

**UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK**

IN RE NORTHERN DYNASTY  
MINERALS LTD. SECURITIES  
LITIGATION

Case No. 1:20-cv-05917-ENV-TAM

**DECLARATION OF MORGAN KIMBALL REGARDING COMPLETION OF THE  
INITIAL DISTRIBUTION AND DETERMINATION FOR A SECOND DISTRIBUTION  
OF THE NET SETTLEMENT FUND**

I, Morgan Kimball, declare and state as follows:

1. I am a Project Manager employed by Epiq Class Action & Claims Solutions, Inc. (“Epiq”). Pursuant to the Court’s Order Granting Plaintiffs’ Motion for Preliminary Approval of Class Action Settlement (the “Preliminary Approval Order”) dated August 24, 2023 (Dkt. No. 67-1), Epiq was authorized to act as the Claims Administrator for the Settlement in the above-captioned action.<sup>1</sup> The following statements are based on my personal knowledge and information provided by Epiq employees working under my supervision, and if called on to do so, I could and would testify competently thereto.

2. I submit this Declaration to provide information to the Court and the Parties to the Settlement regarding the completion of the initial distribution of the Net Settlement Fund and Epiq’s administrative determination for a second distribution of the Net Settlement Fund.

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<sup>1</sup> Unless otherwise defined herein, all capitalized terms shall have the same meaning as set forth in the Stipulation and Agreement of Settlement (Dkt. No. 64-1).

### **INITIAL DISTRIBUTION**

3. As described in the Declaration of Morgan Kimball Regarding the Initial Distribution of the Net Settlement Fund (Dkt. No. 90-1) (“Initial Distribution Declaration), on August 29, 2024, Epiq commenced the Initial Distribution. Epiq distributed 810 payments totaling \$4,137,521.06, and Epiq mailed *de minimis* letters to 213 Claimants whose award amounts fell below the *de minimis* threshold of \$10.00.<sup>2</sup> Of the 810 payments distributed, 783 were checks totaling \$2,347,398.41, and 27 were wires totaling \$1,790,122.65. All checks were mailed with a 180-day stale date of February 25, 2025.

4. On February 28, 2025, in consultation with Lead Counsel, Epiq paid an additional claim via wire that was updated in accordance with new documentation. In total, Epiq distributed 811 payments in the Initial Distribution for Accepted Claimants, totaling \$4,148,019.23.

5. For checks that were returned to Epiq as undeliverable by the United States Postal Service with forwarding information, Epiq promptly re-mailed the checks to the forwarding address. After the stale date passed on February 25, 2025, Epiq performed reasonable and diligent efforts via email and phone calls to contact all Authorized Claimants with uncashed checks or undeliverable checks without forwarding information. In the outreach, Epiq encouraged the Authorized Claimants to deposit their checks and offered to send check reissues as needed. For any Authorized Claimant who contacted Epiq to request a reissue, Epiq promptly responded to their request and processed a reissued payment.

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<sup>2</sup> The total number of payments and *de minimis* letters is less than the total number of accepted claims because many nominees requested that their accepted claims be paid together in bulk payments.

6. As of the date of this declaration, of the 783 checks that were mailed, 764 have been cashed or were reissued by wire, totaling \$2,333,570.29. The remaining 19 checks are uncashed or undeliverable, totaling \$13,828.12.

7. Of the 19 checks that are uncashed or undeliverable, three are check reissues with a stale date of June 5, 2025. As of the date of this declaration, these three check reissues have not been cashed. However, these check reissues represent a total amount of \$161.26, which does not alter the feasibility of a second distribution whether they are cashed by June 5, 2025, or not.

**EPIQ FEES FOR THE INITIAL DISTRIBUTION**

8. As described in the Initial Distribution Declaration, Epiq estimated the cost of conducting the initial distribution of the Net Settlement Fund as \$18,569.16. The amount was reserved prior to the initial distribution.

