the books and records of Dalradian, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of Dalradian;

(ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

(iii) by facsimile or electronic transmission to any Registered Shareholder, who is identified to the satisfaction of Dalradian, who requests such transmission in writing and, if required by Dalradian, who is prepared to pay the charges for such transmission;

(b) Non-registered Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer; and

(c) the directors and auditors of Dalradian, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that, in the event that Dalradian elects to distribute the Meeting Materials, Dalradian is hereby directed to distribute the Information Circular (including the Notice of Application, and this Interim Order), and any other communications or documents determined by Dalradian to be necessary or desirable (collectively, the "**Court Materials**") to the holders of all other securities issued by Dalradian, being the holders of Company DSUs, Company Options and the Company RSUs (collectively, the "**Other Securityholders**"), by any method permitted for notice to the Shareholders as set forth in paragraphs 12(a) or 12(b) above, concurrently with the distribution described in paragraph 12 of this Interim Order. Distribution to the Other Securityholders shall be to their addresses as they appear on the books and records of Dalradian or its registrar and transfer agent at the close of business on the Record Date.

14. **THIS COURT ORDERS** that accidental failure or omission by Dalradian to give notice of the meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Dalradian, or the

non-receipt of such notice shall, subject to further order of this Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of Dalradian, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

15. **THIS COURT ORDERS** that Dalradian is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials as Dalradian may determine in accordance with the terms of the Arrangement Agreement ("**Additional Information**"), and that notice of such Additional Information may, subject to paragraph 9 above, be distributed by press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as Dalradian may determine.

16. **THIS COURT ORDERS** that distribution of the Meeting Materials and Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12 and 13 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9 above.

Solicitation and Revocation of Proxies

17. **THIS COURT ORDERS** Dalradian is authorized to use the Letter of Transmittal and proxies substantially in the form of the drafts accompanying the Information Circular, with such amendments and additional information as Dalradian may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Dalradian, the Purchaser and the Guarantor are authorized, at their expense, to solicit proxies, directly or through their respective officers, directors or employees, and through such agents or representatives as they may retain for that purpose, and by mail or such other forms of personal or electronic communication as they may determine. Dalradian may waive generally, in its discretion, the time limits set out in the Information Circular for the deposit or revocation of proxies by the Registered Shareholders, if Dalradian deems it advisable to do so.

18. **THIS COURT ORDERS** that the Registered Shareholders shall be entitled to revoke their proxies in accordance with subsection 110(4) of the OBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to clause 110(4)(a) of the OBCA shall be deposited with Dalradian's registered office at Queen's Quay Terminal, 207 Queen Quay West, Suite 416, Toronto, Ontario, M45J 1A7 (Attention: Marla Gale, Corporate Secretary), as set out in the Information Circular, at any time up to and including the last Business Day preceding the day of the Meeting or any adjournment or postponement thereof, including by depositing a new proxy, or by any other manner permitted by applicable law. Notwithstanding the foregoing, a Registered Shareholder who attends personally at the Meeting may revoke its proxy and vote in person at the Meeting.

Voting

19. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Registered Shareholders who hold Company Shares as of the close of business (Toronto time) on the Record Date. Illegible votes, spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution.

20. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of one vote per Company Share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Court, the Arrangement Resolution must be passed, with or without variation, at the Meeting by:

(a) an affirmative vote of at least two-thirds (66⅔%) of the votes cast in respect of the Arrangement Resolution at the Meeting in person or by proxy by the Registered Shareholders voting together as a single class; and

(b) a simple majority of the votes cast in respect of the Arrangement Resolution at the Meeting in person or by proxy by the Registered Shareholders, other than those of: (i) Orion Mine Finance Fund II LP; (ii) Osisko Gold Royalties Ltd.; (iii) Patrick F.N. Anderson; (iv) Keith McKay; (vi) Eric Tremblay; (vi) Marla Gale; (vii) Sean Roosen; (viii) any person who is a "related party" of any of (i)-(vii) above in respect of the

Arrangement; and (ix) any other person who is a "joint actor" with any of (i)-(viii) above in respect of the Arrangement, as determined by Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* and subject to the exceptions noted therein.

