



Court File No.: CV-13-486111-00CP

ONTARIO  
SUPERIOR COURT OF JUSTICE

*entered Jan 5, 2023*

THE HONOURABLE  
JUSTICE BELOBABA

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)

THURSDAY, THE 5<sup>th</sup> DAY  
OF JANUARY, 2023

BETWEEN:

BRAD LUNDELL

Plaintiff

- and -

NORTHLAND RESOURCES S.A., ANDERS HVIDE, and KARL-AXEL WAPLAN

Defendants

PROCEEDING UNDER THE *CLASS PROCEEDINGS ACT*, 1992, S.O. 1992, c.6

**ORDER**  
**(Approval of the Plan of Distribution)**

**THIS MOTION**, made by the Plaintiff for an Order approving the Plan of Distribution, was heard this day at the Court House, 330 University Avenue, Toronto, Ontario.

**ON READING** the materials filed, including the proposed Plan of Distribution, attached as **Schedule 'A'** to this Order and on hearing submissions of counsel for the parties;

1. **THIS COURT ORDERS AND DECLARES** that, except to the extent they are modified by this Order, the definitions set out in the Settlement Agreement apply to and are incorporated into this Order.
2. **THIS COURT ORDERS** that the Plan of Distribution is hereby approved substantially in the form attached as **Schedule 'A'** and that the Settlement Amount, plus interest, net of any Court-approved deductions including Class Counsel Fees and

Administration Expenses, shall be distributed to the Class according to the Plan of Distribution.

3. **THIS COURT ORDERS** that RicePoint Administration Inc. is hereby approved as the Claims Administrator.
4. **THIS COURT ORDERS** that the fee proposal of RicePoint Administration Inc. is hereby approved substantially in the form attached as **Schedule 'B'** and the costs of administering the claims process shall be paid from the Settlement Amount.
5. **THIS COURT ORDERS** that Foreman & Company Professional Corporation is permitted to be reimbursed from the Settlement Amount for reasonable settlement administration-related disbursements up to a maximum of CAD \$10,000. If greater settlement administration-related disbursements are incurred, Class Counsel shall be permitted to bring a motion for approval of their additional disbursements.
6. **THIS COURT ORDERS** that, forthwith after it is granted, this Order and Plan of Distribution shall be posted on Class Counsel's website, and Class Counsel may immediately communicate approval of the Plan of Distribution to Class Members who have requested to be kept informed of developments in the proceeding. The approved Plan of Distribution shall also be posted on the dedicated settlement website.
7. **THIS COURT ORDERS** that for the purposes of implementation, administration and interpretation of the Plan of Distribution and this Order, this Court will retain an ongoing supervisory role.

Date: January 5, 2023

Signed: *Justice Edward Belobaba*  
THE HONOURABLE JUSTICE BELOBABA

**Schedule 'A'**

Court File No.: CV-13-48611-00CP

**ONTARIO  
SUPERIOR COURT OF JUSTICE**

**BETWEEN:**

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Plaintiff

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NORTHLAND RESOURCES S.A., ANDERS HVIDE, and KARL-AXEL WAPLAN

Defendants

PROCEEDING UNDER THE *CLASS PROCEEDINGS ACT, 1992, S.O. 1992, c. 6*

**PLAN OF DISTRIBUTION**

**DEFINED TERMS**

1. For the purposes of this Plan of Distribution, the definitions set out in the Settlement Agreement apply to and are incorporated herein. Where a term is defined in both the Settlement Agreement and the Plan of Distribution, the definition in the Plan of Distribution shall govern:
  - (a) "**Acquisition Expense**" means the total monies paid by the Claimant (including brokerage commissions) to purchase or otherwise acquire Eligible Securities;
  - (b) "**Action**" means *Lundell v. Northland Resources S.A. et al* brought in the Ontario Superior Court of Justice, Court File number CV-13-486111-00CP (Toronto);
  - (c) "**Alleged Corrective Disclosure**" means the press release which was released on January 24, 2013, before the opening of trading, in which Northland identified for the first time a USD \$425 million funding shortfall in respect of the Kaunisvaara Project;

