

NORTHERN DYNASTY MINERALS LTD  
Form F-10/A  
January 13, 2017

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As filed with the Securities and Exchange Commission on January 12, 2017 Registration No. 333-215521

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**AMENDMENT NO. 1 to**  
**FORM F-10**  
REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

**NORTHERN DYNASTY MINERALS LTD.**

(Exact name of Registrant as specified in its charter)

<b><u>British Columbia, Canada</u></b> (Province or other jurisdiction of incorporation or organization)	<b><u>1040</u></b> (Primary Standard Industrial Classification Code Number) <b>15<sup>th</sup> Floor, 1040 West Georgia Street</b> <b>Vancouver, British Columbia</b> <b>Canada V6E 4H1</b> <b><u>Tel: (604) 684-6365</u></b>	<b><u>Not Applicable</u></b> (I.R.S. Employer Identification Number)
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(Address and telephone number of Registrant's principal executive offices)

**Pebble East Claims Corporation**  
**3201 C Street, Suite 404**  
**Anchorage, Alaska, USA 99503**  
**Tel: 1-877-450-2600**

(Name, address (including zip code) and telephone number (including area code) of agent for service in the United States)

**Copy to:**

<b>Mr. Trevor Thomas,</b> <b>General Counsel</b> <b>Northern Dynasty Minerals</b> <b>Ltd.</b> <b>15<sup>th</sup> Floor, 1040 West</b> <b>Georgia Street</b> <b>Vancouver, British</b> <b>Columbia</b> <b>Canada V6E 4H1</b> <b>(604) 684-6365</b>	<b>Michael Taylor</b> <b>McMillan LLP</b> <b>1500 1055 West Georgia</b> <b>Street</b> <b>Vancouver, British</b> <b>Columbia</b> <b>Canada V6E 4N7</b> <b>(604) 689-9111</b>	<b>Daniel I. Goldberg</b> <b>Cooley LLP</b> <b>1114 Avenue of the</b> <b>Americas</b> <b>New York,</b> <b>New York</b> <b>10036</b> <b>(212) 479-6722</b>	<b>Martin Langlois</b> <b>Stikeman Elliott LLP</b> <b>5300 Commerce Court</b> <b>West,</b> <b>199 Bay Street</b> <b>Toronto, Ontario</b> <b>Canada M5L 1B9</b> <b>(416) 869-5672</b>
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Approximate date of commencement of proposed sale of the securities to the public:

**As soon as practicable after this Registration Statement becomes effective.**

**Province of British Columbia, Canada**

(Principal jurisdiction regulating this offering)

It is proposed that this filing shall become effective (check appropriate box below):

- A.  upon filing with the Commission, pursuant to Rule 467(a) (if in connection with an offering being made contemporaneously in the United States and Canada).
- B.  at some future date (check appropriate box below)
1.  pursuant to Rule 467(b) on (*date*) at (*time*) (designate a time not sooner than 7 calendar days after filing).
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2.  pursuant to Rule 467(b) on *(date)* at *(time)* (designate a time 7 calendar days or sooner after filing) because the securities regulatory authority in the review jurisdiction has issued a receipt or notification of clearance on *(date)*.
3.  pursuant to Rule 467(b) as soon as practicable after notification of the Commission by the Registrant or the Canadian securities regulatory authority of the review jurisdiction that a receipt or notification of clearance has been issued with respect hereto.
4.  after the filing of the next amendment to this Form (if preliminary material is being filed).  
 If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to the home jurisdiction's shelf prospectus offering procedures, check the following box.

**CALCULATION OF REGISTRATION FEE**

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit <sup>(1)</sup>	Proposed maximum aggregate offering price <sup>(1)</sup>	Amount of registration fee
Common Shares, no par value	-	-	37,444,000	\$4,339.13

- (1) Rule 457(o) under the U.S. Securities Act permits the registration fee (1) to be calculated on the basis of the maximum aggregate offering price of all of the securities listed and, therefore, the table does not specify the number of common shares to be registered or the proposed maximum offer price per common share. The proposed maximum initial offering price per common shares will be determined by negotiation between the Registrant and the Underwriters named herein.
- (2) Based on the SEC's registration fee of \$115.90 per \$1,000,000 of securities registered. Of the total registration fee, \$3,332.13 was paid with the filing of the original registration statement on January 11, 2017.

**The Registrant hereby amends this registration statement on such date or dates as may be necessary to delay its effective date until the registration statement shall become effective as provided in Rule 467 under the U.S. Securities Act, or on such date as the Commission, acting pursuant to Section 8(a) of the U.S. Securities Act, may determine.**

**PART I**

**INFORMATION REQUIRED TO BE DELIVERED TO OFFEREEES OR PURCHASERS**

*Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the United States Securities and Exchange Commission. These securities may not be offered or sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This short form prospectus will not constitute an offer to sell or the solicitation of an offer to buy, nor will there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.*

*No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and only by persons permitted to sell these securities in those jurisdictions.*

*Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from Northern Dynasty Minerals Ltd., 15<sup>th</sup> Floor, 1040 West Georgia Street, Vancouver, British Columbia, V6E 4H1, Telephone: 604-684-6365 (attention: Corporate Secretary), and are also available electronically at [www.sedar.com](http://www.sedar.com).*

**AMENDED AND RESTATED**

**SUBJECT TO COMPLETION DATED JANUARY 12, 2017**

*New Issue*

January 12, 2017

**US\$32,560,000**  
**17,600,000 Common Shares**

We are hereby qualifying for distribution 17,600,000 common shares (the **Offered Shares**) of Northern Dynasty Minerals Ltd. ( **Northern Dynasty** or the **Company** ) at a price (the **Offering Price** ) of US\$1.85 per Offered Share (the **Offering** ). The Offering is made pursuant to an underwriting agreement (the **Underwriting Agreement** ) dated January 12, 2017 among the Company and Cantor Fitzgerald Canada Corporation, TD Securities Inc. and BMO Nesbitt Burns Inc., as co-lead underwriters and joint bookrunners (the **Lead Underwriters** ), and Canaccord Genuity Corp., CIBC World Markets Inc. and Haywood Securities Inc. as co-managers (collectively, the **Underwriters** ), as more fully described under the section entitled **Plan of Distribution** in this short form prospectus (the **Prospectus** ). The Offered Shares will be offered in the United States and Canada through the Underwriters either directly or through their respective U.S. or Canadian broker-dealer affiliates or agents. The Offering is being made concurrently in the United States under the terms of a registration statement on Form F-10 (the **Registration Statement** ) filed with the United States Securities and Exchange Commission (the **SEC** ) under the Securities Act of 1933, as amended (the **U.S. Securities Act** ).

