

## NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING OF SHAREHOLDERS

To the Shareholders of Kootenay Silver Inc.:

**NOTICE IS HEREBY GIVEN** that an annual general and special meeting (the “**Meeting**”) of the holders (the “**Company Shareholders**”) of common shares (“**Company Shares**”) of Kootenay Silver Inc. (the “**Company**”) will be held at 910 – 800 West Pender Street, Vancouver, British Columbia on September 15, 2021 at 10:00 A.M. (Vancouver Time) for the following purposes:

1. to receive the audited financial statements of the Company for the fiscal years ended December 31, 2020 and 2019, together with the report of the auditors thereon;
2. to determine the number of directors at five;
3. to elect the directors of the Company for the ensuing year;
4. to re-appoint the auditor of the Company for the ensuing fiscal year and to authorize the directors of the Company to fix the auditor’s remuneration;
5. to consider, and if deemed advisable, to pass, with or without variation, an ordinary resolution, as set out in the accompanying management information circular (the “**Information Circular**”), to ratify, confirm and approve the Company’s stock option plan;
6. to consider, and if thought fit, to pass, with or without variation, an ordinary resolution to approve the adoption of a share unit plan for the Company, as described in the accompanying Information Circular;
7. to consider, and if thought fit, to pass, with or without variation, an ordinary resolution to approve the adoption of a deferred share unit plan for the Company, as described in the accompanying Information Circular;
8. to consider and, if deemed advisable, to approve, with or without variation, a special resolution of the Company Shareholders (the “**Arrangement Resolution**”) approving a statutory plan of arrangement (the “**Plan of Arrangement**”) pursuant to Section 288 of the *Business Corporations Act* (British Columbia) (the “**BCBCA**”) among the Company, the Company securityholders and Kootenay Resources Inc. (“**Spinco**”), as more fully described in the Information Circular;
9. to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution approving the adoption by Spinco of a rolling 10% stock option plan, as more fully described in the accompanying Information Circular;
10. to consider, and if thought fit, to pass, with or without variation, an ordinary resolution to approve the adoption of a share unit plan for Spinco, as described in the accompanying Information Circular;
11. to consider, and if thought fit, to pass, with or without variation, an ordinary resolution to approve the adoption of a deferred share unit plan for Spinco, as described in the accompanying Information Circular; and
12. to transact such further or other business as may properly come before the Meeting and any adjournment(s) or postponement(s) thereof.

**AND TAKE NOTICE** that registered Company Shareholders have a right of dissent in respect of the proposed Plan of Arrangement and to be paid the fair value of their Company Shares in accordance with the provisions of the Plan of Arrangement governing the Arrangement and sections 237 to 247 of the BCBCA. The dissent rights are described in the accompanying Information Circular (and specifically Schedule “E”). Failure to strictly comply with required procedure may result in the loss of any right of dissent.

Only Company Shareholders of record at the close of business on August 3, 2021 will be entitled to receive notice of and vote at the Meeting. Any adjournment of the Meeting will be held at a time and place to be specified at the Meeting. If you are unable to attend the Meeting in person, please complete, sign and date the enclosed form of proxy and return the same in the enclosed return envelope provided for that purpose within the time and to the location set out in the form of proxy accompanying this notice.

**It is desirable that as many Company Shares as possible be represented at the Meeting. Whether or not you expect to attend the Meeting, please exercise your right to vote. Please complete the enclosed instrument of proxy and return it as soon as possible in the envelope provided for that purpose.** To be valid, all instruments of proxy must be deposited at the office of the Registrar and Transfer Agent of the Company, Computershare Trust Company of Canada, 8th Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, not later than forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting or any adjournment(s) or postponement(s) thereof. Late instruments of proxy may be accepted or rejected by the Chairman of the Meeting in his discretion and the Chairman is under no obligation to accept or reject any particular late instruments of proxy.

The accompanying Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this notice.

This notice is accompanied by the Information Circular and either a form of proxy for Registered Holders or a voting instruction form for beneficial Company Shareholders.