- (d) "**Claimant**" means a Class Member who submits a properly completed claim form and all required supporting documentation to the Claims Administrator, on or before the Claims Deadline including a Class Member whose timely but deficient claim form is subsequently remedied and accepted by the Claims Administrator;
- (e) "**Claims Form**" means the form, when completed and submitted to the Claims Administrator on or before the Claims Deadline, constitutes a Class Member's claim for compensation pursuant to the Settlement;
- (f) "**Claims Administrator**" means RicePoint Administration Inc.;
- (g) "**Claims Deadline**" means \_\_\_\_\_;
- (h) "**Class Member**" means all persons and entities, wherever they may reside or be domiciled, other than Excluded Persons and Opt Out Parties, who acquired Securities of Northland during the Class Period;
- (i) "**Class Period**" means April 1, 2012 to January 23, 2013, inclusive;
- (j) "**Disposition Proceeds**" means the price per share actually received by a Claimant on the disposition of Eligible Securities, without deducting any commissions paid in respect of the dispositions;
- (k) "**Eligible Claimant**" means a Claimant who is a Class Member (or who has lawful authority to claim on behalf of a Class Member or the estate of a Class Member) who has satisfied the requirements of the herein claims process, and where said Class Member is entitled to a Settlement Input Value greater than zero under this Plan of Distribution;
- (l) "**Eligible Securities**" means Securities acquired during the Class Period by a Class Member who has not validly opted-out;
- (m) "**Excluded Person**" means all former and current defendants and any of their subsidiaries, affiliates, officers, directors, senior employees, legal representatives, heirs, predecessors, successors or assigns;
- (n) "**FIFO**" means the principle of first-in first-out, wherein Securities are deemed to be sold in the same order that they were purchased or otherwise acquired (i.e. the

first Securities purchased or otherwise acquired are deemed to be the first sold); and which requires, in the case of a Claimant who held Securities of Northland at the commencement of the Class Period, that those Securities be deemed to have been sold completely before Eligible Securities are sold, or deemed sold;

- (o) "**Net Loss**" means that the Claimant acquired Eligible Securities before the Alleged Corrective Disclosure and either held or disposed of the Eligible Securities after the Alleged Corrective Disclosure and the Claimant's Disposition Proceeds are less than the Claimant's Acquisition Expense;
- (p) "**Net Settlement Fund**" means the Settlement Amount plus accrued interest, less Administration Expenses, Class Counsel Fees, and any other costs or expenses related to the Action or the Settlement;
- (q) "**Opt Out Parties**" means any person who would otherwise be a Class Member but who has validly opted out of the Action on or before the Opt Out Deadline;
- (r) "**Securities**" means Northland's common shares and includes Deposit Receipts traded in Norway through Verdipapirisentralen; and
- (s) "**Settlement Input Value**" means an Eligible Claimant's nominal damages, being the greater of: (a) the total amount calculated pursuant to the formulas set forth herein, and (b) \$20.00, which amount forms the basis of each Eligible Claimant's share of the Net Settlement Fund, subject to pro ration.

## OBJECTIVE

- 2. The objective of this Plan of Distribution is to equitably distribute the Net Settlement Fund among Eligible Claimants in a manner analogous to the damages provisions of Part XXIII.1 of the Ontario *Securities Act*.
- 3. The Claims Administrator, in concert with Class Counsel, shall have the discretion to interpret this Plan of Distribution in such a fashion as to ensure the facilitation of the goals of the Settlement for the benefit of the Class Members.

## SUBMITTING A CLAIM FOR REVIEW

- 4. Claimants will complete and submit a claim (together with the supporting documentation) before the Claims Deadline. The Claims Administrator, in consultation with Class Counsel,

shall have the discretion to determine the medium through which claims must be submitted.

5. By agreement between the Claims Administrator and Class Counsel or by further order of the Court, any deadline contained in this Plan of Distribution, including the Claims Deadline, may be extended if, in their opinions, doing so will not adversely affect the efficient administration of the Settlement and it is in the best interests of the Class to do so.

