

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

In re PRETIUM RESOURCES INC.
SECURITIES LITIGATION

)
) Master File No. Case No.: 13-CV-7552 (PGG)
)
) CLASS ACTION

This Document Relates To: All Actions

CONSOLIDATED AMENDED CLASS ACTION COMPLAINT

Lead Plaintiff, the Pretium Investment Group (“Lead Plaintiff”), and additional plaintiff Michael Yeo, individually and on behalf of all other persons similarly situated, by their undersigned attorneys, for their complaint against defendants, allege the following based upon their members’ personal knowledge as to themselves and their own acts, and information and belief as to all other matters, based upon, *inter alia*, the investigation conducted by and through their attorneys, which included, among other things, a review of the defendants’ public documents, conference calls and announcements made by defendants, United States Securities and Exchange Commission (“SEC”) filings, wire and press releases published by and regarding Pretium Resources, Inc. (“Pretium” or the “Company”), analysts’ reports and advisories about the Company, and information readily obtainable on the Internet. Plaintiffs believe that substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery.

NATURE OF THE ACTION

1. This is a federal securities class action on behalf of a class consisting of all persons other than defendants who purchased Pretium securities between November 20, 2012 and October 21, 2013, inclusive (the “Class Period”), seeking to recover damages caused by defendants’

violations of the federal securities laws and to pursue remedies under the Securities Exchange Act of 1934 (the “Exchange Act”).

2. Pretium is an exploration and development company that was formed in 2010 for the acquisition, exploration and development of precious metal resource properties in the Americas. The Company’s main mineral project – and the only project currently in development – is the Brucejack Project, an advanced stage exploration project located in north-western British Columbia.

3. Since December 2010, Pretium has maintained that it “is creating *value through gold*,” and has touted the Brucejack Project as a high-production, high grade resource, with the potential to become a very profitable underground mining operation over its estimated 22 year life span. However, unless Pretium can corroborate these claims, it is unlikely that the Company can raise sufficient capital to finance its continued exploration, development, and production activities, which will cost in excess of \$660 million in initial capital costs alone. Thus, the Company’s future hinges on proving the economic feasibility of mining the gold and silver resources located at the Brucejack Project.

4. As part of its ongoing development efforts, in November 2012, Pretium released very positive results from a resource estimate conducted by Snowden Mining Industry Consultants (“Snowden”) for the Valley of the Kings zone (the “VOK”) of the Brucejack Project (the “2012 Resource Report”). Based upon Snowden’s resource model, the 2012 Resource Report estimated that the VOK contained indicated gold resources of 16.1 million tons at a grade of 16.4 grams/ton and inferred resources of 5.4 million tons at a grade of 17.0 grams/ton. Both the amounts and the grade of the indicated and inferred gold resources supported the view that continued exploration and development of the Brucejack Project ultimately would be very profitable.

5. Thereafter, Pretium was determined to do whatever was necessary to substantiate the 2012 Resource Report and advance the Brucejack Project. First, the Company devised the Valley of the Kings Bulk Sample Program (the “Program”), which consisted of two elements: excavation of a 10,000 ton bulk sample (the “Bulk Sample”) and a 15,000-meter underground drill program. Pretium banked on the Program verifying the 2012 Resource Report, thereby solidifying the Company’s future. In January 2013, Pretium hired Strathcona Mineral Services Ltd. (“Strathcona”), a highly respected mining consulting firm, as the independent Qualified Person to oversee and report on the Bulk Sample aspect of the Program.

6. Although Strathcona’s report was not scheduled to be released until compilation of all data at year end, the Company began announcing preliminary assay results from underground drilling in the Bulk Sample area in May 2013. The Company’s reporting of large quantities of high grade material seemed to confirm the accuracy of Snowden’s resource model in the 2012 Resource Report. While the Program was incomplete and the 2012 Resource Report remained unverified, the Company proceeded to file its Feasibility Study, again bolstering the view that the Brucejack Project would be a high production, high grade mine.

7. However, unbeknownst to investors, the Bulk Sample Program was not proceeding as Pretium hoped. For months, Strathcona warned Pretium that it did not believe that the 2012 Resource Report was correct, and that the Valley of Kings did not contain anything near the quantities of gold estimated by Snowden and likely could not be mined using less costly, bulk-mining techniques as the Company envisioned. As test results from the Bulk Sample and other data were analyzed, Strathcona’s position only strengthened, and Strathcona advised Pretium to tell investors that “the resource model was not panning out.”

8. Rather than risk derailing the Brucejack Project by disclosing Strathcona's concerns and all the results from the Program, the Company opted to continue drilling in the hope that it would find economically feasible pockets of gold, which it could report to investors. Then, in July 2013, the Company literally struck gold, announcing the discovery of the Cleopatra vein, an extreme grade mineralization deposit that had been projected by the 2012 Resource Report. Although Pretium had been aware of the Cleopatra Vein's existence for some time, the Company immediately began reporting drilling results from this high grade deposit, attempting to convince the market that the results derived from this narrow Vein were somehow representative of the entire Valley of the Kings.

9. Thereafter, Defendants determined to re-focus the Program so that the Bulk Sample would include more material from the gold-rich Cleopatra vein and less from other areas, which contained only lower-grade, minimally-economically viable material. In addition, Defendants expanded underground drilling and continued to drill perpendicular to and along the strike of the Cleopatra Vein, increasing the frequency of high-grade intercepts and then announcing the results, a method considered unreliable precisely because it creates the appearance that the Company is making new "discoveries," when in actuality, it is simply finding the same material it already knew existed. By tilting the Bulk Sample and expanding drilling to emphasize the Cleopatra Vein, Pretium sought to rig the outcome of the Program.

10. Strathcona vociferously objected to Pretium's attempt to shift the Program mid-stream, but once again, Pretium failed to heed Strathcona's advice. Instead of disclosing this disagreement with its expert or, for that matter, any of the other available data that would have revealed the flaws in the 2012 Resource Report, in August 2013, Pretium deliberately misled investors by announcing that "[p]lanning is underway with [Strathcona] to increase the portion of

the bulk sample tonnage testing the higher grade blocks...,” which had been discovered in the Cleopatra vein. Furthermore, the Company announced “bonanza-grade intercepts,” such as “1,065 grams of gold per tonne uncut over 5.18 meters, including 10,850 grams of gold per tonne over .5 meters.” These intercepts were mainly from the Cleopatra Vein and were intended to bolster the impression that the Brucejack Project was a high-production, high grade mining resource.

11. When Strathcona could not be convinced to change course, Pretium reassigned Strathcona’s responsibilities for the Program to Snowden, basically allowing Snowden to verify its own model. Then, on October 9, 2013, the Company shocked investors by disclosing that Strathcona had abruptly resigned from the engagement. On this news, Pretium shares declined \$2.07 per share or over 30%, to close at \$4.70 per share on October 9, 2013.

12. On October 22, 2013, as Pretium’s stock price continued to decline, the Company issued a press release explaining the reasons for Strathcona’s resignation. Specifically, the Company was forced to reveal that Strathcona had advised the Company that:

[T]here are no valid gold mineral resources for the VOK Zone, and without mineral resources there can be no mineral reserves, and without mineral reserves there can be no basis for a Feasibility Study ...

[S]tatements included in all recent press releases [by Pretium] about probable mineral reserves and future gold production [from the Valley of the Kings zone] over a 22-year mine life are erroneous and misleading.

13. In an effort to cushion the impact of this disclosure, Pretium criticized Strathcona’s conclusions as premature and claimed that Strathcona should have waited for the Program to be complete, even though the Company itself had been announcing favorable drilling results for months. Moreover, for the first time, the Company contended that “Pretium management and Snowden also share significant concerns that the sampling tower approach for the Valley of the Kings deposit may be flawed.” Irrespective of these attempts to backtrack from the Program,

Pretium shares declined \$1.27 per share, or over 27%, to close at \$3.36 per share on October 22, 2013.

14. Since then, Pretium has continued to insist that the 2012 Resource Report has been confirmed, and that the Company has “increased confidence” in the value of the Brucejack Project. However, these assertions are belied by additional information provided by Strathcona, as well as by actual data from the Bulk Sample and the revised resource estimate prepared in December 2013, which demonstrate that the Company deliberately manipulated the Program to achieve positive results in order to conceal the truth about the economic viability of the Brucejack Project.

15. First, on November 25, 2013, in an interview with *The Northern Miner*, Strathcona’s founder and president, Graham Farquharson finally had an opportunity to explain Strathcona’s position that the Program did not validate Snowden’s model or the resource estimates in the 2012 Resource Report. As Farquharson stated in the interview:

[T]he main item was that we found the bulk sample program, which was composed of different phases (underground drilling, underground geological mapping, and the results of the sample tower), the main objective of all that was validation of the resource model that Snowden had prepared in November of 2012.

That was the basis for the feasibility study that Pretium did in June of this year, which suggested it was going to be a big mine producing 425,000 ounces of gold a year for the next ten years, within a 22 year mine life. All that was based on the Snowden model, which had 16 million tonnes with a grade of 16 grams per tonne in the indicated category and a further quantity in the inferred category—and we didn’t find that.

And Pretium didn’t find that, when they did all the underground drilling and geological mapping and the results from the sample tower and so on, so we told them on several occasions that they should be alerting the world that the resource model was not panning out. The whole objective of the bulk sample program was to confirm whether or not the resource model was valid and we said it wasn’t.

16. Farquharson further explained that results from the Program were skewed by the discovery of the Cleopatra vein, which is high grade, but very narrow, and “not representative of the rest” of the VOK. By increasing the tonnage from the Cleopatra Vein, the Bulk Sample seemed to be of a higher grade and higher production value than could realistically be achieved. In reality, as Farquharson stated, “[Strathcona] told Pretium that, from all the drilling they’ve done – and it’s a heck of a lot of drilling – and with the sample tower results and so on, none of those come anywhere close to finding a grade of 16 grams per tonne, which is what allows bulk-mining methods.”

17. Farquharson confirmed that Strathcona repeatedly told Pretium that “they should be alerting the world that the resource model was not panning out,” but “they’ve been slow to accept that, because **it does make a big change from what they’ve been telling the markets.** But we’re absolutely convinced that if this is what the results indicate, then **you should tell the world.**” When Pretium declined to do so, Strathcona “gave a lengthy letter to Pretium with [its] reasons for withdrawing.” To date, Pretium has not provided investors with a complete copy of that letter.

18. Second, to the extent there were disagreements with Strathcona or, as Pretium now contends, the Program was flawed, that information was material to investors and should have been disclosed. Instead, Pretium expanded the drilling program and then flooded the market with selectively-disclosed, favorable results, which seemed to confirm the 2012 Resource Report, while withholding results from tower samples and other assays that the Company claimed were too preliminary, but which would have given investors a more balanced, accurate assessment of the Brucejack Project.

