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DISTRICT COURT  
CLARK COUNTY, NEVADA

Case No.: A-14-701465-B  
Dept. No.: XI

RONALD D. SLOAN; ROBIN SCHWARZ;  
GARY COLLINS; JILL BROWN; LARK  
TERRELL; NANCY HERBOLD; DANIEL  
R. SLOAN; BETTY ANN SLOAN; PEARL  
KIRK; JAMES BOAN; N O WAIT; LARRY  
ORWICK; PATRICIA LA SALLE; BRIAN  
WOLFE; STUART R. CAMERON;  
ROBERT WEBSTER; HUGO BONDI;  
JOAN BRATSETH; P A BRATSETH;  
DEREK MILANI; DEAN RACHEY; SAM  
BROUNSTEIN; SANDRA JANSEN; BRIAN  
JANSEN; RHONDA KIM NICHOLS;  
SCOTT NICHOLS; CARMEN ADAIR;  
KRISTA SCHOFIELD; MARK BRATSETH;  
ROSE TRUST 11; CLIFF OLSON; DON  
COLLINS; ROYCE NORDSTROM;  
NATALIE MAYZEL; DAVID JESKE;  
THORNTON D. BARNES; JAMES HASON;  
SANDRA HASON; EDDIE GUILLET;  
RYAN GUILLET;

**NOTICE OF PROPOSED SETTLEMENT  
AND SETTLEMENT HEARING**

ON BEHALF OF CAN-CAL RESOURCES,  
LTD.,

Plaintiffs,

vs.

CAN-CAL RESOURCES, LTD., a Nevada  
corporation; WILLIAM J. HOGAN;  
THOMPSON MACDONALD; RONALD  
SCHINNOUR; MICHAEL HOGAN;  
CANDEO LAVA PRODUCTS, INC. a  
Canadian Corporation, and FUTUREWORTH  
CAPITAL CORP., a Canadian Corporation,

Defendants.

1 TO: ALL OWNERS OF CAN-CAL RESOURCES, LTD. (“CAN-CAL” OR “THE  
2 COMPANY”) COMMON STOCK AS OF March 15, 2018 (“CURRENT CAN-CAL  
3 SHAREHOLDERS”).<sup>1</sup>

4 PLEASE READ THIS NOTICE CAREFULLY AND IN ITS ENTIRETY. YOUR  
5 RIGHTS MAY BE AFFECTED. THIS NOTICE RELATES TO A PROPOSED  
6 SETTLEMENT AND DISMISSAL OF SHAREHOLDER DERIVATIVE  
7 LITIGATION AND CONTAINS IMPORTANT INFORMATION REGARDING  
8 YOUR RIGHTS. YOUR RIGHTS MAY BE AFFECTED BY LEGAL  
9 PROCEEDINGS IN THIS DERIVATIVE ACTION.

10 IF THE COURT APPROVES THE SETTLEMENT AND DISMISSAL OF THE  
11 DERIVATIVE ACTION, CURRENT SHAREHOLDERS WILL BE FOREVER  
12 BARRED FROM CONTESTING THE APPROVAL OF THE PROPOSED  
13 SETTLEMENT AND FROM PURSUING THE SETTLED CLAIMS. THESE  
14 ACTIONS ARE NOT “CLASS ACTIONS.” THUS, THERE IS NO COMMON  
15 FUND UPON WHICH YOU CAN MAKE A CLAIM FOR A MONETARY  
16 PAYMENT.

17 THE COURT HAS MADE NO FINDINGS OR DETERMINATIONS WITH  
18 RESPECT TO THE MERITS OF THE DERIVATIVE ACTION. THE  
19 RECITATION OF THE BACKGROUND AND CIRCUMSTANCES OF THE  
20 SETTLEMENT CONTAINED HEREIN DOES NOT CONSTITUTE THE  
21 FINDINGS OF THE COURT. IT IS BASED ON REPRESENTATIONS MADE  
22 TO THE COURT BY COUNSEL FOR THE PARTIES.

23 IF YOU WERE NOT THE BENEFICIAL OWNER OF CAN-CAL COMMON  
24 STOCK ON THE DATE ABOVE, PLEASE TRANSMIT THIS NOTICE TO  
25 SUCH BENEFICIAL OWNER.