Our common shares ( **Common Shares** ) are listed and posted for trading on the Toronto Stock Exchange (the **TSX** ) under the symbol **NDM** and on the NYSE MKT under the symbol **NAK** . On January 11, 2017, the last reported sale price for our Common Shares on the TSX was \$2.77 per Common Share and on the NYSE MKT was US\$2.11 per

Common Share.

**Price: US\$1.85 per Offered Share**

	<b>Price to the Public</b>	<b>Underwriters Fee<sup>(1)</sup></b>	<b>Net Proceeds to the Company<sup>(2)</sup></b>
Per Offered Share	US\$1.85	US\$0.0925	US\$1.7575
<b>Total Offering</b>	US\$32,560,000	US\$1,628,000	US\$30,932,000

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(1) The Company has agreed to pay the Underwriters a cash fee (the **Underwriters Fee**) equal to 5.0% of the aggregate purchase price paid by the Underwriters to the Company per Offered Share, including the sale of any Over-Allotment Shares (as defined herein) sold pursuant to the exercise of the Over-Allotment Option (as defined herein), and reimburse the Underwriters for their expenses in connection with the Offering. See Plan of Distribution .

(2) After deducting the Underwriters Fee, but before deducting the expenses of the Offering (including listing fees, legal fees and reimbursement of the Underwriters expenses), which are estimated at US\$500,000.

We have granted to the Underwriters an option (the **Over-Allotment Option**) to purchase up to an additional 2,640,000 Offered Shares (the **Over-Allotment Shares**), representing 15% of the number of Offered Shares sold under the Offering. The Over-Allotment Option is exercisable in whole or in part at any time up to 30 days after the date of closing of the Offering. If the Over-Allotment Option is exercised in full, the total Price to the Public , Underwriters Fee and Net Proceeds to the Company will be US\$37,444,000, US\$1,872,200 and US\$35,571,800, respectively. This Prospectus qualifies the distribution of the Over-Allotment Option and the Over-Allotment Shares. A purchaser who acquires Over-Allotment Shares forming part of the Underwriters over-allocation position acquires those securities under this Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases. See Plan of Distribution .

The following table sets out the number of options or other compensation securities, if any, which have been issued or may be issued by us to the Underwriters:

<b>Underwriters Position</b>	<b>Maximum Size or Number of Securities Available</b>	<b>Exercise Period or Acquisition Date</b>	<b>Exercise Price or Average Acquisition Price</b>
Over-Allotment Option	2,640,000 Over-Allotment Shares	Exercisable for a period of 30 days following closing of the Offering	US\$1.85 per Over-Allotment Share

Unless the context otherwise requires, all references to the Offering in this Prospectus shall include the Over-Allotment Option and all references to Offered Shares shall include Over-Allotment Shares, as applicable.

The Underwriters, as principals, conditionally offer the Offered Shares subject to prior sale, if, as and when issued by us and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under Plan of Distribution , and subject to the approval of certain legal matters on behalf of the Company by McMillan LLP and on behalf of the Underwriters by Stikeman Elliott LLP and Cooley LLP.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. One or more book entry-only certificates representing the Offered Shares will be issued in registered form to the CDS Clearing and Depository Services Inc. ( **CDS** ) or its nominee or The Depository Trust Company ( **DTC** ) and deposited with CDS or DTC on the Closing Date, which is expected to take place on January 26, 2017, or such later date as may be agreed upon by the Company and the Underwriters but in any event no later than 42 days following the date of a final receipt for this short form prospectus. A purchaser of Offered Shares will receive only a customer confirmation from the registered dealer through which the Offered Shares are purchased. Subject to applicable laws and in connection with the Offering, the Underwriters may effect transactions which stabilize or maintain the market price of the Company s Common Shares at levels other than those which otherwise might prevail on the open market. Such transactions, if commenced, may be discontinued at any time. See Plan of Distribution .

The Offering Price was determined by negotiation between the Company and the Lead Underwriters, on behalf of the Underwriters, with reference to the prevailing market price of the Common Shares.

The Underwriters propose to initially offer either directly, or through their broker-dealer affiliates or agents, the Offered Shares at the Offering Price. After a reasonable effort has been made to sell all of the Offered Shares at the Offering Price, the Underwriters may subsequently reduce the selling price to purchasers. Any such reduction will not affect the proceeds received by the Company. See Plan of Distribution .

Neither Cantor Fitzgerald & Co., TD Securities (USA) LLC, BMO Capital Markets Corp., Canaccord Genuity Inc., CIBC World Markets Corp. nor Haywood Securities (USA) Inc. is registered as an investment dealer in any Canadian jurisdiction and, accordingly, they will only sell the Offered Shares into the United States and will not, directly or indirectly, solicit offers to purchase or sell the Offered Shares in Canada.

