



1100-1199 West Hastings Street, Vancouver, BC, V6E 3T5

August 24, 2018

Dear Shareholders:

Milestones achieved in the past year are:

- The Company undertook a unit equity raise at a price of \$0.40 to raise gross funds of \$3,518,800 which were utilized for working capital and exploration costs at its Oro, New Mexico property (“Oro”) and at its Cerro Las Minitas property (“CLM”).
- We have advanced the CLM silver-lead-zinc property in Durango, Mexico utilizing earn-in funds provided by our partner, Electrum Global Holdings LP (“Electrum”) which has advanced US\$5 million to earn a 60% indirect interest in the property. Operations continue as a joint venture with our Company as Operator.
- In January 2018, we announced a Revised Mineral Resource Estimate at CLM of (at a **175g/t AgEq cut-off**):
 - **Indicated – 116.1Mozs AgEq:** 33.6Mozs Ag, 319Mlbs Pb and 813Mlbs Zn; and
 - **Inferred – 92.7Mozs AgEq:** 20.7Mozs Ag, 131Mlbs Pb and 870Mlbs Zn

Currently we are conducting operations at CLM with two drill rigs on a US\$3 million drill program with the goal of systematically expanding the mineral resource in the Area of the Cerro as well as greenfield exploration drilling on the larger, recently staked CLM West claim group.

We located by staking contiguous prospective ground to CLM consisting of an additional 20,750 hectares, conducted preliminary exploration work and are currently exploring portions of CLM West by diamond drilling. The intent is to discover a major Ag-Au quartz vein system underneath gravel cover, where surface float sampling has demonstrated precious metal values up to 5,701g/t Ag and 1.46g/t Au and pathfinder assay values up to >1% Sb, 5,550ppm As and 747ppm Hg.

- At Oro, in New Mexico, an exploration program was undertaken consisting of property-wide airborne Z-TEM geophysics and RC drilling at the Stockpond target with the goal of expanding and delineating existing targets along strike and at depth. This exploration program resulted in promising targets which are currently being further evaluated by the company.
- In my reporting letter in 2017 I stated the Company’s strategy remains consistent; we will continue to advance our assets as a direct result of having a strong partner in Electrum, a dedicated Management Team and Board of Directors, and a solid, supportive shareholder base. We will focus on the advancement of the CLM project and use innovative methods to explore for and delineate additional deposits on our highly prospective landholdings, while at the same time continuing to investigate new opportunities that could complement our existing assets and add value to the Company. I am pleased to report that we have strengthened the Company’s assets through exploration and delineation of a Resource which may well lead to potential development of the CLM property as a producer in the mid-term while strengthening the Oro property as a porphyry gold copper target attractive for exploration and development by a major.

I would like to take this opportunity to thank our shareholders for their support as we continue to realize value at CLM and create additional value through new discoveries.

A handwritten signature in blue ink, appearing to read 'L. Page'.

Lawrence Page, Q.C.
President

SOUTHERN SILVER EXPLORATION CORP.

Suite 1100 – 1199 West Hastings Street

Vancouver, British Columbia V6E 3T5

Telephone: (604) 684-9384

Fax: (604) 688-4670

NOTICE OF ANNUAL GENERAL MEETING

TAKE NOTICE that the Annual General Meeting of **SOUTHERN SILVER EXPLORATION CORP.** (hereinafter called the "Company") will be held at Suite 1100 – 1199 West Hastings Street, Vancouver, British Columbia on:

Thursday, September 27, 2018

at the hour of 10:00 o'clock in the morning (Pacific Time) for the following purposes:

1. to receive the financial statements of the Company for the fiscal years ended April 30, 2018 and April 30, 2017 and the reports of the auditor thereon;
2. to appoint an auditor for the ensuing year;
3. to determine the number of directors and to elect directors;
4. to pass an ordinary resolution approving the Company's Stock Option Plan described in the Information Circular; and
5. to transact any other business that may properly come before the Meeting and any adjournment thereof.

An Information Circular and a form of Proxy accompany this Notice. The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and forms part of this Notice.

Registered shareholders are entitled to vote at the Meeting in person or by proxy. Registered shareholders who are unable to attend the Meeting, or any adjournment thereof, in person, are requested to read, complete, sign and return the form of Proxy accompanying this Notice in accordance with the instructions set out in the form of Proxy and in the Information Circular accompanying this Notice. Unregistered shareholders who received the form of Proxy accompanying this Notice through an intermediary must deliver the Proxy in accordance with the instructions given by such intermediary.

DATED at Vancouver, British Columbia, this 17th day of August, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS
OF SOUTHERN SILVER EXPLORATION CORP.**

"Lawrence Page, Q.C."

Lawrence Page, Q.C.
President

SOUTHERN SILVER EXPLORATION CORP.

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MANAGEMENT INFORMATION CIRCULAR AS AT AND DATED AUGUST 17, 2018 (unless otherwise noted)

This Management Information Circular (“Information Circular”) accompanies the Notice of the Annual General Meeting (“Notice of Meeting”) of holders of common shares (“shareholders”) of Southern Silver Exploration Corp. (the “Company”) scheduled to be held on Thursday, September 27, 2018 (the “Meeting”), and is furnished in connection with a solicitation of proxies for use at that Meeting and at any adjournment or postponement thereof.

PERSONS OR COMPANIES MAKING THE SOLICITATION

THE FORM OF PROXY ACCOMPANYING THIS INFORMATION CIRCULAR IS BEING SOLICITED BY MANAGEMENT OF THE COMPANY

Solicitations will be made by mail and possibly supplemented by telephone, electronic means or other personal contact to be made without special compensation by directors, officers and employees of the Company. The Company may reimburse shareholders’ nominees or agents for the cost incurred in obtaining from their principals authorization to execute forms of proxy. It is not anticipated that any solicitation will be made by specially engaged employees or soliciting agents. The cost of solicitation will be borne by the Company.

