



B #:	1299-15
Date:	08/26/2015
To:	All Clients
Category:	Dividends
From:	Supervisor, Stock Dividend Department
Attention:	Dividend Managers, Cashiers, and Reorganization Managers
Subject:	Rights Offering: North American Palladium Ltd. CUSIP: 65704X109 Rights CUSIP: 65704X117 Record Date: 08/20/2015 Rights Expire: 09/10/2015 5:00 P.M. (Toronto Time) Rate: One Transferable Right for each Common share held.

*****WARNING TIME CRITICAL*****

North American Palladium Ltd. (“NAP” or the “Company”) is distributing transferable rights to its common stock shareholders of record at the close of business on August 20, 2015 to subscribe up to 49,495,656 new common shares.

The Rights Offering is being made only to those holders of Company common shares in the provinces and territories of Canada and in the United States. However, the Company may accept subscriptions in certain circumstances from persons outside the Eligible Jurisdictions if they determine that the offering to and subscription by such a person or agent is lawful and in compliance with all securities and other laws applicable in the jurisdiction where such person or agent is resident.

Sale or Transfer of Rights (Taken from Company’s Offering Circular)

Holders of Rights in registered form in Eligible Jurisdictions may, instead of exercising their Rights to subscribe for New Common Shares, sell or transfer their Rights to any person that is not an Ineligible Holder by completing Form 3 on the Rights Certificate and delivering the Rights Certificate to the transferee; provided, however, that the Rights may be transferred only in transactions outside of the United States in accordance with Regulation S, which will permit the resale of the Rights by persons through the facilities of the TSX, provided that the offer is not made to a person in the United States, neither the seller nor any person acting on its behalf knows that the transaction has been prearranged with a buyer in the United States, and no “directed selling efforts”, as that term is defined in Regulation S, are conducted in the United States in connection with the resale. Certain additional conditions are applicable to “affiliates” of the Corporation, as that term is defined under the 1933 Act. In order to enforce this resale restriction, U.S. holders of Rights will be required to execute a declaration certifying that such sale is being made outside the United States in accordance with Regulation S, which is included as part of Form 3. See “Rights Offering - How to Complete the Rights Certificate – Form 3 – Transfer of

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Rights”. A permitted transferee of the Rights of a registered holder of a Rights Certificate may exercise the Rights transferred to such permitted transferee without obtaining a new Rights Certificate. If a Rights Certificate is transferred in blank, the Corporation and the Rights Agent may thereafter treat the bearer as the absolute owner of the Rights Certificate for all purposes and neither the Corporation nor the Rights Agent will be affected by any notice to the contrary.

DTC allocated rights on 8/26/2015.

RECORD DATE POSITION INFORMATION SHOULD BE CONFIRMED THROUGH THE CA WEB. PLEASE REFER TO IMPORTANT NOTICE [B#0178-15](#) FOR MORE INFORMATION

IT IS IMPORTANT THAT PARTICIPANTS REFER TO THE DTC REORGANIZATION INQUIRY FOR PARTICIPANTS (RIPS), FUNCTION CODE 59, FOR INFORMATION REGARDING THE SUBSCRIPTION PRIVILEGE AND ANY EXTENSIONS TO THE EXPIRATION DATE.

If Participants have any questions regarding this Important Notice, they may contact DTC’s Customer Help Center at (888) 382-2721.

If Participants have any questions regarding this Rights Offering, please contact the Information Agent, D.F. King & Co., Inc., at 1-800-845-1507 or by email at inquiries@dfking.com.

Important Legal Information: *The Depository Trust Company (“DTC”) does not represent or warrant the accuracy, adequacy, timeliness, completeness or fitness for any particular purpose of the information contained in this communication, which is based in part on information obtained from third parties and not independently verified by DTC and which is provided as is. The information contained in this communication is not intended to be a substitute for obtaining tax advice from an appropriate professional advisor. In providing this communication, DTC shall not be liable for (1) any loss resulting directly or indirectly from mistakes, errors, omissions, interruptions, delays or defects in such communication, unless caused directly by gross negligence or willful misconduct on the part of DTC, and (2) any special, consequential, exemplary, incidental or punitive damages. To ensure compliance with Internal Revenue Service Circular 230, you are hereby notified that: (a) any discussion of federal tax issues contained or referred to herein is not intended or written to be used, and cannot be used, for the purpose of avoiding penalties that maybe imposed under the Internal Revenue Code; and (b) as a matter of policy, DTC does not provide tax, legal or accounting advice and accordingly, you should consult your own tax, legal and accounting advisor before engaging in any transaction.*

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