

TAX INSTRUCTION LETTER

**FOR FORMER SHAREHOLDERS OF TETHYAN RESOURCES PLC
WHO ARE RESIDENT CANADIAN SHAREHOLDERS AND
WANT TO FILE A SECTION 85 ELECTION**

**In connection with the
Redomicile of
Tethyan Resources Plc
As Tethyan Resource Corp.**

TO: Former Shareholders of Tethyan Resources plc (“**Old Tethyan**”) who are Resident Canadian Shareholders and wish to file a Section 85 Election

FROM: Tethyan Resource Corp. (“**New Tethyan**” or the “Company”)

RE: Making a Section 85 Election in connection with the redomicile of Old Tethyan into Canada as New Tethyan pursuant to the Scheme of Arrangement (the “**Scheme**”)

**IF YOUR OLD TETHYAN SHARES ARE HELD IN A TFSA OR RRSP,
THERE IS NO NEED TO MAKE A SECTION 85 ELECTION.
PLEASE CONSULT YOUR TAX ADVISOR.**

This tax instruction letter is made available via the internet on the Company’s website at www.tethyan-resources.com to those Resident Canadian Shareholders (as defined in the Scheme Circular (“**Circular**”)) that wish to make a Section 85 Election (as defined in the Circular) for Canadian federal income tax purposes, and in certain cases, for Québec income tax purposes, in respect of Scheme Shares disposed of under the Scheme for consideration that include New Tethyan Shares.

This tax instruction letter outlines how a Resident Canadian Shareholder may make the Section 85 Election jointly with New Tethyan. If you are not a Resident Canadian Shareholder or you are a Resident Canadian Shareholder who has decided not to make a Section 85 Election, this tax instruction letter is not relevant to you.

The comments made in this tax instruction letter with respect to the income tax consequences of making a Section 85 Election are of a general nature only and are not intended to be, nor should they be construed to be, legal or tax advice to any particular Resident Canadian Shareholder. Furthermore, apart from providing this tax instruction letter and enclosures to Resident Canadian Shareholders for their convenience, neither New Tethyan nor Old Tethyan will provide Resident Canadian Shareholders with any advice on making the Section 85 Election. Accordingly, Resident Canadian Shareholders should consult with their own tax advisors for specific advice in respect of whether or not to make a Section 85 Election, and how to comply with the requirements for making such an election having regard to their own particular circumstances.

Please review this tax instruction letter very carefully and consult your tax advisor as to the proper completion and delivery of the relevant tax election information to New Tethyan, and the applicable filing deadlines. You are referred to CRA Information Circular 76-19R3 and CRA Interpretation Bulletin IT-291R3 for further information respecting the Section 85 Election under the *Income Tax Act* (Canada) (the “**Income Tax Act**”). In addition, and if applicable to you, you are referred to Revenu Québec Interpretation Bulletins IMP.520.1-1/R1, IMP.521.2-1/R1 and IMP.522-1/R1 for information respecting the equivalent election under the *Taxation Act* (Québec) (the “**Québec Tax Act**”). **The comments in this tax instruction letter and in the Circular with respect to such tax elections are provided for general assistance only. The**

law in this area is complex and contains numerous technical requirements not addressed in this summary.

Resident Canadian Shareholders are referred to the Circular prepared by Old Tethyan dated June 3, 2019 for further information. A copy of the Circular is available under the Company's profile at www.sedar.com. Capitalized terms used but not defined in this tax instruction letter have the meanings set out in the Circular. Resident Canadian Shareholders are encouraged to read the Circular in its entirety.

The Scheme

Pursuant to the Scheme, holders of Old Tethyan shares ("**Scheme Shareholders**") received one (1) New Tethyan common share ("**New Tethyan Shares**") in exchange for each Old Tethyan common share ("**Scheme Share**").

Resident Canadian Shareholders and the Section 85 Election

A "Resident Canadian Shareholder" is defined in the Circular and is referred to as a "**Resident Holder**" in the attached questionnaire (the "**Questionnaire**"). In general, a Resident Canadian Shareholder is a Scheme Shareholder who is resident or deemed to be resident in Canada for purposes of the Income Tax Act and in accordance with any applicable tax treaty who (a) deals at arm's length with Old Tethyan and New Tethyan; (b) are not "affiliated" with Old Tethyan or New Tethyan; (c) hold their Scheme Shares as capital property; and (d) will hold their New Tethyan Shares as capital property.

A Resident Canadian Shareholder whose Scheme Shares were exchanged for New Tethyan Shares pursuant to the Scheme is entitled to make a Section 85 Election jointly with New Tethyan and may thereby defer all or a portion of any gain that might otherwise arise on the disposition of Scheme Shares as a consequence of the Scheme. In order to obtain a full or partial deferral, a Resident Canadian Shareholder will be required to make a Section 85 Election under the Income Tax Act and, depending on the particular Resident Canadian Shareholder's circumstances, may also be required to make a joint provincial tax election under the Québec Act. The effect and procedure for making a Section 85 Election is set out herein and is generally described under the heading "Exchange of Scheme Shares for New Tethyan Shares by Resident Canadian Shareholders" in the Circular.