Such votes shall be sufficient to authorize Dalradian to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Information Circular without the necessity of any further approval by the Shareholders, subject only to final approval of the Arrangement by this Court.

21. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting Dalradian (other than in respect of the Arrangement Resolution), each Registered Shareholder is entitled to one vote for each Company Share held.

Dissent Rights

22. **THIS COURT ORDERS** that each Registered Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 185 of the OBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 185(6) of the OBCA, any Registered Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to Dalradian in the form required by section 185 of the OBCA and the Arrangement Agreement, which written objection must be received not later than 5:00

p.m. (Toronto time) on or before two (2) Business Days immediately preceding the Meeting, or any adjournment or postponement thereof, and must otherwise strictly comply with the requirements of the OBCA. For purposes of these proceedings, the "court" referred to in section 185 of the OBCA means this Court.

23. **THIS COURT ORDERS** that, notwithstanding section 185 of the OBCA, the Purchaser, and not Dalradian, shall be required to offer to pay fair value, as of the day prior to approval of the Arrangement Resolution, for Company Shares held by Shareholders who duly exercise Dissent Rights, and to pay the amount to which such Shareholders may be entitled pursuant to the terms of the Plan of Arrangement. In accordance with the Plan of Arrangement and the Information Circular, all references to the "corporation" in subsections 185(4) and 185(10) to 185(26) inclusive, of the OBCA shall be deemed to refer to the Purchaser in place of the "corporation", and the Purchaser shall have all of the rights, duties and obligations of the "corporation" under subsections 185(10) to 185(26) inclusive, of the OBCA.

24. **THIS COURT ORDERS** that any Registered Shareholder who duly exercises such Dissent Rights set out in paragraph 22 above and who:

(i) is ultimately determined by this Court to be entitled to be paid fair value for his, her or its Company Shares, shall be deemed to have transferred those Company Shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to the Purchaser for cancellation in

consideration for a payment of cash from the Purchaser equal to such fair value; or

(ii) is for any reason ultimately determined by this Court not to be entitled to be paid fair value for his, her or its Company Shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Shareholder;

but in no case shall Dalradian, the Purchaser, the Guarantor or any other person be required to recognize such Registered Shareholders as holders of Company Shares at or after the date upon which the Arrangement becomes effective and the names of such Registered Shareholders shall be deleted from Dalradian's register of holders of Company Shares at that time.

Hearing of Application for Approval of the Arrangement

25. **THIS COURT ORDERS** that upon approval by the Registered Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, Dalradian may apply to this Court for final approval of the Arrangement.

26. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order in the Information Circular, when sent in accordance with paragraphs 12 and 13 hereof, shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other

material need be served, unless a Notice of Appearance is served in accordance with paragraph 27 hereof.

27. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for Dalradian and the solicitors for the Purchaser and the Guarantor as soon as reasonably practicable, and, in any event, no less than two (2) days before the hearing of this Application at the following addresses:

Cassels Brock & Blackwell LLP
Barristers & Solicitors
Scotia Plaza, Suite 2100
40 King Street West
Toronto, ON M5H 3C2

Robert B. Cohen
Tel: 416.869.5425
Fax: 416.350.6929

Lawyers for Dalradian Resources Inc.

Stikeman Elliott LLP
Barristers and Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Samaneh Hosseini
Tel: 416.869.5522
Fax: 416.947.0866
shosseini@stikeman.com

Lawyers for OMF Fund II (Au) Ltd and Orion Mine Finance Fund II LP

28. **THIS COURT ORDERS** that, subject to further order of this Court, the only persons entitled to appear and be heard at the hearing of the within application for final approval of the Arrangement shall be:

(i) Dalradian;

(ii) the Purchaser and the Guarantor; and

(iii) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

29. **THIS COURT ORDERS** that any materials to be filed by Dalradian in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Court.

30. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 27 shall be entitled to be given notice of the adjourned date.

