ALLADIUM

ABOUT NORTH AMERICAN PALLADIUM

North American Palladium ("NAP") (TSE: PDL) is a Canadian-based precious metals producer with more than 25 years of operating history. NAP's flagship operation, Lac des Iles Mine (LDI), is located in a safe jurisdiction 90 km NW of Thunder Bay, Ontario. LDI features a unique, world-class ore body with modern infrastructure that includes an underground mine and surface operations.

LDI has a steadfast commitment to safety – underscored by zero Lost Time Injuries in 2018.

In 2015, the Company went through a recapitalization that made Brookfield the majority shareholder. New management was brought in to execute an operational and financial turnaround, which have been successfully demonstrated over the last three years.

In 2017, the company made the successful transition to the sublevel shrinkage (SLS) mining method in the lower part of the mine, resulting in increased total ore recovery, lower operating costs, higher production rates and improved geotechnical ground conditions.

NAP is the world's only company focused purely on producing palladium and it has established infrastructure, a considerable exploration portfolio and significant mine life upside.

LAC DES ILES MINE – LOCATED IN ONTARIO

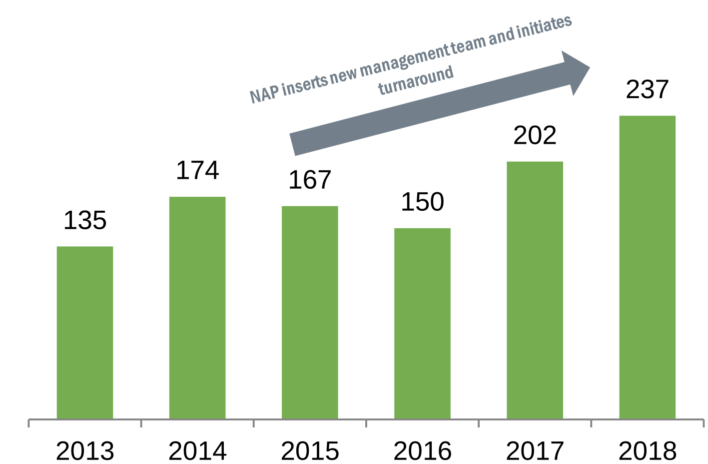
Capitalization (balance sheet as at September 30, 2018)					
Share Price (7-Feb-19)	(C$/share)	$15.00	Debt	(C$ mm)	$74
FD ITM Shares Outstanding	(mm)	60	Cash	(C$ mm)	$20
			ITM Proceeds	(C$ mm)	$9
Market Capitalization	**(C$ mm)**	**$894**	**Enterprise Value**	**(C$ mm)**	**$939**

INVESTMENT HIGHLIGHTS

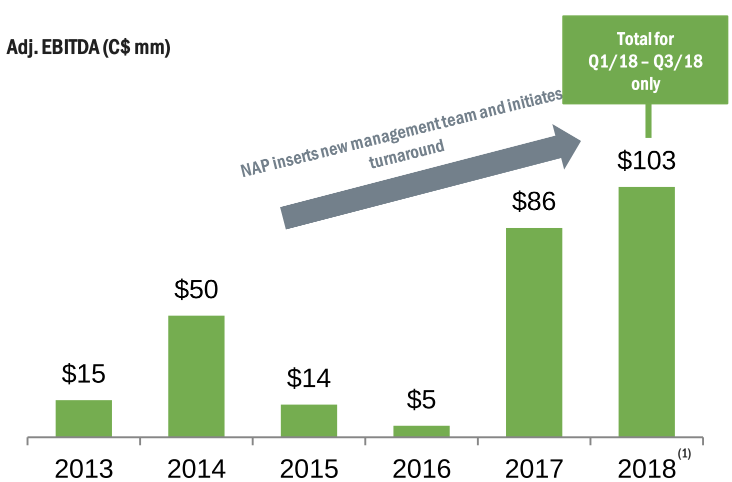
1. **Full exposure to palladium production from a Canadian mine with more than 25 years of operations that is generating strong free cash flow**
2. **Current Feasibility Study shows 9 years of low-cost production based on reserves at US$940 / oz Pd**
3. **Considerable exploration portfolio shows mine life upside potential**
4. **Compelling palladium fundamentals driven by rising demand and constrained supply**
5. **Led by highly-experienced management team and Board with support of major shareholder**

SUCCESSFUL OPERATIONAL TURNAROUND

Payable Palladium Production (Koz)



Adj. EBITDA (C$ mm)



[1] Calculated using Q1-Q3 2018 Adj. EBITDA (2018 FY financials scheduled for release on 14-Feb-19).