19. As more material was tested, and it was evident that the Bulk Sample was not producing the desired result, Pretium opted to exploit the Cleopatra vein, further expanding its drilling program and including more higher-grade material from this isolated, geologically-different source, thereby creating a false impression that results achieved from sampling in this area were typical and could be expected throughout the VOK.

20. Third, despite Pretium's claims to the contrary, the revised resource estimate prepared by Snowden in December 2013 (the "2013 Resource Report") demonstrates that Pretium manipulated the Bulk Sample Program to obtain the desired outcome and thereby keep its stock price artificially inflated. Specifically, despite the fact that the milled results from the Bulk Sample seem extremely positive, yielding 5,923 ounces of gold at an average grade of 17.88 grams per ton, the grading for every mineral resource estimate from the 2012 Resource Report nevertheless has been revised *downward*. In fact, three of the five reported crosscuts are now estimated to contain material at a grade below 5 grams per ton, the threshold for material to be considered economically feasible to mine. The remaining two crosscuts, which comprise nearly half the total tonnage from the Bulk Sample and which indicate high grade material, intersect the Cleopatra Vein, illustrating the extent to which the milled results are skewed by over-inclusion of material from that one source.

21. Overall, the average grade has declined from an estimated 15.84 grams per ton in the 2012 Resource Report to 12.20 grams per ton in the 2013 Resource Report, and the total amount of gold in the VOK has been revised from an estimated 5,248 ounces to 4,096 ounces, a decrease of approximately 22 percent from the 2012 Resource Report and an approximately 30 percent difference from the Bulk Sample results. These disparities reveal that the Program not only failed to validate the 2012 Resource Report, but it was not considered predicative at all in

estimating the resources at VOK. Moreover, as data from the Bulk Sample became available, Pretium knew months before Strathcona's resignation that the 2012 Resource Model was not, as Strathcona argued, "panning out."

22. Unable to maintain the façade that the Brucejack Project contains the quantities of high grade material touted by the Company, the 2013 Resource Report concedes, "There are less tonnes at a higher grade in the December 2013 Mineral Resource above a 5 g/t AUEq cut-off ... than in the November 2012 estimate," which is exactly what Strathcona had been telling Pretium all along. As Mr. Farquharson explained in the *Northern Miner* interview, "[T]hey will not have a mine producing 425,000 oz. a year for the next 20 years, as they have been advertising so far."

23. Thus, throughout the Class Period, Defendants made false and/or misleading statements, as well as failed to disclose material adverse facts about the Company's business, operations, and prospects. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that, *inter alia*: (1) the 2012 Resource Report, which formed the basis for the Company's Feasibility Study, overestimated the quantity and quality of economically-viable resources; (2) when the Bulk Sample failed to validate the 2012 Resource Report, Pretium altered the Program and over-sampled from the Cleopatra Vein in an effort to manipulate the results; (3) Pretium ignored numerous red flags raised by Strathcona indicating that the 2012 Resource Report was not "panning out," instead creating the misimpression that Strathcona continued to support the Program; and (4) Pretium ignored Strathcona's concerns, expanded drilling in the Cleopatra Vein, and then selectively disclosed favorable confirmatory information in order to deceive investors and prop up the Company's stock price.

24. As a result of Defendants' wrongful acts and omissions, and the precipitous decline in the market value of the Company's securities, Plaintiffs and other Class members have suffered significant damages.

JURISDICTION AND VENUE

25. The claims asserted herein arise under and pursuant to Sections 10(b) and 20(a) of the Exchange Act, 15 U.S.C. §§ 78j(b) and 78t(a), and Rule 10b-5 promulgated thereunder by the SEC, 17 C.F.R § 240.10b-5.

26. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§ 1331 and 1337, and Section 27 of the Exchange Act, 15 U.S.C. § 78aa.

27. Venue is proper in this District pursuant to Section 27 of the Exchange Act, and 28 U.S.C. § 1391(b). Pretium securities are traded within this District and many of the acts and practices complained of occurred in substantial part herein.

28. In connection with the acts alleged in this complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications, and the facilities of the national securities markets.

PARTIES

29. Lead Plaintiff is comprised of members Gary Martin, Merton K.W. Chang, and Sandra Lee Reyes-Troyer. As set forth in the Certifications previously filed in this Action, incorporated by reference herein, each of Lead Plaintiff's members purchased Pretium securities at artificially inflated prices during the Class Period and was damaged upon the publication of the alleged corrective disclosures.

30. Additional Plaintiff Michael Yeo purchased Pretium securities at artificially inflated prices during the Class Period, as set forth in his previously filed Certification, incorporated by reference herein, and was damaged upon the publication of the alleged corrective disclosures.

31. Defendant Pretium is a corporation organized under the laws of the state of Canada, maintaining its principal place of business at 570 Granville Street, Suite 1600, Vancouver, British Columbia, Canada V6C 3P1. Pretium's common stock trades on the New York Stock Exchange ("NYSE") under the ticker symbol "PVG."

32. Defendant Robert A. Quartermain ("Quartermain") has served as the Company's President, Chief Executive Officer and Director at all relevant times.

33. Defendant Peter de Visser ("Visser") has served as the Company's Chief Financial Officer at all relevant times.

34. Defendant Kenneth C. McNaughton ("McNaughton") has served as the Company's Vice President and Chief Exploration Officer at all relevant times.

35. The defendants referenced above in ¶¶ 32 through 34 are referred to herein as the "Individual Defendants."

SUBSTANTIVE ALLEGATIONS

Pretium Is Formed To Develop The Brucejack Project

36. Pretium is an exploration and development company that was formed by Defendant Quartermain for the acquisition, exploration and development of precious metal resource properties in the Americas. On October 28, 2010, Pretium acquired a 100 percent interest in the Brucejack Project, along with the Snowfield Project and other associated assets, from Silver Standard Resources Inc. ("Silver Standard") for an aggregate acquisition price of \$450 million,

consisting of a cash payment of \$233,020,000 and the issuance of a total of 36,163,333 common shares of Pretium.

37. Pretium proudly proclaims in its public disclosures that it “is creating *value through gold*.” Presently, the Company’s business is focused exclusively on exploration and development efforts related to the Brucejack Project. Pretium anticipates that “in the absence of additional mineral projects, the Company will be solely dependent upon the Brucejack Project for its revenue and profits.”

38. As the Company also has acknowledged, it currently has limited financial resources and generates no operating revenue. As explained in its 2012 Annual Report, “In the future, [Pretium’s] ability to continue exploration, and development and production activities, if any, will depend on [the Company’s] ability to obtain additional external financing. Any unexpected costs, problems or delays could severely impact [Pretium’s] ability to continue exploration and development activities.”

39. Thus, Pretium faces a difficult challenge: It must demonstrate that the Brucejack Project contains sufficient resources in order to attract and retain investors, otherwise it will be unable to finance continued exploration that may lead to development of a potentially profitable gold mine.

The 2012 Resource Report Supports Pretium’s Plans For The Brucejack Project

40. Following the exploration activities completed by Silver Standard, Pretium developed a drilling program focused on the Valley of the Kings area (“VOK”) of the Brucejack Project, which was believed to contain high grade materials. In November 2012, the Company retained Snowden to prepare an updated mineral resource estimate for the VOK based, in part, on the results from the expanded drilling program (the “2012 Resource Report”).

41. Because the quantity and quality of a mineralized deposit cannot be fully known until material is actually mined, calculation of mineral resource estimates requires the use of sophisticated modeling techniques, which analyze results from drilling, sampling, and other methods in order to predict, with some degree of mathematical certainty, the expected content of that resource.

42. In the case of the VOK, the data was considered “highly skewed,” meaning that high grade mineralization and the majority of the metal were located in less than 5 percent of the data. To address the variances in the data, Snowden separated the lower grade and higher grade populations and then employed an estimation technique known as Multiple Indicator Kriging in order to calculate resource estimates for the VOK as a whole. This statistical methodology is considered non-standard and challenging to apply, and as a result, has been utilized with less frequency in the industry to perform estimates for operating mines.

43. On November 20, 2012, the Company issued a press release announcing Snowden’s revised estimates and the filing of the 2012 Resource Report. Specifically, Pretium advised investors that for the VOK, Indicated Mineral Resources, which are defined as that part of a mineral resource for which quantity, grade, and other characteristics can be estimated at a level of confidence sufficient to support mine planning and evaluation of economic viability, increased by 66 percent from prior estimates, to 8.5 million ounces of gold at a cut-off grade of 5 grams of gold equivalent per tonne. The cut-off grade of 5 grams of gold equivalent per tonne was significant, because it represented the minimum grade required in order for material to be considered economically feasible to mine. In addition, Snowden’s resource model found that both Indicated Mineral Resources and Inferred Mineral Resources contained high grade, economically-viable

material, estimated at 16.4 grams per ton (“g/t”) for Indicated Mineral Resources and 17.0 g/t for Inferred Mineral Resources.

44. The 2012 Resource Report was an invaluable asset if the Company hoped to develop the Brucejack Project, but only if Snowden’s model could be verified. Armed with these favorable results, the Company announced that it would move forward with a bulk sample program, which would demonstrate the continuity of high-grade gold mineralization in the VOK and substantiate Snowden’s estimates.

Pretium Launches The Bulk Sample Program

45. In January 2013, Pretium engaged Strathcona, a highly-regarded mining consulting firm, as an additional independent Qualified Person to oversee and report on a 10,000 bulk sample (the “Bulk Sample”) that would be excavated from the VOK and subjected to various testing both onsite through a sample tower and offsite through a processing mill. Based on Strathcona’s criteria, the Bulk Sample was supposed to be selected from an area consistent with the mineralized domains utilized to in the 2012 Resource Report and representative of the VOK overall. This design was intended to confirm the 2012 Resource Report’s accuracy. The Bulk Sample Program also involved approximately 15,000 meters of underground drilling in the same area.

46. In May 2013, Pretium determined that it would report results from underground drilling as they were received, while Strathcona’s report would await compilation of all bulk sample data. Not surprisingly, within a few weeks, Pretium announced that the first underground drilling hole “intersected visible gold and confirms the projection of high-grade gold mineralized domains.” Indeed, the assay results from the drilling showed gold at a grade of 21.57 g/t, indicative of a high-quality resource. Additional favorable drilling results were released throughout June

2013, again appearing to substantiate that, as predicted, the Brucejack Project contained high quantities of high grade material.