Precedence

31. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Company Shares, the Company DSUs, the Company Options, the Company RSUs, or the articles or by-laws of Dalradian, this Interim Order shall govern.

Extra-Territorial Assistance

32. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of the United States or other country to act in aid of and to assist this Court in carrying out the terms of this Interim Order.

Variance

33. **THIS COURT ORDERS** that Dalradian shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Court may direct.

ENTERED AT / INSCRIT A TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

AUG 0 3 2018

PER / PAR:

IN THE MATTER OF DALRADIAN RESOURCES INC.

Applicant

Court File No. CV-18-00602571-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at TORONTO

INTERIM ORDER

CASSELS BROCK & BLACKWELL LLP
Scotia Plaza, Suite 2100
40 King Street West
Toronto, Ontario M5H 3C2

Robert B. Cohen LSO#: 32187D
Tel: 416-869-5425
Fax: 416-350-6929

Lawyers for the Applicant

APPENDIX F
NOTICE OF APPLICATION

Court File No. CV-18-00602571-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

DALRADIAN RESOURCES INC.

Applicant

IN THE MATTER OF Section 182 of the *BUSINESS CORPORATIONS ACT (ONTARIO)*, being Chapter B.16 of The Revised Statutes of Ontario 1990, as amended and Rules 14.05(2) and 14.05(3) of the *RULES OF CIVIL PROCEDURE*

AND IN THE MATTER OF a Proposed Arrangement involving DALRADIAN RESOURCES INC., OMF FUND II (AU) LTD. and ORION MINE FINANCE FUND II LP

NOTICE OF APPLICATION

A LEGAL PROCEEDING HAS BEEN COMMENCED by the applicant. The claim made by the applicant appears on the following pages.

THIS APPLICATION will be made to a judge presiding over the Commercial List on **Tuesday, September 4, 2018** at **10:00 a.m.** at 330 University Avenue, 8th Floor, Toronto, Ontario.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with the documents in the application, you or an Ontario lawyer acting for you must prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the applicant's lawyer(s) or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of service, in this court office, and you or your lawyers(s) must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you and your lawyer(s) must, in addition to serving your notice of appearance, serve a copy of the evidence on the applicant's lawyer(s) or, where the applicant does not have a lawyer, serve it on the applicant, and file it, with proof of

service, in the court office where the application is to be heard as soon as possible, but not later than 2 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LEGAL AID OFFICE.

Date: August 1ST, 2018

Issued by Ray Williams
Local Registrar
Ray Williams, Registrar

Address of court office: 330 University Avenue
7th floor
Toronto ON M5G 1R7

TO: **ALL HOLDERS OF COMMON SHARES, DEFERRED SHARE UNITS, RESTRICTED SHARE UNITS, OPTIONS AND WARRANTS OF DALRADIAN RESOURCES INC.**

AND TO: **ALL DIRECTORS OF DALRADIAN RESOURCES INC.**

AND TO: **THE AUDITORS OF DALRADIAN RESOURCES INC**

AND TO: **STIKEMAN ELLIOTT LLP**
Barristers and Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Ontario M5L 1B9

Samaneh Hosseini
Tel: 416.869.5522
Fax: 416.947.0866
shosseini@stikeman.com

Lawyers for OMF Fund II (Au) Ltd and Orion Mine Finance Fund II LP

APPLICATION

1. **THE APPLICANT, DALRADIAN RESOURCES INC. ("Dalradian"), MAKES APPLICATION FOR:**

(a) an Interim Order for advice and directions pursuant to subsection 182(5) of the *Business Corporations Act*, R.S.O. 1990, c. B.16, as amended (the "**OBCA**"), with respect to notice and the conduct of a meeting (the "**Meeting**") of the holders (the "**Shareholders**") of Dalradian's issued and outstanding common shares (the "**Company Shares**") and such other matters pertaining to a proposed plan of arrangement (the "**Arrangement**") involving Dalradian, OMF Fund II (Au) Ltd (the "**Purchaser**") and Orion Mine Finance Fund II LP (the "**Guarantor**"), as described below;

(b) a Final Order pursuant to subsections 182(3) and 182(5) of the OBCA approving the Arrangement if it is adopted and approved by the Shareholders at the Meeting; and

(c) such further and other relief as to this Court seems just.