No person has been authorized to give any information or to make any representation other than as contained in this Information Circular in connection with the solicitation of proxies. If given or made, such information or representations must not be relied upon as having been authorized by the Company. The delivery of this Information Circular shall not create, under any circumstances, any implication that there has been no change in the Information set forth herein since the date of this Information Circular. This Information Circular does not constitute the solicitation of a proxy by anyone in any jurisdiction in which such solicitation is not authorized, or in which the person making such solicitation is not qualified to do so, or to anyone to whom it is unlawful to make such an offer of solicitation.

APPOINTMENT OF PROXYHOLDER

Only registered shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Those shareholders so desiring may be represented by proxy at the Meeting. The persons named in the form of proxy accompanying this Information Circular are directors and/or officers of the Company (“Management Appointees”). **A shareholder has the right to appoint a person or company (who need not be a shareholder) to attend and act on the shareholder’s behalf at the Meeting other than the Management Appointees.** To exercise this right, the shareholder must either insert the name of the desired person in the blank space provided in the form of proxy accompanying this Information Circular and strike out the names of the Management Appointees or submit another proper form of proxy.

NON-REGISTERED SHAREHOLDERS

Only shareholders whose names appear on the records of the Company (“registered shareholders”) or duly appointed proxyholders are permitted to vote at the Meeting. Most shareholders of the Company are not registered shareholders because the shares they own are not registered in their names. More particularly, a person is not a registered shareholder in respect of shares which are held on behalf of that person (the “Non-Registered Holder”) but which are registered either: (a) in the name of an intermediary (an “Intermediary”) that the Non-Registered Holder deals with in respect of the shares including, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSP’s, RRIF’s, RESP’s and similar plans; or (b) in the name of a clearing agency (such as The Canadian Depository for Securities Limited (“CDS”)) of which the Intermediary is a participant. In accordance with current securities regulatory policy, the Company has distributed copies of the Notice of Meeting, this Information Circular and the form of proxy accompanying this Information Circular (collectively, the “Meeting Materials”) to the clearing agencies and Intermediaries.

Current securities regulatory policy requires Intermediaries to forward the Meeting Materials to, and to seek voting instructions from, Non-Registered Holders unless a Non-Registered Holder has waived the right to receive them. Intermediaries will often use service companies to forward the Meeting Materials to Non-Registered Holders. Generally, Non-Registered Holders who have not waived the right to receive Meeting Materials will either:

- (a) be given a form of proxy **which has already been signed by the Intermediary** (typically by a facsimile, stamped signature), which is restricted as to the number of shares beneficially owned by the Non-Registered Holder but which is otherwise not completed. Because the Intermediary has already signed the form of proxy, this form of proxy is not required to be signed by the Non-Registered Holder when submitting the proxy. In this case, the Non-Registered Holder who wishes to submit a proxy

should otherwise properly complete this form of proxy and **submit it to the Company, c/o Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, fax number: (416) 263-9261**; or

- (b) more typically, be given a voting instruction or proxy authorization form **which is not signed by the Intermediary**, and which, when properly completed and signed by the Non-Registered Holder and **returned to the Intermediary or its service company**, (such as Broadridge Financial Solutions Inc.), will constitute voting instructions (often called a "proxy authorization form") which the Intermediary must follow. Typically, the proxy authorization form will consist of a one page pre-printed form. Sometimes, instead of the one page pre-printed form, the proxy authorization form will consist of a regular printed proxy form accompanied by a page of instructions which contains a removable label containing a bar-code and other information. In order for this proxy form to validly constitute a proxy authorization form, the Non-Registered Holder must remove the label from the instructions and affix it to the proxy form, properly complete and sign the proxy form and return it to the Intermediary or its service company, or otherwise communicate voting instructions to the Intermediary or its service company (by way of telephone or Internet, for example) in accordance with the instructions of the Intermediary or its service company. **A Non-Registered Holder cannot use a proxy authorization form to vote shares directly at the Meeting.**

In either case, the purpose of this procedure is to permit Non-Registered Holders to direct the voting of the shares which they beneficially own.

The Meeting Materials are being sent to both registered and non-registered owners of shares. If you are a Non-Registered Holder and the Company or its agent has sent the Meeting Materials directly to you as a non-objecting beneficial owner under National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer* ("NI 54-101"), your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding shares on your behalf. By choosing to send the Meeting Materials to you directly, the Company (and not the Intermediary holding shares on your behalf) has assumed responsibility for (i) delivering the Meeting Materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Management of the Company does not intend to pay for Intermediaries to forward to objecting beneficial owners under NI 54-101 the Meeting Materials and Form 54-101F7 – *Request for Voting Instructions Made by Intermediary*, and in the case of an objecting beneficial owner, the objecting beneficial owner will not receive the Meeting Materials unless the Intermediary holding shares on behalf of the objecting beneficial owner assumes the cost of delivery.

Non-Registered Holders cannot be recognized at the Meeting for purposes of voting their shares in person or by way of depositing a form of proxy. If you are a Non-Registered Holder and wish to vote in person at the Meeting, please see the voting instructions you received or contact your Intermediary well in advance of the Meeting to determine how you can do so.

Non-Registered Holders should carefully follow the voting instructions they receive, including those on how and when voting instructions are to be provided, in order to have their shares voted at the Meeting.

DEPOSIT AND VOTING OF PROXIES

To be effective, the instrument of proxy must be dated and signed and, together with the power of attorney or other authority, if any, under which it is signed or a notarially certified copy thereof, deposited either at the office of Computershare Investor Services Inc., Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, or at the Head Office of the Company at Suite 1100, 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the holding of the Meeting or any adjournment or postponement thereof. Late proxies may be accepted or rejected by the Chairman of the Meeting in the Chairman's discretion, and the Chairman is under no obligation to accept or reject any particular late proxy.