#### **PROCESSING CLAIM FORMS**

6. The Claims Administrator shall review each Claim Form and verify that the Claimant is eligible for compensation from the Net Settlement Fund as follows:

- (a) For a Claimant claiming as a Class Member, the Claims Administrator shall be satisfied that the Claimant is a Class Member and that the Claimant has provided all supporting documentation required by the Claim Form or alternative documentation acceptable to the Claims Administrator;

- (b) For a Claimant claiming on behalf of a Class Member or a Class Member's estate, the Claims Administrator shall be satisfied that:

- i. the Claimant has authority to act on behalf of the Class Member or the Class Member's estate in respect of financial affairs;
- ii. the person or estate on whose behalf the claim was submitted was a Class Member; and
- iii. the Claimant has provided all supporting documentation required by the Claim Form or alternative documentation acceptable to the Claims Administrator.

7. The Claims Administrator shall ensure that only claims for compensation in respect of Eligible Securities in the Claim Form are approved.

#### **CALCULATION OF SETTLEMENT INPUT VALUE**

8. A Claimant must have sustained a Net Loss in order to be eligible to receive a payment from the Net Settlement Fund.

9. The Claims Administrator shall first determine whether a Claimant sustained a Net Loss. If the Claimant has sustained a Net Loss, the Claims Administrator will go on to calculate their Settlement Input Value.
10. In order to qualify for a payment under this Plan of Distribution, a Claimant must have acquired Eligible Securities before the Alleged Corrective Disclosure and either held or disposed of the Eligible Securities after the Alleged Corrective Disclosure. Any person or entity who disposed of all Eligible Securities before the Alleged Corrective Disclosure shall be deemed not to have sustained a Net Loss and will not qualify for payment under this Plan of Distribution.

### **CALCULATION OF SETTLEMENT INPUT VALUES**

11. The Claims Administrator will apply FIFO to distinguish the sale of Northland Securities held prior to the beginning of the Class Period from the sale of Eligible Securities, and will continue to apply FIFO to determine the purchase or acquisition transactions which correspond to the sale of Eligible Securities.
12. The date of purchase, sale or deemed disposition shall be the trade date (the date on which the transaction was made), as opposed to the settlement date (the date on which the proceeds were received) or the payment date of the transaction.
13. For the purposes of any calculation under the Plan of Distribution, the Claims Administrator will account for any stock splits or consolidations that occur during or after the Class Period, such that Claimants' holdings for the purposes of the calculations are completed in units equivalent to those traded during the Class Period.
14. The Claims Administrator will use the data, derived from applying FIFO, in the calculation of a Claimant's Settlement Input Value according to the formulas below.
15. A Claimant's Settlement Input Value will be the total of the amounts calculated pursuant to the following categories: A Claimant may have entitlements under multiple categories:
  - A. **No Settlement Input Value shall be available for any Eligible Securities *acquired and disposed of prior* to the Alleged Corrective Disclosure, that is, prior to January 24, 2013.**
  - B. **For Eligible Securities acquired prior to the Alleged Corrective Disclosure and *disposed of on or before* the 10<sup>th</sup> trading day following the Alleged**

**Corrective Disclosure, that is, on or between January 24, 2013 and the close of trading on February 6, 2013, the Settlement Input Value shall be:**

- i. an amount equal to the number of Eligible Securities thus disposed of, multiplied by the difference between the volume weighted average price\* paid for those Eligible Securities (including any commissions paid in respect thereof) and the per share price received upon the disposition of those Eligible Securities (without deducting any commissions paid in respect of the disposition); put simply, the difference between the volume weighted average purchase price paid by the Claimant and the disposition price received by the Claimant times the number of shares sold between January 24, 2013 and February 6, 2013.

