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- Throughout this presentation our analysis and calculations are based on the financial assumptions below:
 - Closing share prices as at April 24, 2017.
 - Exchange Ratio of 0.3572 Solitario Shares for each one (1) Zazu Share, equal to an offer of \$0.3893 /Zazu share
 - CAD/USD exchange rate of 1.3499 – All figures in CAD unless otherwise noted
 - Commodity Price Assumptions: Zinc - \$1.16/lb, Gold – \$1277.50/oz, Silver – \$17.86/oz, Copper - \$2.55/lb, Lead - \$0.99/lb, Nickel - \$4.39/lb
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Historic Share Exchange Ratio

- The average exchange ratio (Solitario Shares per 1 Zazu Share) over the past three and six months is 0.3113x and 0.2744x respectively
- Solitario's offer of 0.3572x is a 14.7% premium to the companies past 3 months average of 0.3113x
- We note that the exchange ratio has been as low as ~0.15x and as high as ~0.48x since the beginning of 2016



- Mackie Research considered the following analyses, which have been applied using our professional judgment, employing methodologies which, in our view, are relevant to the proposed acquisition:
 - I. Comparable Companies Analysis**
 - MRCC analyzed Zazu's peer group of companies in order to help us determine an implied value range for Zazu's shares
 - II. Precedent Transactions Analysis**
 - MRCC conducted a review of transactions it deemed comparable to Zazu in order to help us to determine an implied value range for Zazu's shares
 - III. Share Trading Analysis**
 - MRCC used several approaches to analyze the trading activity of the shares of Zazu in order to help us determine an implied value range for Zazu's shares
 - IV. Discounted Cash Flow Analysis**
 - MRCC determined a discounted cash flow analysis (DCF) of Zazu's properties to not be a relevant valuation method, due to the early stage nature of the company's projects
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I. Comparable Companies Analysis

As at April 24, 2017

(Output in local currency, unless noted otherwise)

Zinc Exploration & Development Comparables

General			Valuation (\$MM)		Project Location	43-101 Resources			Multiples (C\$/t ZnEq)		
Company Name	Primary	Last	Market	Enterprise		M&I	Inferred	M&I&I	EV /	EV /	EV /
	Ticker	Price				Cap.	Value	Mt ZnEq	Mt ZnEq	Mt ZnEq	M&I
Solitario Exploration & Royalty Corp.	TSX:SLR	\$1.09	\$42.2	\$21.4	Peru	0.4	1.1	1.5	\$51.0	\$19.0	\$13.8
Foran Mining Corporation	TSXV:FOM	\$0.30	\$29.2	\$28.2	Saskatchewan	1.8	1.5	3.4	\$15.4	\$18.4	\$8.4
Southern Silver Exploration Corp.	TSXV:SSV	\$0.43	\$37.0	\$33.8	Mexico	0.3	0.5	0.8	\$133.9	\$62.3	\$42.5
Kootenay Silver Inc	TSXV:KTN	\$0.30	\$52.4	\$45.3	Mexico	1.1	0.3	1.4	\$40.8	\$165.7	\$32.7
Canada Zinc Metals Corp.	TSXV:CZX	\$0.28	\$44.4	\$40.7	British Columbia	3.0	1.0	4.1	\$13.4	\$39.2	\$10.0
InZinc Mining Ltd.	TSXV:IZN	\$0.17	\$12.1	\$11.5	Utah	0.9	2.8	3.7	\$13.2	\$4.1	\$3.1
Rathdowney Resources Ltd.	TSXV:RTH	\$0.25	\$42.4	\$34.8	Poland	0.0	1.7	1.7	N/A	\$21.0	\$21.0
Canadian Zinc Corporation	TSX:CZN	\$0.18	\$47.9	\$38.0	NWT	2.0	1.5	3.5	\$19.5	\$24.6	\$10.9
Callinex Mines Inc.	TSXV:CNX	\$0.31	\$24.0	\$14.1	Newfoundland	0.3	1.1	1.4	\$43.6	\$13.3	\$10.2
Salazar Resources Limited	TSXV:SRL	\$0.14	\$15.4	\$12.9	Ecuador	0.9	0.4	1.3	\$14.6	\$33.2	\$10.2
Average									\$38.4	\$40.1	\$16.3
Median									\$19.5	\$22.8	\$10.5

Sources: S&P Capital IQ, Public Filings

I. Valuation of Zazu Shares Based on Comparable Companies

- Using the comparable metrics analysis, the implied value range per Zazu share based on our selected set of comparable companies is between \$0.262 - \$0.404 per share