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**Investing in the Offered Shares involves significant risks. Before buying any of our securities, you should carefully read the Risk Factors section of this Prospectus beginning on page 27, the Risk Factors section in the accompanying Prospectus and in the documents incorporated by reference herein and therein.**

**You should rely only on the information contained in or incorporated by reference into this Prospectus. The Company has not authorized anyone to provide you with different information. The Company is not making an offer of these securities in any jurisdiction where the offer is not permitted. You should not assume that the information contained in this Prospectus or incorporated by reference in this Prospectus is accurate as of any date other than the date on the front of this Prospectus or the date of such documents incorporated by reference herein, as applicable.**

**This Offering is made by a Canadian issuer that is permitted, under a multijurisdictional disclosure system adopted by the United States and Canada ( MJDS ), to prepare this Prospectus in accordance with Canadian disclosure requirements. Prospective investors in the United States should be aware that such requirements are different from those of the United States. Financial statements included or incorporated by reference herein have been prepared in accordance with International Financial Reporting Standards ( IFRS ) as issued by the International Accounting Standards Board ( IASB ) and may not be comparable to financial statements of United States companies. Our financial statements are subject to Canadian generally accepted auditing standards and auditor independence standards, in addition to the standards of the Public Company Accounting Oversight Board (United States) and the United States Securities and Exchange Commission ( SEC ) independence standards.**

**Prospective investors should be aware that the acquisition of the securities described herein may have tax consequences both in the United States and in Canada. Such consequences for investors who are resident in, or citizens of, the United States may not be described fully herein. You should read the tax discussion in this Prospectus fully and consult with your own tax advisers. See Certain Canadian Federal Income Tax Considerations , Certain Material United States Federal Income Tax Considerations and Risk Factors .**

**The enforcement by investors of civil liabilities under the United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the laws of British Columbia, Canada, that the majority of its officers and directors are residents of Canada, and that all of the experts named in the registration statement are not residents of the United States.**

**THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

All references in this Prospectus to dollars or \$ are to Canadian dollars, unless otherwise stated. References to US\$ are to United States dollars.

Mr. Stephen Decker, a director of the Company, resides outside of Canada. Mr. Decker has appointed the Company's counsel, McMillan LLP, located at Suite 1500 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, as agent for service of process. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person who resides outside of Canada, even if the party has appointed an agent for service of process.

Our head office is at 15<sup>th</sup> Floor, 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1. The registered office of the Company is located at Suite 1500 1055 West Georgia Street, Vancouver, British Columbia V6E 4N7.



<b>Cantor Fitzgerald Canada Corporation</b>	<b>TD Securities Inc.</b>	<b>BMO Nesbitt Burns Inc.</b>
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**Canaccord Genuity Corp.**

**CIBC World Markets Inc.**

**Haywood Securities Inc.**

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## GENERAL MATTERS

In this Prospectus, Northern Dynasty, we, us and our refers, collectively, to Northern Dynasty Minerals Ltd. and wholly owned subsidiaries.

### DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in this Prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained upon request without charge from Northern Dynasty Minerals Ltd., 15<sup>th</sup> Floor, 1040 West Georgia Street, Vancouver, British Columbia V6E 4H1 (telephone 604-684-6365) (attention: Corporate Secretary), or by accessing our disclosure documents available through the Internet on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at [www.sedar.com](http://www.sedar.com).

The following documents ( **documents incorporated by reference** or **documents incorporated herein by reference** ) have been filed by the Company with various securities commissions or similar authorities in the provinces of Canada in which the Company is a reporting issuer, are specifically incorporated herein by reference and form an integral part of this Prospectus:

1. our annual information form for the year ended December 31, 2015 dated March 28, 2016 (the **2015 AIF** );
2. our audited consolidated financial statements together with the notes thereto for the financial years ended December 31, 2015, 2014 and 2013, together with the report of the independent registered public accounting firm thereon (the **2015 Annual Financial Statements** );
3. our annual management's discussion and analysis of financial condition and operations for the financial year ended December 31, 2015 (the **2015 MD&A** );
4. our unaudited interim consolidated financial statements for the three and nine months ended September 30, 2016 and 2015, except for the notice provided under subparagraph 4.3(3)(a) of National Instrument 51-102 *Continuous Disclosure Obligations*;
5. our management's discussion and analysis of financial condition and operations for the three and nine months ended September 30, 2016 (the **Q3 2016 MD&A** );
6. our management information circular dated May 18, 2016 distributed in connection with the annual meeting of our shareholders held on June 16, 2016 (the **2016 Information Circular** );
7. our material change report dated January 29, 2016 regarding the closing of the acquisition of Mission Gold Ltd.;
8. our material change report dated February 25, 2016 regarding the restructuring of our board of directors; and
9. our material change report dated June 13, 2016 regarding the completion of our prospectus offerings of 38,000,000 units.

Any documents of the type referred to in the preceding paragraph, or similar material, including all annual information forms, all information circulars, all annual and interim financial statements and management's discussion and analysis relating thereto, all material change reports (excluding confidential material change reports, if any), all business acquisition reports, all updated earnings coverage ratio information and certain other documents as set forth in Item 11.1 of Form 44-101F1 of National Instrument 44-101 *Short Form Prospectus Distributions* filed by us with securities

commissions or similar authorities in the relevant provinces of Canada subsequent to the date of this Prospectus and prior to the completion of the Offering will be deemed to be incorporated by reference into this Prospectus.

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Any statement contained in a document incorporated or deemed to be incorporated herein by reference will be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated herein by reference modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, 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. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute part of this Prospectus.

Information contained on our website, [www.northerndynasty.com](http://www.northerndynasty.com), is not part of this Prospectus and is not incorporated herein by reference and may not be relied upon by you for the purpose of determining whether to purchase the Offered Shares.

### MARKETING MATERIALS

Any marketing materials are not part of this Prospectus to the extent that the contents thereof have been modified or superseded by a statement contained in this Prospectus. Any template version of any marketing materials filed with the securities commission or similar authority in each of each of the provinces of Canada, except Québec, in connection with the Offering after the date of this Prospectus but prior to the termination of the distribution of the securities under this Prospectus (including any amendments to, or an amended version of, any template version of marketing materials) is deemed to be incorporated by reference in this Prospectus.

### FORWARD-LOOKING STATEMENTS

This Prospectus and the documents incorporated herein by reference contain certain forward-looking information and forward-looking statements within the meaning of applicable Canadian securities laws and forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements describe our future plans, strategies, expectations and objectives, and are generally, but not always, identifiable by use of the words *may*, *will*, *should*, *continue*, *expect*, *anticipate*, *estimate*, *believe*, *project* or the negative of these words or other variations on these words or comparable terminology.