THE SHARES REPRESENTED BY A PROPERLY EXECUTED AND DEPOSITED PROXY WILL BE VOTED OR WITHHELD FROM VOTING ON EACH MATTER REFERRED TO IN THE NOTICE OF MEETING IN ACCORDANCE WITH THE INSTRUCTIONS GIVEN (PROVIDED SUCH INSTRUCTIONS ARE CERTAIN) ON ANY BALLOT THAT MAY BE CALLED FOR AND, IF A CHOICE IS SPECIFIED WITH RESPECT TO ANY MATTER TO BE ACTED UPON AT THE MEETING, THE SHARES SHALL BE VOTED OR WITHHELD FROM VOTING ACCORDINGLY. **WHERE NO CHOICE IS SPECIFIED IN RESPECT OF ANY MATTER TO BE ACTED UPON AND ONE OF THE MANAGEMENT APPOINTEES IS NAMED IN THE FORM OF PROXY TO ACT AS THE SHAREHOLDER'S PROXYHOLDER, THE SHARES REPRESENTED BY THE PROXY WILL BE VOTED IN FAVOUR OF ALL SUCH MATTERS.** THE FORM OF PROXY ACCOMPANYING THIS INFORMATION CIRCULAR GIVES THE PERSON OR COMPANY NAMED AS PROXYHOLDER DISCRETIONARY AUTHORITY REGARDING AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND OTHER MATTERS THAT MAY PROPERLY COME BEFORE THE MEETING. IN THE EVENT THAT AMENDMENTS OR VARIATIONS TO MATTERS IDENTIFIED IN THE NOTICE OF MEETING ARE PROPERLY BROUGHT BEFORE THE MEETING OR ANY OTHER BUSINESS IS PROPERLY BROUGHT BEFORE THE MEETING, IT IS THE INTENTION OF THE MANAGEMENT APPOINTEES TO VOTE IN ACCORDANCE WITH THEIR BEST JUDGMENT ON SUCH MATTERS OR BUSINESS ON ANY BALLOT THAT MAY BE CALLED FOR. AT THE TIME OF PRINTING THIS INFORMATION CIRCULAR, MANAGEMENT KNOWS OF NO SUCH AMENDMENTS, VARIATIONS OR OTHER MATTERS WHICH MAY BE BROUGHT BEFORE THE MEETING.

REVOCABILITY OF PROXY

In addition to revocation in any other manner permitted by law, a proxy may be revoked by instrument in writing executed by the registered shareholder or the registered shareholder's attorney authorized in writing, or if the registered shareholder is a corporation, by a duly authorized officer or attorney thereof, and deposited either at the registered office of the Company at any time up to and including

the last business day preceding the day of the Meeting, or any adjournment or postponement thereof, or, as to any matter in respect of which a vote shall not already have been cast pursuant to such proxy, with the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, and upon either of such deposits the proxy is revoked.

Only registered shareholders have the right to revoke a proxy. Non-Registered Holders who wish to change their vote must arrange for their Intermediaries to revoke the proxy on their behalf.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The Company's authorized share structure consists of an unlimited number of common shares without par value. There is one class of shares only and there are 96,663,948 common shares issued and outstanding. The directors have determined that all shareholders of record as of the 17th day of August, 2018 will be entitled to receive notice of and to vote at the Meeting.

At a General Meeting of the Company, on a show of hands, every registered shareholder present in person and entitled to vote and every proxyholder duly appointed by a registered shareholder who would have been entitled to vote shall have one vote and, on a poll, every registered shareholder present in person or represented by proxy or other proper authority and entitled to vote shall have one vote for each share of which such shareholder is the registered holder. Shares represented by proxy will only be voted as to the number of shares represented if a poll or ballot is called for. A poll or ballot may be requested by a registered shareholder or proxyholder present and entitled to vote at the Meeting or required because the number of votes attached to shares represented by proxies that are to be voted against a matter is greater than 5% of the votes attached to all shares that are entitled to be voted and to be represented at the Meeting.

To the knowledge of the directors and executive officers of the Company, as at the date of this Information Circular, no person or company beneficially owns, or controls or directs, directly or indirectly, voting securities carrying 10% or more of the outstanding voting rights of the Company, other than:

Name	Number of Shares	Percentage
Electrum Global Holdings L.P. <i>(principally owned and controlled by GRAT Holdings LLC)</i>	35,384,593	36.6%

ELECTION OF DIRECTORS

Each director of the Company is elected annually and holds office until the next Annual General Meeting of the shareholders unless that person ceases to be a director before then. **Unless such authority is withheld, the Management Appointees intend to vote the shares represented by proxy for the election of the nominees herein listed on any poll or ballot that may be called for.**

MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF THE NOMINEES HEREIN LISTED WILL BE UNABLE TO SERVE AS A DIRECTOR. IN THE EVENT THAT PRIOR TO THE MEETING ANY VACANCIES OCCUR IN THE SLATE OF NOMINEES HEREIN LISTED, IT IS INTENDED THAT DISCRETIONARY AUTHORITY SHALL BE EXERCISED BY THE MANAGEMENT APPOINTEES, IF NAMED IN THE PROXY, TO VOTE THE SHARES REPRESENTED BY PROXY FOR THE ELECTION OF ANY OTHER PERSON OR PERSONS AS DIRECTORS UNLESS THE SHAREHOLDER HAS SPECIFIED THAT THE SHARES REPRESENTED BY PROXY ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.

Management proposes that the number of directors for the Company be determined at seven (7) for the ensuing year, subject to such increases as may be permitted by the Articles of the Company, and that each of the following persons be nominated for election as a director of the Company for the ensuing year. Information concerning these persons, as furnished by the individual nominees, is as follows:

Name, Jurisdiction of Residence and Position Held	Director Since	Number Of Shares Beneficially Owned, Or Controlled Or Directed, Directly Or Indirectly At August 17, 2018	Principal Occupation And If Not At Present An Elected Director, Occupation During The Past Five (5) Years
Lawrence Page, Q.C. ^{(1) (3)} British Columbia, Canada President, Director	October, 1999	318,448 ⁽⁴⁾	Barrister & Solicitor; President of Manex Resource Group Inc., a private corporate, geological and administrative services company
David Roger Scammell ⁽³⁾ Toronto, Ontario Director	October, 2002	17,000	Geologist
Eugene Spiering ^{(1) (2) (3)} British Columbia, Canada Director	October, 2014	40,000	Geologist