**C. For Eligible Securities acquired prior to the Alleged Corrective Disclosure and *disposed of after* the 10<sup>th</sup> trading day following the Alleged Corrective Disclosure, that is, after the close of trading on February 6, 2013, the Settlement Input Value shall be the lesser of:**

- i. an amount equal to the number of Eligible Securities thus disposed of, multiplied by the difference between the volume weighted average price paid for those Eligible Securities (including any commissions paid in respect thereof) and the per share price received upon the disposition of those Eligible Securities (without deducting any commissions paid in respect of the disposition); put simply, the difference between the volume weighted average purchase price paid by the Claimant and the disposition price received by the Claimant times the number of shares sold after the close of trading on February 6, 2013; and
- ii. an amount equal to the number of Eligible Securities thus disposed of, multiplied by the difference between the volume weighted average price paid for those Eligible Securities (including any commissions paid in respect thereof) and \$0.14 [being the 10 trading day volume weighted average trading price of Northland common shares from January 24, 2013]; put simply, the difference between the volume weighted average purchase price paid by the Claimant and \$0.14 times the number of shares sold after the close of trading on February 6, 2013.

**D. For Eligible Securities acquired prior to the Alleged Corrective Disclosure and still held at the time the Claim Form is completed, the Settlement Input Value shall be:**

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\* The Claims Administrator will calculate the volume weighted average price paid based on the information provided in the claim form.



- i. an amount equal to the number of Eligible Securities still held, multiplied by the difference between the volume weighted average price paid for those Eligible Securities (including any commissions paid in respect thereof) and \$0.14 [being the 10 trading day volume weighted average trading price of Northland common shares from January 24, 2013]; put simply, the difference between the volume weighted average purchase price paid by the Claimant and \$0.14 times the number of shares still held.

**E. For Claimants with Settlement Input Values calculated under Categories B-D, or any of them, the total minimum amount payable to each Claimant in the aggregate under all categories shall be \$20.00, subject to pro ration.**

#### **CLAIMS ADMINISTRATOR'S DECISION**

16. In respect of each claim filed in accordance with this Plan of Distribution, the Claims Administrator shall decide whether the Claimant is an Eligible Claimant as defined in this Plan of Distribution, and if so, make a determination as to the Settlement Input Value to which the Class Member is entitled, and the amount of the Eligible Claimant's compensation, in accordance with this Plan of Distribution.
17. The Claims Administrator shall send to each Claimant, by e-mail or regular mail, a decision as to the approval or rejection of the claim. Where the Claims Administrator has rejected all or part of the claim, the Claims Administrator shall include its grounds for rejecting all or part of the claim.
18. If the claim has been rejected in full, or in part or the Claimant disputes the Claims Administrator's determination of the Settlement Input Value the Claimant may request the Claims Administrator to reconsider its decision.
19. Any request for reconsideration must be received by the Claims Administrator within 30 days of the date of the notice of the Claims Administrator's decision of the claim and must state the grounds on which the Claimant disputes the decision and/or is requesting that the decision be reconsidered. If no request is received within this time period, the Claimant shall be deemed to have accepted the Claims Administrator's determination and the determination shall be final and not subject to further review by any court or other tribunal.
20. Where a Claimant files a request for reconsideration with the Claims Administrator, the Claims Administrator shall advise Class Counsel of the request and conduct an

administrative review of the Claimant's request for reconsideration to be completed within 30 days of receiving the request for reconsideration.

21. Following its administrative review, the Claims Administrator shall advise the Claimant of its determination. The determination of the Claims Administrator in an administrative review is final and is not subject to further review by any court or other tribunal.
22. Any matter not referred to above shall be determined by analogy by the Claims Administrator in consultation with Class Counsel.

### **CONFLICTING OR OVERLAPPING CLAIMS**

23. Conflicting or overlapping claims occur where two or more Claimants advance an interest in respect of the same Northland securities.
24. In the event of conflicting or overlapping claims, the following process shall apply:
  - a. The Claims Administrator will have no responsibility for, and shall not attempt to resolve any disputes, overlaps, or conflicts between claims or Claimants. Where conflicting or overlapping claims are advanced or submitted and identified by the Claims Administrator, the claims will be treated as deficient. The Claimants will be notified of the deficiency and will have 30 days to resolve the conflict or overlap.
  - b. Where overlap or conflict between claims or Claimants cannot be resolved by the Claimants, the Claims Administrator shall have the discretion to reject the overlapping or conflicting claims.
  - c. It is essential that overlapping or conflicting claims be managed in accordance with this Plan of Distribution. Under no circumstances shall the claims administration process be delayed or otherwise impaired by conflicting or overlapping claims.