26 YOU ARE HEREBY NOTIFIED, pursuant to an Order of the Eighth Judicial District Court of  
27 the State of Nevada in and for Clark County (the “Court”), that a proposed settlement agreement (the  
28 “Settlement”) has been reached between Can-Cal, the Individual Defendants, the Corporate Defendants,  
and Plaintiffs, on behalf of themselves and derivatively on behalf of Can-Cal in connection with the  
following shareholder derivative action: *Ronald D. Sloan, et al. v. Can-Cal Resources, Ltd., et al.*, Case  
No. A-14-701465-B, pending in the above Court (the “Derivative Action”).

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<sup>1</sup> This Notice incorporates by reference the definitions in the Stipulation and Agreement of Settlement (“Stipulation”) fully executed as of March 15, 2018, and all capitalized terms used herein, unless otherwise defined, shall have the same meanings as set forth in the Stipulation. The Stipulation may be inspected at the office of Clerk of the Eighth Judicial District Court of the State of Nevada in and for Clark County, located at 200 Lewis Avenue, Las Vegas, NV 89155, during business hours of each business day and is also available on the website of Defendants’ Counsel at Holland & Hart at [www.hollandhart.com/lasvegas#newsInsight](http://www.hollandhart.com/lasvegas#newsInsight) and Jones Lovelock at [www.joneslovelock.com/news/](http://www.joneslovelock.com/news/) and the website of Plaintiffs’ Counsel at Sklar Williams PLLC at ([www.sklar-law.com/Notices/Can-Cal](http://www.sklar-law.com/Notices/Can-Cal)).

1 Plaintiffs filed the Derivative Action derivatively on behalf of Can-Cal and allege that the  
2 Corporate Defendants and Individual Defendants breached their fiduciary duties to the Company  
3 in connection with Can-Cal's property located in Pisgah, San Bernardino County, California,  
4 known as the "Pisgah Property." The Pisgah Property is made up of a volcanic cinder material  
5 known as the "Pisgah Material." In summary, Plaintiffs allege that the Defendants sought to  
6 usurp a corporate opportunity through an Amended Material Supply Agreement ("Amended  
7 MSA") entered into by Can-Cal with a company called Candeco Lava Products, Inc. ("Candeco").  
8

9 The proposed Settlement, if approved by the Court, would fully and forever resolve the  
10 Derivative Action on the terms set forth in the Stipulation, which are summarized in this Notice,  
11 and include the dismissal of the Derivative Action with prejudice.

12 As explained below, a hearing (the "Settlement Hearing") will be held before the Court in  
13 the Derivative Action on July 9, 2018 at 8:30 a .m. to determine whether,  
14 among other things, if the proposed Settlement is fair, reasonable, and adequate, and should be  
15 finally approved by the Court. You have the right to object to the Settlement in the manner  
16 provided herein. If you fail to object in the manner provided herein *at least fourteen (14)*  
17 *calendar days prior to the Settlement Hearing*, you will be deemed to have waived your  
18 objections and will be bound the Judgment to be entered and the releases to be given, unless  
19 otherwise ordered by the Court.

20 This Notice is not intended to be and should not be construed as an expression of any  
21 opinion by the Court with respect to the merits of the claims made in the Derivative Action but is  
22 merely to advise you of the proposed Settlement and of your rights as a Current Can-Cal  
23 Shareholder.

## 24 I. INTRODUCTION

### 25 A. The Derivative Action

26 Beginning on May 29, 2014, Plaintiffs filed a shareholder derivative complaint in this  
27 Court, the Eighth Judicial District Court of the State of Nevada in and for Clark County, against  
28 the Individual Defendants, the Corporate Defendants and nominal Defendant Can-Cal, styled as:

