

NOTICE OF THE PROPOSED SETTLEMENT OF THE AURCANA CORPORATION SECURITIES CLASS ACTION

Read this notice carefully as it may affect your rights.

PURPOSE OF THIS NOTICE

This notice is directed to all persons, other than certain persons associated with the defendants, who acquired shares and/or warrants of Aurcana Corporation (“Aurcana”) during the period from June 24, 2011 to and including December 19, 2013 (“Class Members”).

In 2013, a proposed class action was commenced against Aurcana and certain others in the Ontario Superior Court of Justice (the “Court”). The plaintiffs allege that the defendants made a misrepresentation regarding the resource levels and production capacity of the Shafter Mine in Texas.

The parties have reached a proposed settlement of the action, without admission of liability, which is subject to the approval by the Court. The settlement is a compromise of disputed claims. The defendants have denied and continue to deny all allegations of wrongdoing, fault, liability or damage in respect of the claims alleged in the class action. This notice provides a summary of the proposed settlement.

THE TERMS OF THE PROPOSED SETTLEMENT

The defendants will pay \$4,000,000 in full and final settlement of all claims against them. The settlement funds, less the lawyers’ fees approved by the Court and administration costs, will be distributed to or on behalf of the Class Members. The Settlement Agreement may be reviewed at www.aurcanaaction.com.

LAWYERS’ FEES, DISBURSEMENTS AND TAXES

The lawyers for the Class Members will ask the Court to approve legal fees in the amount of 33 percent of \$4,000,000, being \$1,320,000, plus disbursements, plus taxes.

THE COURT HEARING

The Court will be asked to certify the action as a class action and approve the proposed settlement and the lawyers’ fees, disbursements and taxes at a hearing to be held **on April 10, 2015 at 10:00 a.m. E.T., at the Court House, 245 Windsor Avenue, Windsor, Ontario.**

Class Members who do not oppose the proposed settlement need not appear at the hearing or take any other action at this time to indicate their desire to participate in the proposed settlement. Class Members who consider it desirable or necessary to seek the advice and guidance of their own lawyers may do so at their own expense.

OBJECTIONS

At the hearing, the Court will consider any objections to the proposed settlement by the Class Members if the objections are submitted in writing, by prepaid mail or e-mail to: Gregory D. Wrigglesworth, Kirwin Partners LLP, 423 Pelissier Street, Windsor, Ontario, N9A 4L2, fax: 519.790.0166, email: aurcana @kirwinpartners.com, Attention: Aurcana Class Action, by no later than April 8, 2015.

A written objection should include the following information:

- (a) the Class Member's name, current mailing address, telephone number, fax number and email address;
- (b) the number of shares and/or warrants purchased during and held at the close of the Class Period;
- (c) a brief statement of the nature of and reasons for the objection; and
- (d) whether the Class Member intends to appear at the hearing in person or by counsel, and, if by counsel, the name, address, telephone number, fax number and email address of counsel.

IF THE SETTLEMENT IS APPROVED

If the proposed settlement is approved, there will be another notice published that will advise Class Members of how to make a claim for settlement monies or how to decline to participate in the class action (i.e. opt out).

QUESTIONS

Questions for the Class Members' lawyers may be directed to:

Jay Strosberg
Sutts, Strosberg LLP
600-251 Goyeau Street
Windsor, ON N9A 6V4
tel: 800.229.5323 ext 8296
fax: 866.316.5308
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This notice has been approved by the Court. Questions about matters in this notice should NOT be directed to the Court.