47. Pretium was not required to disclose any information from the Program while it was in process. However, by choosing to selectively disclose only favorable preliminary results, while withholding other material information that would have allowed investors to fully assess the status of the Program and the accuracy of the 2012 Resource Report, Defendants' statements to investors were false and misleading.

48. Strathcona also believed that selective disclosure of preliminary drilling results was misleading to investors, especially because the Bulk Sample was not yielding the results Pretium hoped. Strathcona began raising objections with Pretium, challenging Snowden's model and the estimates contained in the 2012 Resource Report and insisting that the analysis of the data did not support Pretium's claims that the Brucejack Project was a high production, high grade resource. Strathcona encouraged Pretium to be forthcoming to investors, but Pretium ignored Strathcona's advice and plowed ahead.

49. In June 2013, Pretium announced completion of the Feasibility Study and Technical Report on the Brucejack Project (the "Feasibility Study"). The Feasibility Study utilized the 2012 Resource Report as the basis for its economic analysis of the costs and potential rates of return in continuing development of the VOK and the Brucejack Project, even though the Bulk Sample Program was still underway and the 2012 Resource Report had not been verified. The Feasibility Study projected initial capital costs of approximately \$660 million, plus operating costs of approximately \$156 million per ton milled. However, based upon the mineral resource estimates in the 2012 Resource Report, the Brucejack Project yielded an estimated 42.9% Internal Rate of

Return and over \$2 billion Net Present Value at a 5% discount rate, once again boosting investor confidence that this was a high production, high grade resource.

The Bulk Sample Program Is Altered To Exploit The Discovery Of The Cleopatra Vein

50. Then, in July 2013, the Company announced the discovery of the Cleopatra Vein in the VOK. The Cleopatra Vein is a narrow, but very rich mineralized deposit believed to contain very high-grade gold. It was discovered during excavation of an area projected to contain extreme grade mineralization in the 2012 Resource Report. The high-grade drilling results that accompanied this announcement all came from the Cleopatra Vein, which the Company already knew existed. However, throughout the Class Period, the Company failed to disclose to investors that the majority of the drilling results it was reporting to investors were derived from the Cleopatra Vein and were not representative of the rest of the VOK or the Brucejack Project overall.

51. At this point, investors only knew about the favorable drilling results, which continued to confirm the Company's statements about the value of the Brucejack Project, although Strathcona raised numerous red flags concerning other contradictory information that was available to Defendants, including the fact that testing of the Bulk Sample from the onsite sample tower did not support the mineral resource estimates in the 2012 Resource Report. Yet, based upon the skewed results reported from Cleopatra, Pretium seemed to be on the verge of confirming the 2012 Resource Report, as well as the Feasibility Report, which would allow the Company to move forward with exploration and development.

52. Unbeknownst to investors, it was exactly at this juncture that Pretium sought to capitalize on the "discovery" of the Cleopatra Vein and conceal any contradictory results that could potentially derail the Brucejack Project. Pretium expanded its drilling program in the Cleopatra Vein, essentially digging deeper into the same narrow area and along the strike line, a method

considered unreliable precisely because it hits the same high-grade material over and over, creating a misleading impression about the size and extent of the area, which in this case, was not representative of the VOK overall.

53. On August 1, 2013, after selectively disclosing still more favorable drilling results, Pretium announced, “Planning is underway with [Strathcona] to increase the portion of the bulk sample tonnage testing the higher grade blocks in the Indicated Mineral Resource estimate to the east of the 426600E cross-cut and decrease the portion of the bulk sample tonnage to the west of the 426600E cross-cut.” In other words, Pretium wanted to test more material from the Cleopatra Vein, which it already knew was extremely high-grade. Moreover, Pretium wanted investors to believe that Strathcona was on board with this plan, despite Strathcona’s repeated insistence that Pretium needed to disclose that the Bulk Sample Program did not support its claims about the Brucejack Project.

54. In addition, on September 9, 2013, the Company reported that the underground drilling aspect of the Program had been expanded from 15,000 meters to 16,500 meters, and that “[a]pproximately 10,000 meters of underground exploration drilling is expected to be completed in addition to the 16,500 meters of drilling included in the Program,” all of which was perpendicular to and along the strike of the Cleopatra Vein. This expansion of the drilling program was intended to mitigate the impact of testing results from the Bulk Sample, which at that point, were not substantiating the 2012 Resource Report. By flooding the market with positive drilling results, which unbeknownst to investors, contained disproportionate sampling from the narrow, high-grade Cleopatra Vein, Pretium perpetrated the false belief that the Brucejack Project still had the potential to be a high-production, high grade mining operation.

Strathcona Abruptly Resigns, And The Truth Is Revealed

55. The first warning signs that neither the Bulk Sample Program nor the Brucejack Project were living up to expectations appeared in a press release issued on October 3, 2013.

56. First, Pretium announced Snowden's expanded role, which would now include responsibility for reviewing and signing off on results of processing the Bulk Sample, which would be sent to an offsite mill for further analysis. Prior to this announcement, Strathcona was charged with overseeing the Bulk Sample Program. The significance of this change would soon be apparent.

57. Second, Pretium modified the timetable for reporting results from the Program so that the outcome of the mill processing would be made available in the fourth quarter of 2013, whereas Strathcona's report was pushed off until early 2014. In yet another indication that the Bulk Sample Program was not yielding expected results, Pretium sought to condition the market once again – this time, with selective disclosure of mill results that Pretium knew would be favorable because of the over-inclusion of material from the Cleopatra Vein – before Strathcona would ever have an opportunity to discuss its findings.

58. Third, Pretium appeared to be taking steps to shore up the 2012 Resource Report, irrespective of Strathcona's analysis of the Bulk Sample. For instance, additional underground and surface drilling of the Cleopatra Vein was already being proposed, as well as metallic screen assaying of the sample tower splits, which was cumulative and unnecessary unless the Bulk Sample was not generating the expected results.

59. Then, on October 9, 2013, just six days after this announcement, Pretium was forced to announce that Strathcona had resigned from the Brucejack Project. On this news, Pretium shares declined \$2.07 per share or over 30%, to close at \$4.70 per share on October 9,

2013. The trading volume for that day was over 3.5 million shares, well in excess of the average trading volume of approximately 600,000 shares per day during that period.

60. It took Pretium nearly two more weeks before investors had any information concerning the reasons for Strathcona's withdrawal. In a press release issued on October 22, 2013, the Company revealed that Strathcona advised Pretium that:

[T]here are no valid gold mineral resources for the VOK Zone, and without mineral resources there can be no mineral reserves, and without mineral reserves there can be no basis for a Feasibility Study ...

[S]tatements included in all recent press releases [by Pretium] about probable mineral reserves and future gold production [from the Valley of the Kings zone] over a 22-year mine life are erroneous and misleading.

61. In addition, the Company was forced to acknowledge that Strathcona advised: "The infrequent high-grade intercepts reported in the press releases have been shown in the underground exposures of the bulk sample program to usually be of very narrow width (0.5 meters) and associated with narrow geological structures that occasionally have mineable continuity as in the case of the Cleopatra Vein." In other words, Strathcona did not believe that the favorable drilling results were indicative of a high-production, high grade resource as the Company had promoted, because those results were obtained from narrow areas, like the Cleopatra Vein, which were infrequent and could not be mined using bulk mining methods. In addition, as Pretium was well aware, Strathcona did not consider the Cleopatra Vein representative of either the VOK or the Brucejack Project overall, and thus believed the selective disclosure of drilling results from this Vein was *per se* misleading.

62. Pretium immediately attempted to back-track from the Bulk Sample, criticizing Strathcona for reaching its conclusions prematurely and for insisting that public disclosure was necessary before all the data was compiled. Meanwhile, Pretium had been conditioning the market

for months, enticing investors to believe that the Company was sitting on one of the richest, newly-discovered deposits of gold in the world, when in fact, the Program designed by the Company had failed to substantiate its claims. Additionally, the Company suddenly revealed that “Pretium management and Snowden also share significant concerns that the sampling tower approach for the Valley of the Kings deposit may be flawed,” and that the “true test” of the 2012 Resource Report would have to await reconciliation of all results after processing of the Bulk Sample was complete.

63. On this news, Pretium shares declined a further \$1.27 per share, or over 27%, to close at \$3.36 per share, trading at a volume of over 5.5 million shares, on October 22, 2013.

Strathcona Speaks Out

64. On November 25, 2013, investors finally had an opportunity to hear from Strathcona. In an interview with *The Northern Miner*, Graham Farquharson, founder and CEO of Strathcona, provided more detail concerning the reasons for Strathcona’s withdrawal and its opinion of the Brucejack Project.

65. Specifically, Farquharson stated in the interview:

[T]he main item was that we found the bulk sample program, which was composed of different phases (underground drilling, underground geological mapping, and the results of the sample tower), the main objective of all that was validation of the resource model that Snowden had prepared in November of 2012.

That was the basis for the feasibility study that Pretium did in June of this year, which suggested it was going to be a big mine producing 425,000 ounces of gold a year for the next ten years, within a 22 year mine life. All that was based on the Snowden model, which had 16 million tonnes with a grade of 16 grams per tonne in the indicated category and a further quantity in the inferred category—and *we didn’t find that*.

And Pretium didn’t find that, when they did *all* the underground drilling and geological mapping and the results from the sample tower and so on, so we told them on several occasions that they should be alerting the world that

the resource model was not panning out. The whole objective of the bulk sample program was to confirm whether or not the resource model was valid and *we said it wasn't.*

66. Farquharson clarified that Strathcona's withdrawal did not have to do with disagreement over sampling methodologies, or assessment of the total amount of gold extracted from the Bulk Sample. To the contrary, according to Farquharson, Strathcona withdrew because, at every stage of the Bulk Sample Program (underground drilling, underground mapping, tower sampling), it was clear that when all the available data was considered, the results were far below what had been projected in 2012 Resource Report.

67. Farquharson explained that the total mineral amounts in the Bulk Sample were skewed by the over-inclusion of material from the Cleopatra Vein and were "not representative of the rest" of the VOK. Moreover, while that vein itself is of very high grade, it is too narrow to be mined with the bulk mining processes envisioned by Pretium. As Farquharson clarified:

[W]hat did happen in the bulk-sample program is that a new vein was discovered called the "Cleopatra" vein. It's a narrow vein but high grade, and a different geological occurrence than what was anticipated. *The Cleopatra vein is not something that could be mined using bulk-mining methods, at 2,700 tonnes a day and so on.* It's high-grade material, but it's a narrow vein that you could only mine at a slow rate. The good grades in that vein do not substantiate or corroborate the initial resource model, which was based on big dimensions, big stopes and the grade of 16 grams per tonne.