1 *Ronald D. Sloan, et al. v. Can- Cal Resources, Ltd., et al*, Case No. A-14-701465-B (the  
2 “Derivative Action”). The Derivative Action alleges breaches of fiduciary duty, unjust  
3 enrichment, abuse of control, gross mismanagement, and taking of corporate opportunities  
4 relating to the events alleged in the Complaint. The Derivative Action seeks compensatory  
5 damages, punitive damages, corporate governance reforms, restitution and disgorgement of  
6 Defendants' alleged profits, equitable and/or injunctive relief, and costs and attorneys' fees.  
7 Plaintiffs' fundamental claim is that Individual Defendants William Hogan, Ronald Schinnour,  
8 Michael Hogan and Thompson MacDonald took from Can-Cal a corporate opportunity and  
9 engaged in self-dealing by entering into favorable contracts for their personal benefit, awarding  
10 themselves excessive compensation through stock and taking from the company its main  
11 corporate asset and opportunity, the development of its Pisgah Material, located at the Pisgah  
12 Property. Plaintiffs allege the Individual Defendants conspired to transfer the benefit of that  
13 corporate opportunity and asset to former Chairman of the Board William Hogan and a company  
14 under his control, Candeo Lava Products, Inc. (“Candeo”), through a Material Supply Agreement  
15 (“MSA”) entered into by and between Can-Cal and Candeo and an Amended Material Supply  
16 Agreement (“Amended MSA”). Defendants have denied all liability and damages.

17 **B. The Canadian Action**

18 On or about January 24, 2017, the Corporate Defendants and William J. Hogan,  
19 collectively, filed a Statement of Claim commencing an action in the Court of Queen’s Bench of  
20 Alberta, Calgary, Canada, naming as defendants 36 of the 40 original individual Plaintiffs in the  
21 Nevada Derivative Action (the “Canadian Action”). The Canadian Action alleges that the  
22 primary purpose of the Derivative Action was a civil conspiracy among the Derivative Action  
23 Plaintiffs to unlawfully interfere with the Amended MSA and Cadeo’s research, development  
24 and verification of the Pisgah Material. The Canadian Action seeks general damages of  
25 \$3,187,500.00, consequential damages for loss of business opportunities in an amount to be  
26 proven at trial, punitive damages in an amount to be proven at trial and costs and other relief as  
27 deemed appropriate by the Court. The defendants in the Canadian Action have denied all liability  
28

1 and damages.

2 **II. PLAINTIFFS' CLAIMS AND THE BENEFITS OF THE SETTLEMENT**

3 Plaintiffs believe that the Derivative Action has substantial merit and that the Canadian  
4 Action is without merit. Plaintiffs' entry into this Stipulation and Settlement is not intended to be  
5 and shall not be construed as an admission or concession concerning the relative strength or  
6 merit of the claims alleged in the Derivative Action or the Canadian Action. Plaintiffs and  
7 Plaintiffs' Counsel also acknowledge the significant risk, expense, and length of continued  
8 proceedings necessary to defend the Canadian Action and prosecute the Derivative Action  
9 against Defendants through trial and through possible appeals. Plaintiffs' Counsel have also taken  
10 into account the substantial risks, costs, and delays involved in complex shareholder derivative  
11 litigation, generally, as well as the unique challenges presented by the Derivative Action and the  
12 defense of the Canadian Action, including pleading fraud with the requisite particularity, and the  
13 significant challenges of meeting the burdens of proof applicable to the underlying claims and of  
14 defeating the available affirmative defenses, including the business judgment rule and the  
15 exculpation and indemnification rights afforded the Individual Defendants pursuant to Nevada  
16 Law under NRS Chapter 78 and the Articles and By-Laws of Can-Cal.

17 Plaintiffs' Counsel have conducted an extensive investigation over the course of three  
18 years, including: (i) reviewing Can-Cal's press releases, public statements, SEC filings, and  
19 expert witnesses' reports about the Company and the potential economic value of the Pisgah  
20 Material; (ii) reviewing Confidential information and test result and reports about the Pisgah  
21 Material and its potential commercial uses and value; (iii) researching the applicable law with  
22 respect to the claims alleged in the Derivative Action and the Canadian Action and the potential  
23 claims and defenses thereto; (iv) preparing and filing the derivative complaint and numerous  
24 Motions in the Derivative Action and the Canadian Action, including defending against the  
25 removal of the Derivative Action to Federal Court in Nevada and its subsequent remand to state  
26 court, multiple motions to dismiss the Derivative Action, a successful motion to compel an  
27 annual meeting of the stockholders of Can-Cal, a successful motion to compel discovery, and  
28