Under the terms of the Scheme, New Tethyan has agreed to execute the necessary joint tax election form(s) for making the Section 85 Election for a Resident Canadian Shareholder from whom correct and complete tax election information (the "**Section 85 Election Information**") is received by New Tethyan within 90 days after the Distribution Date (the "**Tax Election Deadline**") and to deliver a copy of the executed Section 85 Election by regular mail to the Resident Canadian Shareholder to the address provided within 30 days after the Tax Election Deadline. Resident Canadian Shareholders should review their own particular situation and consult with their tax advisors before making a Section 85 Election under the Income Tax Act (and a joint tax election under the Québec Act, if applicable).

Summary of what a Resident Canadian Shareholder needs to do to make a Section 85 Election

1. Submit your Section 85 Election Information using the attached Tax Election Questionnaire to New Tethyan so that it is received on or before the Tax Election Deadline. Your information may be submitted in paper format or by e-mail. For help in submitting the required information, please refer to the following pages of this tax instruction letter.
2. Your Section 85 Election(s) will be compiled based solely on the Section 85 Election Information you submit. It is your responsibility to ensure the information provided is in compliance with all the requirements imposed under the Income Tax Act (or the Québec Act, if applicable) to make a valid joint election. New Tethyan will send two copies of the completed Section 85 Election(s) by regular mail to the address you provided within 30 days after the Tax Election Deadline. If you do not receive a Section 85 Election, it is your responsibility to contact the hotline noted below.
3. Review the Section 85 Election(s) that you receive with your own tax advisor to ensure that you agree with the content, calculation and other disclosures. If you do not agree, immediately contact the hotline noted below. Do not make changes to a Section 85 Election that has been executed by New Tethyan.
4. If you and your tax advisor are satisfied that the Section 85 Election form(s) is accurate and complete, sign and date both copies of the Section 85 Election form(s) in the area marked “Signature of Transferor, of Authorized Officer or Authorized Person” at the bottom of page 3 of the Section 85 Election form (form T2057 or T2058) and, if applicable, in the area marked “Signature of transferor or authorized signee” at the bottom of page 4 of the Québec tax election form (form TP-518-V or TP-529-V).
5. File one copy of the signed Section 85 Election(s) with the tax authorities immediately. Page 6 of this tax instruction letter provides details on where to file your Section 85 Election(s). Retain one copy of the Section 85 Election(s) for your records.
6. Report the disposition of your Scheme Shares on your tax return for your taxation year in which the disposition took place. The proceeds of disposition should be equal to the “agreed amount” on page 3 of the Section 85 Election form and, if applicable, the Québec tax election form. For future reference, the tax cost of the New Tethyan Shares acquired on the exchange is generally this “elected amount”, subject to certain provisions in the Income Tax Act.

If you require further assistance, please contact the hotline below:

1-877-414-0203 or send a message at info@tethyan-resources.com.

We recommend you consult with your tax advisor for specific tax advice in respect of the Section 85 Election and related tax matters.

How to Submit Section 85 Election Information

Each Resident Canadian Shareholder that wishes to make a Section 85 Election must answer the questions on the Questionnaire and submit their Section 85 Election Information by delivering this Questionnaire to New Tethyan.

A copy of the Questionnaire is attached as Appendix A to this tax instruction letter.

Resident Canadian Shareholders that have completed the Questionnaire must either e-mail a copy to New Tethyan at info@tethyan-resources.com or send a copy to New Tethyan at the following address:

**Tethyan Resource Corp.
Suite 555 – 999 Canada Place
Vancouver, BC V6C 3E1
Attention: Corporate Secretary**

New Tethyan must receive a copy of the Questionnaire on or before the Tax Election Deadline. New Tethyan will not verify the accuracy of any information provided by or on behalf of any Resident Canadian Shareholder.

Deadline for Submitting Section 85 Election Information to New Tethyan

The Section 85 Election process is time sensitive. New Tethyan has agreed to make a Section 85 Election with a Resident Canadian Shareholder from whom complete Section 85 Election Information is received by New Tethyan by the Tax Election Deadline. The Tax Election Deadline is 90 days after the Distribution Date.

If the Section 85 Election Information for a Resident Canadian Shareholder is not received by New Tethyan by the Tax Election Deadline and in accordance with the procedures set out in this tax instruction letter, New Tethyan may, but will have no obligation to make a Section 85 Election with such Resident Canadian Shareholder and therefore such Resident Canadian Shareholder may not benefit from a full or partial deferral pursuant to the provisions of section 85 of the Income Tax Act and, if applicable, the equivalent provisions of the Québec Act.

In its sole discretion, New Tethyan or any successor corporation may choose to make a Section 85 Election with a Resident Canadian Shareholder from whom it receives Section 85 Election Information after the Tax Election Deadline, but will have no obligation to do so.

Execution and Delivery of a Section 85 Election by New Tethyan

In order to make a valid Section 85 Election, the applicable Section 85 Election form(s) must be signed and properly completed with the necessary information, including the number of Scheme Shares exchanged, and number of New Tethyan Shares received by the Resident Canadian Shareholder, and the applicable “agreed amount” for the purposes of such tax election. New Tethyan will only sign a Section 85 Election form for which complete information has been submitted by a Resident Canadian Shareholder within the time and manner specified herein. New Tethyan has no responsibility to verify the information provided. New Tethyan will not execute a Section 85 Election form that does not comply with the provisions of the Income Tax Act (or any applicable provincial income tax law).

New Tethyan will forward two copies of the executed Section 85 Election form(s) by regular mail to the Resident Canadian Shareholder to the address provided within 30 days after the Tax Election Deadline.