2. **THE GROUNDS FOR THE APPLICATION ARE:**

(a) Dalradian is a mining company governed by the OBCA. Its registered and head office is located in Toronto, Ontario;

(b) the Company Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") and on the AIM Market, operated by the London Stock Exchange;

(c) the Purchaser is a corporation incorporated under the laws of the Cayman Islands;

(d) the Guarantor is a limited partnership under the laws of Bermuda and managed by Orion Mine Finance Management II Limited;

(e) Orion Mine Finance Management II Limited is an exempted company incorporated under the laws of Bermuda;

(f) Orion Resource Partners, the investment manager, is a global alternative investment management firm with $4.5 billion under management, specializing in institutional metals and mining investment strategies in the base and precious metals space;

(g) pursuant to the Arrangement, the Purchaser will acquire all of the issued and outstanding Company Shares for $1.47 Canadian per Company Share, without interest, other than the Company Shares already owned by the Purchaser and its affiliates, and by Sean Roosen, Osisko Gold Royalties Ltd. and members of Dalradian's senior management team (collectively, the "**Remaining Shareholders**"), and all of the outstanding Company Options, Company RSUs and Company DSUs (other than Company Options and Company RSUs held by the Remaining Shareholders) will be transferred to Dalradian and cancelled. As a result, immediately upon completion of the Arrangement, Dalradian will become a subsidiary of the Purchaser;

(h) the Arrangement is an "arrangement" within the meaning of subsection 182(1) of the OBCA and is being proposed for a *bona fide* business purpose;

(i) all statutory requirements under the OBCA have been or will be fulfilled by the return date of this Application for final approval of the Arrangement;

(j) the directions set out and the approvals required pursuant to any Interim Order this Court may grant have been followed and obtained, or will be followed and obtained, by the return date of this Application for final approval of the Arrangement;

(k) the Board of Directors of Dalradian and an Independent Committee thereof have determined that the Arrangement is fair, from a financial point of view, to the Dalradian Shareholders (other than the Purchaser and the Remaining Shareholders);

(l) the Arrangement is in the best interest of Dalradian and is procedurally and substantively fair and reasonable;

(m) pursuant to an interim order (the "**Interim Order**") of this Court to be obtained by Dalradian, notice of this application will be served on all of the Dalradian Shareholders and holders of other securities of Dalradian at their respective registered addresses as they appear on the books of Dalradian at the close of business (Toronto time) on July 16, 2018, including those persons whose registered addresses are outside the Province of Ontario. Service of these proceedings on persons outside of Ontario will be effected pursuant to Rules 17.02(n) of the *Rules of Civil Procedure* and the Interim Order. With respect to all other persons and entities having an interest in the affairs of Dalradian, notice of this application will be given in accordance with the provisions of the Interim Order;

(n) this application is brought in good faith and has a material connection to the Toronto Region in that, among other things:

(i) the registered office of Dalradian is located in Toronto;

(ii) the registrar and transfer agent of Dalradian is located in Toronto;

(iii) Company Shares are listed and trade on the TSX; and

(iv) the Meeting is scheduled to take place in Toronto;

(o) Section 182 of the OBCA;

(p) Rules 1.05, 14.05, 17.02, 37 and 38 of the Rules *of Civil Procedure*; and

(q) such further and other grounds as counsel may advise and this Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the application:

(a) the affidavit of Jonathan Rubenstein to be sworn;

(b) a supplementary affidavit to be filed after the Meeting and detailing the events thereat;

(c) such further affidavits of deponents on behalf of Dalradian reporting as to compliance with the Interim Order; and

(d) such further and other documentary evidence as may be necessary for the hearing of the application and as may be permitted by the Court.

August 1, 2018

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Toronto, Ontario M5H 3C2

Robert B. Cohen LSO#: 32187D
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Fax: 416.350.6929
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Lawyers for the Applicant

IN THE MATTER OF DALRADIAN RESOURCES INC.