1 numerous communications and letters regarding discovery matters and disputes; (v) conducting  
2 damages analyses and expert witness analyses; (vi) participating in informal conferences with  
3 Defendants' Counsel regarding the specific facts of the cases, the perceived strengths and  
4 weaknesses of the cases, and other issues in an effort to facilitate negotiations and fact gathering;  
5 (vii) evaluating the merits of, and Defendants' potential liability in connection with the  
6 Derivative Action; (viii) reviewing and analyzing confidential document discovery produced by  
7 Defendants; (ix) reviewing and analyzing relevant documents in the Derivative Action and  
8 evaluating the merits thereof; (x) submitting numerous correspondence and other documents to  
9 the SEC and filing formal motions to intervene and responses in the SEC Administrative  
10 Proceeding involving Can-Cal to protect the stockholders' interests; (xi) submitting  
11 comprehensive briefs prior to two separate Judicial Settlement Conferences, outlining their  
12 position, and Plaintiffs' claims in the Derivative Action; (xii) participating in two (2) in-person  
13 Judicial Settlement Conferences and meetings in the Derivative Action; (xiii) assisting Canadian  
14 counsel in filing a defense and motion to adjourn in the Canadian Action; and (xiv) negotiating  
15 this Settlement with Defendants at a day-long in-person meeting on November 13, 2017.

16 Based on Plaintiffs' Counsel's thorough review and analysis of the relevant facts and  
17 difficult circumstances, allegations, defenses, and controlling legal principles, Plaintiffs' Counsel  
18 believe that the Settlement set forth in this Stipulation is fair, reasonable, and adequate, and  
19 confers substantial benefits upon Can-Cal and its shareholders. Based on their evaluation,  
20 Plaintiffs and Plaintiffs' Counsel have determined that the Settlement is in the best interests of  
21 Can-Cal and its shareholders and have agreed to settle the Derivative Action and the Canadian  
22 Action upon the terms and subject to the conditions set forth herein.

### 23 24 **III. DEFENDANTS' DENIALS OF WRONGDOING AND LIABILITY**

25 Defendants have denied and continue to deny each and all of the claims, contentions, and  
26 allegations made against them or that could have been made against them in the Derivative  
27 Action and Defendants believe the Derivative Action has no merit and that the claims in the  
28 Canadian Action do have merit. Defendants have expressly denied and continue to deny all

1 charges of wrongdoing or liability against them arising out of any of the conduct, statements,  
2 acts, or omissions alleged, or that could have been alleged in the Derivative Action. Defendants  
3 assert that they have satisfied their fiduciary duties and have acted in good faith and in the best  
4 interest of Can-Cal and its shareholders at all relevant times. Defendants have entered into this  
5 Stipulation and Settlement solely to avoid the continuing additional expense, inconvenience, and  
6 distraction of the Derivative Action and the Canadian Action and to mitigate the risks and  
7 uncertainty inherent in any legal proceedings. Defendants believe that it is desirable and  
8 beneficial that the Derivative Action and the Canadian Action be settled in the manner and upon  
9 the terms and conditions set forth in this Stipulation because, among other things, it will allow  
10 the Company to conclude these legal proceedings on terms that are just and reasonable, including  
11 the amendment of the Amended MSA to give Can-Cal substantial equity funds in a short period  
12 of time, the completion of required audits for 2015, 2016 and through third quarter 2017 (which  
13 were filed with the SEC on March 12, 2018) and which may enable Can-Cal's stock to continue  
14 trading and resolve the SEC Administrative Proceeding, the adoption and maintenance of  
15 corporate governance measures, including selection of a new Board of Directors, that the current  
16 Board of Can-Cal has determined, in its business judgment, serve Can-Cal's and its  
17 shareholders' best interests. Further, Can-Cal through its Board, acknowledges that the  
18 Settlement is fair, reasonable, and adequate, and in the best interests of Can-Cal and its  
19 shareholders.