68. Likewise, Strathcona told Pretium that none of the results supported the Company's claims that the Brucejack Project could ever be a high-production, high grade, bulk mining operation:

We told Pretium that, from all the drilling they've done – and it's a heck of a lot of drilling – and with the sample tower results and so on, none of those come anywhere close to finding a grade of 16 grams per tonne, which is what allows bulk-mining methods.

* * *

[T]here is an excellent chance that they could have a small-tonnage, high-grade gold mine. *But they will not have a mine producing 425,000 oz. a year for the next 20 years, as they have been advertising so far.*

69. Farquharson's viewpoint is bolstered by the milling results for the so-called 426585E cross-cut portion of the Bulk Sample, which did not include material from the Cleopatra Vein. When milled, this cross-cut had a grade of only 4 grams/ton, which was about one-third of what Snowden had projected from that cross-cut. Significantly, this grade was below the critical 5 grams/ton threshold, which was required in order to be economically feasible to mine. Those results, however, were not disclosed under October 22, 2013, the same day that Pretium provided its explanation for Strathcona's withdrawal.

70. According to Farquharson, Strathcona repeatedly encouraged Pretium to be honest about the fact that the Brucejack Project will not be a high-production, high grade mining operation, but "they've been slow to accept that, because it does make a big change from what they've been telling the markets. But we're absolutely convinced that if this is what the results indicate, then you should tell the world." When Pretium declined to do so, Strathcona "gave a lengthy letter to Pretium with [its] reasons for withdrawing." To date, Pretium has not provided investors with a complete copy of that letter.

71. Farquharson's comments conclusively demonstrate that Pretium withheld material information from investors, while simultaneously releasing "selected highlights" from its drilling program that purportedly "confirm[ed] the projection of high-grade gold mineralized domains" in the VOK.

The 2013 Resource Report Reveals The Extent Of Pretium's Fraud

72. Despite Pretium's claims to the contrary, the revised resource estimate prepared by Snowden in December 2013 (the "2013 Resource Report") demonstrates that Pretium manipulated

the Bulk Sample Program to keep its stock price artificially inflated.

73. Specifically, Dr. Robert Cameron, a mining engineer and expert in Geostatistics and Mineral Resources and Ore Reserves¹, has reviewed the technical reports, press releases, and other publicly available information concerning the Brucejack Project. According to Dr. Cameron, although the milled results from the Bulk Sample yielded an average grade of 17.88 grams per ton, it is now apparent that those results are heavily influenced by sampling from the Cleopatra vein. As Dr. Cameron explains:

The results (gold content) of the bulk sample were positively skewed by Pretivm in what appears to be an intentional oversampling of the Cleopatra vein. By August 1, 2013 Pretivm announced they were revising the sampling program to increase tonnage along the high grade Cleopatra vein and reduce the quantity of low grade tonnage to the west. These modifications would result in increasing the amount of gold they would be able to announce after processing in the bulk sample in full at the Montana mill.

74. In Dr. Cameron's opinion, "The bulk sample taken from crosscut 426615 was completed along what appears to be the strike of the high grade Cleopatra Vein (see 2013 Resource Report at pg. 90 figure 14.6). As a result, the average grade and recovered ounces of the bulk sample do not reflect typical results expected in other areas of the property as the high grade material was 'oversampled' in the program."

75. Moreover, according to Dr. Cameron, the 2013 Resource Report suggests that the Bulk Sample Program was indeed biased as Strathcona argued:

¹ Dr. Robert E. Cameron has over 30 years of experience in geostatistical analysis of ore reserves, computerized mine planning, mine design, computerized studies for mine production optimization, ultimate pit limit optimization, mine efficiency studies, equipment selection and utilization and operations research. He has completed geostatistical estimations or resource and reserve reviews or audits on over 300 properties worldwide during his career. Dr. Cameron holds B.S., M.S., and Ph.D. degrees in Mining Engineering from the University of Utah and wrote his M.S. thesis on the geostatistical analysis of coal quality and his Ph.D. thesis on the development of the oil shale industry in Utah.

Despite the fact that the mined results from the sample exceeded expectations from the November 2012 report, Snowden revised both the grade and quantities downward in the bulk sample area in their December 2013 report, so that the resource model does not match the milled results from the bulk sample. Basically, it can be implied that they made adjustments to the resource model because they recognized that gold content of the Bulk Sample was skewed by Cleopatra Vein and the design/execution of the bulk sampling program by Pretium.

76. In fact, based on Dr. Cameron's analysis, it appears that much of the data from the Bulk Sample, such as chip samples and channel samples, is *excluded* from the calculation of the revised resource estimates in the 2013 Resource Report, demonstrating conclusively that the Bulk Sample Program failed to validate the 2012 Resource Report as Pretium intended.

77. In addition, the fact that three of the five reported crosscuts from the Bulk Sample yielded material at a grade below 5 grams per ton, the threshold for material to be considered economically feasible to mine, is significant in terms of the estimated long term production potential of the Brucejack Project. These three cross-cuts represent approximately 50 percent of the tonnage extracted for the Bulk Sample, meaning that even taking the discovery of the Cleopatra Vein into account, Pretium found far less economically-viable material than projected in the 2012 Resource Report. This explains why the total estimated amount of gold based upon the Bulk Sample crosscuts has been revised from 5,248 ounces in the 2012 Resource Report to 4,096 ounces in the 2013 Resource Report, a decrease of approximately 22 percent. This change in potential output is consistent with Strathcona's admonition to Pretium throughout the Bulk Sample Program that "they will not have a mine producing 425,000 oz. a year for the next 20 years, as they have been advertising so far."

78. Furthermore, a review of the data from the underground drilling program illustrates why selective disclosure of high grade intercepts also was misleading. The 2013 Resource Report

shows drilling of multiple holes from multiple directions in very small areas, especially around the Cleopatra Vein. As Dr. Cameron explains:

The underground drilling direction was used to explain why investors needed to wait for the final milling for any information, yet they would release “good” drilling results completed along strike as significant intercepts. Drilling either along strike or down-dip of a vein is considered unreliable and as potentially misleading to investors in the industry.

79. Essentially, when the Bulk Sample failed to produce the desired results, Pretium responded by digging deeper into the Cleopatra Vein, repeatedly announcing that they struck gold, instead of telling investors that, as Strathcona argued, the resource model was not “panning out.”

80. Thus, the revisions to the resource model in the 2013 Resource Report reveal that, among other things, the Bulk Sample Program failed to validate the 2012 Resource Report and was so skewed by Defendants’ over-sampling of the Cleopatra Vein that it was not even considered statistically useful in calculating the revised resource estimates. Moreover, Pretium has been forced to acknowledge that the Brucejack Project is unlikely to become the high production, high grade resource that has been touted to investors. Defendants knew about these potential issues all along, because Strathcona, the independent Qualified Person hired for this exact purpose, specifically told them, but was ignored.

**MATERIALLY FALSE AND MISLEADING
STATEMENTS MADE DURING THE CLASS PERIOD**

The November 20, 2012 Press Release

81. On November 20, 2012, the Company issued a press release announcing that “INDICATED GOLD RESOURCES INCREASE BY 66% AT THE VALLEY OF KINGS.” The press release stated in relevant part:

Pretium Resources Inc. (TSX:PVG)(NYSE:PVG) (“Pretivm”) is pleased to report the 2012 Valley of the Kings Mineral Resource estimate for its

wholly-owned Brucejack Project, completed by Snowden Mining Industry Consultants (“Snowden”) independent Qualified Persons. Indicated Mineral Resources in the Valley of the Kings increased by 66% to 8.5 million ounces of gold at a cut-off grade of 5 grams of gold equivalent per tonne since the interim September 7, 2012 Mineral Resource estimate.

Valley of the Kings High-Grade Gold Mineral Resources

High-grade gold resources in the Valley of the Kings (5.0 g/t gold-equivalent cut-off) total:

- 8.5 million ounces of gold in the Indicated Mineral Resource category (16.1 million tonnes grading 16.4 grams of gold per tonne); and
- 2.9 million ounces of gold in the Inferred Mineral Resource category (5.4 million tonnes grading 17.0 grams of gold per tonne).

The Mineral Resource estimate incorporates data from all drilling to date, including 2012 drilling comprising 99,632 meters in 270 drill holes targeted at the Valley of the Kings. Recent geological interpretation shows Galena Hill to be an extension of the Valley of the Kings. Accordingly, Galena Hill drilling and Mineral Resources have been incorporated into the Valley of the Kings. Galena Hill comprises 6,284 meters in 14 holes of the total 2012 drilling noted above (plus historical drilling), and contributes 574,000 ounces of gold to the 2012 Valley of the Kings Indicated Mineral Resource.

82. The November 20, 2012 Press Release was false and misleading and/or omitted material information, because Defendants failed to disclose that, *inter alia*, (1) Snowden had employed non-standard statistical methods that were difficult to apply and presented the data in a more favorable light; (2) the 2012 Resource Report was of little predictive value until Snowden’s model could be verified; and (3) the VOK area was not representative of the Brucejack Project overall.

The January 9, 2013 Press Release

83. On January 9, 2013 Pretium announced that Strathcona had been engaged as the Qualified Person “to oversee and report on the 10,000-tonne bulk sample from the Valley of the Kings.” The announcement further stated that “[p]lanning is underway with Strathcona on the

work required to be completed prior to excavating the bulk sample, the procedures for excavating the bulk sample and the sampling protocols.”

84. The January 9, 2013 Press Release was false and misleading and/or omitted material information, because Defendants failed to disclose that, *inter alia*, (1) Snowden had employed non-standard statistical methods that were difficult to apply and presented the data in a more favorable light; (2) the 2012 Resource Report was of little predictive value until Snowden’s model could be verified; and (3) the VOK area was not representative of the Brucejack Project overall.

Fourth Quarter 2012 Results

85. On March 5, 2013, the Company issued a press release announcing financial results for the fourth quarter of 2012 and for the year ending 2012, and thereafter, on March 7, 2013, filed a Form 6-K with the SEC, which annexed as exhibits the Condensed Consolidated Interim Financial Statements for the Year Ended December 31, 2012 and Management’s Discussion and Analysis for the Year Ended December 31, 2012. The Company also provided an update on the status of the Brucejack Project. Specifically, the Company reiterated the mineral resource estimates from the 2012 Resource Report, stating that “High-grade gold resources in the Valley of the Kings (5.0 g/t gold-equivalent cut-off now total: **8.5 million ounces of gold in the Indicated Mineral Resource category** (16.1 million tonnes grading 16.4 grams of gold per tonne); and **2.9 million ounces of gold in the Inferred Mineral Resource category** (5.4 million tonnes grading 17.0 grams of gold per tonne).…”

86. The Company also stated, “Access to the Valley of the Kings from underground is also designed to excavate a 10,000-tonne bulk sample that is representative of the deposit.”