	EV / M&I&I (Average)	EV / M&I&I (Median)
Comparable EV/M&I&I (C\$/t ZnEq)	\$16.28	\$10.54
Zazu Mt M&I&I ZnEq	1.372	1.372
Implied Enterprise Value (C\$MM)	\$22.34	\$14.47
Add: Cash (C\$MM)	\$0.12	\$0.12
Less: Debt (C\$MM)	\$0.09	\$0.09
Implied Equity Value (C\$MM)	\$22.36	\$14.49
Implied Value Per Share (C\$)	\$0.404	\$0.262

(1) Assumes an CAD/USD exchange rate of 1.3499

II. Precedent Transactions Analysis

- Based on our experience, MRCC used its discretion in selecting those precedent transactions most applicable to the proposed Solitario transaction
- The set of precedent transactions implies an approximate Enterprise Value EV/t ZnEq of \$23.6 to \$24.5 per t ZnEq. As well the average announced premium for these transactions was 89% based on last close prior to announcement and 113% based on the price 30 days prior to announcement.

General						Deal Premiums			
Announce Date	Target Company / Asset	Acquiring Company	Main Asset Location	Deal Type	Implied EV Value (C\$ MM)	Last Close (%)	30-Day Prior (%)	M&I&I Resources (Mt ZnEq)	EV/ t ZnEq (C\$/t ZnEq)
21-Nov-16	AQM Copper Inc.	Teck Resources Limited	Peru	Cash	\$33.0	53%	92%	1.37	\$24.1
16-May-16	Tamaka Gold Corporation	First Mining Finance Corp.	Ontario	Stock	\$71.2	N/A	N/A	1.15	\$61.9
15-Oct-15	Carlisle Goldfields Limited	Alamos Gold Inc.	Manitoba	Stock	\$27.3	62%	140%	2.35	\$11.6
16-Jul-15	Temex Resources Corp.	Lake Shore Gold Corp.	Ontario	Stock	\$22.9	117%	117%	2.30	\$9.9
30-Jun-15	North Country Gold Corp.	Auryn Resources	Nunavut	Stock	\$21.0	50%	114%	0.82	\$25.6
9-Jun-15	Eagle Hill Exploration Corporation	Oban Mining Corporation	Quebec	Stock	\$18.6	135%	167%	0.80	\$23.1
27-Apr-15	Coastal Gold Corp.	First Mining Finance Corp.	Newfoundland	Stock	\$10.6	200%	200%	0.47	\$22.5
24-Apr-15	Mega Precious Metals Inc.	Yamana Gold Inc.	Manitoba	Stock	\$17.2	150%	150%	2.20	\$7.8
8-Feb-12	Pachamama Resources Ltd	Regulus Resources Inc.	Argentina	Stock	\$43.5	5%	10%	1.68	\$25.9
16-Dec-10	Kria Resources Ltd.	Trevali Mining Corporation	New Brunswick	Stock	\$32.8	32%	27%	1.01	\$32.3
Average						89%	113%	1.42	\$24.5
Median						62%	117%	1.26	\$23.6

Sources: S&P Capital IQ, Corporate Filings

II. Valuation of Zazu Shares Based on Precedent Transactions

- Applying the aforementioned metrics, the implied value range per Zazu share based on our selected set of precedent transactions is between \$0.568 - \$0.617 per share
- The valuation calculated using precedent transaction will yield a higher share price than the company's current share price as a result of the control premium