Name, Jurisdiction of Residence and Position Held	Director Since	Number Of Shares Beneficially Owned, Or Controlled Or Directed, Directly Or Indirectly At August 17, 2018	Principal Occupation And If Not At Present An Elected Director, Occupation During The Past Five (5) Years
Nigel Bunting ^{(1) (2) (3)} Ipswich, United Kingdom Director	December, 2014	740,000	Corporate Director
Dr. Larry Buchanan Oregon, USA Director	March, 2015	Nil	Chief Consulting Geologist to the Electrum Group LLC
Peter Cheesbrough ⁽²⁾ Colorado, USA Director	March, 2015	Nil	President, Exploration Division of the Electrum Group LLC
Donald Head Arizona, USA	May, 2016	450,000 ⁽⁵⁾	Businessman

(1) Member of the Audit Committee.

(2) Member of the Corporate Governance, Nomination and Compensation Committee.

(3) Member of the Safety, Health, Security and Environment Committee.

(4) Lawrence Page, Q.C. directly holds 96,018 common shares and indirectly has control over 222,430 common shares.

(5) Donald Head indirectly has control over 450,000 common shares.

To the knowledge of management of the Company, no proposed director (including any of their respective holding companies):

- (a) is, as at the date of this Information Circular, or has been, within the preceding 10 years, a director, chief executive officer or chief financial officer of any company (including the Company) that:
- (i) was subject to a cease trade or similar order (including a management cease trade order whether or not such person was named in the order) or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "Order") while the proposed director was acting in the capacity as director, chief executive officer or chief financial officer;
 - (ii) was subject to an Order that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer; or
- (b) is, as at the date of this Information Circular, or has been, within the preceding 10 years, a director or executive officer of any company (including the Company) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (c) has, within the 10 years before the date of this Information Circular, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the proposed director; or
- (d) has been subject to:
- (i) since December 31, 2000, any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority, or before December 31, 2000, the disclosure of which would likely be important to a reasonable securityholder in deciding whether to vote for a proposed director;
 - (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable securityholder in deciding whether to vote for a proposed director; or
- (e) is to be elected under any arrangement or understanding between the proposed director and any other person or company, except the directors and executive officers of the Company acting solely in such capacity.

STATEMENT OF EXECUTIVE COMPENSATION

"named executive officer" or "NEO" means each of the following individuals:

- (a) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief executive officer, including an individual performing functions similar to a chief executive officer ("CEO");

(b) each individual who, in respect of the Company, during any part of the most recently completed financial year, served as chief financial officer, including an individual performing functions similar to a chief financial officer (“CFO”);

(c) in respect of the Company and its subsidiaries, the most highly compensated executive officer other than the individuals identified in paragraphs (a) and (b) at the end of the most recently completed financial year whose total compensation was more than \$150,000 for that financial year;

(d) each individual who would be a named executive officer under paragraph (c) but for the fact that the individual was not an executive officer of the Company, and was not acting in a similar capacity, at the end of that financial year;

During the year ended April 30, 2018, the Company had two NEOs: Lawrence Page, President (CEO), and Graham Thatcher, CFO.

Director and Named Executive Officer Compensation, Excluding Compensation Securities

The following table of compensation, excluding options and compensation securities, provides a summary of the compensation payable by the Company to each NEO and director of the Company for the two most recently completed financial years ended April 30, 2018 and April 30, 2017:

Table of compensation excluding compensation securities							
Name and position	Year	Salary, consulting fee, retainer or commission (\$)	Bonus (\$)	Committee or meeting fees (\$)	Value of perquisites (\$)	Value of all other compensation (\$)	Total compensation (\$)
Lawrence Page, Q.C. <i>CEO & Director</i>	2018	137,800	Nil	Nil	Nil	Nil	137,800
	2017	112,320	Nil	Nil	Nil	Nil	112,320
Graham Thatcher <i>CFO</i>	2018	30,000	Nil	Nil	Nil	Nil	30,000
	2017	30,000	Nil	Nil	Nil	Nil	30,000
Roger Scammell <i>Director</i>	2018	1,500	Nil	Nil	Nil	Nil	1,500
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Eugene Spiering <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Nigel Bunting <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Larry Buchanan <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Peter Cheesbrough <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil
Donald Head <i>Director</i>	2018	Nil	Nil	Nil	Nil	Nil	Nil
	2017	Nil	Nil	Nil	Nil	Nil	Nil

Narrative Discussion

Mr. Page is the principal of Advocate Services Limited (“Advocate”). Effective October 1, 2017, the Company is charged \$13,000 plus tax per month by Advocate for the provision of the services of Mr. Page to the Company.

Mr. Page is also the principal of Page Law Corporation which provides the Company with legal services. In the year ended 2018 the Company was charged \$77,350 (2017: \$52,766) by Page Law Corporation for the provision of legal services to the Company. Mr. Page is the principal of Manex Resource Group Inc. (“Manex”). Under a service agreement, Manex provides the Company with administrative, corporate, consulting, accounting and corporate development services. During the year ended April 30, 2018, Manex charged \$60,000 (2017 - \$60,000) for the provision of office space and administration services, \$438,628 (2017 - \$278,684) for the provision of consulting, professional and corporate development and geological services and \$5,772 (2017 - \$7,043) as a 15% mark-up on out-of-pocket expenses.

Mr. Scammell is the principal of 1864438 Ontario Inc. (“1864438”). During the year ended 2018, the Company was charged \$1,500 plus tax by 1864438 for the provision of the services of Mr. Scammell to the Company.

Stock Options and Other Compensation Securities

The following table sets out all compensation securities granted to each NEO and director by the Company for services provided, directly or indirectly, to the Company during the financial year ended April 30, 2018.