None of Old Tethyan, New Tethyan nor any successor corporation will be responsible for the proper completion of any Section 85 Election form nor, except for New Tethyan’s obligation to sign and deliver a completed Section 85 Election form for which it received Section 85 Election Information on or before the Tax Election Deadline, for any taxes, interest or penalties arising as a result of the failure of an Resident Canadian Shareholder to complete and file such Section 85 Election form properly or timely in the form and manner prescribed by the Income Tax Act (and the Québec Act, if applicable).

Filing a Section 85 Election with the Tax Authorities

Generally, in order for a Section 85 Election to be accepted by the CRA (and Revenu Québec, if applicable) without a Resident Canadian Shareholder being liable for a late filing penalty, the completed Section 85 Election must be filed with the CRA (and Revenu Québec, if applicable) on or before the date that is the earliest of the day by which either New Tethyan or the Resident Canadian Shareholder is required to file an income tax return for the taxation year in which the Scheme occurred (“**Filing Deadline**”). New Tethyan’s 2019 taxation year is scheduled to end on December 31, 2019, although its taxation year could end sooner as a result of an event such as an amalgamation, and it is required to file an income tax return for a particular taxation year six months after such taxation year-end. As it is uncertain whether New Tethyan will enter into any transactions which could cause its 2019 taxation year to end before December 31, 2019, Resident Canadian Shareholders that wish to make the Section 85 Election are urged to file such election with the CRA (and Revenu Québec, if applicable) as soon as possible. Furthermore, Resident Canadian Shareholders are urged to consult their own tax advisor as soon as possible respecting the Section 85 Election and the Resident Canadian Shareholder’s applicable Filing Deadline. However, regardless of the Resident Canadian Shareholder’s Filing Deadline, complete Section 85 Election Information must be received by New Tethyan by the Tax Election Deadline and in accordance with the procedures set out in this tax instruction letter.

The Section 85 Election should be filed with the applicable CRA Tax Centre. Information on Tax Centres can be found on the CRA website: <http://www.cra-arc.gc.ca/cntct/tso-bsf-eng.html>.

For a Resident Canadian Shareholder that is a trust, the applicable Tax Centre is the tax office serving the area where the Resident Canadian Shareholder is located. Information on Tax Centres for trusts can be found on the CRA website: <http://www.cra-arc.gc.ca/tx/trsts/t3trtn/whr-eng.html>.

For a Resident Canadian Shareholder that is a corporation or an individual, the CRA has designated specific Tax Centres for all corporations and individuals depending on where they are located. The Tax Centres and the areas they serve are listed on the CRA website referred to above.

Where a Resident Canadian Shareholder is making the Section 85 Election as a co-owner where more than one co-owner is electing or as a member of a partnership, the applicable Tax Centre is Prince Edward Island.

The Québec tax election form, together with a copy of the federal Section 85 Election form, should be filed with Revenu Québec at the following address:

Revenu Québec
C.P. 3000, succursale Place-Desjardins
Montréal, Québec H5B 1A4

Resident Canadian Shareholders filing in Québec should note that corporations established in Québec are required to file the French version of the Québec Section 85 Election; however, the copy of the federal Section 85 Election can be the English version.

None of Old Tethyan, New Tethyan nor any successor corporation will be responsible for the filing of any Section 85 Election by the Resident Canadian Shareholder's Filing Deadline. None of Old Tethyan, New Tethyan nor any successor corporation will be responsible or liable for taxes, interest, penalties, damages or expenses resulting from the failure by a Resident Canadian Shareholder to properly file a complete and accurate Section 85 Election (and Québec tax election) within the time prescribed under the Income Tax Act (and the Québec Act, if applicable). Resident Canadian Shareholders will be solely responsible for the payment of any interest, taxes, and/or late filing penalties.

Resident Canadian Shareholders should consult with their own tax advisors for specific advice in respect of any applicable Filing Deadline in their own particular circumstances.

Completing the Section 85 Election Questionnaire

Getting Started

Before starting, you will need the following:

1. Identification related information, including the Resident Canadian Shareholder's name, address, social insurance number or business number, relevant taxation year, and, if applicable, similar information for co-owners of the Scheme Shares;

2. The number of Scheme Shares the Resident Canadian Shareholder disposed of pursuant to the Scheme;
3. The aggregate adjusted cost base of the Scheme Shares the Resident Canadian Shareholder disposed of pursuant to the Scheme;
4. The total number of New Tethyan Shares received pursuant to the Scheme; and
5. A copy of the Questionnaire found in Appendix A to this tax instruction letter.

About the Questionnaire

The Questionnaire is separated into two parts as follows:

1. Part I – Identification
2. Part II – Required Tax Information

To assist you in understanding the information requirements of each of these parts, the following pages of this tax instruction letter will briefly provide descriptions of these requirements. The numbers of each description coincide with the related question in the Questionnaire.

Part I – Identification

This Part requires the Resident Canadian Shareholder to provide the following information:

1. Name of Resident Canadian Shareholder

Enter the legal name of the Resident Canadian Shareholder (generally should be the name listed on the Resident Canadian Shareholder's income tax return).

2. Type of Resident Canadian Shareholder

Identify the Resident Canadian Shareholder as being an individual, a corporation, a trust or a partnership. You will also be asked to confirm the residency of the Resident Canadian Shareholder as Canadian, or, in the case of a partnership if any of the partners are residents of Canada.

