



Senior Management Team

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CFO

Dave C. Peck
Head of Exploration

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William J. Weymark

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CIBC – Leon Esterhuizen

Cormark – Edward Otto

Credit Suisse – Nathan Littlewood

Euro-Pacific – Heko Ihle

GMP – Andrew Mikitchook

Mackie Research – Matt O'Keefe

Macquarie – Daniel Greenspan

Octagon – Annie Zhang

Raymond James – Alex Terentiew

RBC – Sam Crittenden

Scotia – Leily Omoumi

Stifel Nicolaus – George Topping

Financial Position

C\$23.5 M in cash and C\$1.2 M in working capital*

C\$43 M convertible debenture

C\$60 M operating line

C\$15 M capital leases

US\$130 M senior secured term loan from Brookfield

C\$20 M private placement in flow through shares expected to be completed by Jun: 19 & Jul: 23, 2013

* As at Mar. 31, 2013

Corporate Profile

NAP is an established precious metals producer that has been operating its flagship Lac des Iles mine (LDI) located in Ontario, Canada since 1993. LDI is one of only two primary producers of palladium in the world, and is currently undergoing a major expansion to increase production and reduce cash costs per ounce. The Company operates with the vision of becoming a low cost mid-tier precious metals producer (+250,000 ounces annual production).



Investment Case for NAP

Clear Growth Strategy to Increase Production & Lower Cash Costs

LDI mine expansion offers production growth with a decreasing cash cost profile and expanding operating margins

Leverage to Rising Palladium Prices

One of two primary palladium producers in the world

Attractive PGM Investment Jurisdiction

Compared to South African peers, NAP operates in a stable political landscape, with low geopolitical risk and moderate cost inflation

Significant Development & Exploration Upside

Potential to convert exploration success into production and cash flow on an accelerated timeline

Operational Expertise Reduces Operating Risk

Experienced management & operating teams

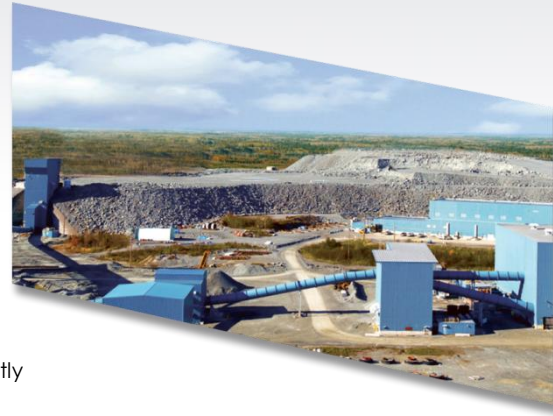


Stock Symbols	NYSE MKT: PAL TSX: PDL
Market Capitalization	US\$201 M
Share Price	US\$1.13
Shares Outstanding	178 M
52-Week High/Low	US\$2.39/\$0.96
3-Month Avg. Trading Volume:	
NYSE MKT:	2.1 M
TSX:	0.3 M

Lac des Iles Palladium Mine

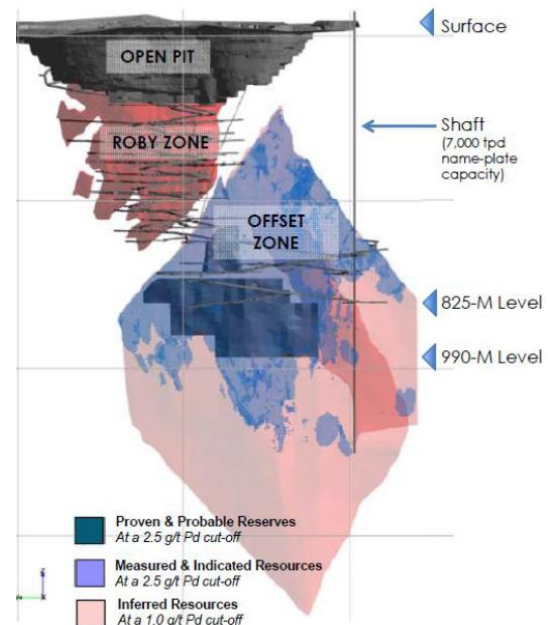
A WORLD CLASS ASSET

- Located north of Thunder Bay, Ontario, Canada
- One of only two primary palladium producers in the world
- Deposit is unique in the world: high palladium concentration, broadly disseminated mineralization vs. narrow vein
- Established palladium producer since 1993
- Currently undergoing a major expansion to increase production and reduce cash costs per ounce
- 15,000 tpd mill has excess capacity available for production growth (currently operating at 35% capacity)
- Significant exploration upside identified on the LDI property
- Notable safety record & operating culture



LDI MINE EXPANSION – PLAN FOR GROWTH

- Approx. \$328.2 M spent to date (Q4, 2010 – Q3, 2013)
- Phase 1 development in 2013 includes:
 1. *Sinking a shaft to the 825-metre level to transition underground operations from mining via ramp to mining via shaft*
 2. *Setting up underground infrastructure to mine the Offset Zone using a high volume bulk mining method; development includes extending the ramp, building new mine levels, and setting up mining stopes*
- Through the utilization of the shaft & bulk mining method, operations are expected to benefit from increased mining rates & decreased operating costs
- Targeting production via shaft by end of Q3, 2013