20 Neither the Stipulation, nor any of its terms or provisions, nor entry of the Judgment, nor  
21 any document or exhibit referred or attached to the Stipulation, nor any action taken to carry out  
22 the Stipulation, is, may be construed as, or may be used as evidence of the validity of any of the  
23 Released Claims or an admission by or against Defendants of any fault, wrongdoing, or  
24 concession of liability whatsoever.

25 **IV. THE SETTLEMENT HEARING**

26 The Settlement Hearing will be held before Department 11 of this Court on  
27 July 9, 2018 at 8:30 a.m., located at the Eighth Judicial District Court of the State  
28 of Nevada in and for Clark County, 200 Lewis Avenue, Las Vegas, NV 89155, to determine: (a)

1 whether the proposed Settlement, upon the terms set forth in the Stipulation, should be finally  
2 approved in all respects as fair, reasonable, and adequate; (b) whether the Judgment approving  
3 the Settlement should be entered; (c) whether Plaintiffs' Counsel's agreed-to Fee and Expense  
4 Amount and Can-Cal's Share issuance should be finally approved; and ( d) whether the corporate  
5 governance and other changes to Can-Cal's operations should be approved. The Settlement  
6 Hearing may be continued by the Court at the Settlement Hearing, or at any adjourned session  
7 thereof without further notice.

8 **V. THE SETTLEMENT**

9 The terms and conditions of the proposed Settlement are set forth fully in the Stipulation  
10 and its Exhibits. The Stipulation has been filed with the Court and the following is only a  
11 summary of the terms of the settlement and the payments and corporate governance matters  
12 addressed in the Stipulation.

13 As a result of the filing, prosecution, and settlement of the Derivative Action and the  
14 Canadian Action, Can-Cal has already adopted and implemented and/or will adopt and  
15 implement the Second Amended MSA, attached as Exhibit A to the Stipulation and the corporate  
16 resolutions and amendments to the Articles of Incorporation and other corporate governance  
17 measures described in Exhibit B to the Stipulation within thirty (30) calendar days after the  
18 Effective Date of the Settlement. The Amended MSA and the corporate governance measures  
19 were jointly developed and negotiated by the Parties through Counsel. Without admitting any  
20 wrongdoing, Can-Cal, through its Board, acknowledges that the securing of the Second  
21 Amended MSA and the corporate governance reform measures confer substantial benefits upon  
22 the Company and its shareholders. Can-Cal, through its Board, also acknowledges that the  
23 prosecution and settlement of the Derivative Action and the resolution of the Canadian Action  
24 were substantial and material factors in the Board's decision to enter into the Second Amended  
25 MSA and adopt and implement the corporate governance measures identified in Exhibit B to the  
26 Stipulation.

27 Further, Can-Cal shall receive \$50,000 working capital from the Initial Settlement  
28 Payment under the Stipulation and another \$150,000 pursuant to the Second Amended MSA



1 within six months of the Effective Date (plus additional revenues under the Second Amended  
2 MSA) and Plaintiffs' Counsel will be paid in full for their services and reimbursed for their costs  
3 and expenses as provided for in the Stipulation and the Board of Directors of Can-Cal will resign  
4 and be replaced by a Board of Directors selected by Plaintiffs and Defendants.

5 This Notice provides a summary of some, but not all, of the payments and benefits Can-  
6 Cal will receive and the corporate governance reforms that Can-Cal has enacted or agreed to  
7 enact as consideration for the Settlement. For a list of all of the payments, corporate governance  
8 reforms and other benefits, please see the Stipulation and Exhibits A and B attached to the  
9 Stipulation.

#### 10 **VI. DISMISSAL AND RELEASES**

11 If the Court approves the Settlement at the Settlement Hearing, the Parties will jointly  
12 request entry of the Judgment by the Court, the entry of which is a condition of the Stipulation:  
13 (a) approving finally the Settlement set forth in the Stipulation as fair, adequate, and reasonable,  
14 and directing its consummation pursuant to its terms; (b) dismissing with prejudice the  
15 Derivative Action and all Released Claims against Released Persons<sup>2</sup>; and (c) permanently  
16 barring and enjoining the institution, commencement, or prosecution by Released Persons and all  
17 Current Can-Cal Shareholders against Released Persons of any Released Claims or any claims  
18 arising from, relating to, or in connection with the institution, prosecution, assertion, defense,  
19 settlement, or resolution of the Derivative Action.

