

CASHLESS EXERCISE ELECTION FORM

TO: WARRANTHOLDER

Reference is hereby made to the press release of Largo Resources Ltd. (the "**Company**") dated November 15, 2018 amending the terms of all outstanding unlisted warrants ("**Warrants**") to permit the cashless exercise thereof.

Holders of outstanding Warrants ("**Warrantholders**") may exercise their Warrants without cash consideration through the issuance of common shares in the capital of the Company ("**Common Shares**") equal to the following formula:

$$\frac{((\text{number of Warrants exercised} * \text{market price}^1 \text{ at the time of exercise}) \text{ less } (\text{number of Warrants exercised} * \text{exercise price}))}{\text{market price}^1 \text{ at the time of exercise}}$$

(1) Market price means the volume weighted average trading price of the Common Shares based on the volume and value of the Common Shares traded on the TSX, unless the majority of the trading volume and value of the listed securities occurs on a different exchange in which case it will be based on the trading volume and value on that exchange, for the five (5) trading days immediately preceding the date the Company receives this Cashless Exercise Election Form and the original Warrant Certificate.

The undersigned Warrantholder hereby submits _____ Warrants for "**Cashless Exercise**" for Common Shares of the Company (or such other number of Shares or other securities to which such subscription entitles the undersigned in lieu thereof or in addition thereto pursuant to the provisions of the warrant certificate (the "**Warrant Certificate**") dated the ___ day of _____, 20___, and numbered _____ at the exercise price of \$_____ per Common Share until the Expiry Time, (or at such other purchase price as may be in effect under the provisions of the Warrant Certificate) and on and subject to the other terms and conditions specified in the Warrant Certificate. The undersigned Warrantholder agrees that such submission shall be irrevocable and may not be withdrawn once delivered.

The undersigned certifies that (please check one of the following):

- A The undersigned holder (i) at the time of exercise of the Warrants is not in the United States; (ii) is not a "U.S. person", and is not exercising the Warrants on behalf of a "U.S. person"; and (iii) did not execute or deliver this exercise form in the United States.
- B The undersigned holder (i) is an original U.S. acquirer of the Warrants; (ii) is exercising the Warrants solely for its own account and not on behalf of any other Persons; and (iii) was an "accredited investor", as that term is defined in Regulation D under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**"), both on the date the Warrants were acquired from the Company and on the date hereof.
- C The undersigned holder has delivered to the Company an opinion of counsel (which will not be sufficient unless it is from counsel of recognized standing and such opinion is in form and substance satisfactory to the Company) to the effect that an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws is available.

The undersigned hereby directs that the Common Shares subscribed for be registered and delivered as follows:

Name in Full	Address

[remainder of page intentionally left blank]

DATED this ____ day of _____, 20____.

If an individual:

Name:

If an entity, other than an individual:

Entity name:

Per: _____

Name:

Title:

Note: The undersigned holder understands that unless Box A above is checked, the certificate representing the Common Shares will bear a legend restricting transfer without registration under the U.S. Securities Act and applicable state securities laws unless an exemption from registration is available in accordance with the terms of the Warrant Certificate. Certificates representing Common Shares will not be registered or delivered to an address in the United States unless Box B or C above is checked. If Box C is checked, any opinion tendered must be in form and substance satisfactory to the Company. Warrantholders planning to deliver an opinion of counsel in connection with the exercise of Warrants should contact the Company in advance to determine whether any opinions to be tendered will be acceptable to the Company. If any Warrants are not being exercised, a new Warrant Certificate will be issued and delivered with the Common Share certificates and shall bear the appropriate legend as required by the terms of the Warrant Certificate.