Forward-looking statements contained or incorporated by reference into this Prospectus include, without limitation, statements regarding:

the outcome of our multi-dimensional strategy to address the United States Environmental Protection Agency's ( **EPA** ) pre-emptive regulatory process under Section 404(c) of the *Clean Water Act* (the **CWA** ) and our plans to prepare the Pebble Project (as hereinafter defined) to initiate federal and state permitting under the *National Environmental Policy Act* (the **NEPA** ) (the **Multi-dimensional Strategy** );

the outcome of the legal and mediation proceedings that we are engaged in with the EPA and any future actions that may or may not be taken by the EPA;

the impact of any change in the administration of the EPA resulting from the new Republican administration;

our ability to proceed with applications for federal and state permitting under the CWA and the NEPA;

our expectations regarding the potential for securing the necessary permitting of a mine at the Pebble Project;

our expected financial performance in future periods;

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our plan of operations, including our plans to carry out and finance the Multi-dimensional Strategy activities, exploration and development activities and legal and mediation proceedings;

our ability to raise capital for the Multi-dimensional Strategy activities, exploration and development activities;

our expectations regarding the exploration and development potential of the Pebble Project; and

factors relating to our investment decisions.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. We believe that the assumptions and expectations reflected in such forward-looking information are reasonable.

Key assumptions upon which the Company's forward-looking information are based include:

that we will be able to secure sufficient capital necessary for the Multi-dimensional Strategy activities, litigation against and mediation with the EPA, continued environmental assessment and permitting activities and engineering work which must be completed prior to any potential development of the Pebble Project which would then require engineering and financing in order to advance to ultimate construction;

we will ultimately have the opportunity to proceed with permit application preparations under the CWA and NEPA for the Pebble Project;

that we will ultimately be able to demonstrate that a mine at the Pebble Project can be developed and operated in an environmentally sound and socially responsible manner, meeting all relevant federal, state and local regulatory requirements so that we will be ultimately able to obtain permits authorizing construction of a mine at the Pebble Project;

that the market prices of copper, gold, molybdenum and silver will not significantly decline or stay depressed for a lengthy period of time;

that our key personnel will continue their employment with us; and

that we will continue to be able to secure minimal adequate financing on acceptable terms.

Readers are cautioned that the foregoing list is not exhaustive of all factors and assumptions which may have been used. Forward looking statements are also subject to risks and uncertainties facing our business, any of which could have a material impact on our outlook.

Some of the risks we face and the uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements include:

a negative outcome of the Multi-dimensional Strategy, including legal and political challenges with which we are engaged regarding the Pebble Project, which would have a material adverse effect on us;

an inability to ultimately obtain permitting for a mine at the Pebble Project;

an inability to continue to fund exploration and development activities and other operating costs;

the highly cyclical nature of the mineral resource exploration business;

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the pre-development stage economic viability and technical uncertainties of the Pebble Project and the lack of known reserves on the Pebble Project;

an inability to recover even the financial statement carrying values of the Pebble Project if we cease to continue on a going concern basis;

the potential for loss of the services of key executive officers;

a history of, and expectation of further, financial losses from operations impacting our ability to continue on a going concern basis;

the volatility of copper, gold, molybdenum and silver prices and mining share prices;

the inherent risk involved in the exploration, development and production of minerals, and the presence of unknown geological and other physical and environmental hazards at the Pebble Project;

the potential for changes in, or the introduction of new, government regulations relating to mining, including laws and regulations relating to the protection of the environment and project legal titles;

potential claims by third parties to titles or rights involving the Pebble Project;

the possible inability to insure our operations against all risks;

the highly competitive nature of the mining business;

the potential equity dilution to current shareholders from future equity financings; and

that we have never paid dividends and will not do so in the foreseeable future.

While the effort was made to list the primary risk factors, this list should not be considered exhaustive of the factors that may affect any of our forward-looking statements or information. Forward-looking statements or information are statements about the future and are inherently uncertain, and actual achievements of the Company or other future events or conditions may differ materially from those reflected in the forward-looking statements or information due to a variety of risks, uncertainties and other factors, including, without limitation, the risks and uncertainties described above and otherwise contained herein.

Our forward-looking statements and risk factors are based on the reasonable beliefs, expectations and opinions of management on the date of this Prospectus. Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other factors that cause results not to be as anticipated, estimated or intended. There is no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information. We do not undertake to update any forward-looking information, except as, and to the extent required by, applicable securities laws.

**We qualify all the forward looking statements contained in this Prospectus and the documents incorporated by reference herein and therein by the foregoing cautionary statements.**

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## CAUTIONARY NOTES TO UNITED STATES INVESTORS CONCERNING MINERAL RESERVE AND RESOURCE ESTIMATES

This Prospectus, including the documents incorporated by reference herein, uses terms that comply with reporting standards in Canada and certain estimates are made in accordance with Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ( **NI 43-101** ). NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all resource estimates contained in or incorporated by reference in this Prospectus have been prepared in accordance with NI 43-101. These standards differ significantly from the requirements of the SEC, and resource information contained herein and incorporated by reference herein may not be comparable to similar information disclosed by companies in the United States ( **US companies** ).

In addition, this Prospectus uses the terms *measured mineral resources* , *indicated mineral resources* and *inferred mineral resources* to comply with the reporting standards in Canada. These classifications adhere to the mineral resource and mineral reserve definitions and classification criteria developed by the Canadian Institute of Mining and are more particularly described in the 2015 AIF. We advise United States investors that while the terms *measured mineral resources* , *indicated mineral resources* and *inferred mineral resources* are recognized and required by Canadian regulations, the SEC does not recognize them. United States investors are cautioned not to assume that any part or all of the mineral deposits in these categories will ever be converted into mineral reserves. These terms have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility.

Further, *inferred resources* have a great amount of uncertainty as to their existence and as to whether they can be mined legally or economically. Therefore, United States investors are also cautioned not to assume that all or any part of the *inferred resources* exist. In accordance with Canadian rules, estimates of *inferred mineral resources* cannot form the basis of feasibility or other economic studies, except in limited circumstances where permitted under NI 43-101.