3. Social Insurance Number, Business Number, Trust Account Number or Partnership Identification Number

Provide the relevant identification number(s) of the Resident Canadian Shareholder.

4. Address of Resident Canadian Shareholder

Provide the address of the Resident Canadian Shareholder (generally should be the address listed on the Resident Canadian Shareholder's income tax return).

5. Taxation Year of Resident Canadian Shareholder

The taxation year that the Resident Canadian Shareholder must provide is the taxation year that includes the Distribution Date of the Scheme.

- (a) An individual (other than a trust) is taxed on a calendar year basis and generally has a December 31 taxation year-end. A Resident Canadian Shareholder that is an individual will generally provide the taxation year as 2019/01/01 to 2019/12/31.
- (b) A corporation may have a taxation year that ends at any time in the year. A Resident Canadian Shareholder that is a corporation must provide the taxation year that includes the Distribution Date of the Scheme. For example, if the corporation's year began on Feb 1, 2019 and ends on January 31, 2020; the taxation year provided should be 2019/02/01 to 2020/01/31.
- (c) An *inter vivos* trust is taxed on a calendar year basis and generally has a December 31 taxation year-end. A Resident Canadian Shareholder that is an *inter vivos* trust that was established on or before January 1, 2019 will generally provide the taxation year as 2019/01/01 to 2019/12/31.
- (d) A testamentary trust may have a taxation year that ends at any time of the year. A Resident Canadian Shareholder that is a testamentary trust must provide the taxation year that includes the Distribution Date of the Scheme. For example, if the testamentary trust's year began on February 1, 2019 and ends on January 31, 2020, the taxation year provided should be 2019/02/01 to 2020/01/31.
- (e) A partnership with at least one partner that is a corporation may have a taxation year that ends at any time of the calendar year. A Resident Canadian Shareholder that is a partnership must provide the taxation year that includes the Distribution Date of the Scheme. For example, if the partnership's year began on February 1, 2019 and ends on January 31, 2020, the taxation year provided should be 2019/02/01 to 2020/01/31.

6. Tax Services Office of Resident Canadian Shareholder

Indicate the Tax Services Office or Tax Centre ("**Tax Services Office**") that normally serves the Resident Canadian Shareholder (generally the Tax Services Office at which the Resident Canadian Shareholder files their income tax return each year).

The CRA has designated specific Tax Services Offices for all corporations and individuals, depending on where they are located. For a Resident Canadian Shareholder that is a corporation or an individual, the Tax Services Offices and the locations that they serve are listed on the CRA website: <http://www.cra-arc.gc.ca/cntct/tso-bsf-eng.html>. For a Resident Canadian Shareholder that is a trust, the Tax Services Offices and locations that they serve are listed on the CRA website: <http://www.cra-arc.gc.ca/tx/trsts/t3rtrn/whr-eng.html>.

For a Resident Canadian Shareholder that is a partnership, the applicable Tax Centre is Prince Edward Island.

7. Contact Information

New Tethyan may need to contact a Resident Canadian Shareholder (or the contact person for the Resident Canadian Shareholder) to clarify the information contained in the Questionnaire submitted. New Tethyan requests that each Resident Canadian Shareholder provide a telephone number, facsimile number and e-mail address to facilitate any contact.

New Tethyan also requires the Resident Canadian Shareholder's address in order to send the completed copies of the Section 85 Election. Without a valid address, a copy of the Section 85 Election will not be provided.

8. Name of Co-owner(s) of the Scheme Shares

If you owned Scheme Shares together with another owner or owners (a “**co-owner**” or “**co-owners**”, as the case may be), a single Questionnaire completed by one of the co-owners designated for such purpose (the “**Designated Co-Owner**”) may be used for purposes of the Section 85 Election. **Note that in this case, each co-owner is not able to choose the co-owner's own particular Elected Amount.** The Designated Co-Owner must answer “Yes” to the question 8(a) “Are you requesting a Section 85 Election on behalf of all electing co-owners?” in the Questionnaire and provide the information requested for each co-owner (including contact information, the percentage share, etc.). New Tethyan will prepare the Section 85 Election form(s) for each co-owner and send the forms to the Designated Co-Owner. Then the Designated Co-Owner must sign one completed copy of each Section 85 Election form and file the forms together with a list of all co-owners electing and proof of authority to sign on behalf of such co-owners with the CRA (and Revenu Québec, as applicable).

If no co-owner is designated to submit the Section 85 Election Information on behalf of all electing co-owners (i.e. answer “No” to the question 8(a) “Are you requesting a Section 85 Election on behalf of all electing co-owners?”), then each co-owner must submit their own Section 85 Election Information and a Section 85 Election form(s) will be prepared for each of them to sign and file with the tax authorities. **If separate Section 85 Elections are filed, each co-owner is able to choose the co-owner's own particular Elected Amount.**

Refer to Question 3 of the Frequently Asked Questions section of this tax instruction letter for more information about completing a Section 85 Election if there are co-owners.

Part II – Required Tax Information

This Part requires the Resident Canadian Shareholder to provide information that will be used by the CRA to determine the tax consequences resulting from the disposition of the Scheme Shares.

9. Were any of the Scheme Shares disposed of capital properties?

The determination of whether the Scheme Shares were capital property to the Resident Canadian Shareholder is a question of fact depending on the Resident Canadian Shareholder's particular circumstances. A Resident Canadian Shareholder's Scheme Shares generally would have been considered capital property to the Resident Canadian Shareholder unless the Resident Canadian Shareholder held them in the course of carrying on a business of trading or dealing in securities, or in the course of an adventure or concern in the nature of trade.