SIGNIFICANT EXPLORATION UPSIDE

- LDI represents a rare palladium-rich asset with excellent infrastructure and significant exploration upside
- LDI complex has only been drilled in detail in a 1 km x 1 km area and remains largely underexplored
- Multiple targets identified for follow up exploration (surface & underground)
- Regional land package covers the most prospective mafic complexes in the area (all PGM properties are less than 30 km from LDI mill)
- Well positioned to convert exploration success into production and cash flow on an accelerated timeline



Transitioning into a long life, low cost palladium producer \$448

Interesting Facts About Palladium

- Symbol: Pd
- Palladium is one of the six platinum group metals (PGMs), consisting of: platinum, palladium, osmium, ruthenium, iridium and rhodium
- PGMs are known for their:
 - Strength and durability
 - Rarity
 - Strong catalytic properties
 - Resistance to oxidation and corrosion
 - Conductivity and ductility
 - High melting point
- PGMs are most commonly used for technological advances in the fields of autocatalysts, power generation, alternative fuel sources, transportation, electronics and healthcare.
- When recycled, over 96% of PGMs are recovered through highly-efficient refining techniques. Their recyclability means that they have a uniquely long lifecycle, allowing them to contribute significantly to the protection of the environment by reducing any negative impact which is normally associated with metal waste disposal.



Investment Case for Palladium

PRICE PROJECTED TO RISE

As one of only two primary palladium producers in the world, NAP's plans to increase production while lowering operating costs are well timed with the rising price of palladium.

The long-term outlook remains favourable, underpinned by stagnant supply and growing demand from the auto and investment sectors.

- Palladium price forecasted to average US\$700 to \$800 in 2013
- Historic high: US\$1,090 (2001)
- 2012 average price: US\$640
- Recent price: US\$678 (May 7, 2013)

CONSTRAINED GLOBAL MINE SUPPLY

Global mine production of palladium is relatively small, at only 6.3 million ounces per year. As a rare precious metal, there are very few palladium producing regions worldwide. Russia (where palladium is produced as a by-product from nickel mining) and South Africa (where palladium is produced as a by-product from platinum mining) account for approximately 80% of global production, where mine supply from the major producers is constrained.

A significant increase in supply is unlikely, largely due to:

- Political, infrastructure and cost issues in South Africa;
- Declining palladium production in Russia; and
- Lack of new mine construction.

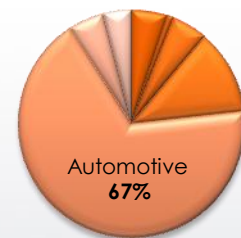
Moreover, there has been considerable speculation about the current holdings of the Russian government's palladium stockpile, which historically has been an overhang on the market. While this remains a state secret, credible forecasters have recently indicated the state stockpile has declined to relatively low levels and will not be a decisive factor in the palladium market going forward. This has resulted in a substantial deficit in the palladium market.

DEMAND ON THE RISE

Increased investment and fabrication demand is primarily driven by the automotive sector for the manufacture of gas engine catalytic converters (also referred to as mufflers) in cars to help reduce toxic emissions into the environment.

Key factors affecting demand include:

- The increasing vehicle production in China, India, Brazil & Russia – which are forecasted to lead the growth in the automobile market;
- Stricter emission controls that mandate the use of catalytic converters;
- Technological advancements for palladium's use in diesel catalytic converters; and
- The recent growth in palladium exchange traded funds (ETFs) which have significantly contributed to the increased investment demand.



Source: Johnson Matthey, Nov. 2012



One of only two primary palladium producers in the world

Social Responsibility

Environmental Stewardship:

We recognize that environmental management and the protection of the environment are among the highest corporate priorities at all stages of our operations. Through the vigorous tests that ensure our environmental compliance to the formal environmental management systems in place, we always strive to minimize our environmental impact.

Health & Safety:

We are committed to ensuring a safe working environment for all of our employees. Key features ensuring safety in our workplace include: our dedicated team of managers and supervisors who make safety an integral part of each workday; our Joint Health and Safety Committee which focuses on identifying safety concerns and making improvements; crew safety meetings held to address worker concerns and communicate safe work issues; procedures that are developed and communicated for activities that may have related hazards; a fully-trained Mine Rescue team that is available to respond to any emergency situation; use of the Common Core modular training systems; and, alliances with groups such as FM Global and the Electrical Safety Authority who inspect our facilities to provide insight into any opportunities for improvement.

Community:

We are responsible to the communities in which we operate in and are committed to our role as a responsible corporate citizen. In keeping with this philosophy, North American Palladium always strives to be a good neighbour and employer, to create economic prosperity for its stakeholders, and whenever economically possible, we give preference to local and regional suppliers when purchasing goods and services.

Ethical & Responsible Business Conduct:

North American Palladium always strives to maintain high standards of integrity and accountability in conducting business. We have adopted a Code of Conduct that is applicable to all directors, officers, employees and contractors. As part of our commitment to ethical and responsible business conduct, we are also committed to maintaining accountability for our accounting, internal controls and auditing processes and ensure compliance with all applicable legal and regulatory requirements relating to our business.



Forward-Looking Statement

Certain information contained within this document that expresses management's expectations of future performance constitute forward looking statements. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Reference should be made to the complete text of forward-looking statements in the Company's most recent 40-F/Annual Information Form, available on our website, www.nap.com, at www.sedar.com or at www.sec.gov.



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