It cannot be assumed that all or any part of *measured mineral resources* , *indicated mineral resources* , or *inferred mineral resources* will ever be upgraded to a higher category. Investors are cautioned not to assume that any part of the reported *measured mineral resources* , *indicated mineral resources* , or *inferred mineral resources* in this Prospectus is economically or legally mineable.

In addition, disclosure of *contained ounces* is permitted disclosure under Canadian regulations; however, the SEC only permits issuers to report mineralization as in place tonnage and grade without reference to unit measures.

For the above reasons, information contained in this Prospectus and the documents incorporated by reference herein containing descriptions of our mineral deposits may not be comparable to similar information made public by US companies subject to the reporting and disclosure requirements under the United States federal securities laws and the rules and regulations thereunder.

## CURRENCY PRESENTATION AND EXCHANGE RATE INFORMATION

**Unless stated otherwise or as the context otherwise requires, all references to dollar amounts in this Prospectus are references to Canadian dollars. References to \$ or Cdn.\$ are to Canadian dollars and references to U.S. dollars or US\$ are to United States dollars.**

The high, low, average and closing noon rates for the United States dollar in terms of Canadian dollars for each of the financial periods of the Company ended September 30, 2016, December 31, 2015, December 31, 2014 and December 31, 2013, as quoted by the Bank of Canada, were as follows:

	<b>Nine months ended September 30, 2016</b>	<b>Year ended December 31, 2015</b>	<b>Year ended December 31, 2014</b>	<b>Year ended December 31, 2013</b>
		(expressed in Canadian dollars)		
High	1.4589	1.3990	1.1643	1.0697

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	<b>Nine months ended September 30, 2016</b>	<b>Year ended December 31, 2015</b>	<b>Year ended December 31, 2014</b>	<b>Year ended December 31, 2013</b>
	(expressed in Canadian dollars)			
Low	1.2544	1.1728	1.0614	0.9839
Average	1.3218	1.2787	1.1045	1.0299
Closing	1.3117	1.3840	1.1601	1.0636

On January 11, 2017, the noon exchange rate for the United States dollar in terms of Canadian dollars, as quoted by the Bank of Canada, was U.S.\$1.00 = \$1.3232.

## OUR BUSINESS

*This summary does not contain all the information about Northern Dynasty that may be important to you. You should read the more detailed information and financial statements and related notes that are incorporated by reference into and are considered to be a part of this Prospectus.*

We are a mineral exploration company existing under the *Business Corporations Act* (British Columbia) focused on developing, through our subsidiaries, the Pebble copper-gold-molybdenum-silver mineral project located in the state of Alaska, U.S. (the **Pebble Project**). The Pebble Project is located in southwest Alaska, 19 miles (30 kilometers) from the village of Iliamna, and approximately 200 miles (320 kilometers) southwest of the city of Anchorage.

Our Alaska mineral resource exploration business is operated through an Alaskan registered limited partnership, the Pebble Limited Partnership (the **Pebble Partnership**), in which we own a 100% interest through an Alaskan general partnership, the Northern Dynasty Partnership. Pebble Mines Corp., a 100% indirectly owned Alaskan subsidiary of the Company, is the general partner of the Pebble Partnership and responsible for its day-to-day operations.

In February 2014, the EPA announced the initiation of a regulatory action under the CWA to consider restriction or a prohibition on mining activities associated with the Pebble deposit. Much of the Company's efforts since that time have been focused around providing information and responses to ward off this action. The background and history of the regulatory action initiated by the EPA, and our efforts to address this regulatory action, are summarized in detail in our 2015 AIF, 2015 MD&A and our Q3 2016 MD&A.

Ongoing work by Northern Dynasty and the Pebble Partnership during 2016 has been concentrated on three key activities:

advancing a Multi-Dimensional Strategy, as described in our 2015 AIF, 2015 MD&A and our Q3 2016 MD&A, to address the EPA's pre-emptive regulatory action under Section 404(c) of the CWA;

maintaining an active corporate presence in Alaska in order to advance relationships with political and regulatory offices of government, Alaska Native partners and other stakeholder groups; and

seeking potential partner(s) with greater financial resources to further advance the project.

On October 27, 2016, the Pebble Partnership and the EPA filed a joint Notice in federal court stating their intent to enter into mediation in an effort to resolve ongoing litigation under the Federal Advisory Committee Act ( **FACA** ). To date, no mediator has been appointed in these mediation proceedings.

On December 30, 2016, the Pebble Partnership and the EPA filed a joint Notice in federal court staying the ongoing FACA litigation until March 20, 2017, as part of an effort to resolve ongoing litigation and to provide the opportunity for the Company and the EPA to proceed with the mediation proceedings.



Our business objectives and milestones for 2017 are outlined below under "Use of Proceeds".

Our current Multi-Dimensional Strategy may be impacted by the change in the leadership of the EPA that will be completed in the first quarter of 2017 as a result of the new Republican administration. We have had preliminary discussions with certain members of the new administration's transition team and believe, based on these discussions, that there is a possibility that the new leadership of the EPA will reconsider its position with respect to the EPA's previously proposed pre-emptive action under Section 404(c) of the CWA. This would allow us to proceed with our permitting process. These discussions are, however, not binding and there is no assurance that this change of leadership will result in the EPA reversing its position, and at this time we are still planning to proceed to mediation with the EPA. There can also be no assurance of the results of mediation with the EPA. In the event that there is a change in the EPA's position that results in the Company being able to proceed with its permitting process, we anticipate that (i) our Multi-Dimensional Strategy will change somewhat, as the key objective of this strategy will in effect have been met, however, political and social license outreach efforts will continue, (ii) we will commence the preparation of documentation to initiate our applications for federal and state permitting under the CWA and the NEPA, and (iii) we may re-allocate some of the Multi-Dimensional Strategy budget to these permitting efforts. In the event that there is no change on the EPA position, then we will continue with our Multi-Dimensional Strategy and the related mediation proceedings with the EPA. Even if we are successful in our dealings with the EPA and commence the permitting process, there can be no assurance that we will be successful in securing the permits we require to proceed with development of the Pebble Project.