87. The March 5, 2013 Press Release was false and misleading and/or omitted material information, because Defendants failed to disclose that, *inter alia*, (1) Snowden had employed non-standard statistical methods that were difficult to apply and presented available data in a more favorable light; (2) the 2012 Resource Report, and the estimated mineral resources contained therein, was of little predictive value until Snowden's model could be verified; and (3) the Bulk Sample was not representative of the VOK area or of the Brucejack Project overall.

First Quarter 2013 Results

88. On May 10, 2013, the Company issued a press release announcing first quarter 2013 results, and thereafter, on May 13, 2013, the Company filed a Form 6-K with the SEC annexing as exhibits its Condensed Consolidated Interim Financial Statements for the three months ended March 31, 2013 and Management Discussion and Analysis for the three months ended March 31, 2013.

89. Regarding its exploration and mining operations, the Company stated in the press release and in the Form 6-K, in relevant part:

2013 Exploration Programs

We have completed the access ramp to the Valley of the Kings from the West Zone at the targeted 1345-meter level of the 426600 cross-section, and have outlined the Bulk Sample Program and associated drilling at the Valley of the Kings beginning later this month (see news release dated May 8, 2013). In addition to targeting an area of mineralization for the bulk sample, the current ramp alignment will allow acceleration of production development as it will be used to provide initial access to the Valley of the Kings and multiple headings for excavation of the planned production declines.

Approximately 15,000 meters of underground drilling will be completed, in support of the Bulk Sample Program, at 7.5-meter and 15-meter centres along 120 meters of strike length and at 15-meter centres vertically for 60 meters above and 60 meters below the 1345-meter level of the Valley of the Kings. We will develop and install supporting infrastructure, cross cut the Valley of the Kings along section 426600, develop the north drill drift and

commence the underground drill program later this month. The drill program will commence prior to excavating the bulk sample and run concurrently with the excavation of the bulk sample.

Strathcona Mineral Services Ltd. of Toronto has been engaged as the independent Qualified Person to oversee and report on the 10,000-tonne bulk sample from the Valley of the Kings. Excavation of the bulk sample is scheduled to begin in early June. Planning is continuing with Strathcona Mineral Services on the work required to be completed prior to excavating the bulk sample, the procedures for excavating the bulk sample and the sampling protocols. The final report on the bulk sample is expected later in the year after the compilation of all data.

Feasibility Study

A feasibility study on the high-grade gold opportunity at Brucejack is ongoing, and mine planning is now well underway based on the November 20, 2012 Mineral Resource estimate (see news release dated November 20, 2012.) The Brucejack feasibility study is being advanced with an operating rate of 2,700 tonnes per day, with long-hole stoping and cemented paste backfill chosen for the mining method. Stopes will be mined using a combination of longitudinal and transverse mining, depending on zone width and orientation. Cemented paste tailings will be prepared in a paste plant located on surface and then pumped underground for distribution to the stopes.

As part of the feasibility study, we have completed locked cycle metallurgical testwork. The average locked cycle recoveries for combined gravity and flotation for the Valley of the Kings composites were 98.3% for gold and 92.5% for silver.

The feasibility study for the Brucejack Project is expected to be completed in the second quarter of 2013.

90. The May 10, 2013 Press Release and the May 13, 2013 Form 6-K were false and misleading and/or omitted material information, because Defendants failed to disclose that, *inter alia*, (1) Snowden had employed non-standard statistical methods that were difficult to apply and presented available data in a more favorable light; (2) the 2012 Resource Report, and the estimated mineral resources contained therein, was of little predictive value until Snowden's model could be verified; (3) the proposed Feasibility Study would be of little predictive value until the 2012 Resource Report was verified; (4) the Bulk Sample was not representative of the VOK area or of

the Brucejack Project overall; and (5) the Brucejack Project did not have the potential to be a high-production, high grade mine as the Company advertised.

The May 28, 2013 Press Release

91. On May 28, 2013, the Company issued a press release, which was subsequently filed on Form 6-K with the SEC on May 31, 2013, announcing that “Initial Valley of the Kings Underground Drill Hole Confirms Projection Of Mineralized Domains.” The May 28, 2013 Press Release stated, in relevant part:

Pretium Resources Inc. (TSX:PVG)(NYSE:PVG) ("Pretium") is pleased to report that the first underground hole drilled as part of the Valley of the Kings bulk sample program intersected visible gold and confirms the projection of high-grade gold mineralized domains. *(See Table 1 below for assays.)*

Selected highlights from hole VU-01 include:

- 21.57 grams of gold per tonne over 12.00 meters, including 388 grams of gold per tonne over 0.50 meters and 99.7 grams of gold per tonne over 0.50 meters;
- 8.38 grams of gold per tonne over 2.00 meters, including 31.10 grams of gold per tonne over 0.40 meters.

Pilot hole VU-01 was drilled horizontally through the center of the Valley of the Kings section 426600 cross-cut at the 1,345-meter level, and intersected the interpreted mineralized domains.

92. The purpose of disclosing these preliminary results was to substantiate the 2012 Resource Report and bolster investor confidence that the Brucejack Project would be a high production, high grade mine as predicted by Snowden's resource model.

93. The May 28, 2013 Press Release also explained the Bulk Sample Program and indicated that “[a]ssay results from underground drilling will be reported as they are received,” whereas Strathcona's report on the Program was not expected until “later in the year after compilation of all data.”

94. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) the results of the underground drilling program were preliminary and did not provide any verification of the 2012 Resource Model at this stage of the Bulk Sample Program; (2) drilling results were not required to be, and should not have been, selectively disclosed so as to encourage investors to draw conclusions about the Brucejack Project; (3) only favorable drilling results were being released; (4) there was an ongoing dispute between Strathcona and the Company concerning, among other things, the validity of the 2012 Resource Report; and (5) the Company was withholding other data demonstrating that the 2012 Resource Report was inaccurate and that the Brucejack Project would not be a high production mine, despite strong recommendations from Strathcona that such information should be disclosed.

The June 6, 2013 Press Release

95. On June 6, 2013, the Company issued a press release, which was subsequently filed on Form 6-K with the SEC on June 12, 2013, announcing further results from the Bulk Sample Program. The Company stated, in relevant part:

VANCOUVER, BRITISH COLUMBIA--(Marketwired - June 6, 2013) - Pretium Resources Inc. (TSX:PVG)(NYSE:PVG) ("Pretivm") is pleased to report that initial underground drilling as part of the Valley of the Kings bulk sample program intersected visible gold, and continues to confirm the projection of high-grade gold mineralized domains. (See Table 1 below for assays from the seven holes drilled on section 426600.)

Selected highlights from hole VU-02 include:

- 33.20 grams of gold per tonne uncut over 17.50 meters, including 988.0 grams of gold per tonne uncut over 0.50 meters and 117.5 grams of gold per tonne over 0.50 meters.

Hole VU-02 was drilled on section 426600 as part of the first fan of drilling, at 10.3 degrees below the previously reported horizontal hole VU-01 (see news release dated May 28, 2013). This fan was drilled before commencing the section 426600 cross-cut now being excavated across the mineralized domains. The drill will be repositioned shortly to continue fan drilling. ...

Assay results from underground drilling will be reported as they are received. Strathcona's report on the Bulk Sample Program is expected later in the year after compilation of all data.

96. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) the results of the underground drilling program were preliminary and did not provide any verification of the 2012 Resource Model at this stage of the Bulk Sample Program; (2) drilling results were not required to be, and should not have been, selectively disclosed so as to encourage investors to draw conclusions about the Brucejack Project; (3) only favorable drilling results were being released; (4) there was an ongoing dispute between Strathcona and the Company concerning, among other things, the validity of the 2012 Resource Report; and (5) the Company was withholding other data demonstrating that the 2012 Resource Report was inaccurate and that the Brucejack Project would not be a high production mine, despite strong recommendations from Strathcona that such information should be disclosed.

The June 11, 2013 Press Release

97. On June 11, 2013, the Company announced that a positive feasibility study had been completed for the Brucejack High-Grade Gold Project, stating in relevant part:

VANCOUVER, BRITISH COLUMBIA--(Marketwired - June 11, 2013) - Pretium Resources Inc. (TSX:PVG)(NYSE:PVG) ("Pretivm") is pleased to announce a positive National Instrument 43-101-compliant Feasibility Study for the high-grade gold and silver resources identified to date at its 100%-owned Brucejack Project ("Brucejack" or the "Project") in northern British Columbia. The Feasibility Study was prepared by Tetra Tech.

Highlights (base case using US\$1,350/oz gold , US\$20/oz silver and exchange rate of US\$/C\$: 1)

- Valley of the Kings Probable Mineral Reserves of 6.6 million ounces of gold (15.1 million tonnes grading 13.6 grams of gold per tonne) and West Zone Proven and Probable Mineral Reserves of 700,000 ounces of gold (3.8 million tonnes grading 5.8 grams of gold per tonne);

- Average annual production of 425,700 ounces of gold over the first 10 years and 321,500 ounces of gold over the life of mine;
- Base Case pre-tax Net Present Value (5% discount) of US\$2.7 billion;
- Base Case pre-tax Internal Rate of Return of 42.9%, with payback estimated at 2.1 years;
- Mine life of 22 years producing an estimated 7.1 million ounces of gold;
- Estimated project capital cost, including contingencies, of US\$663.5 million;
- Average operating costs of C\$156.46/tonne milled over mine life.

98. The June 11, 2013 Press Release further stated: “The mine is planned to operate with a processing rate of 2,700 tonnes per day and mine a total of 9.6 million tonnes of ore for the first 10 years at an average mill feed grade of 14.2 grams gold per tonne.”

99. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) the results of the underground drilling program were preliminary and did not provide any verification of the 2012 Resource Model at this stage of the Bulk Sample Program; (2) there was an ongoing dispute between Strathcona and the Company concerning, among other things, the validity of the 2012 Resource Report, which formed the basis for the Feasibility Study; and (3) the Company was withholding other data demonstrating that the 2012 Resource Report was inaccurate and that the Brucejack Project would not be a high production mine, despite strong recommendations from Strathcona that such information should be disclosed; and (4) it was not possible to ascertain the economic feasibility of developing the Brucejack Project while the 2012 Resource Report, as well as the underlying Snowden mineral resource model, remained unproven and were likely inaccurate.