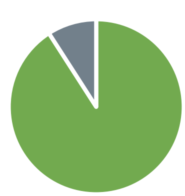
STRONG MANAGEMENT AND BOARD WITH SUPPORTIVE SHAREHOLDER

Management

Jim Gallagher - President & CEO
Timothy Hill - VP, Finance & CFO
David Peck - VP, Exploration

Ownership

Other 9.1%
Brookfield 90.9%



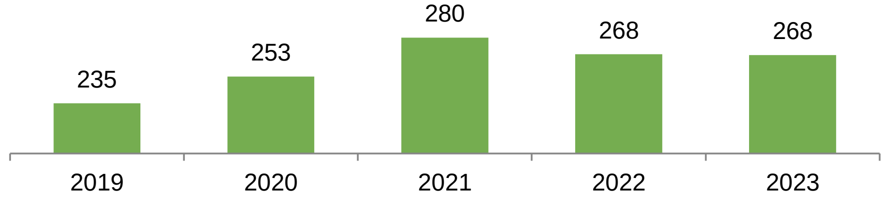
Board

Peter Gordon - Chairman
Dean Chambers - Independent Director
David Nowak - Director
John Jentz - Independent Director
Gregory Fauquier - Independent Director

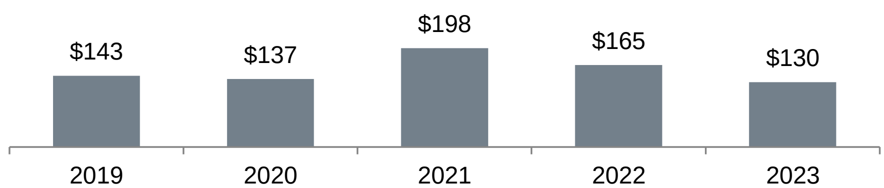
HIGHLY-ATTRACTIVE ECONOMICS IN UPDATED FEASIBILITY STUDY (OCT. 2018)

Palladium Reserves (Contained)	3.038 Moz
Palladium Reserve Grade	2.31 g/t
Mill Throughput	12,238 tpd
Payable Palladium Production (annual)	255 koz
Mine Life	9 years
Average Annual AISC	US$622 / oz [1]
Average Annual EBITDA	C$167 mm [2]
After-tax $NPV_{(8\%)}$ @ US$1,040 / oz Pd	C$637 mm [3]
After-tax $NPV_{(8\%)}$ @ US$1,250 / oz Pd	C$1,108 mm [4]

Payable Palladium Production (Koz)



After-tax Cash Flow Profile At US$1,250 / Oz Pd [4] (C$ Mm)



SIGNIFICANT EXPLORATION UPSIDE

Expansion of Existing Reserves

2018 Feasibility Study delivered 3 Moz of reserves

Camp Lake is a high-priority target for further expansion at depth

Immediate Minesite Opportunities

Encouraging results from Creek Zone in 2018

47m @ 2.36 g/t Pd incl.
13m @ 5.18 g/t Pd

Creek Zone is a high-priority in 2019; located less than 2 km from minesite

Greenfields Portfolio

Portfolio of early-stage projects (incl. Sunday Lake property)

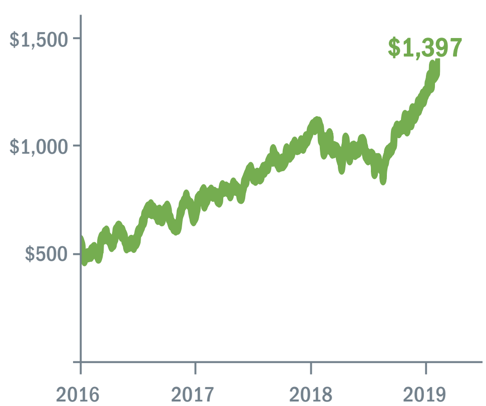
Major geophysical campaign in 2019, initial drilling in 2019 and 2020

COMPELLING PALLADIUM FUNDAMENTALS

Palladium Demand on the Rise

- Environmental concerns and strict global emissions standards are causing a significant increase of palladium use in gasoline vehicles
- Shift from diesel to gasoline engines and hybrid vehicles due to diesel's inability to meet standards
- Real Driving Emissions (RDE) tests reflect strengthening global emissions legislation

Palladium Price (US$ / Oz)



Supply Deficit Expected to Continue

- Supply response by palladium producers remains highly inelastic due to the metals' by-product nature (90% of palladium comes from base metals and platinum production as primary commodity)
- ~80% of primary palladium supply comes from regions with high political and economic risk (Russia and South Africa)
- Hybrids require higher palladium loadings

Palladium is one of the best-performing metals, and is expected to remain in a supply deficit for years to come.

[1] Net of by-product revenue. [2] Total LOM EBITDA averaged over 9-year LOM. [3] Assumes a USD/CAD exchange rate of 1.25x. [4] Assumes a USD/CAD exchange rate of 1.35x.