#### USE OF PROCEEDS

The net proceeds to be received by the Company from the sale of the Offered Shares, after deducting the Underwriters Fee and expenses of the Offering, which are estimated to be US\$500,000, will be US\$30,432,000 (US\$35,071,800 if the Over-Allotment Option is exercised).

We intend to use the net proceeds from the Offering (assuming no exercise of the Over-Allotment Option) as follows to fund our operational expenditures to December 2017:

Use of Proceeds	Amount (US\$ millions)
To continue to fund the Multi-dimensional Strategy to address the EPA pre-emptive regulatory action under Section 404(c) of the CWA and prepare the Pebble Project to initiate federal and state permitting under NEPA. This includes litigation as set out in the Prospectus related to the EPA's statutory authority to act pre-emptively under the CWA, potential violations of the <i>Federal Advisory Committee Act</i> and <i>Freedom of Information Act</i> , facilitation of various third-party investigations of EPA actions with respect to the Pebble Project and mediation costs. <sup>(1)</sup> <sup>(2)</sup>	\$4.77
Environmental monitoring, engineering and environmental studies, field investigations and related technical studies to finalize a proposed development plan, and prepare documentation to initiate federal and state permitting under the CWA and the NEPA. <sup>(2)</sup>	\$1.11
Enhanced outreach and engagement with political and regulatory offices in the Alaska state and U.S. federal government, among Alaska Native partners and broader regional and state-wide stakeholder groups.	\$8.05
Alaskan corporate, tenure and site maintenance.	\$3.08
General and administration costs.	\$2.16



Working Capital. <sup>(1)</sup>	\$11.26
<b>Total</b>	<b>\$30.43</b>

- (1) The Multi-dimensional Strategy costs do not include the payment of a success-contingent deferred legal obligation in the event that the Company achieves a court win or an out-of-court settlement, which, in either case, prevents any pre-emptive regulatory action by the EPA under Section 404(c) of the CWA. If this happens, we may use all or a portion of the funds allocated to Working Capital to make payments on account of these legal obligations and, if our working capital is insufficient, we will have to raise additional funds to pay the fees or renegotiate the amount and/or due date of such payments. However, the Company is unable to estimate or determine the length of time that it will take to advance to specific milestone events or final conclusion. As of September 30, 2016, if there was a favourable outcome or settlement, the Company estimates there would potentially be additional legal fees of \$21.3 million (US\$16.2 million at closing Bank of Canada rate on September 30, 2016 of \$1.3117 per US\$1.00) payable by the Company.
- (2) In the event that our Multi-Dimensional Strategy is successful during 2017 or the objectives of this strategy are otherwise met, we may re-allocate some of the remaining funds for this budgeted expense to preparation of documentation to initiate federal and state permitting under the CWA and NEPA

Although we intend to use the proceeds from the Offering as set forth above, the actual allocation of the net proceeds may vary depending on future developments, especially the outcome of the Multi-dimensional Strategy (including legal and political outcomes) at the discretion of our board of directors and management. A material portion of our use of proceeds is for professional services, especially legal counsel, which due to the nature of legal and political opposition are driven by forces beyond our control. In the event the litigation process is more drawn out than estimated, the costs of the Multi-dimensional Strategy set out above may increase substantially. Investors who are not prepared to afford our management broad discretion in the application of these funds should not be holders of the Company's securities.

Pending the use of proceeds outlined above, the Company intends to invest the net proceeds of the Offering in short-term, interest bearing deposits. In the event that the Over-Allotment Option is exercised, any additional net proceeds will be allocated to general working capital.

### **Business Objectives and Milestones**

Our business objectives for 2017 are to:

continue to advance the Multi-dimensional Strategy to address the EPA's pre-emptive CWA regulatory action with the goal that the Pebble Project will be able to initiate federal and state permitting under the NEPA unencumbered by any extraordinary development restrictions imposed by the EPA;

maintain an active corporate presence in Alaska to advance relationships with political and regulatory offices of government (both in Alaska and Washington, D.C.), Alaska Native partners and broader stakeholder relationships;

if either our Multi-Dimensional Strategy is successful or the EPA changes its position with the result that we are able to proceed with our permit applications, prepare documentation to initiate federal and state permitting under the CWA and the NEPA;

maintain the Pebble Project and Pebble claims in good standing;



continue to seek potential partner(s) with greater financial resources to further advance the Pebble Project;  
and

continue general and administrative activities to maintain the Company in good standing.

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**CONSOLIDATED CAPITALIZATION**

There have been no material changes in our share and debt capital, on a consolidated basis, since September 30, 2016, being the date of our most recently filed unaudited consolidated financial statements incorporated by reference in this Prospectus, except for:

- (a) the issuances of 5,954,412 additional Common Shares pursuant to the exercise of outstanding warrants;
  - (b) the issuances of 542,202 additional Common Shares upon the exercise of outstanding employee incentive plan stock options; and
  - (b) the issuances of 164,500 additional Common Shares upon the exercise of outstanding Non-Employee stock options,
- each as described further below under "Prior Sales".

The following table shows the effect of the Offering on the issued capital of the Company:

Description	As at September 30, 2016 Before Giving Effect to the Offering	Pro Forma as at September 30, 2016 After Giving Effect to the Offering, assuming No Exercise of the Over- Allotment Option <sup>(1), (2)</sup>	Pro Forma as at September 30, 2016 After Giving Effect to the Offering, assuming Full Exercise of the Over- Allotment Option <sup>(1),(2)</sup>
<b>Assets</b>			
Cash	\$7,911,000	\$48,178,622	\$54,318,006
<b>Liabilities</b>			
Current Liabilities	\$1,369,000	\$1,369,000	\$1,369,000
Total Liabilities	\$1,369,000	\$1,369,000	\$1,369,000
<b>Equity</b>			
Common Shares <sup>(3)</sup>	264,690,247	282,290,247	284,930,247
Share Purchase Warrants and Non- Employee Options <sup>(4)</sup>	59,690,396	59,690,396	59,690,396
Options <sup>(5)</sup>	16,353,333	16,353,333	16,353,333
Deferred share units	458,129	458,129	458,129
Restricted share units	639,031	639,031	639,031
Shareholders Equity	\$146,466,000	\$186,733,622	\$192,873,006

(1) Calculated using an exchange rate of \$1.3232 to US\$1.00, based on the noon exchange rate of the Bank of Canada on January 11, 2017.