Compensation Securities							
Name and position	Type of Compensation security	Number of compensation securities, number of underlying securities, and percentage of class	Date of issue or grant	Issue, conversion or exercise price (\$)	Closing price of security or underlying security on date of grant (\$)	Closing price of security or underlying security at year end (\$)	Expiry date
Lawrence Page, Q.C. ⁽¹⁾ <i>CEO & Director</i>	stock options	300,000	Oct 2, 2017	0.34	0.335	0.38	Oct 2, 2022
Graham Thatcher ⁽²⁾ <i>CFO</i>	stock options	150,000	Oct 2, 2017	0.34	0.335	0.38	Oct 2, 2022
Roger Scammell ⁽³⁾ <i>Director</i>	stock options	200,000	Oct 2, 2017	0.34	0.335	0.38	Oct 2, 2022
Eugene Spiering ⁽⁴⁾ <i>Director</i>	stock options	200,000	Oct 2, 2017	0.34	0.335	0.38	Oct 2, 2022
Nigel Bunting ⁽⁵⁾ <i>Director</i>	stock options	200,000	Oct 2, 2017	0.34	0.335	0.38	Oct 2, 2022
Larry Buchanan ⁽⁶⁾ <i>Director</i>	stock options	200,000	Oct 2, 2017	0.34	0.335	0.38	Oct 2, 2022
Peter Cheesbrough ⁽⁷⁾ <i>Director</i>	stock options	200,000	Oct 2, 2017	0.34	0.335	0.38	Oct 2, 2022
Donald Head ⁽⁸⁾ <i>Director</i>	stock options	200,000	Oct 2, 2017	0.34	0.335	0.38	Oct 2, 2022

- (1) As at April 30, 2018, Lawrence Page, Q.C. held 1,700,000 stock options of the Company entitling him to acquire, upon exercise, 1,700,000 common shares in the capital of the Company.
- (2) As at April 30, 2018, Graham Thatcher held 700,000 stock options of the Company entitling him to acquire, upon exercise, 700,000 common shares in the capital of the Company.
- (3) As at April 30, 2018, Roger Scammell held 719,000 stock options of the Company entitling him to acquire, upon exercise, 719,000 common shares in the capital of the Company.
- (4) As at April 30, 2018, Eugene Spiering held 300,000 stock options of the Company entitling him to acquire, upon exercise, 300,000 common shares in the capital of the Company.
- (5) As at April 30, 2018, Nigel Bunting held 800,000 stock options of the Company entitling him to acquire, upon exercise, 800,000 common shares in the capital of the Company.
- (6) As at April 30, 2018, Larry Buchanan held 400,000 stock options of the Company entitling him to acquire, upon exercise, 400,000 common shares in the capital of the Company.
- (7) As at April 30, 2018, Peter Cheesbrough held 800,000 stock options of the Company entitling him to acquire, upon exercise, 800,000 common shares in the capital of the Company.
- (8) As at April 30, 2018, Donald Head held 400,000 stock options of the Company entitling him to acquire, upon exercise, 400,000 common shares in the capital of the Company.

The following table sets out each exercise by NEOs and directors of compensation securities during the financial year ended April 30, 2018.

Exercise of Compensation Securities by Directors and NEOs							
Name and position	Type of Compensation security	Number of underlying securities exercised	Exercise price per security (\$)	Date of exercise	Closing price per security on date of exercise (\$)	Difference between exercise price and closing price on date of exercise (\$)	Total value on exercise date (\$)
Lawrence Page, Q.C. <i>CEO & Director</i>	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Graham Thatcher <i>CFO</i>	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Roger Scammell <i>Director</i>	stock options	Nil	N/A	N/A	N/A	N/A	N/A

Eugene Spiering <i>Director</i>	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Nigel Bunting <i>Director</i>	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Larry Buchanan <i>Director</i>	stock options	300,000 100,000	0.08 0.08	September 12, 2017 September 12, 2017	0.35 0.35	0.27 0.27	81,000 27,000
Peter Cheesbrough <i>Director</i>	stock options	Nil	N/A	N/A	N/A	N/A	N/A
Donald Head <i>Director</i>	stock options	Nil	N/A	N/A	N/A	N/A	N/A

Stock Option Plans and Other Incentive Plans

The Company has adopted a stock option plan (the "Option Plan") for the purpose of attracting and motivating directors, officers, employees and consultants of the Company and advancing the interests of the Company by affording such persons the opportunity to acquire an equity interest in the Company through rights granted under the Option Plan. "Rolling" stock option plans must receive annual shareholder approval in accordance with the policies of the TSX Venture Exchange and, accordingly, the Option Plan was approved by shareholders at the Company's last annual general meeting held on March 30, 2017. A summary of the stock option plan is included under "*Particulars of Other Matters to be Acted Upon – Stock Option Plan*" herein.

Employment, Consulting and Management Agreements

Management functions of the Company are not, to any substantial degree, performed by anyone other than by directors or NEOs of the Company.

The Company is party to a consulting agreement dated October 1, 2017 with Lawrence Page, Q.C. and Advocate Services Ltd. ("Advocate"), a company controlled by Mr. Page, whereby the Company has engaged Advocate to provide the services of Mr. Page to act in the capacity of President. The consulting agreement has a five year term and provides for a monthly consulting fee of \$13,000 payable to Advocate. The Company may terminate the consulting agreement with no advance notice to Advocate due to default (as defined in the consulting agreement). Upon a change of control, as defined in the consulting agreement, Advocate and Mr. Page have the right to terminate the consulting agreement and receive an amount of money equal to the consulting fee for a period of 36 months. Upon a change of control, and assuming the triggering event took place on the last business day of the Company's most recently completed financial year the estimated payment to Mr. Page would be \$468,000. This consulting agreement replaces a previous agreement between the Company and Mr. Page, pursuant to which Mr. Page received \$9,360 per month in consideration for his services as President.

Graham Thatcher provides the Company with the services of CFO for a monthly fee of \$2,500 plus applicable taxes. The Company entered into an amended and restated consulting agreement with Mr. Thatcher effective May 31, 2016 which replaced a similar consulting agreement dated May 31, 2013. Either party may terminate the consulting agreement with 30 days prior written notice and the Company may terminate with no advance notice to Mr. Thatcher due to default (as defined in the consulting agreement).

