

**GATOS SILVER, INC.**  
**CANADIAN SECURITIES CLASS ACTION**  
**NOTICE OF SETTLEMENT APPROVAL**

**Read this notice carefully as it may affect your legal rights**

**THIS NOTICE IS TO:**

All persons and entities (other than **Excluded Persons**), wherever they may reside or be domiciled, who:

- (i) purchased Gatos Silver Inc. (“Gatos Silver”) securities under the Impugned Prospectuses and in the distributions to which they related; or
- (ii) acquired Gatos Silver securities during the Class Period on any Canadian exchange (including, without limitation, the Toronto Stock Exchange) or any Canadian alternative trading system.

(“Settlement Class” or “Settlement Class Members”)

For the purposes of this class definition:

**“Class Period”** means the period from October 28, 2020 until January 25, 2022 at 6:52 p.m. Eastern Standard Time.

**“Electrum Defendants”** means The Electrum Group LLC, Electrum Silver US LLC, and Electrum Silver US II LLC.

**“Excluded Persons”** means Gatos Silver, Stephen Orr, Roger Johnson, Philip Pyle, the Tetra Tech Defendants, the Electrum Defendants and the Underwriters; the respective past and present subsidiaries, affiliates, officers, directors, senior employees, partners, legal representatives, heirs, predecessors, successors and assigns of Gatos Silver, Tetra Tech, the Electrum Defendants, and the Underwriters; and the immediate family members of Stephen Orr, Roger Johnson, Philip Pyle, Guillermo Dante Ramirez-Rodriguez and Kira Lyn Johnson; provided, however, that any “Investment Vehicle” shall not be excluded from the class. “Investment Vehicles” means any investment company, pooled investment fund, or separately managed account (including, but not limited to, mutual fund families, exchange traded funds, funds of funds, private equity funds, real estate funds, hedge funds, and employee benefit plans) in which the Underwriters, or any of them, have, has, or may have a direct or indirect interest, or as to which its affiliates may serve as a fiduciary or act as an investment advisor, general partner, managing member, or in any other similar capacity, but in which any of the Underwriters alone or together, with its, his, or her respective affiliates, is not a majority owner or does not hold a majority beneficial interest.

**“Impugned Prospectuses”** means Gatos Silver’s Base Prep Prospectus dated October 27, 2020 and Supplemented Prep Prospectus dated October 27, 2020, and Gatos Silver’s Short Form Base Shelf Prospectus dated July 12, 2021 and Prospectus Supplement dated July 15, 2021.

**“Tetra Tech Defendants”** means Tetra Tech, Inc. (**“Tetra Tech”**), Guillermo Dante Ramirez-Rodriguez, and Kira Lyn Johnson.

**“Underwriters”** means BMO Nesbitt Burns Inc., Goldman Sachs Canada Inc., RBC Dominion Securities Inc., Canaccord Genuity Corp., and CIBC World Markets Inc.

Settlements have been reached in the securities class action in the Ontario Superior Court of Justice against Gatos Silver, Stephen Orr, Roger Johnson, Philip Pyle, the Tetra Tech Defendants, and the Electrum Defendants.

The Ontario Superior Court of Justice (the “Court”) has approved the Settlements. This notice contains important details about the Settlements and how to submit a claim for compensation from the Settlements.

### **IMPORTANT DEADLINE TO FILE CLAIM FOR COMPENSATION**

**Claims Bar Deadline** (to file a claim for compensation): October 30, 2024

### **THE NATURE OF THE CLAIMS ASSERTED**

The Plaintiff’s class action was commenced shortly after Gatos’s disclosure in late January 2022 that the mineral reserve statement for its Cerro Los Gatos mine in southern Chihuahua State, Mexico, was affected by error and, in the result, materially overstated. The Plaintiff alleged that the impugned mineral reserve statement was incorporated in Gatos’s primary and secondary market disclosure documents throughout the Class Period. She sought damages for misrepresentations to investors who purchased shares in Gatos’s primary market offerings, and in the secondary market.

The Plaintiff’s claims were brought pursuant to section 130 and Part XXIII.1 of Ontario’s *Securities Act*, and in negligence, negligent misrepresentation, and unjust enrichment.

### **SETTLEMENT APPROVAL, FEE APPROVAL AND OTHER MATTERS**

On June 28, 2024, the Court approved the Plaintiff’s settlement with Gatos Silver. This Settlement provides for the payment of US\$3,000,000 by Gatos Silver in consideration of the full and final settlement of the claims of the Settlement Class Members against Gatos, Stephen Orr, Roger Johnson, Philip Pyle, the Electrum Defendants and the Underwriters. The Court previously approved the Plaintiff’s settlement with Tetra Tech for C\$1,000,000. These two amounts are together the “**Settlement Amount**”.

The Settlement Amount includes all legal fees, taxes and administrative expenses.

The Settlement Agreements are not an admission of liability, wrongdoing or fault on the part of the Defendants, all of whom have denied, and continue to deny, the allegations against them.

The Court awarded Siskinds LLP, Eight-One West Law P.C., and CFM Lawyers LLP (together, “Class Counsel”), total legal fees in the amount of C\$250,000 and US\$750,000, plus disbursements of C\$325,544, plus HST. As is customary in such cases, Class Counsel conducted the class action on a contingent fee basis. Class Counsel was not paid as the matter proceeded and funded the expenses of conducting the litigation. Class Counsel’s fees will be deducted from the Settlement Amount before it is distributed to Settlement Class Members.

Expenses incurred or payable relating to approval, notification, implementation and administration of the Settlements (“Administration Expenses”) will also be paid from the Settlement Amount before it is distributed to Settlement Class Members.

### **SUBMITTING A CLAIM FOR COMPENSATION FROM THE SETTLEMENTS**

Settlement Class Members will be eligible for compensation if they submit a completed Claim Form, including any supporting documentation, with the Administrator, and their claim satisfies the criteria set out in the Plan of Allocation.

To be eligible for compensation, Class Members must submit their Claim Form no later than October 30, 2024 (“Claims Bar Deadline”). Only Class Members who have not opted out of the Action are permitted to recover from the Settlements.

The most efficient way to file a claim is to visit the Claims Administrator’s website at <https://cdngatossettlement.com/> and file an online claim. The website provides step by step instructions on how to file a claim. In order to verify claims, the Administrator will require supporting documentation, including brokerage statements or confirmations evidencing the claimed transactions. Accordingly,

Settlement Class Members should visit the Administrator's site as soon as possible so that they have time to obtain the required documentation prior to the Claims Bar Deadline.

While online claims are recommended and preferred, the Administrator will also accept Claim Forms filed by mail or courier. To obtain a copy of the Claim Form, Settlement Class Members may contact the Administrator to have one sent by email or regular mail. Claim Forms sent by mail or courier should be sent to:

*Canadian Gatos Silver Securities Class Action*  
c/o RicePoint Administration Inc.  
P.O. Box 3355  
London, ON N6A 4K3

If you have questions about how to complete or file a Claim Form, the documentation required to support a claim, or whether you are a Settlement Class Member, please contact the Administrator.

### **ADDITIONAL INFORMATION**

This notice has been approved by the Ontario Superior Court of Justice. The Court offices cannot answer any questions about the matters in this notice. The Orders of the Court and other information in both languages are available on the Administrator's website at <https://cdngatossettlement.com/>.

Questions relating to the Action may be directed to the Administrator or Class Counsel:

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If you require assistance in the French language, please contact Class Counsel using the contact details above and we will direct your inquiry to an appropriate person.

The publication of this notice was authorized by the Ontario Superior Court of Justice