- (2) Net proceeds of the Offering, after deduction of Underwriters' Fee and estimated expenses of US\$500,000, are US\$30,432,000, if the Over-Allotment Option is not exercised. Net proceeds of the Offering, after deduction of the Underwriters' Fee and estimated expenses of US\$500,000, are US\$35,071,800 if the Over-Allotment Option is exercised.
- (3) Based on 264,690,247 Common Shares outstanding as at September 30, 2016, exclusive of any common shares issued subsequent to September 30, 2016 described further below under Prior Sales .
- (4) Based on 59,079,396 share purchase warrants (average exercise price of \$0.74) and 611,000 Non-employee options (average exercise price of \$0.39) outstanding as at September 30, 2016, exclusive of any warrants or Non-employee options exercised subsequent to September 30, 2016 described further below under Prior Sales .
- (5) Based on 16,353,333 options (average exercise price of \$0.92) outstanding as at September 30, 2016, exclusive of any options exercised subsequent to September 30, 2016 described further below under Prior Sales .

#### PLAN OF DISTRIBUTION

The Offered Shares will be offered in each of the provinces of Canada, except Québec, and in the United States pursuant to the multi-jurisdictional disclosure system implemented by the SEC and the securities regulatory authorities in Canada. Pursuant to the Underwriting Agreement, the Company has agreed to issue and sell and the Underwriters have severally agreed to purchase, as principals, subject to compliance with all necessary legal requirements and the terms and conditions contained in the Underwriting Agreement, a total of 17,600,000 Offered Shares at the Offering Price of US\$1.85 per Offered Share, payable in cash to the Company against delivery of such Offered Shares, on the Closing Date. In consideration for their services in connection with the Offering, the Underwriters will be paid the Underwriters' Fee equal to 5.0% of the gross proceeds of the Offering (US\$0.0925 per Offered Share, for an aggregate fee payable by the Company of US\$1,628,000, exclusive of the Over-Allotment Shares). The Offering Price was determined by negotiation between the Company and the Lead Underwriters, on their own behalf and on behalf of the other Underwriters. Subject to the terms and conditions of the Underwriting Agreement, the Company has agreed to sell to the Underwriters, and each Underwriter has severally agreed to purchase, at the Offering Price less the Underwriting Fee set forth on the cover page of this Prospectus, the number of Offered Shares listed next to its name in the following table:

	Number of Offered Shares
Cantor Fitzgerald Canada Corporation	4,400,000
TD Securities Inc.	4,400,000
BMO Nesbitt Burns Inc.	4,400,000
Canaccord Genuity Corp.	1,760,000
CIBC World Markets Inc.	1,760,000
Haywood Securities Inc.	880,000
<b>Total</b>	<b>17,600,000</b>

Pursuant to the Underwriting Agreement, Northern Dynasty has granted to the Underwriters the Over-Allotment Option, exercisable in whole or in part at any time up to 30 days after the Closing Date, to purchase up to an additional 2,640,000 Offered Shares at the Offering Price to cover over-allocations, if any, and for market stabilization purposes, on the same terms and conditions as apply to the purchase of Offered Shares thereunder. This Prospectus qualifies for distribution the Offered Shares as well as the grant of the Over-Allotment Option and the issuance of the

Over-Allotment Shares pursuant to the exercise of the Over-Allotment Option.

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A purchaser who acquires Over-Allotment Shares forming part of the Underwriters' over-allocation position acquires those Over-Allotment Shares under the Prospectus, regardless of whether the over-allocation position is ultimately filled through the exercise of the Over-Allotment Option or secondary market purchases.

Cantor Fitzgerald Canada Corporation, TD Securities Inc., BMO Nesbitt Burns Inc., Canaccord Genuity Corp., CIBC World Markets Inc., and Haywood Securities Inc. may sell Offered Shares in the United States through their U.S. affiliates, Cantor Fitzgerald & Co., TD Securities (USA) LLC, BMO Capital Markets Corp., Canaccord Genuity Inc., CIBC World Markets Corp., and Haywood Securities (USA) Inc., which are not registered as investment dealers in any Canadian jurisdiction and, accordingly, will only sell Offered Shares into the United States and will not, directly or indirectly, solicit offers to purchase or sell the Offered Shares in Canada. Subject to applicable law, the Underwriters may offer to sell the Offered Shares outside of Canada and the United States.

Pursuant to policies of certain Canadian securities regulatory authorities, the Underwriters may not, throughout the period of distribution under the Offering, bid for or purchase Common Shares for their own accounts or for accounts over which they exercise control or direction. The foregoing restriction is subject to certain exceptions, on the condition that the bid or purchase not be engaged in for the purpose of creating actual or apparent active trading in or raising the price of the Common Shares. These exceptions include a bid or purchase permitted under Universal Market Integrity Rules for Canadian marketplaces administered by the Investment Industry Regulatory Organization of Canada relating to market stabilization and passive market making activities, and a bid or purchase made for or on behalf of a customer where the order was not solicited during the period of distribution. Subject to the foregoing, the Underwriters may effect transactions which stabilize or maintain the market price of the Common Shares at levels other than those which otherwise might prevail on the open market. These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of preventing or mitigating a decline in the market price of the Common Shares, and may cause the price of the Offered Shares to be higher than would otherwise exist in the open market absent such stabilizing activities. As a result, the price of the Offered Shares may be higher than the price that might otherwise exist in the open market. Such transactions, if commenced, may be discontinued at any time.