Roger Scammell provides the Company with geological consulting services at an ad-hoc rate on an as-needed basis.

Oversight and Description of Director and Named Executive Officer Compensation

The Company's Corporate Governance, Nomination and Compensation Committee assesses the compensation of directors and officers on an ongoing basis taking into account the responsibilities and obligations involved with such positions as well as the financial status of the Company and makes recommendations to the Board in this regard.

The Company is an exploration stage company engaged in the acquisition and exploration of mineral natural resource properties. The Company has no revenues from operations and often operates with limited financial resources to ensure that funds are available to complete scheduled programs. Accordingly, the granting of stock options is an important element of executive compensation which does not require cash disbursement by the Company. In determining compensation with respect to stock option grants, however, the Company is cognizant of the Exchange statement in its Policy 4.4 that: "Incentive stock options are a means of rewarding optionees for future services provided to the Issuer. They are not intended as a substitute for salaries or wages, or as a means of compensation for past services rendered." Based on the recommendations of the Company's Corporate Governance, Nomination and Compensation Committee, the Board determines the compensation in the form of stock options to its NEOs, as well as to its directors and certain consultants.

No compensation is tied to one or more performance criteria or goals. No significant events have occurred during the most recently completed financial year that have significantly affected compensation, and no peer group analysis has been conducted in determining NEOs compensation.

Pension Disclosure

The Company does not have any defined benefit plans, defined contribution plans, deferred compensation plans or any other benefit plans in place that provide for payments or benefits at, following, or in connection with retirement.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following tables set out the number of the Company's shares to be issued and remaining available for future issuance under the Company's Stock Option Plan at the end of the Company's most recently completed financial years ended April 30, 2018 and April 30, 2017:

As at Year Ended April 30, 2018 Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	8,801,500	\$0.21	844,895
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	8,801,500	\$0.21	844,895

As at Year Ended April 30, 2017 Plan Category	Number of Securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	6,585,700	\$0.17	2,131,745
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	6,585,700	\$0.17	2,131,745

The maximum number of Common shares reserved for issuance under the Company's Stock Option Plan is 10% of the issued and outstanding common shares of the Company on a rolling basis. See "Particulars of Other Matters to be Acted Upon - Stock Option Plan" below for a general description of the Company's Stock Option Plan.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

None of the current or former directors, executive officers or employees of the Company or any of its subsidiaries, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of them is or has been indebted to the Company or any of its subsidiaries at any time since the beginning of the Company's last completed financial year nor has any such person been indebted to any other entity where such indebtedness is the subject of a guarantee, support agreement, letter of credit or similar arrangement or understanding provided by the Company.

CORPORATE GOVERNANCE

National Instrument 58-101 – Disclosure of Corporate Governance Practices ("NI 58-101"), adopted by the Canadian Securities Administrators, requires issuers to disclose their governance practices in accordance with that instrument. The Company is a "venture issuer" within the meaning of NI 58-101. A discussion of the Company's governance practices within the context of NI 58-101 is set out below.

Board of Directors

The Board of Directors of the Company (the "Board") facilitates its exercise of independent supervision over management by ensuring that a majority of its members are independent of the Company. Directors are considered to be independent if they have no direct or indirect material relationship with the Company. A "material relationship" is a relationship which could, in the view of the Company's Board, be reasonably expected to interfere with the exercise of a director's independent judgment. The independent members of the Board are Eugene Spiering, Nigel Bunting, Larry Buchanan, Peter Cheesbrough and Donald Head. Lawrence Page, Q.C. is considered non-independent as he is the President of the Company and principal of companies providing various services to the Company. David Roger Scammell is also considered non-independent as he provides geological consulting services to the Company.

Directorships

Certain of the Company's directors are also directors of other reporting issuers (or equivalent), as disclosed in the following table:

Name of Director	Directorship(s) held in other Reporting Issuers
Lawrence Page, Q.C.	Bravada Gold Corporation Valterra Resource Corporation
David Roger Scammell	Nil
Eugene Spiering	Nil
Nigel Bunting	Anglia Registrars Ltd. Bravada Gold Corporation Valterra Resource Corporation
Larry Buchanan	Nil
Peter Cheesbrough	Nil
Donald Head	Bravada Gold Corporation Valterra Resource Corporation

Orientation and Continuing Education

The Company does not provide formal continuing education to its Board members, but does encourage them to communicate with management, auditors and technical consultants. Board members have full access to Company policies, corporate governance documents, technical data and financial information.

Ethical Business Conduct

The Company has adopted a Code of Business Conduct and Ethics (the "Code") which addresses compliance with laws, conflicts of interest, honesty and integrity, fair dealing, discrimination and harassment, safety and health, honest and accurate record keeping, and specifically ethical conduct for financial managers. A copy of the Code is available on the Company's webpage at www.southernsilverexploration.com and has also been provided to the Company's directors, officers and employees. Company personnel are encouraged to speak with their supervisors or other management to obtain guidance in complying with the Code or to report any violations of the Code.

The Company has also established a whistleblower policy to provide Company personnel with a channel to report serious concerns relating to financial reporting or unethical or illegal conduct.

The Board takes steps to ensure that directors exercise independent judgment in considering transactions and agreements in respect of which a director or executive officer has a material interest. The Board ensures that the directors are familiar with the Code as well as their obligations to disclose any material interest in a transaction or contract and to abstain from voting on any resolution to approve such transaction or contract.

Nomination and Compensation of Directors

The Company has a Corporate Governance, Nomination and Compensation Committee ("Governance Committee") which is appointed by and acts on behalf of the Board. The Governance Committee acts pursuant to the Corporate Governance Nomination Compensation Committee Charter. The Governance Committee is responsible for:

- 1) developing and recommending to the Board a set of corporate governance guidelines applicable to the Company and for periodically reviewing such guidelines;
- 2) identifying individuals qualified to become Board members;
- 3) recommending that the Board select the director nominees for the next annual meeting of shareholders;
- 4) overseeing the Board's annual evaluation of its performance, and
- 5) reviewing and recommending to the Board on major compensation plans, policies and programs of the Company. The Governance Committee approves the compensation of named executive officers and certain senior management, takes specific actions with respect to such compensation and has oversight responsibility over the Company's management development programs, performance assessment of senior executives and succession planning.