The June 2013 Feasibility Study

100. On June 26, 2013, the Company issued a press release, which was subsequently filed on Form 6-K with the SEC on June 28, 2013, announcing the filing of its “NI 43-101 Feasibility Study and Technical Report for the Brucejack Project,” and annexing the Feasibility Study as an exhibit thereto.

101. The Feasibility Study stated: “The Brucejack Project, located in northwestern British Columbia, will be a 2,700 t/d underground mining operation with a 22-year life-of-mine.” The Feasibility Study also reiterated the mineral resource reserves estimated by Snowden in the 2012 Resource Report. The Feasibility Study further indicated that the Brucejack Project could be mined using bulk mining methods.

102. Significantly, the Feasibility Study does not contain any information concerning the Bulk Sample Program, which was then in process.

103. The Feasibility Study states that “[f]or the 22-year [life-of-mine] and 18.99 Mt of mine plan tonnage, the following pre-tax parameters were calculated: 42.9% internal rate of return (IRR); 2.1 year payback on the US\$663.5 million initial capital; and US\$2,687 million net present value (NPV) at 5% discount rate.”

104. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) there was an ongoing dispute between Strathcona and the Company concerning, among other things, the validity of the 2012 Resource Report, which formed the basis for the Feasibility Study; and (2) the Company was withholding other data demonstrating that the 2012 Resource Report was inaccurate and that the Brucejack Project would not be a high production mine, despite strong recommendations from Strathcona that such information should be disclosed; and (3) it was not possible to ascertain the economic feasibility

of developing the Brucejack Project while the 2012 Resource Report, as well as the underlying Snowden mineral resource model, remained unproven and were likely incorrect.

The July 23, 2013 Press Release

105. On July 23, 2013, the Company issued a press release, which was subsequently filed on Form 6-K with the SEC on July 24, 2013, entitled, "Discovery Of The Cleopatra Vein In The Valley Of The Kings And Continuation Of Bulk Sample Program." Once again, the July 23, 2013 Press Release selectively disclosed results from underground drilling. Specifically, the Company stated, in pertinent part:

Pretium Resources Inc. (TSX:PVG)(NYSE:PVG) ("Pretivm") is pleased to report the discovery of the Cleopatra Vein within the Valley of the Kings and additional underground drill results from the Valley of the Kings Bulk Sample Program (the "Program") currently underway. (See Table 1 below for assays.)

Selected drill highlights include:

- Hole VU-009 intersected 2,567 grams of gold per tonne uncut over 5.8 meters, including 9,200 grams of gold per tonne uncut over 0.5 meters, 7,180 grams of gold per tonne uncut over 0.5 meters, 10,500 grams of gold per tonne uncut over 0.5 meters and 1,765 grams of gold per tonne uncut over 0.5 meters;
- Hole VU-013 intersected 2,560 grams of gold per tonne uncut over 0.54 meters;
- Hole VU-023 intersected 1,405 grams of gold per tonne uncut over 0.5 meters;
- Hole VU-025 intersected 2,600 grams of gold per tonne uncut over 0.5 meters;
- Hole VU-032 intersected 4,030 grams of gold per tonne uncut over 0.5 meters; and
- Hole VU-053 intersected **27,000 grams of gold per tonne uncut over 0.5 meters.**

Holes VU-009, VU-013, VU-023 and VU-025 noted above were drilled on section 426615E as part of the Program, along strike of the newly

discovered Cleopatra Vein. Holes VU-032 and VU-053 noted above were drilled to test the newly discovered Cleopatra Vein along strike above the 1345-meter elevation.

106. The Company also described the discovery of the Cleopatra Vein and indicated that “[a]dditional underground drilling and excavating [was] underway to test the extent of the Cleopatra Vein.”

107. With respect to the Bulk Sample Program, the Company stated: “Planning is underway with Strathcona Mineral Services Ltd. ("Strathcona"), the independent Qualified Person for the Program, to increase the portion of the bulk sample tonnage testing the higher grade blocks in the Indicated Mineral Resource estimate to the east of the 426600E cross-cut and decrease the portion of the bulk sample tonnage to the west of the 426600E cross-cut.”

108. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) the results of the underground drilling program were preliminary, did not provide any verification of the 2012 Resource Model at this stage of the Bulk Sample Program, and were being used to conceal the fact that the Bulk Sample was not yielding favorable results; (2) the reported results intersected the Cleopatra Vein, which was not representative of the VOK, and so could not form the basis for drawing conclusions about the validity of the 2012 Resource Report or the value of the Brucejack Project overall; (3) favorable drilling results were being selectively released; (4) there was an ongoing dispute between Strathcona and the Company concerning the validity of the 2012 Resource Report; (5) the Company was withholding other data demonstrating that the 2012 Resource Report was incorrect and that the Brucejack Project would not be a high production mine, despite recommendations from Strathcona that such information should be disclosed; (6) the Cleopatra Vein was being oversampled to substantiate the 2012 Resource Report; and (7) Strathcona did not agree that more

material should be excavated from the Cleopatra Vein as part of the Bulk Sample Program, because Strathcona believed that doing so would skew the results.

The August 1, 2013 Press Release

109. On August 1, 2013, the Company issued a press release, which was subsequently filed on Form 6-K with the SEC on August 5, 2013, reporting Second Quarter 2013 results and updating investors on the status of the Brucejack Project. The Company reiterated information from prior press releases concerning mineral resource estimates and the expectation that the Brucejack Project would be a high-production, high-grade mine. The Company also repeated the results from the Feasibility Study.

110. With respect to the Bulk Sample Program, the August 1, 2013 Press Release disclosed that “the sample tower and related equipment for the Bulk Sample Program had been transported to site...” The August 1, 2013 Press Release further stated:

Bulk Sample Program

The Valley of the Kings Bulk Sample Program (the “Program”) consists of two elements: the excavation of a 10,000-tonne bulk sample, which is expected to conclude in August, and an approximately 15,000-meter underground drill program, which is also expected to conclude in August. The Program has been designed to test the full widths of two of the domains of mineralization used to estimate the November 2012 Valley of the Kings Mineral Resource. By testing the two domains of mineralization, the Program will confirm that the resource model is accurately projecting the range of the grade distribution in the 10-meter blocks that make up the Mineral Resource estimate within the bulk sample area. As a result, the Program will target the full range of the projected resource block grades which span from zero grams of gold per tonne to in excess of 60 grams of gold per tonne.

The 10,000-tonne bulk sample as originally planned is being excavated from four cross-cuts (excavations perpendicular to the two domains of mineralization, spaced at 30-meter centers) and one lateral drift (an excavation extending along the strike length of one of the domains of mineralization). Excavation of the 426585E cross-cut has been completed and the excavation of the 426615E cross-cut is nearing completion.

Excavation of the 426645E cross-cut has just commenced. Planning is underway with Strathcona Mineral Services Ltd. (“Strathcona”), the independent Qualified Person for the Program, to increase the portion of the bulk sample tonnage testing the higher grade blocks in the Indicated Mineral Resource estimate to the east of the 426600E cross-cut and decrease the portion of the bulk sample tonnage to the west of the 426600E cross-cut. Bulk sample material excavated to date, approximately 7,000 tonnes, has been processed through the sample tower and is being transported offsite.

We have begun shipping the remainder of the 10,000-tonne bulk sample to a mill for processing. The mill will use a similar circuit, gravity and flotation, to extract gold and silver from the bulk sample as contemplated in the feasibility study for the Brucejack Project. The bulk sample remainder is expected to be milled in the third and fourth quarters of this year.

Approximately 15,000 meters of underground drilling in 190 holes is being completed as part of the Bulk Sample Program. Drilling is being conducted at 7.5-meter and 15-meter centres along 120 meters of strike length and at 15-meter centres vertically for 60 meters above and 60 meters below the 1345-meter level of the Valley of the Kings. The drill fan on section 426585E and the other drill fans planned or underway to the west of the 426600E cross-cut are targeting the lower grade populations in the bulk sample location. The drill fan on section 426615E and the other drill fans to the east of the 426600E cross-cut are targeting the higher grade and extreme grade populations in the bulk sample location. Drill fans on sections 426615E, 426600E and 426585E have been completed and assays have been received. Underground drilling for the Program is on schedule, with a total of 124 drill holes now completed or in progress comprising approximately 10,300 meters.

Strathcona Mineral Services Ltd. of Toronto has been engaged as the independent Qualified Person to oversee and report on the 10,000-tonne bulk sample from the Valley of the Kings.

Assay results for completed fans from the underground drilling will be reported as they are received. Strathcona’s report on the Program is expected later in the year after compilation of all data. The amount of gold and silver produced by the mill will be reported following the completion of the milling of the bulk sample.

111. With respect to the Cleopatra Vein, the August 1, 2013 Press Release stated: “[F]urther underground drilling will be carried out targeting similar feeder structures. In addition, planning is underway for a surface drilling program, following completion of the Bulk Sample

Program, to expand the Valley of the Kings resources and test the Cleopatra Vein to surface and for similar feeder structures.”

112. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) the results of the underground drilling program were preliminary, did not provide any verification of the 2012 Resource Model at this stage of the Bulk Sample Program, and were being used to conceal the fact that the Bulk Sample was not yielding favorable results; (2) the reported results intersected the Cleopatra Vein, which was not representative of the VOK, and so could not form the basis for drawing conclusions about the validity of the 2012 Resource Report or the value of the Brucejack Project overall; (3) favorable drilling results were being selectively released; (4) there was an ongoing dispute between Strathcona and the Company concerning, among other things, the validity of the 2012 Resource Report; (5) the Company was withholding other data demonstrating that the 2012 Resource Report was inaccurate and that the Brucejack Project would not be a high production mine, despite strong recommendations from Strathcona that such information should be disclosed; (6) the Cleopatra Vein was being oversampled and over-drilled to substantiate the 2012 Resource Report; and (7) Strathcona did not agree that more material should be excavated from the Cleopatra Vein as part of the Bulk Sample Program, because Strathcona believed that doing so would skew the results.

The August 15, 2013 Press Release

113. On August 15, 2013, the Company issued a press release announcing, “Pretium Resources Inc.: Bulk Sample Program Continues to Confirm Projection of Mineralized Domains.”

The August 15, 2013 Press Release stated, in relevant part:

Pretium Resources Inc. (TSX:PVG)(NYSE:PVG) (“Pretivm”) is pleased to report additional underground drill results from the Valley of the Kings Bulk Sample Program (the “Program”) currently underway. Assays from the Program continue to confirm the projection of high-grade gold

mineralized domains, and visible gold continues to be encountered. (See Table 1 below for assays.)