Generally, most Resident Canadian Shareholders held the Scheme Shares as capital property and will answer this question "Yes". Some Resident Canadian Shareholders, however, will have held the Scheme Shares as inventory or as part of an adventure or concern in the nature of trade and will answer this question "No".

A Resident Canadian Shareholder should consult with their own tax advisor if the Resident Canadian Shareholder is unsure of the nature of the Scheme Shares.

10. Are you required to file a Québec income tax return?

Resident Canadian Shareholders that are required to file a Québec income tax return are also required to make an additional Québec tax election in order to defer all or a portion of any gain that might otherwise arise for Québec income tax purposes. For Resident Canadian Shareholders that answer "Yes" to this question, New Tethyan will prepare a Québec tax election form based on the information provided by the Resident Canadian Shareholder in the Questionnaire, and send the Québec tax election form to the Resident Canadian Shareholder to sign and file with Revenu Québec.

A Resident Canadian Shareholder filing the Québec tax election form with Revenu Québec must also file the federal Section 85 Election with the CRA. In addition, a copy of the federal Section 85 Election filed must be enclosed with the Québec tax election filed with Revenu Québec. Resident Canadian Shareholders filing in Québec should note that corporations established in Québec are required to file the French version of the Québec tax election form; however the copy of the federal Section 85 Election can be the English version.

11. The number of New Tethyan Shares received by the Resident Canadian Shareholder

The number of New Tethyan Shares received can be found on the Resident Canadian Shareholder's brokerage statement that includes the Distribution Date of the Scheme. In accordance with the Scheme, Scheme Shareholders received one New Tethyan Share in exchange for each Scheme Share they held on the Distribution Date.

In the case of co-owners, the Resident Canadian Shareholder should enter the total number of New Tethyan Shares received by all co-owners, including those of any co-owners that decide not to elect. The total amounts are required to properly reflect the proportionate interest for each electing co-owner.

12. The total number of Scheme Shares disposed of by the Resident Canadian Shareholder (and all co-owners, if applicable)

The number of Scheme Shares disposed of can be found on the Resident Canadian Shareholder's brokerage statement that includes the Distribution Date of the Scheme.

13. Adjusted cost base or cost amount (as applicable) of the Scheme Shares disposed of by the Resident Canadian Shareholder

The rules for determining adjusted cost base ("ACB") (or "cost amount" in the case of inventory) are complex. New Tethyan does not have access to information that can assist Resident Canadian Shareholders in determining the Resident Canadian Shareholder's particular ACB or cost amount. The ACB of the Scheme Shares will generally be the amount paid by the Resident Canadian Shareholder to acquire the Scheme Shares plus any reasonable costs to acquire the shares, or if received as a distribution from Old Tethyan, the ACB may be the fair market value of the shares at the time of the distribution. The ACB may be adjusted in certain circumstances (e.g., where a Resident Canadian Shareholder received their Scheme Shares due to a previous tax-deferred transaction or where a Resident Canadian Shareholder received their Scheme Shares as a gift).

Each Resident Canadian Shareholder should consult their own tax advisor to obtain assistance in determining the correct ACB or cost amount in respect of the Scheme Shares disposed of pursuant to the Scheme.

14. Elected amount

The Elected Amount is chosen by the Resident Canadian Shareholder, within certain parameters defined in the Income Tax Act, to affect the tax results of the disposition of the Scheme Shares. The Elected Amount will be the proceeds of disposition reported in the Resident Canadian Shareholder's income tax return for purposes of computing any gain or loss.

Resident Canadian Shareholders that wish to minimize any gain on the disposition of the Scheme Shares should answer "Yes" to Question 14 of the Questionnaire. By answering "Yes", the lowest possible Elected Amount allowed by the Income Tax Act will be used in completing the Section 85 Election.

Alternatively, Resident Canadian Shareholders may choose to use another amount as their Elected Amount, subject to the rules outlined below. Resident Canadian Shareholders that answer "No" must manually input their Elected Amount in the second part of Question 14.

The Relevant Amount for Scheme Shares disposed of pursuant to the Scheme must comply with the following rules:

- (a) the Elected Amount may not be less than the Resident Canadian Shareholder's ACB of the Scheme Shares disposed of that are the subject of the election and the fair market

value of such Scheme Shares at the time of disposition, if the fair market value of such Scheme Shares is less than the respective Resident Canadian Shareholder's ACB thereof; and

- (b) the Elected Amount may not be greater than the fair market value, at the Distribution Date, of the Scheme Shares disposed of that are the subject of the election.

If the fair market value of the Scheme Shares is less than the ACB (that is, the disposition results in a loss), a Resident Canadian Shareholder cannot file a Section 85 Election.

Resident Canadian Shareholders should consult their tax advisors regarding the selection of the appropriate Elected Amount in respect of Scheme Shares disposed of pursuant to the Scheme.

Frequently Asked Questions

Q1. How do I confirm the number of Scheme Shares I received pursuant to the Scheme?

A1. Your securities broker may be able to provide you with this information. Alternatively, this information should be on your brokerage statement for the period that includes the Distribution Date of the Scheme. In accordance with the Scheme, Scheme Shareholders received one New Tethyan Share in exchange for each Scheme Share they held on the Distribution Date.

Q2. What happens if I was entitled to a fraction of a New Tethyan Share?