The members of the Governance Committee are Eugene Spiering (Chair), Nigel Bunting and Peter Cheesbrough, all of whom are independent directors, applying the definition set out in Section 1.4 of National Instrument 52-110 *Audit Committees*.

Other Board Committees

In addition to the Audit Committee and Governance Committee, the Company has a Safety, Health, Security and Environment Committee (the "SHSE Committee") that has been established to assist the Board in fulfilling its responsibilities relating to health, safety, security and the environment. The responsibilities of the Committee are as follows:

- 1) review and recommend, as appropriate, changes to the safety, health, security and environmental policies of the Company;
- 2) monitor the status of compliance with the Company policies and applicable laws and regulations in the areas of safety, health, security and environment based on written reports from management;
- 3) review the performance of the Company in the area of safety, health, security and environment;
- 4) in the event of the occurrence of a material safety, health, security or environmental incident where the occurrence is required to be reported to the appropriate authorities, the SHSE Committee will receive and review as soon as practicable a report from management detailing the nature of the incident and describing the remedial action being taken; and
- 5) periodically report to the Board on safety, health, security and environment issues affecting the Company.

The members of the SHSE Committee are David Roger Scammell, Eugene Spiering, Lawrence Page, Q.C. and Nigel Bunting.

Assessments

The Company does not have a formal process to review the performance of the Board, its committees and individual directors. The Board conducts ongoing informal assessments and evaluations, including considering the skills and experiences of each director individually and as part of a team. Particular consideration is given to the composition of the Audit Committee with skilled members that are both financially literate and independent.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors of the Company is comprised of Eugene Spiering, Nigel Bunting and Lawrence Page, Q.C., a majority of whom are "independent" and considered to be "financially literate", as those terms are defined in National Instrument 52-110 *Audit Committees*. The education and experience of each member relevant to the performance of such member's responsibilities as an Audit Committee member are as follows:

Eugene Spiering: Mr. Spiering is an exploration geologist with over 30 years of international experience in mineral exploration and senior level project management in the Western United States, South America, and Europe. As VP Exploration with Rio Narcea Gold Mines, Quaterra Resources Inc. and Group Ten Metals Inc. he has served as a senior officer for public companies in the mining industry for over 20 years. He has participated in every aspect of the mining business from discovery through project development and production. He is a registered member of Society of Mining, Metallurgy, & Exploration and a fellow member of Australasian Institute of Mining and Metallurgy. With experience as both an officer and director of public companies, Mr. Spiering has an understanding of the balance sheet, income statement and statement of cash flows and how these statements are integral in assessing the financial position of the company and its operating results.

Nigel Bunting: Mr. Bunting is an active participant in a number of overseas resource ventures, both public and private. He is a Director of Anglia Registrars, trading as Inform Direct, which is one of the UK's leading cloud based technology relating to company formation, administration and secretarial services. He is also a Director of MFB Corporate Member Ltd, an insurance underwriter at Lloyds of London. Mr. Bunting identifies early stage opportunities in the resource sector and arranges financings to advance projects to the public market. He is also a Director of Bravada Gold Corporation and Valterra Resource Corporation on the TSX Venture Exchange. Mr. Bunting has an understanding of the balance sheet, income statement and statement of cash flows and how these statements are integral in assessing the financial position of the Company and its operating results.

Lawrence Page, Q.C.: Mr. Page obtained his law degree from the University of British Columbia in 1964 and was called to the Bar of British Columbia in 1965. He has served as a director and officer of various public companies. In such positions, Mr. Page would be responsible for receiving financial information relating to his company and obtaining an understanding of the balance sheet, income statement and statement of cash flows and how these statements are integral in assessing the financial position of the company and its operating results.

A copy of the Audit Committee Charter is attached hereto as Schedule "A".

The Audit Committee provides review and oversight of the Company's accounting and financial reporting process, and the audit process, including the selection, oversight, and compensation of the Company's external auditor. Since the commencement of the Company's most recently completed financial year, the Company's Board of Directors has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Pre-Approval Policies and Procedures

The Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services but will review the engagement of all such services.

Audit Fees

For the year ended April 30, 2018, the Company's external auditor charged the Company \$21,600 plus GST in audit fees (\$29,000 plus GST for the year ended April 30, 2017).

Audit-Related Fees

For the year ended April 30, 2018, the Company's external auditor charged the Company \$nil in audit-related fees (\$nil for the year ended April 30, 2017).

Tax Fees

For the year ended April 30, 2018, the Company's external auditor charged the Company \$3,000 plus GST in tax fees, representing fees for the preparation of T2 corporation income tax return and related schedules and preparation of GIFI financial statements for the Canada Revenue Agency (\$3,000 plus GST for the year ended April 30, 2017).

All Other Fees

For the year ended April 30, 2018, the Company's external auditor charged the Company \$432 plus GST (\$580 plus GST for the year ended April 30, 2017).

Exemption

The Company, as a "venture issuer", is relying on the exemption in section 6.1 of National Instrument 52-110 *Audit Committees* which provides that the Company is not required to comply with Part 3 (Composition of the Audit Committee) and Part 5 (Reporting Obligations) of National Instrument 52-110.

APPOINTMENT OF AUDITOR

It has been proposed that Smythe LLP, Chartered Accountants, be re-appointed as Auditor of the Company for the ensuing year.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Except as otherwise disclosed herein, no: (a) director, proposed director or executive officer of the Company; (b) person or company who beneficially owns, or controls or directs, directly or indirectly, or a combination of both, common shares of the Company, carrying more than ten percent of the voting rights attached to the outstanding common shares of the Company (an "Insider"); (c) director or executive officer of a person or company that is itself an Insider or subsidiary of the Company; or (d) any associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year, or in any proposed transaction that has materially affected or would materially affect the Company, except with respect to an interest arising from the ownership of common shares of the Company where such person or company will receive no extra or special benefit or advantage not shared on a pro-rata basis by all holders of common shares of the Company.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as otherwise set out herein, none of the directors or executive officers of the Company, no management proposed nominee for election as a director of the Company, none of the persons who have been directors or executive officers of the Company since the commencement of the Company's last financial year and no associate or affiliate of any of the foregoing has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

MANAGEMENT CONTRACTS

There are no management functions of the Company, which are, to any substantial degree, performed by a person other than the directors or executive officers of the Company.