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21  
22 <sup>2</sup> The terms Released Claims and Released Persons are defined as follows:

- 23 • "Released Claims" means any and all suits, claims, debts, demands, controversies, obligations, losses,  
24 rights, liabilities, and causes of action of every nature, including both known and Unknown Claims (as  
25 defined in paragraph 1.28 of the Stipulation), whether arising under federal, state, common or foreign law,  
26 at law or in equity, that were asserted or could have been asserted, directly or derivatively on behalf of Can-  
27 Cal, by Plaintiffs as shareholders or by any other Current Can-Cal Shareholder, or by Can-Cal, that arise  
28 out of or relate to: (i) the allegations asserted in the Derivative Action; or (ii) the Settlement, except for any  
claims to enforce the Settlement.
- "Released Persons" means each and all of Can-Cal, the Corporate Defendants, the Individual Defendants,  
and their Related Persons.

1 In consideration of the obligations and commitments undertaken by Defendants and the  
2 releases by the Released Persons, which constitute good and valuable consideration, and subject  
3 to the terms and conditions of the Stipulation, on the Effective Date, Plaintiffs and all Current  
4 Can-Cal Shareholders (solely in their capacity as Can-Cal shareholders) shall fully, finally and  
5 forever release, relinquish and discharge as against the Released Persons any and all of the  
6 Released Claims (including Unknown Claims), and shall forever be barred and enjoined from  
7 instituting, commencing, or prosecuting any and all Released Claims against the Released  
8 Persons.

9 **VII. ATTORNEYS' FEES AND EXPENSES**

10 In recognition of the substantial benefits provided to Can-Cal and Current Can-Cal  
11 Shareholders as a result of the initiation, prosecution, pendency, and settlement of the Derivative  
12 Actions, including the entry of the Second Amended MSA and the corporate governance matters  
13 referred to herein, Plaintiffs' Counsel will request, and Candeo has agreed to pay or cause to be  
14 paid, subject to the Court's approval, attorneys' fees and expenses in the total amount of  
15 \$375,000 (the "Fee and Expense Amount") to be paid by Candeo under the Second Amended  
16 MSA, of which Can-Cal shall retain \$50,000 as capital. To date, Plaintiffs' Counsel have neither  
17 received any payment for their services in conducting the Derivative Action, nor have they been  
18 reimbursed for their out-of-pocket expenses incurred in excess of \$100,000.

19 Moreover, in light of the substantial benefits they have helped to create for Can-Cal and  
20 all Current Can-Cal Shareholders, the Plaintiffs' Counsel shall be issued Can-Cal common stock  
21 in the amount of \$375,000, calculated at U.S. \$0.17 per share, subject to adjustment, as set forth  
22 more specifically in the Stipulation.

23 **VIII. THE RIGHT TO OBJECT AND/OR BE HEARD AT THE SETTLEMENT  
24 HEARING**

25 Any Current Can-Cal Shareholder may object and/or appear and show cause, if he, she,  
26 or it has any concern why the Settlement should not be finally approved as fair, reasonable, and  
27 adequate, or why the Judgment should not be entered, or why the Fee and Expense Amount or  
28 Can-Cal Share issuance should not be approved; provided, however, unless otherwise ordered by

