



September 23, 2019

Dear Shareholder:

**Re: Share Consolidation & Exchange of Share Certificates**

We are pleased to advise you that **effective at 12:01 a.m. today, San Marco Resources Inc. consolidated its outstanding common shares on a three into one basis**, each three shares prior to the consolidation being consolidated into one share. Certificates in respect of fractional shares will not be issued. Instead, each fractional share less than  $\frac{1}{2}$  will be rounded down to the nearest whole share and each fractional share equal to or greater than  $\frac{1}{2}$  will be rounded up to the nearest whole share.

Enclosed is a Letter of Transmittal to instruct San Marco's transfer agent where to send your new share certificate(s). Please complete and return the Letter of Transmittal together with your old share certificate(s) to the transfer agent in accordance with the instructions on the Letter of Transmittal.

San Marco will continue to trade on the TSX Venture Exchange under the symbol "SMN" but **its CUSIP number has become 798738 30 8 and its ISIN has become CA798738 30 89.**

Yours truly,

**SAN MARCO RESOURCES INC.**

(signed) Michael F. Provenzano  
Corporate Secretary

**LETTER OF TRANSMITTAL**

**TO: COMPUTERSHARE TRUST COMPANY OF CANADA**

Dear Sirs:

**Re: New Share Certificate for San Marco Resources Inc.  
Old CUSIP 798738 20 9 and old ISIN CA 798738 20 99**

The undersigned hereby represents and warrants that the undersigned (i) is the owner of those common shares (“Shares”) of San Marco Resources Inc. represented by the share certificate(s) described below and delivered herewith, and (ii) has good title to the Shares, free and clear of all liens, charges and encumbrances, and has full power and authority to herewith deposit the Shares.

Certificate Number	Name in Which Registered	Number of Shares

(If insufficient space, attach particulars on a separate page)

The Shares are hereby surrendered in exchange for (new) common shares of San Marco on the basis of three (old) Shares for one (new) common share of San Marco. If the exchange results in a fractional share, each fractional share less than one-half will be rounded down to the nearest whole share and each fractional share equal to or greater than one-half will be rounded up to the nearest whole share.

Please issue and mail: (select one)

- a Direct Registration (“DRS”) advice
- a new share certificate(s)

in respect of these Shares as follows:

\_\_\_\_\_  
Name

\_\_\_\_\_  
Suite No. and Street

\_\_\_\_\_  
City, Province (State) and Postal (ZIP) Code

\_\_\_\_\_  
Social Insurance, Security or Tax ID Number

Yours truly,

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Date

**PLEASE CAREFULLY FOLLOW THE INSTRUCTIONS ON THE REVERSE.**

## INSTRUCTIONS

### 1. Use of Letter of Transmittal

- (a) This Letter of Transmittal, duly completed and signed together with the share certificate(s) described herein, must be mailed or delivered to the transfer agent at the office listed below. The method of delivery is at the option and risk of the shareholder but, if mail is used, registered mail is recommended.
- (b) Share certificate(s) registered in the name of the person by whom (or on whose behalf) this Letter of Transmittal is signed need not be endorsed or accompanied by any share transfer power of attorney.
- (c) Share certificate(s) not registered in the name of the person by whom (or on whose behalf) the Letter of Transmittal is signed must be endorsed by the registered holder thereof or deposited together with share transfer power of attorney properly completed by the registered holder. Such signature must be guaranteed by an “Eligible Institution” or in some other manner satisfactory to Computershare. An “Eligible Institution” means a Canadian schedule 1 chartered bank, a member of the Securities Transfer Agent Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada and the United States, members of the Investment Industry Regulatory Organization of Canada, members of the Financial Industry Regulatory Authority or banks and trust companies in the United States.
- (d) If this Letter of Transmittal is executed on behalf of a corporation, partnership or association or by an agent, executor, administrator, trustee, guardian or any person acting in a representative capacity, it must be accompanied by satisfactory evidence of the signatory’s authority to act.
- (e) The Corporation reserves the right if it so elects in its absolute discretion to instruct the transfer agent to waive any defect or irregularity contained in any Letter of Transmittal received.

### 2. Lost Share Certificates

If a share certificate has been lost or destroyed, this Letter of Transmittal must be completed as fully as possible and forwarded to the transfer agent together with a letter advising of the loss. The transfer agent will provide the replacement requirements, which must be properly completed and returned prior to effecting the exchange.

### 3. Charge for New Certificates

Each registered shareholder is entitled, without charge, to have one new certificate issued for each old certificate surrendered, whether or not the new certificate is to be issued in the same name as that shown on the old certificate surrendered. Shareholders requesting additional certificates will be charged C\$ 3.50 for each additional certificate.

### 4. Further Questions

Any questions should be directed to Computershare Trust Company of Canada at:  
Phone: 1-800-564-6253                      E-mail: [corporateactions@computershare.com](mailto:corporateactions@computershare.com)

### 5. Address of the Transfer Agent

#### **By Mail:**

**Computershare Trust Company of Canada**  
31 Adelaide Street East, Box 7021  
Toronto, Ontario M5C 3H2

Attention: Corporate Actions

#### **By Courier or In Person:**

**Computershare Trust Company of Canada**  
100 University Avenue, 8<sup>th</sup> Floor  
Toronto, Ontario M5J 2Y1

Attention: Corporate Actions

Computershare is committed to protecting your personal information. In the course of providing services to you and our corporate clients, we receive non-public personal information about you - from transactions we perform for you, forms you send us, other communications we have with you or your representatives, etc. This information could include your name, address, social insurance number, securities holdings and other financial information. We use this to administer your account, to better serve you and our clients’ needs and for other lawful purposes relating to our services. Some of your information may be transferred to servicers in the U.S.A. for data processing and/or storage. We have prepared a *Privacy Code* to tell you more about our information practices, how your privacy is protected and how to contact our Chief Privacy Officer. It is available at our website, [computershare.com](http://computershare.com), or by writing us at 100 University Avenue, Toronto, Ontario, M5J 2Y1. Computershare will use the information you are providing in order to process your request and will treat your signature(s) as your consent to us so doing.