Applicant

Court File No.: CV-18-00602571-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at TORONTO

NOTICE OF APPLICATION

CASSELS BROCK & BLACKWELL LLP
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Tel: 416-869-5425
Fax: 416-350-6929

Lawyers for the Applicant

APPENDIX G
DISSENT PROVISIONS

185 (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,

(a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;

(b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;

(c) amalgamate with another corporation under sections 175 and 176;

(d) be continued under the laws of another jurisdiction under section 181; or

Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 185 (1) of the Act is amended by striking out "or" at the end of clause (d) and by adding the following clauses: (See: 2017, c. 20, Sched. 6, s. 24)

(d.1) be continued under the Co-operative Corporations Act under section 181.1;

(d.2) be continued under the Not-for-Profit Corporations Act, 2010 under section 181.2; or

(e) sell, lease or exchange all or substantially all its property under subsection 184 (3),

a holder of shares of any class or series entitled to vote on the resolution may dissent. R.S.O. 1990, c. B.16, s. 185 (1).

Idem

(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,

(a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or

(b) subsection 170 (5) or (6). R.S.O. 1990, c. B.16, s. 185 (2).

One class of shares

(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

Exception

(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,

(a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or

(b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986. R.S.O. 1990, c. B.16, s. 185 (3).

Shareholder's right to be paid fair value

(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in

respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted. R.S.O. 1990, c. B.16, s. 185 (4).

No partial dissent

(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (5).

Objection

(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent. R.S.O. 1990, c. B.16, s. 185 (6).

Idem

(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c. B.16, s. 185 (7).

Notice of adoption of resolution

(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection. R.S.O. 1990, c. B.16, s. 185 (8).

Idem

(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights. R.S.O. 1990, c. B.16, s. 185 (9).

Demand for payment of fair value

(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,

(a) the shareholder's name and address;

(b) the number and class of shares in respect of which the shareholder dissents; and

(c) a demand for payment of the fair value of such shares. R.S.O. 1990, c. B.16, s. 185 (10).

Certificates to be sent in

(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

Idem

(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section. R.S.O. 1990, c. B.16, s. 185 (12).

Endorsement on certificate

(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (13).

Rights of dissenting shareholder

(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,

(a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);

(b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or

(c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),

in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10). R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (10).

Same

(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),

(a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or

(b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,

(i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and

(ii) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Same

(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,

(a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and

(b) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay

(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,

(a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or

(b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (15).

Idem

(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms. R.S.O. 1990, c. B.16, s. 185 (16).

Idem

(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made. R.S.O. 1990, c. B.16, s. 185 (17).

Application to court to fix fair value

(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (18).

Idem

(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow. R.S.O. 1990, c. B.16, s. 185 (19).

Idem

(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19). R.S.O. 1990, c. B.16, s. 185 (20).

Costs

(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders. R.S.O. 1990, c. B.16, s. 185 (21).

Notice to shareholders

(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,

(a) has sent to the corporation the notice referred to in subsection (10); and

(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made,

of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions. R.S.O. 1990, c. B.16, s. 185 (22).

Parties joined

(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. R.S.O. 1990, c. B.16, s. 185 (23).

Idem

(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (24).

Appraisers

(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (25).

Final order

(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b). R.S.O. 1990, c. B.16, s. 185 (26).

Interest

(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. R.S.O. 1990, c. B.16, s. 185 (27).

Where corporation unable to pay

(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (28).

Idem

(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,

(a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or

(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders. R.S.O. 1990, c. B.16, s. 185 (29).

Idem

(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,

(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or

(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities. R.S.O. 1990, c. B.16, s. 185 (30).

Court order

(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission. 1994, c. 27, s. 71 (24).

Commission may appear

(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation. 1994, c. 27, s. 71 (24).

Any questions and requests for assistance may be directed to Dalradian's Proxy Solicitation Agent:

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1.800.926.7043

Outside North America, Banks, Brokers and Collect Calls:

1.212.771.1133

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