9. As of the date of this declaration, Epiq has incurred a total of \$14,177.87 in fees and expenses for its work conducting the Initial Distribution, of which \$13,425.45 has been paid. The remaining amount of \$5,143.71 remains reserved for Epiq's unpaid invoices and for future fees and expenses for remaining administrative work to be performed for the Initial Distribution. Should Epiq not incur the entire remaining amount of \$4,391.29 that has not yet been invoiced, Epiq will refund the difference to the Net Settlement Fund once the initial distribution is completed.

**BALANCE OF THE NET SETTLEMENT FUND**

10. As of the date of this declaration, the distribution account has a remaining balance of \$51,144.76. This account balance reflects interest accrued, reserved monies for unpaid Epiq invoices, uncashed and undeliverable check awards, and any returned funds<sup>3</sup>.

11. After deducting Epiq's unpaid administrator fees, and assuming that the three outstanding check reissues are cashed before their June 5, 2025, stale date, approximately \$50,231.08 will remain in the distribution account. In consultation with Lead Counsel, Epiq has determined that it is cost-effective and feasible to conduct a second distribution of the Net Settlement Fund, as described in paragraphs 12 through 13, *infra*.

**DISTRIBUTION PLAN FOR THE SECOND DISTRIBUTION OF THE NET SETTLEMENT FUND**

12. Epiq agreed to be the Claims Administrator for the Settlement in exchange for payment of its fees and expenses. Epiq has estimated that the cost of conducting the second distribution ("Second Distribution") of the Net Settlement Fund is \$13,196.51. A copy of Epiq's estimate is attached hereto as **Exhibit A**. The cost of conducting the Second Distribution of the Net Settlement Fund will be reserved prior to the Second Distribution. Should the estimate of fees and expenses to conduct the Second Distribution exceed the actual fees and expenses, Epiq will refund the difference to the Net Settlement Fund once the Second Distribution is complete.

13. Epiq will follow the following distribution plan for the Second Distribution of the Net Settlement Fund:

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<sup>3</sup> Nominees file claims on behalf of investors based on the investors' historical transaction data despite certain accounts being closed, liquidated, or any other relevant account status details. At the time of distribution, if a nominee is sent payment on behalf of a claimed account that is no longer open or able to receive incoming funds, the nominee will return the payment to Epiq. Funds from these returned payments were returned to the Net Settlement Fund as a forfeited payment that is eligible for re-distribution.

- a. Epiq will conduct a Second Distribution of the Net Settlement Fund, after deducting Epiq's outstanding invoices, and after payment of any taxes, the costs of preparing appropriate tax returns, and any escrow fees as follows:
  - i. Epiq will calculate award amounts to all Authorized Claimants who cashed their checks or received wires in the Initial Distribution. Epiq will calculate the award amounts in accordance with the Plan of Allocation.
  - ii. Epiq will, pursuant to the terms of the Plan of Allocation, eliminate from the Second Distribution any Authorized Claimant whose *pro rata* share of the Net Settlement Fund, as calculated under subparagraph (a)(i) above, is less than \$10.00. Such claimants will not receive any distribution from the Net Settlement Fund in the Second Distribution.
  - iii. After eliminating claimants who would have received less than \$10.00, Epiq will calculate the *pro rata* share of the Net Settlement Fund for Authorized Claimants who would have received \$10.00 or more pursuant to the calculations described in subparagraph (a)(i) above ("Second Distribution Amount").
  - iv. In order to encourage Authorized Claimants to properly deposit their payments, all distribution checks will bear a notation "DEPOSIT PROMPTLY, VOID AND SUBJECT TO RE-DISTRIBUTION IF NOT NEGOTIATED WITHIN 180 DAYS OF ISSUE DATE."
  - v. Authorized Claimants who do not cash their Second Distribution checks within the time allotted will irrevocably forfeit any further recovery from the Settlement. The funds allocated to all such stale-dated checks will be

available to be re-distributed to other Authorized Claimants in a third distribution if Lead Counsel, in consultation with Epiq, determines that it is cost-effective to conduct a third distribution as discussed below. Similarly, Authorized Claimants who do not cash their third or subsequent distributions (should such distributions occur) within the time allotted will irrevocably forfeit any further recovery from the Net Settlement Fund.