**The Underwriters propose to offer the Offered Shares initially at the Offering Price. After a reasonable effort has been made to sell all of the Offered Shares at the Offering Price, the Underwriters may subsequently reduce the selling price to investors from time to time in order to sell any of the Offered Shares remaining unsold. Any such reduction will not affect the proceeds received by the Company.**

The obligations of the Underwriters under the Underwriting Agreement are several, and not joint, and may be terminated at their discretion upon the occurrence of certain events specified in the Underwriting Agreement including standard litigation out, financial out, disaster out, regulatory out and material adverse change out rights of termination.

The Underwriters are obligated to take up and pay for all the Offered Shares offered by this Prospectus (not including the Over-Allotment Shares issuable upon exercise of the Over-Allotment Option) if any are purchased under the Underwriting Agreement, subject to certain exceptions. Northern Dynasty has agreed in the Underwriting Agreement to reimburse the Underwriters for their legal fees and certain other expenses in connection with the Offering, in an amount not to exceed US\$225,000 (exclusive of taxes and disbursements).

The Company has agreed, pursuant to the Underwriting Agreement, to indemnify the Underwriters and their respective affiliates and their respective directors, officers, employees, shareholders and agents and each other person, if any, controlling any of the Underwriters or their affiliates and against certain liabilities, including liabilities under Canadian and U.S. securities legislation in certain circumstances or to contribute to payments the Underwriters may have to make because of such liabilities.

The Company has agreed in the Underwriting Agreement that it shall not issue, negotiate or enter into any agreement to sell or issue, or announce the issue of, any equity securities of the Company for a period of 90 days from the Closing Date, without the prior written consent of the Lead Underwriters, on behalf of the Underwriters, such consent to not be unreasonable withheld or delayed, other than: (i) the issuance of the Offered Shares; (ii) pursuant to the grant of options or other securities (including RSUs and DSUs) in the normal course pursuant to the Company's employee stock option plan or other equity compensation plan, and the issuance of any common shares upon the exercise of such options outstanding as of the date of the Underwriting Agreement; (iii) the issuance of equity securities pursuant to the exercise or conversion, as the case may be, of any warrants or other convertible securities of the Company outstanding as of the date of the Underwriting Agreement; and (iv) the issuance of equity securities in connection with one or more *bona fide* acquisitions by the Company (other than a direct or indirect acquisition, whether by way of one or more transactions, of an entity all or substantially all of the assets of which are cash, marketable securities or financial in nature or an acquisition that is structured primarily to defeat the intent of this provision).

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The Company has agreed to use its reasonable efforts to cause each director and officer of the Company to enter into lock-up agreements in favour of the Underwriters evidencing their agreement not to, for a period of 90 days following the Closing Date, directly or indirectly offer, sell or enter into any other agreement to transfer the economic consequences of, or otherwise dispose of or deal with, or publicly announce any intention to do any of the foregoing, any Common Shares or other securities of the Company held by them, directly or indirectly or under their control or direction, other than as permitted under the terms of the lock-up agreements.

This Prospectus in electronic format may be made available on the websites maintained by one or more of the Underwriters or their U.S. affiliates participating in the Offering. The Underwriters may agree to allocate a number of Offered Shares to the Underwriters and their U.S. affiliates for sale to their online brokerage account holders. Internet distributions will be allocated by the representative to the Underwriters and their U.S. affiliates that may make Internet distributions on the same basis as other allocations. Other than the Prospectus in electronic format, the information on these websites is not part of this Prospectus or the registration statement of which this Prospectus forms a part, has not been approved or endorsed by the Company or any Underwriter in its capacity as underwriter, and should not be relied upon by investors.

Certain of the Underwriters and their affiliates have provided in the past to the Company and its affiliates, and may provide from time to time in the future, certain commercial banking, financial advisory, investment banking and other services for us and such affiliates in the ordinary course of their business, for which they have received and may continue to receive customary fees and commissions. In addition, from time to time, certain of the Underwriters and their affiliates may effect transactions for their own account or the account of customers, and hold on behalf of themselves or their customers, long or short positions in the Company's debt or equity securities or loans, and may do so in the future.

The Company has applied to list the Offered Shares on the TSX and the NYSE MKT. Listing will be subject to the Company fulfilling all of the listing requirements of the TSX and the NYSE MKT.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. The closing of the Offering is expected to occur on or about January 26, 2017.

## **DESCRIPTION OF SECURITIES BEING DISTRIBUTED**

### **Authorized Capital**

The authorized share capital of the Company consists of an unlimited number of Common Shares without par value, of which 271,370,400 were issued and outstanding as at January 11, 2017.

### **Common Shares**

The holders of Common Shares are entitled to receive notice of any meeting of the shareholders of the Company and to attend and vote thereat, except those meetings at which only the holders of shares of another class or of a particular series are entitled to vote. Each Common Share entitles its holder to one vote. The holders of Common Shares are entitled to receive on a pro-rata basis such dividends as the board of directors may declare out of funds legally available therefor. In the event of the dissolution, liquidation, winding-up or other distribution of our assets, such holders are entitled to receive on a pro-rata basis all of assets of the Company remaining after payment of all of liabilities. The Common Shares carry no pre-emptive or conversion rights.

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**PRIOR SALES**

During the 12- month period before the date of this Prospectus, we have issued Common Shares and securities convertible into Common Shares as follows:

<b>Date of Issuance</b>	<b>Aggregate Number and Type of Securities Issued</b>	<b>Price per Security</b>
January 13, 2016	61,100 Common Shares <sup>(2)</sup>	\$0.37
January 13, 2016	37,600 Common Shares <sup>(2)</sup>	\$0.29
January 27, 2016	112,800 Common Shares <sup>(2)</sup>	\$0.29
<b>June 2016 Prospectus Offering</b>		
June 10, 2016	38,000,000 Common Shares	\$0.45 per Unit
June 10, 2016	38,000,000 Warrants	\$0.65 per Warrant Share
<b>July 2016 Private Placement</b>		
July 5, 2016	4,444,376 Common Shares	\$0.45 per Unit
July 5, 2016	4,444,376 Warrants	