Selected drill highlights include:

- Hole VU-068 intersected 1,695 grams of gold per tonne uncut over 0.5 meters;
- Hole VU-084 intersected 2,700 grams of gold per tonne uncut over 0.5 meters;
- Hole VU-114 intersected 1,685 grams of gold per tonne uncut over 0.59 meters;
- Hole VU-124 intersected 2,270 grams of gold per tonne uncut over 0.5 meters;
- Hole VU-125 intersected:
 - **1,065 grams of gold per tonne uncut over 5.18 meters, including 10,850 grams of gold per tonne uncut over 0.5 meters;** and
 - 3,050 grams of gold per tonne uncut over 0.5 meters; and
- Hole VU-133 intersected 1,945 grams of gold per tonne uncut over 0.5 meters.

The bonanza-grade intercepts noted above were intersected in areas with projected high-grade resources.

114. With respect to the Bulk Sample Program, the Company disclosed:

The excavation of the four cross-cuts and one lateral drift planned for the 10,000-tonne bulk sample is nearing completion. Based on available tonnage under the legislated 10,000-tonne bulk sample limit, the lateral drift will now be excavated from 426615E to 426645E crosscuts, with any additional available tonnage to be a drift excavated from 426555E to 426585E crosscuts (in lieu of a drift from 426585E to 426615E crosscuts as originally planned). Bulk sample material excavated to date, approximately 8,600 tonnes, has been processed through the sample tower and is being transported offsite.

* * *

The 1345-meter level, centered at the 426600E cross-section of the Valley of the Kings, was selected as the bulk sample location based on Strathcona's requirements that the bulk sample be excavated from an area representative of the (a) drillhole density that informs the Indicated Mineral Resource, (b) average grade of the Indicated Mineral Resource and the global resource for the Valley of the Kings, (c) proportion of low-grade, high-grade and extreme grade populations in the overall Indicated Mineral Resource and

(d) style of stockwork gold mineralization characteristic of the Valley of the Kings.

115. With respect to the Cleopatra Vein, the August 15, 2013 Press Release stated: “Additional underground drilling and excavating is underway to test the extent of the recently-discovered high-grade Cleopatra Vein in the Valley of the Kings ... Following the completion of the Bulk Sample Program, a surface drill program is planned to expand the Valley of the Kings resources and test the Cleopatra Vein to surface and for similar feeder structures.”

116. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) the results of the underground drilling program were preliminary, did not provide any verification of the 2012 Resource Model at this stage of the Bulk Sample Program, and were being used to conceal the fact that the Bulk Sample was not yielding favorable results; (2) the reported results intersected the Cleopatra Vein, which was not representative of the VOK, and so could not form the basis for drawing conclusions about the validity of the 2012 Resource Report or the value of the Brucejack Project overall; (3) favorable drilling results were being selectively released; (4) there was an ongoing dispute between Strathcona and the Company concerning, among other things, the validity of the 2012 Resource Report; (5) the Company was withholding other data demonstrating that the 2012 Resource Report was inaccurate and that the Brucejack Project would not be a high production mine, despite strong recommendations from Strathcona that such information should be disclosed; (6) the Cleopatra Vein was being oversampled and over-drilled to substantiate the 2012 Resource Report; and (7) Strathcona did not agree that more material should have been excavated from the Cleopatra Vein as part of the Bulk Sample Program, because Strathcona believed that doing so would skew the results.

The September 9, 2013 Press Release

117. On September 9, 2013, the Company issued a press release announcing that “Underground Drilling Continues To Intersect High-Grade Gold.” The September 9, 2013 Press Release stated, “Assays from both Program and non-Program exploration underground drilling continue to confirm the projection of high-grade gold mineralized domains, with numerous intersections encountering gold grading over 1,000 grams per tonne.”

118. With respect to the Bulk Sample Program, the September 9, 2013 Press Release indicated that the 10,000 ton bulk sample had been fully excavated and processed through the sample tower. The September 9, 2013 Press Release also stated that “Assay results have been received and reported for 13 of the 17 planned drill fans. The number of holes planned to be completed as part of the Program has increased to 202 holes, comprising approximately 16,500 meters, from the originally planned 190 drill holes comprising approximately 15,000 meters.”

119. Furthermore, the Company stated that “[d]ue to the projected time to complete assaying of the samples from the sample tower, Strathcona’s report on the Program is now expected in early 2014 after compilation of all data.”

120. With respect to the Cleopatra Vein, the Company disclosed that the drilling program had been expanded, explaining:

Underground exploration drilling is currently testing high-grade mineralization to the west, east and below the bulk sample location. Approximately 10,000 meters of underground exploration drilling is expected to be completed in addition to the 16,500 meters of drilling included in the Program, with approximately 6,500 meters completed to date.

The surface drill program at the Valley of the Kings has commenced with the first drill mobilized to site and targeting high-grade mineralization in the Valley of the Kings to the west of the bulk sample location. A second drill will be on site shortly and will follow-up on high-grade intersections at the

eastern extent of the Valley of the Kings. A total of 5,000 meters is currently planned for the surface drill program.

121. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) the results of the underground drilling program were preliminary, did not provide any verification of the 2012 Resource Model at this stage of the Bulk Sample Program, and were being used to conceal the fact that the Bulk Sample was not yielding favorable results; (2) the reported results intersected the Cleopatra Vein, which was not representative of the VOK, and so could not form the basis for drawing conclusions about the validity of the 2012 Resource Report or the value of the Brucejack Project overall; (3) favorable drilling results were being selectively released; (4) there was an ongoing dispute between Strathcona and the Company concerning, among other things, the validity of the 2012 Resource Report; (5) the Company was withholding other data demonstrating that the 2012 Resource Report was inaccurate and that the Brucejack Project would not be a high production mine, despite strong recommendations from Strathcona that such information should be disclosed; (6) the Cleopatra Vein was being oversampled and over-drilled to substantiate the 2012 Resource Report; and (7) Strathcona did not agree that more material should be excavated from the Cleopatra Vein as part of the Bulk Sample Program, because Strathcona believed that doing so would skew the results.

The September 23, 2013 Press Release

122. On September 23, 2013, the Company issued a press release announcing further results from the VOK project exploration, stating in relevant part:

VANCOUVER, BRITISH COLUMBIA--(Marketwired - Sept. 23, 2013) - Pretium Resources Inc. (TSX:PVG)(NYSE:PVG) ("Pretivm") is pleased to report additional underground drill results from the Valley of the Kings Bulk Sample Program (the "Program") currently underway, as well as additional exploration drilling in the Valley of the Kings extending beyond the area of the Program. Assays from both Program and non-Program exploration underground drilling continue to confirm the projection of high-

grade gold mineralized domains, with numerous intersections encountering gold grading over 1,000 grams per tonne. (See Table 1 below for assays.)

Selected drill highlights include:

- Hole VU-201 (Exploration hole) intersected 6,550 grams of gold uncut over 0.50 meters;
- Hole VU-219 (Program hole) intersected 698 grams of gold uncut over 2.97 meters including 2,340 grams of gold uncut over 0.50 meters and 1,805 grams of gold uncut over 0.50 meters;
- Hole VU-221 (Program hole) intersected 66 grams of gold uncut over 13.00 meters including 1,675 grams of gold uncut over 0.50 meters;
- Hole VU-239 (Exploration hole partially intersecting Cleopatra Vein) intersected 195 grams of gold per tonne uncut over 9.29 meters including 2,140 grams of gold uncut over 0.50 meters and 1,425 grams of gold uncut over 0.50 meters.

Seven high-grade gold intersections in the latest results exceed 1,000 grams per tonne, including one intersection of the Cleopatra Vein (the 2,140 grams per tonne gold intersection uncut from hole VU-239 noted above). Hole VU-201 noted above was drilled as an exploration hole from the 426622.5E drill bay to the north.

* * *

Approximately 16,500 meters of underground drilling in 202 holes will be completed as part of the Program, which is expected to conclude in September.

123. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) the results of the underground drilling program, which had been expanded, were preliminary, did not provide any verification of the 2012 Resource Model at this stage of the Bulk Sample Program, and were being used to conceal the fact that the Bulk Sample was not yielding favorable results; (2) the reported results mainly intersected the Cleopatra Vein, which was not representative of the VOK, and so could not form the basis for

drawing conclusions about the validity of the 2012 Resource Report or the value of the Brucejack Project overall; (3) favorable drilling results were being selectively released; (4) there was an ongoing dispute between Strathcona and the Company concerning, among other things, the validity of the 2012 Resource Report; (5) the Company was withholding other data demonstrating that the 2012 Resource Report was inaccurate and that the Brucejack Project would not be a high production mine, despite strong recommendations from Strathcona that such information should be disclosed; (6) the Cleopatra Vein was being oversampled and over-drilled to substantiate the 2012 Resource Report; and (7) Strathcona did not agree that more material should be excavated from the Cleopatra Vein as part of the Bulk Sample Program, because Strathcona believed that doing so would skew the results.

The October 3, 2013 Press Release

124. On October 3, 2013, the Company issued a press release announcing that, “Processing Underway for Bulk Sample Material.” The Company stated in relevant part:

Bulk Sample Processing

All of the excavated material from the Program has been sampled with a sample tower at Brucejack. The material not designated for assaying (comprising approximately 10,000 tonnes) is being shipped to a custom mill in Montana, where processing is now underway ... Gold recoveries are expected to average approximately 90%. Total processing is expected to take approximately 10 weeks and be completed in the fourth quarter. The amount of gold and silver produced by the mill will be reported over this period.

Snowden Mining Industry Consultants’ independent Qualified Persons are responsible for the review and sign-off of the milling and processing component of the Program.

125. The October 3, 2013 Press Release further stated:

Metallic screen assaying is in progress for samples from the sample tower. The 16,789 meters of underground drilling in 201 holes for the Program has been completed. Assay results have now been reported for 15 of the 17

planned drill fans, and the results from the final two fans are expected to be received and reported in mid-October. Strathcona's report on the Program is now expected early in 2014 after compilation of all data.

126. With respect to the Cleopatra Vein, the October 3, 2013 Press Release indicated that “[e]xcavation of a drift along the recently-discovered Cleopatra Vein ...had been completed,” and “[u]nderground exploration drilling is currently testing high-grade mineralization...” In addition, “[a] total of 16,500 meters of underground exploration drilling [was] expected to be completed.”