**THE SECURITIES DESCRIBED IN THE ACCOMPANYING INFORMATION CIRCULAR HAVE NOT BEEN RECOMMENDED BY THE SECURITIES AND EXCHANGE COMMISSION OR BY ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES OR ANY CANADIAN SECURITIES COMMISSION OR REGULATORY AUTHORITY PASSED ON THE ACCURACY OR ADEQUACY OF THIS INFORMATION CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

The New Company Shares, Spinco Shares, Company Replacement Options, Spinco Options and modified Company Warrants to be distributed or deemed to be distributed under the Arrangement have not been registered under the United States *Securities Act of 1933*, as amended (the “**U.S. Securities Act**”), and are being distributed in reliance on the exemption from registration set forth in Section 3(a)(10) thereof on the basis of the approval of the Court as described in this Information Circular. The solicitation of proxies is not subject to the requirements of Section 14(a) of the United States *Securities Exchange Act of 1934*, as amended (the “**U.S. Exchange Act**”). Accordingly, this Information Circular has been prepared in accordance with applicable Canadian disclosure requirements. Residents of the United States should be aware that such requirements differ from those of the United States applicable to proxy statements under the U.S. Exchange Act. Likewise, information concerning the properties and operations of the Company, including the Canadian Properties, has been prepared in accordance with Canadian standards under applicable Canadian securities laws, and may not be comparable to similar information for United States companies. The terms “Mineral Resource”, “Measured Mineral Resource”, “Indicated Mineral Resource” and “Inferred Mineral Resource” are Canadian mining terms as defined in accordance with National Instrument 43-101, Standards of Disclosure for Mineral Projects (“**NI 43-101**”), under guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the “**CIMM**”) Standards on Mineral Resources and Mineral Reserves Definitions and guidelines adopted by the CIMM Council on August 20, 2000, as amended. The disclosure standards under NI 43-101 differ from the disclosure standards that apply to reports filed with the United States Securities and Exchange Commission (the “**SEC**”), including the standards set forth in Subpart 1300 of Regulation S-K for resource companies. As such, certain information contained in this Information Circular concerning descriptions of mineralization and resources under Canadian standards is not comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC. **Investors are cautioned not to assume that the information contained in this Information Circular are comparable to similar information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.**

DATED at Vancouver, British Columbia this 12th day of August, 2021.

**BY ORDER OF THE BOARD**

*(signed) "Kenneth E. Berry"*  
Kenneth E. Berry  
Chairman and Director

**Registered Company Shareholders unable to attend the Meeting are requested to date, sign and return their form of proxy in the enclosed envelope. If you are a non-registered Company Shareholder and receive these materials through your broker or through another Intermediary, please complete and return the materials in accordance with the instructions provided to you by your broker or by the other Intermediary. Failure to do so may result in your shares not being eligible to be voted by proxy at the Meeting.**

**CAUTION CONCERNING COVID-19 PANDEMIC**

As at the date of this Information Circular, it is the intention of the Company to hold the Meeting at the location specified above. We are continuously monitoring the development of the current coronavirus disease ("COVID-19") pandemic. In light of the rapidly evolving public health guidelines related to COVID-19, we ask shareholders to consider voting their common shares by proxy and not attend the Meeting in person. **Those shareholders wishing to attend the Meeting in person must contact the Company by email at [raj@kootenaysilver.com](mailto:raj@kootenaysilver.com) at least 48 hours prior to the date of the Meeting for further instructions.** Shareholders should carefully consider and follow the instructions of the federal Public Health Agency of Canada available at: <https://www.canada.ca/en/public-health/services/diseases/2019-novel-coronavirus-infection/guidance-documents.html>. We ask that shareholders also review and follow the instructions of any regional health authorities of the Province of British Columbia, including the Vancouver Coastal Health Authority, the Fraser Health Authority and any other health authority holding jurisdiction over the areas you must travel through to attend the Meeting. Please do not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. The Company reserves the right to deny access to persons who exhibit cold or flu-like symptoms, or who have, or have been in close contact with someone who has, travelled to/from outside of Canada within the 14 days immediately prior to the Meeting. All shareholders are strongly encouraged to vote by submitting their completed form of proxy (or voting instruction form) prior to the Meeting by one of the means described in the Information Circular. If public health guidelines regarding physical distancing in British Columbia have changed by the date of the Meeting that require an alternative format for the Meeting, the Company will issue a news release advising of permitted Meeting attendance in accordance with such updated guidelines. The Company reserves the right to take any additional pre-cautionary measures deemed to be appropriate in relation to the Meeting in response to further developments in the COVID-19 pandemic.