1 the Court, no Current Can-Cal Shareholder shall be heard or entitled to contest the approval of  
2 the terms and conditions of the Settlement, or, if approved, the Judgment to be entered thereon  
3 approving the same, or the Fee and Expense Amount or Can-Cal Share issuance, unless that  
4 shareholder has, *at least fourteen ( 14) calendar days prior to the Settlement Hearing*: (a) filed  
5 with the Clerk of the Court a signed, written objection to the Settlement setting forth: (i) the  
6 nature of the objection; (ii) proof of ownership of Can-Cal common stock through the date of the  
7 Settlement Hearing, including the number of shares of Can-Cal common stock and the date of  
8 purchase; and (iii) any and all documentation in support of such objection; and (b) if a Current  
9 Can-Cal Shareholder intends to appear and requests to be heard at the Settlement Hearing, such  
10 shareholder must have, in addition to the requirements of (a) above, filed with the Clerk of the  
11 Court, Eighth Judicial District Court of the State of Nevada in and for Clark County, located at  
12 the Regional Justice Center, 200 Lewis Avenue., Las Vegas, NV 89155: (i) a written notice of  
13 such shareholder's intention to appear; (ii) a statement that indicates the basis for such  
14 appearance; and (iii) the identities of any witnesses the shareholder intends to call at the  
15 Settlement Hearing and a statement as to the subjects of their testimony. If a Current Can-Cal  
16 Shareholder files a written objection and/or written notice of intent to appear, such shareholder  
17 must also simultaneously serve copies of such notice, proof, statement, and documentation,  
18 together with copies of any other papers or briefs such shareholder files with the Court (either by  
19 hand delivery or by first class mail) at least fourteen (14) calendar days prior to the Settlement  
20 Hearing upon each of the following:

21 Stephen R. Hackett, Esq.  
22 SKLAR WILLIAMS PLLC  
23 410 S. Rampart Blvd., Ste. 350  
Las Vegas, NV 89145

Patrick J. Reilly, Esq.  
HOLLAND & HART  
9555 Hillwood Dr., 2nd Floor  
Las Vegas, NV 89134

24 William R. Fishman, Esq.  
25 2000 S. Colorado Blvd.  
Tower 1, Ste. 900  
26 Denver, CO 80222

Justin C. Jones, Esq.  
JONES LOVELOCK  
400 S. 4<sup>th</sup> St., Ste. 500  
Las Vegas, NV 89101

27 *Counsel for Plaintiffs*

*Counsel for Defendants*

28

1 Any Current Can –Cal Shareholder who does not make his, her, or its objection in the  
2 manner provided herein shall be deemed to have waived such objection and shall forever be  
3 foreclosed from making any objection to the fairness, reasonableness, or adequacy of the  
4 Settlement, or the Fee and Expense Amount and Can-Cal Share issuance, unless otherwise  
5 ordered by the Court, but shall otherwise be bound by the Judgment to be entered and the  
6 releases to be given.

7 **IX. CONDITIONS FOR SETTLEMENT**

8 The Settlement is conditioned upon the occurrence of certain events described in the  
9 Stipulation, which requires, among other things: (a) entry of the requested Judgment by this  
10 Court; (b) expiration of the time to appeal from or alter or amend the Judgment; (c) dismissal  
11 with prejudice of the Derivative Action; and (d) discontinuance of the Canadian Action. If, for  
12 any reason, any one of the conditions described in the Stipulation is not met, the Stipulation  
13 might be terminated and, if terminated, will become, subject to certain exceptions identified in  
14 the Stipulation, null and void, and the Parties to the Stipulation will be restored to their  
15 respective positions as of March 14, 2018.

16 **X. EXAMINATION OF PAPERS AND INQUIRIES**

17 This Notice contains only a summary of the terms of the Settlement. For a more detailed  
18 statement of the matters involved in the Derivative Action, reference is made to the Stipulation,  
19 which may be inspected at the office of the Clerk of the Eighth Judicial District Court of the  
20 State of Nevada in and for Clark County, located at the Regional Justice Center, 200 Lewis  
21 Avenue, Las Vegas, NV 89155, during business hours of each business day.

22 Any other inquiries regarding the Settlement or the Derivative Actions should be  
23 addressed in writing to the following:

24 Stephen R. Hackett, Esq.  
25 SKLAR WILLIAMS PLLC  
26 410 S. Rampart Blvd., Ste. 350  
27 Las Vegas, NV 89145

William R. Fishman, Esq.  
2000 S. Colorado Blvd.  
Tower 1, Ste. 900  
Denver, CO 80222

*Counsel for Plaintiffs*

*Counsel for Plaintiffs*

**PLEASE DO NOT TELEPHONE THE COURT OR CAN-CAL  
REGARDING THIS NOTICE**

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