### **AUDITS**

25. At its sole discretion, the Claims Administrator can elect to audit any claim and can reject a claim, in whole or in part, where, in the Claims Administrator's view, the Claimant has submitted insufficient or false information or has otherwise engaged in fraudulent conduct.
26. If a Claimant's claim is audited, the Claimant must respond reasonably to the questions asked by the Claims Administrator and provide reasonable responses to any information requests made within the timeframe requested by the Claims Administrator.
27. The Claims Administrator shall notify the Claimant that the Claimant's claim is the subject of an audit. The Claims Administrator shall state any questions or requests for documentary proof as may be required. The Claims Administrator shall allow a Claimant 30 days from the date of such notice in order to provide a satisfactory response to the audit request. If the Claimant does not answer the questions posed or provide reasonable responses to the documents and information requested, the Claims Administrator shall reject the claim subject to the deficiency process outlined in paragraph 29.

#### **DEFICIENCIES**

28. The claims process is intended to be expeditious, cost effective and "user friendly" to minimize the burden on Claimants. Where a Claim Form contains minor omissions or errors, the Claims Administrator shall correct such omissions and errors if the information necessary to correct the error or omission is readily available to the Claims Administrator.
29. If, during claims processing, the Claims Administrator finds that deficiencies exist in a claim or other required information that cannot be readily corrected, the Claims Administrator shall notify the Claimant, by e-mail or regular mail, of the deficiencies. The Claims Administrator shall allow the Claimant 30 days from the date of such notice to correct the deficiencies. If the deficiencies are not corrected within 30 days, the Claims Administrator shall reject the claim.

#### **FINAL DISTRIBUTION**

30. Each Claimant's actual compensation shall be the portion of the Net Settlement Fund equivalent to the ratio of his, her or its Settlement Input Value to the total Settlement Input Values of all Eligible Claimants multiplied by the Net Settlement Fund, as calculated by the Claims Administrator.
31. Each Claimant who makes an accepted claim will be compensated by a minimum payment of \$20.00, subject to pro-rata.

32. The Claims Administrator shall be authorized to distribute the Net Settlement Fund in accordance with this Plan of Distribution upon having received and reviewed the Claim Forms submitted by the Claims Deadline without further order of the Court.
33. Compensation shall be paid to Claimants in Canadian currency or as otherwise advised by Claims Administrator and Class Counsel.
34. Payment of Compensation to Eligible Claimants will be made by e-transfer, cheque, or any other method deemed appropriate by the Claims Administrator.
35. If, 180 days from the date on which the Claims Administrator distributes the Net Settlement Fund, the Account remains in a positive balance (whether due to tax refunds, interest, uncashed cheques or otherwise) (the "Residual"), the Claims Administrator shall, if feasible (at the Claims Administrator's discretion, having regard to the economics of the case and equity to Class Members), reallocate the Residual among the Eligible Claimants in an equitable and economic fashion. If it is not economically feasible for the Residual to be redistributed to Eligible Claimants, such monies shall be paid to The Canadian Foundation for the Advancement of Investor Rights [Fondation pour l'avancement des droits des investisseurs] ("FAIR Canada"), and/or a like investors' rights organization, for the general benefit of Class Members if the amount is equal to or less than \$25,000. For distribution of any amount above \$25,000, further direction of the Court shall be sought.
36. Under no circumstances will any repayment be made to the Defendants.

BRAD LUNDELL

v. NORTHLAND RESOURCES S.A., et al.

Court File No.: CV-13-486111-00CP

Plaintiff

Defendants

**ONTARIO  
CSUPERIOR COURT OF JUSTICE**

PROCEEDINGS COMMENCED AT LONDON

Proceeding Under the *Class Proceedings Act, 1992*

**ORDER  
(Approval of the Plan of Distribution)**

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