A2. No fractional New Tethyan Shares were issued upon the exchange of a Scheme Share. Pursuant to Section 2 of the Scheme, where the aggregate number of New Tethyan Shares to be issued to a Resident Canadian Shareholder as consideration under the Scheme would result in a fraction of a New Tethyan Share being issuable, the number of New Tethyan Shares to be received by such Resident Canadian Shareholder shall be rounded down to the nearest whole number of New Tethyan Shares and no Old Tethyan Shareholder will be entitled to any compensation in respect of a fractional New Tethyan Share.

Q3. I owned Scheme Shares together with other co-owners (e.g. my spouse). Who should complete and sign the Section 85 Election?

A3. A single Questionnaire may be used for the Section 85 Election if one co-owner is chosen to submit the Section 85 Election Information on behalf of all co-owners (the “**Designated Co-Owner**”). If a single Questionnaire is being used, you must respond “yes” to the question 8(a) “Are you requesting a tax election on behalf of all electing co-owners?” in the Part I – Identification section of the Questionnaire and **each co-owner is not able to choose the co-owner’s own particular Elected Amount.**

The Designated Co-Owner must provide the required information for each electing co-owner in the Questionnaire. New Tethyan will prepare the Section 85 Election form(s) for each co-owner and send the forms to the Designated Co-Owner. Then the Designated Co-Owner must sign one completed copy of each Section 85 Election form and file the forms together with a list of all co-owners electing and proof of authority to sign on behalf of such co-owners with the CRA (and Revenu Québec, as applicable).

Alternatively, each co-owner may complete the co-owner’s own Questionnaire. In this case, each co-owner should set out the co-owner’s respective ownership interest in the Scheme Shares and report amounts on the co-owner’s Questionnaire corresponding to that ownership percentage. The co-owner should also choose the co-owner’s own Elected Amount in respect of co-owner’s particular ownership interest in the Scheme Shares. **If separate Section 85 Elections are filed, each co-owner is able to choose the co-owner’s own particular Elected Amount.**

Q4. How do I determine how many Scheme Shares were disposed of pursuant to the Scheme?

A4. Your securities broker may be able to confirm the number of Scheme Shares you disposed of. Alternatively, this information should be on your brokerage statement for the period that includes the Distribution Date of the Scheme.

Q5. Will New Tethyan help me complete the Section 85 Election?

A5. No. After receiving the completed Questionnaire, New Tethyan (or its representative) will compile a Section 85 Election form based solely on the Section 85 Election Information provided by the Resident Canadian Shareholder. To enable Resident Canadian Shareholders to submit their Section 85 Election Information, New Tethyan has made the Questionnaire available in a paper-based format. This tax instruction letter describes how to complete the Questionnaire. Additionally, Resident Canadian Shareholders may call the Technical Assistance Hotline at **1-877-414-0203** or send an email to info@tethyan-resources.com for technical assistance regarding use of the Questionnaire. Neither New Tethyan nor its representative will provide legal or tax advice to any Resident Canadian Shareholder in connection with their Section 85 Election.

It is each Resident Canadian Shareholder's responsibility to review the Section 85 Election form for accuracy and completeness, sign it and file it with the CRA (and Revenu Québec, if applicable). New Tethyan will not verify the accuracy of the information contained in the Questionnaire.

Q6. Is there a fee for making the Section 85 Election?

A6. No, you are not required to pay any fees to make the Section 85 Election, provided the joint election form is filed by your Filing Deadline. The CRA (and Revenu Québec, if applicable) may levy a penalty for a late filed Section 85 Election.

Q7. How do I calculate the ACB of my Scheme Shares?

A7. The ACB of a Resident Canadian Shareholder's Scheme Shares that are capital property will generally be the amount that the Resident Canadian Shareholder paid for the Scheme Shares when they were originally acquired plus reasonable costs to acquire the shares such as a broker commission. The cost of particular Scheme Shares may be different due to certain events (e.g., where a shareholder received their Scheme Shares in a tax-deferred transaction or by way of a gift). If the Resident Canadian Shareholder received the Scheme Shares as a distribution from Old Tethyan, the cost of those shares would generally be their fair market value at the time of the distribution. The ACB of a Resident Canadian Shareholder's Scheme Shares acquired at any time will be determined by averaging the cost of such shares with the ACB of the Scheme Shares held by the Resident Canadian Shareholder as capital property immediately before that time.

The rules for determining the ACB are complex. You should consult your own tax advisor to obtain assistance.

Q8. I received my Scheme Shares from my spouse or common law partner through an inheritance or gift. What is my ACB?

A8. Generally, if you received your Scheme Shares from your spouse or common law partner through an inheritance or gift and the Scheme Shares were held by you as capital property, the starting point for calculating the ACB of the Scheme Shares will be the ACB of the Scheme Shares to your spouse or common law partner immediately before their death or the gifting of the shares. **However, the rules in this area are complex and you should consult your tax advisor for more information.**

Q9. What happens if New Tethyan does not receive my Section 85 Election Information by the Tax Election Deadline?

A9. New Tethyan has agreed to make a Section 85 Election with Resident Canadian Shareholders only if complete and correct Section 85 Election Information is provided on or before the Tax Election Deadline, so it is important to provide your complete and correct information by that deadline. New Tethyan may, but is not obligated to, make a Section 85 Election if the Section 85 Election Information is received after the Tax Election Deadline. Consequently, you should ensure that the Resident Canadian Shareholder's complete and accurate Section 85 Election Information is received by New Tethyan in accordance with the procedures set out above by the Tax Election Deadline. Accordingly, if you wish to make a Section 85 Election with New Tethyan you should give your immediate attention to this matter.