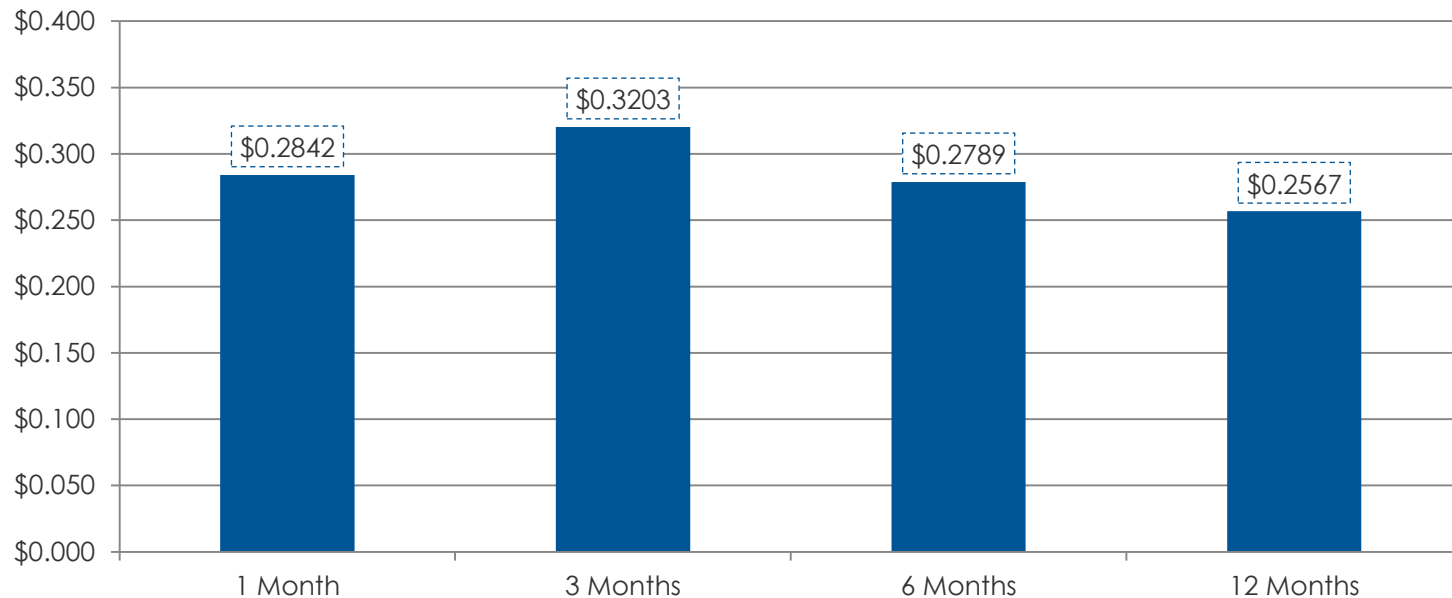
	EV / M&I&I (Median)	EV / M&I&I (Average)
Comparable EV/M&I&I (C\$/t ZnEq)	\$23.64	\$24.49
Zazu M&I&I † ZnEq	1.372	1.372
Implied Enterprise Value (C\$MM)	\$32.44	\$33.60
Add: Cash (C\$MM)	\$0.12	\$0.12
Less: Debt (C\$MM)	\$0.09	\$0.09
Implied Equity Value (C\$MM)	\$32.47	\$33.63
Implied Value Per Share (C\$)	\$0.586	\$0.607

	Announced Premium (Average)	30 Days Prior (Average)
Announced Premium/30 Days Prior	89%	113%
Current Share Price/30 Days Prior	\$0.300	\$0.290
Implied Value Per Share (C\$)	\$0.568	\$0.617

III. Share Trading Analysis: VWAP

- We analyzed a number of trading periods to determine the Volume Weight Average Price (VWAP) for Zazu's shares
- We determined that the range of VWAP periods illustrated below best represented the trading value of Zazu's shares
- Based on the volume weighted average price over the past 1, 3, 6, and 12 months, Zazu's trading has been in the \$0.2567 – \$0.3203 per share range

Zazu – Volume Weighted Average Price



Financial Analysis Summary

- Based on the valuation methodologies discussed previously herein, we estimate the implied value of the Zazu common shares to be approximately between \$20.0 and \$24.7 million or approximately \$0.362 and \$0.447 per Zazu Share

Implied Enterprise Value (C\$MM)

Analysis Type	Range (C\$MM)		% Weight	Contribution Value (C\$MM)	
	Low	High		Low	High
I. Comparable Companies Analysis	\$14.5	\$22.3	33%	\$4.8	\$7.4
II. Precedent Transactions Analysis	\$31.4	\$34.2	33%	\$10.5	\$11.4
III. Share Trading Analysis	\$14.2	\$17.7	33%	\$4.7	\$5.9
IV. Discounted Cash Flow Analysis	n/a	n/a	n/a	n/a	n/a
Total			100%	\$20.0	\$24.7

Implied Value per Share (\$/share)

Analysis Type	Range (C\$/share)		% Weight	Contribution Value (C\$/share)	
	Low	High		Low	High
I. Comparable Companies Analysis	\$0.262	\$0.404	33%	\$0.087	\$0.135
II. Precedent Transactions Analysis	\$0.568	\$0.617	33%	\$0.189	\$0.206
III. Share Trading Analysis	\$0.257	\$0.320	33%	\$0.086	\$0.107
IV. Discounted Cash Flow Analysis	n/a	n/a	n/a	n/a	n/a
Total			100%	\$0.362	\$0.447