127. These statements were false and misleading and/or omitted material information, because Defendants failed to disclose that: (1) the results of the underground drilling program, which had been expanded, were being used to conceal the fact that the Bulk Sample did not yield favorable results; (2) the results of milling the Bulk Sample would be disclosed in advance of Strathcona’s report to condition the market and conceal the fact that the Bulk Sample did not yield favorable results; (3) metal assaying, expanded drilling, and other methods were being planned to condition the market and conceal the fact that the Bulk Sample did not yield favorable results; (4) Snowden had been given increased responsibility for the Bulk Sample Program, because there was an ongoing dispute between Strathcona and the Company concerning, among other things, the validity of the 2012 Resource Report; (5) the Company was withholding other data demonstrating that the 2012 Resource Report was inaccurate and that the Brucejack Project would not be a high production mine, despite strong recommendations from Strathcona that such information should be disclosed; (6) the Cleopatra Vein had been oversampled and over-drilled to substantiate the 2012 Resource Report; and (7) Strathcona did not agree that more material should be excavated from the Cleopatra Vein as part of the Bulk Sample Program, because Strathcona believed that doing so would skew the results.

ADDITIONAL SCIENTER ALLEGATIONS

128. The Individual Defendants, as directors and/or officers of Pretium during the Class Period, are liable as direct participants in all of the wrongs complained of herein. Through their positions of control and authority, these Defendants were in a position to, and did, control all of the Company's false and misleading statements and omissions, including the contents of SEC filings and press releases, as set forth herein.

129. Because the Brucejack Project is the Company's only project in development, and because the Company's future is wholly dependent on that project's advancement, the Individual Defendants cannot credibly claim that they were unaware of, *inter alia*, (1) the Company's dispute with Strathcona; (2) the numerous red flags raised by Strathcona concerning the validity of the 2012 Resource Report; (3) Strathcona's insistence that data other than favorable underground drilling results be disclosed; (4) the existence of contradictory data demonstrating that the 2012 Resource Report was inaccurate; (5) changes to the Bulk Sample Program that resulted in over-sampling the Cleopatra Vein, thereby skewing the results; and (6) revisions to the 2012 Resource Report demonstrating that the Brucejack Project would not be a high production, high grade resource, as the Company advertised.

PLAINTIFFS' CLASS ACTION ALLEGATIONS

130. Lead Plaintiff and Plaintiff Yeo (together, "Plaintiffs") bring this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired Pretium securities during the Class Period (the "Class"); and were damaged upon the revelation of the alleged corrective disclosures. Excluded from the Class are defendants herein, the officers and directors of the Company, at all relevant

times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

131. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Pretium securities were actively traded on the NYSE. While the exact number of Class members is unknown to Plaintiffs at this time and can be ascertained only through appropriate discovery, Plaintiffs believe that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Pretium or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions.

132. Plaintiffs' claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

133. Plaintiffs will fairly and adequately protect the interests of the members of the Class and have retained counsel competent and experienced in class and securities litigation. Plaintiffs have no interests antagonistic to or in conflict with those of the Class.

134. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

- whether the federal securities laws were violated by defendants' acts as alleged herein;
- whether statements made by defendants to the investing public during the Class Period misrepresented material facts about the business, operations and management of

Pretium;

- whether the Individual Defendants caused Pretium to issue false and misleading financial statements during the Class Period;
- whether defendants acted knowingly or recklessly in issuing false and misleading financial statements;
- whether the prices of Pretium securities during the Class Period were artificially inflated because of the defendants' conduct complained of herein; and
- whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

135. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

136. Plaintiffs will rely, in part, upon the presumption of reliance established by the fraud-on-the-market doctrine in that:

- defendants made public misrepresentations or failed to disclose material facts during the Class Period;
- the omissions and misrepresentations were material;
- Pretium securities are traded in efficient markets;
- the Company's shares were liquid and traded with moderate to heavy volume during the Class Period;
- the Company traded on the NYSE, and was covered by multiple analysts;

- the misrepresentations and omissions alleged would tend to induce a reasonable investor to misjudge the value of the Company's securities; and
- Plaintiffs and members of the Class purchased and/or sold Pretium securities between the time the defendants failed to disclose or misrepresented material facts and the time the true facts were disclosed, without knowledge of the omitted or misrepresented facts.

137. Based upon the foregoing, Plaintiffs and the members of the Class are entitled to a presumption of reliance upon the integrity of the market.

COUNT I

(Against All Defendants For Violations of Section 10(b) And Rule 10b-5 Promulgated Thereunder)

138. Plaintiffs repeat and reallege each and every allegation contained above as if fully set forth herein.

139. This Count is asserted against Defendants and is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

140. During the Class Period, Defendants engaged in a plan, scheme, conspiracy and course of conduct, pursuant to which they knowingly or recklessly engaged in acts, transactions, practices and courses of business which operated as a fraud and deceit upon Plaintiffs and the other members of the Class; made various untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and employed devices, schemes and artifices to defraud in connection with the purchase and sale of securities. Such scheme was intended to, and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiffs and other Class members, as alleged herein; (ii) artificially inflate and maintain the market price of Pretium

securities; and (iii) cause Plaintiffs and other members of the Class to purchase Pretium securities at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, defendants, and each of them, took the actions set forth herein.

141. Pursuant to the above plan, scheme, conspiracy and course of conduct, each of the Defendants participated directly or indirectly in the preparation and/or issuance of the quarterly and annual reports, SEC filings, press releases and other statements and documents described above, including statements made to securities analysts and the media that were designed to influence the market for Pretium securities and options. Such reports, filings, releases and statements were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about Pretium's finances and business prospects.

142. By virtue of their positions at Pretium, defendants had actual knowledge of the materially false and misleading statements and material omissions alleged herein and intended thereby to deceive Plaintiffs and the other members of the Class, or, in the alternative, defendants acted with reckless disregard for the truth in that they failed or refused to ascertain and disclose such facts as would reveal the materially false and misleading nature of the statements made, although such facts were readily available to defendants. Said acts and omissions of defendants were committed willfully or with reckless disregard for the truth. In addition, each defendant knew or recklessly disregarded that material facts were being misrepresented or omitted as described above.

143. Information showing that defendants acted knowingly or with reckless disregard for the truth is peculiarly within defendants' knowledge and control. As the senior managers and/or directors of Pretium, the Individual Defendants had knowledge of the details of Pretium's internal affairs.

144. The Individual Defendants are liable both directly and indirectly for the wrongs complained of herein. Because of their positions of control and authority, the Individual Defendants were able to and did, directly or indirectly, control the content of the statements of Pretium. As officers and/or directors of a publicly-held company, the Individual Defendants had a duty to disseminate timely, accurate, and truthful information with respect to Pretium's businesses, operations, future financial condition and future prospects. As a result of the dissemination of the aforementioned false and misleading reports, releases and public statements, the market price of Pretium securities was artificially inflated throughout the Class Period. In ignorance of the adverse facts concerning Pretium's business and financial condition which were concealed by defendants, Plaintiffs and the other members of the Class purchased Pretium securities at artificially inflated prices and relied upon the price of the securities, the integrity of the market for the securities and/or upon statements disseminated by defendants, and were damaged upon the publication of the alleged corrective disclosures.

145. During the Class Period, Pretium securities were traded on an active and efficient market. Plaintiffs and the other members of the Class, relying on the materially false and misleading statements described herein, which the defendants made, issued or caused to be disseminated, or relying upon the integrity of the market, purchased shares of Pretium securities at prices artificially inflated by defendants' wrongful conduct. Had Plaintiffs and the other members of the Class known the truth, they would not have purchased said securities or would not have purchased them at the inflated prices that were paid. At the time of the purchases by Plaintiffs and the Class, the true value of Pretium securities were substantially lower than the prices paid by Plaintiffs and the other members of the Class. The market price of Pretium securities declined

sharply upon public disclosure of the facts alleged herein to the injury of Plaintiffs and Class members.

146. By reason of the conduct alleged herein, defendants knowingly or recklessly, directly or indirectly, have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

147. As a direct and proximate result of defendants' wrongful conduct, Plaintiffs and the other members of the Class suffered damages in connection with their respective purchases and sales of the Company's securities during the Class Period, upon the disclosure that the Company had disseminated false financial statements to the investing public.

COUNT II

(Violations of Section 20(a) of the Exchange Act Against The Individual Defendants)

148. Plaintiffs repeat and reallege each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

149. During the Class Period, the Individual Defendants participated in the operation and management of Pretium, and conducted and participated, directly and indirectly, in the conduct of Pretium's business affairs. Because of their senior positions, they knew the adverse non-public information regarding Pretium.

150. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information with respect to Pretium's financial condition and results of operations, and to correct promptly any public statements issued by Pretium which had become materially false or misleading.

151. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and

public filings which Pretium disseminated in the marketplace during the Class Period concerning Pretium's financial prospects. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause Pretium to engage in the wrongful acts complained of herein. The Individual Defendants therefore, were "controlling persons" of Pretium within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of Pretium securities.

152. Each of the Individual Defendants, therefore, acted as a controlling person of Pretium. By reason of their senior management positions and/or being directors of Pretium, each of the Individual Defendants had the power to direct the actions of, and exercised the same to cause, Pretium to engage in the unlawful acts and conduct complained of herein. Each of the Individual Defendants exercised control over the general operations of Pretium and possessed the power to control the specific activities which comprise the primary violations about which Plaintiffs and the other members of the Class complain.

153. By reason of the above conduct, the Individual Defendants are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by Pretium.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs demands judgment against defendants as follows:

- A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiffs as the Class representatives;
- B. Requiring defendants to pay damages sustained by Plaintiffs and the Class by reason of the acts and transactions alleged herein;
- C. Awarding Plaintiffs and the other members of the Class prejudgment and post-judgment interest, as well as their reasonable attorneys' fees, expert fees and other costs; and

D. Awarding such other and further relief as this Court may deem just and proper.

DEMAND FOR TRIAL BY JURY

Lead Plaintiff hereby demands a trial by jury.

Dated: March 24, 2014

POMERANTZ LLP

By: 

Jeremy A. Lieberman
Michele S. Carino
600 Third Avenue, 20th Floor
New York, New York 10016
Tel: (212) 661-1100
Fax: (212) 661-8665

POMERANTZ LLP

Patrick V. Dahlstrom
10 South LaSalle Street, Suite 3505
Chicago, IL 60603
Tel: (312) 377-1181
Fax: (312) 377-1184

THE ROSEN LAW FIRM, P.A.

Laurence M. Rosen
Phillip C. Kim
Sara Fuks
Kevin Koon-Pon Chan
275 Madison Avenue, 34th Floor
New York, New York 10016
Tel: (212) 686-1060
Fax: (212) 202-3827

***Co-Lead Counsel for Plaintiffs and the
Putative Class***

GIRARD GIBBS LLP

John A. Kehoe
711 Third Avenue, 20th Floor
New York, New York 10017
Tel: (212) 867-1721
Fax: (212) 867-1767

Counsel for Plaintiffs