Q10. I filed the Section 85 Election to obtain a full tax-deferred rollover on the disposition of my Scheme Shares. Do I have to report the disposition on my tax return for the period that includes the disposition of the Scheme Shares?

A10. Yes. You must report the disposition of Scheme Shares even though you elected to obtain a full deferral of any capital gain that might otherwise arise on the disposition of your Scheme Shares pursuant to the Scheme. A Resident Canadian Shareholder's proceeds of disposition for Canadian income tax purposes will be equal to the Agreed Amount set out in box B on page 3 of the federal Section 85 Election form (and the equivalent box on a Québec tax election form).

Q11. I have completed and submitted the Questionnaire to New Tethyan. What do I do next?

A11. After receiving a properly completed Questionnaire, a Section 85 Election will be compiled using the information that the Resident Canadian Shareholder has provided. New Tethyan will execute the Section 85 Election form(s) and send two copies of the completed Section 85 Election(s) to you using the address provided in the Questionnaire.

You should then review the Section 85 Election. If you do not agree with the content, calculations or any disclosures, contact the hotline indicated in this tax instruction letter immediately. If you are satisfied, sign and file the Section 85 Election form(s) with the CRA (and Revenu Québec, if applicable).

Q12. I am a non-resident of Canada. What are my tax consequences resulting from the Scheme?

A12. A summary of the Canadian income tax consequences to non-residents of Canada can be found in the Circular under the heading “Certain Canadian Federal Income Tax Considerations”. Most Non-Resident Canadian Shareholders will not be subject to Canadian income tax on the disposition of their Scheme Shares, and accordingly will not be permitted to make a Section 85 Election with New Tethyan.

Q13. If I make a tax election in Québec, am I required to make a federal Section 85 Election?

A13. Yes, a Resident Canadian Shareholder making a tax election in Québec must also make a federal Section 85 Election. Note that a copy of the federal Section 85 Election must be submitted to Revenu Québec when filing the Québec tax election form. A Resident Canadian Shareholder that is a corporation established in Québec is required to file the French version of the Québec Section 85 Election, however the copy of the federal Section 85 Election can be the English version.

APPENDIX "A"
QUESTIONNAIRE

**FORMER SHAREHOLDERS OF TETHYAN RESOURCES PLC
TAX ELECTION QUESTIONNAIRE**

Any personal information you submit to Tethyan Resource Corp. on this Section 85 Election Questionnaire will be used solely for the purposes of your Section 85 Election and any subsequent enquiries or proceedings, and you consent to our collection and use of your personal information for such purposes. Your personal information will not be used to market any goods or services to you.

If your Tethyan Resources Plc shares were held in a TFSA or RRSP, there is no need to make a Section 85 Election. Please consult your tax advisor.

PART I: Identification

(please print clearly)

1 Name of Resident Holder

2 Type of Resident Holder Individual Partnership
 Corporation Trust

2(a) Is the Resident Holder a non-resident of Canada for tax purposes? Yes No

2(b) If the Resident Holder is a partnership, are any partners non-residents of Canada? Yes No N/A

3 Social Insurance Number, Business Number, Trust Account Number or Partnership Number of Resident Holder

4 Address of Resident Holder
Number and street
City, Province / State
Postal / ZIP code

5 Taxation Year of Resident Holder Y Y Y Y M M D D to Y Y Y Y M M D D

6 Tax Services Office of Resident Holder

7 Contact information
Title of Contact Person (Mr., Mrs., Ms., etc.)
Name of Contact Person c/o
Telephone () -
Facsimile () -
Email (Required)

Is the mailing address of the Contact Person the same as the Resident Holder's address above? Yes No

**FORMER SHAREHOLDERS OF TETHYAN RESOURCES PLC
TAX ELECTION QUESTIONNAIRE**

7 (continued)

If "No", complete the following:

Number and street [REDACTED]
 City, Province / State [REDACTED] [REDACTED]
 Postal / ZIP code [REDACTED]

8 Were the shares co-owned?

Yes No

If "No", continue to the next question.

If "Yes", what was the Resident Holder's percentage share (i.e., undivided interest) in the co-owned shares?

[REDACTED]

8(a) Are you requesting a Section 85 Election on behalf of all electing co-owners?

Yes No

If "Yes", provide the following information for each co-owner.

Co-owner #1

- (i) Name of Co-owner [REDACTED]
- (ii) Type of Co-owner
 Individual Partnership
 Corporation Trust
- (iii) Is the Co-owner a non-resident of Canada for tax purposes?
 Yes No
- (iv) Social Insurance Number, Business Number, Trust Account Number or Partnership Number of Co-owner [REDACTED]
- (v) Address of Co-owner:
 - Number and street [REDACTED]
 - City, Province [REDACTED] [REDACTED]
 - Postal code [REDACTED]
- (vi) Taxation year of Co-owner
 Y Y Y Y M M D D to Y Y Y Y M M D D
- (vii) Tax Services Office of Co-owner [REDACTED]
- (viii) What is the Co-owner's percentage share? [REDACTED]

Additional space is available at the end of the Questionnaire if there is more than one other Co-owner.