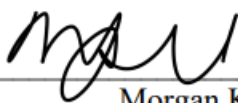
- b. After Epiq has made reasonable and diligent efforts to have Authorized Claimants cash their Second Distribution checks, but no earlier than six (6) months after the Second Distribution, Lead Counsel, in consultation with Epiq, will determine whether it is cost-effective to conduct a third distribution of the Net Settlement Fund (the “Third Distribution”). Additional re-distributions may occur thereafter in six (6) month intervals until Lead Counsel, in consultation with Epiq, determines that further re-distribution is not cost-effective. If such Third Distribution is economically feasible, the Third Distribution will include any unclaimed amounts remaining in the Net Settlement Fund after the Second Distribution, after deducting Epiq’s fees and expenses incurred in connection with administering the Settlement for which it has not yet been paid (including the estimated costs of such Third Distribution), and after the payment of any Taxes, the costs of preparing appropriate tax returns, and any escrow fees. These remaining funds will be distributed to all Authorized Claimants in the Third Distribution who cashed their Second Distribution check and would receive at least \$10.00 from such distribution based on their *pro rata* share of the remaining funds.

- c. In order to allow a final distribution of any funds remaining in the Net Settlement Fund after completion of the Third Distribution, if it occurs, whether by reason of returned funds, tax refunds, interest, uncashed checks, or otherwise:

If cost-effective, not less than six (6) months after the Third Distribution is conducted, Epiq will conduct a further distribution of the Net Settlement Fund, in which all funds remaining in the Net Settlement Fund, after deducting Epiq's unpaid fees and expenses incurred or to be incurred in connection with administering the Net Settlement Fund (including the estimated costs of such distribution), and after the payment of any Taxes, the costs of preparing appropriate tax returns, and any escrow fees, will be distributed to Authorized Claimants who cashed their Third Distribution checks in an equitable and economic fashion. Additional re-distributions, after deduction of costs and expenses as described above and subject to the same conditions, may occur thereafter until Lead Counsel, in consultation with Epiq, determines that further re-distribution is not cost-effective. At that point, and as set forth in the Stipulation of Settlement, the residual balance will be contributed to an appropriate non-sectarian, non-profit charitable organization(s) unaffiliated with any party or their counsel serving the public interest selected by Lead Counsel, with the approval of the Court.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge.

Executed on June 3, 2025, in Seattle, WA.

  
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Morgan Kimball

# EXHIBIT A



# In re Northern Dynasty Minerals Ltd. Securities Litigation

## Second Distribution Estimate

### Estimated Volumes

Checks	764
Wires	27
Percentage of Undeliverables	8%
Check Reissues	61
Duration	12 months

### Detailed Estimate

Activity	Unit	Rate	Volume	Amount
<b>Inbound Claimant Correspondence</b>				
IVR Maintenance Fee	Per Month	\$ 175	12	\$ 2,100.00
IVR Minutes of Use	Per Minute	\$ 0.19	917	\$ 174.19
Contact Center Agent Call Handling (Shared)	Per Minute	\$ 1.05	764	\$ 802.20
Website Hosting	Per Month	\$ 175	12	\$ 2,100.00
				<b>\$ 5,176</b>
<b>Distribution and Fund Management</b>				
Settlement Fund (QSF) Income Tax Return	Per Year	\$ 1,500	1	\$ 1,500.00
Bank Fees	Per Month	\$ 250	12	\$ 3,000.00
Check Printing	Per Check	\$ 0.30	825	\$ 247.54
Nominee ACH Wire Payment	Per Wire	\$ 25	27	\$ 675.00
				<b>\$ 5,423</b>
<b>Expenses</b>				
Post Office Box	Per 6 Months	\$ 800	2	\$ 1,600.00
Postage	Per Piece	\$ 0.70	825	\$ 577.58
Box Storage (\$3.50 Per Box, 10 Boxes)	Per Month	\$ 35.00	12	\$ 420.00
Misc.: Photocopies, Delivery, etc	As incurred			
				<b>\$ 2,598</b>
<b>Total Estimated Costs</b>				<b>\$ <u>13,196.51</u></b>