**FORMER SHAREHOLDERS OF TETHYAN RESOURCES PLC
TAX ELECTION QUESTIONNAIRE**

PART II : Required Tax Information

(please print clearly)

- 9 Are any of the Scheme Shares disposed of Capital properties? Yes No
- 10 Are you required to file a tax return in Québec? Yes No
If "Yes", please provide the following information, if applicable:
- a) Québec Enterprise Number (if applicable) _____
- b) Québec Partnership Identification Number (if applicable) _____
- c) Are you a corporation established in Québec? Yes No
- 11 The total number of New Tethyan Shares received from New Tethyan under the Scheme. Number of shares received _____
- 12 The total number of Scheme Shares disposed of by the Resident Holder (and all co-owners, if applicable). _____
- 13 Adjusted cost base or cost amount (as applicable) of the Scheme Shares disposed of by the Resident Holder. \$ _____ (in Canadian dollars)
For Québec purposes only:
If the answer to Question #10 is "Yes", please answer the following:
- a) Is your adjusted cost base for federal tax purposes different than your adjusted cost base for Québec tax purposes? Yes No
- b) If "Yes", what is your Québec adjusted cost base? \$ _____ (in Canadian dollars)
- 14 Elected amount
I wish to minimize any tax gain on the disposition of the Scheme Shares Yes No
If "No", I choose to elect the following Elected Amount: \$ _____ (in Canadian dollars)

**FORMER SHAREHOLDERS OF TETHYAN RESOURCES PLC
TAX ELECTION QUESTIONNAIRE**

14 (continued)

For Québec purposes only:

If the answer to Question #10 is "Yes", please answer the following:

I wish to minimize any tax gain for Québec purposes on the disposition of the shares

Yes No

If "No", I choose to elect the following Elected Amount:

\$ _____ (in Canadian dollars)

The following conditions must be satisfied to make a different Section 85 Election for federal purposes than for Québec purposes:

- (i) The parties carried on at least 90% of their business in Québec in the taxation year in which the transfer took place.
- (ii) If one of the parties is an individual, he or she was a resident in Québec on the last day of the transfer year.
- (iii) If the amounts in the federal Section 85 Election form and the Québec Section 85 Election form differ, the following question is answered:

Is the difference between the amounts entirely (or almost entirely) attributable to the difference between the cost amount of the property used to calculate Québec income tax and the cost amount used to compute federal income tax?

Yes No

If you answered "No", briefly explain the difference:

(Note: The reason must be deemed reasonable in the circumstances by the Québec Minister of Revenue.)

Does the Resident Holder meet the above requirements allowing for a different federal and Québec tax election?

Yes No

**FORMER SHAREHOLDERS OF TETHYAN RESOURCES PLC
TAX ELECTION QUESTIONNAIRE**

Question #8 continued

Additional Co-owner information (if required)

(please print clearly)

Co-owner #2

- (i) Name of Co-owner
- (ii) Type of Co-owner
 Individual Partnership
 Corporation Trust
- (iii) Is the Co-owner a non-resident of Canada for tax purposes? Yes No
- (iv) Social Insurance Number, Business Number, Trust Account Number or Partnership Number of Co-owner
- (v) Address of Co-owner:
Number and street
City, Province
Postal code
- (vi) Taxation year of Co-owner Y Y Y Y M M D D to Y Y Y Y M M D D
- (vii) Tax Services Office of Co-owner
- (viii) What is the Co-owner's percentage share?

Co-owner #3

- (i) Name of Co-owner
- (ii) Type of Co-owner
 Individual Partnership
 Corporation Trust
- (iii) Is the Co-owner a non-resident of Canada for tax purposes? Yes No
- (iv) Social Insurance Number, Business Number, Trust Account Number or Partnership Number of Co-owner
- (v) Address of Co-owner:
Number and street
City, Province
Postal code
- (vi) Taxation year of Co-owner Y Y Y Y M M D D to Y Y Y Y M M D D
- (vii) Tax Services Office of Co-owner
- (viii) What is the Co-owner's percentage share?

**FORMER SHAREHOLDERS OF TETHYAN RESOURCES PLC
TAX ELECTION QUESTIONNAIRE**

Question #8 continued

Additional Co-owner information (if required)

(please print clearly)

Co-owner #4

- (i) Name of Co-owner
- (ii) Type of Co-owner
 Individual Partnership
 Corporation Trust
- (iii) Is the Co-owner a non-resident of Canada for tax purposes?
 Yes No
- (iv) Social Insurance Number, Business Number, Trust Account Number or Partnership Number of Co-owner
- (v) Address of Co-owner:
Number and street
City, Province
Postal code
- (vi) Taxation year of Co-owner Y Y Y Y M M D D to Y Y Y Y M M D D
- (vii) Tax Services Office of Co-owner
- (viii) What is the Co-owner's percentage share?

Co-owner #5

- (i) Name of Co-owner
- (ii) Type of Co-owner
 Individual Partnership
 Corporation Trust
- (iii) Is the Co-owner a non-resident of Canada for tax purposes?
 Yes No
- (iv) Social Insurance Number, Business Number, Trust Account Number or Partnership Number of Co-owner
- (v) Address of Co-owner:
Number and street
City, Province
Postal code
- (vi) Taxation year of Co-owner Y Y Y Y M M D D to Y Y Y Y M M D D
- (vii) Tax Services Office of Co-owner
- (viii) What is the Co-owner's percentage share?