PARTICULARS OF OTHER MATTERS TO BE ACTED UPON

Stock Option Plan

At the Meeting, shareholders will be asked to approve the Company's proposed 2018 Rolling Incentive Stock Option Plan (the "2018 Plan").

The purpose of the proposed 2018 Plan is to provide the directors, executive officers and key employees of, and certain other persons who provide services to, the Company and its subsidiaries with an opportunity to purchase shares of the Company and benefit from any appreciation in the value of the Company's shares. This will provide an increased incentive for these individuals to contribute to the future success and prosperity of the Company, thus enhancing the value of the Company's shares for the benefit of all the shareholders and increasing the ability of the Company and its subsidiaries to attract and retain skilled and motivated individuals in the service of the Company.

The proposed 2018 Plan is a "rolling" plan that provides that the aggregate number of shares reserved for issuance under it, and all of the Company's other previously established and outstanding stock option plans or grants, is 10% of the Company's issued common shares at the time of the grant of a stock option under the proposed 2018 Plan.

The proposed 2018 Plan provides that the option exercise price, as determined by the Board of Directors, must not be less than the closing price of the Company's common shares on the TSX Venture Exchange (the "Exchange") on the day immediately preceding the date of grant, less the applicable discount permitted by the policies of the Exchange. The maximum term of the options granted under the 2018 Plan is ten years from the date of grant, however the normal term of the options is five years. The Board of Directors of the Company may determine the limitation period during which an option may be exercised and, notwithstanding that none may be required by the policies of the Exchange, whether a particular grant will have a minimum vesting period. In the event of resignation or termination of an optionee, such optionee may exercise options held by such optionee for a period of 90 days following the effective date of such resignation or for a time as otherwise determined by a directors' resolution at the time of the grant of the options. In the event of an optionee's death, the stock option may be exercised by a qualified successor until the earlier of a period of one year from the date of such death and the expiry date of the stock option. As a "rolling" plan, any amendment to the proposed 2018 Plan will require the approval of the Exchange and may require shareholder approval.

The granting of stock options under the proposed 2018 Plan is restricted as follows: (a) the number of options granted to a consultant in a 12-month period must not exceed 2% of the issued shares of the Company at the time of grant of the stock option; and (b) the aggregate number of options granted to employees involved in investor relations activities must not exceed 2% of the issued shares of the Company in any 12-month period, at the time of grant of the stock option.

In accordance with the terms of the proposed 2018 Plan, it is subject to its acceptance for filing by the Exchange and the approval of the Company's shareholders. Under the policies of the Exchange, if:

- a) the grants of options under the proposed 2018 Plan to "insiders" of the Company, together with all of the Company's outstanding stock options, could result at any time in:
- (i) the number of shares reserved for issuance pursuant to stock options granted to insiders of the Company exceeding 10% of the issued common shares of the Company; or
 - (ii) the grant to insiders of the Company, within a 12-month period, of a number of options exceeding 10% of the issued common shares of the Company; or
- b) the number of shares reserved for issuance pursuant to stock options granted to any one optionee, within a 12-month period, exceeding 5% of the issued common shares of the Company;

such shareholder approval must be "disinterested shareholder approval", but as the proposed 2018 Plan is restrictive as to these results, disinterested shareholder approval of the proposed 2018 Plan is not required.

The policies of the Exchange and the terms of the proposed 2018 Plan also provide that "disinterested shareholder approval" will be required for any agreement to decrease the exercise price of options previously granted to insiders of the Company but no such agreements are being brought before the Meeting.

The term "disinterested shareholder approval" means approval by a majority of the votes cast at the Meeting other than votes attaching to shares of the Company beneficially owned by insiders of the Company to whom options may be granted under the proposed 2018 Plan and associates of such persons. The term "insiders" is defined in the *Securities Act* (British Columbia) and generally includes directors and officers of the Company and its subsidiaries, and holders of greater than 10% of the voting securities of the Company. The term "associates" is defined in the *Securities Act* (British Columbia).

If shareholder approval of the proposed 2018 Plan or a modified version thereof is not obtained, the Company will not proceed to implement the proposed 2018 Plan nor grant options under it. Even if approved, the directors may determine not to proceed with the proposed 2018 Plan.

The proposed 2018 Plan will be available for inspection at the Meeting. The directors recommend that the shareholders approve the proposed 2018 Plan.

The Management Appointees named in the accompanying Instrument of Proxy intend (in the absence of direction to the contrary) to vote FOR the above resolution at the Meeting.

MANAGEMENT IS NOT AWARE OF ANY OTHER MATTER TO COME BEFORE THE MEETING OTHER THAN AS SET FORTH IN THE NOTICE OF MEETING. IF ANY OTHER MATTER PROPERLY COMES BEFORE THE MEETING, IT IS THE INTENTION OF THE MANAGEMENT APPOINTEES TO VOTE THE SHARES REPRESENTED BY THE FORM OF PROXY ACCOMPANYING THIS INFORMATION CIRCULAR ON ANY BALLOT THAT MAY BE CALLED FOR IN ACCORDANCE WITH THEIR BEST JUDGMENT ON SUCH MATTER.

GENERAL

Unless otherwise directed, it is the intention of the Management Appointees to vote proxies in favour of the resolutions set forth herein. All ordinary resolutions require, for the passing of the same, a simple majority of the votes cast at the Meeting by the shareholders. All special resolutions require, for the passing of the same, a 2/3 majority of the votes cast at the Meeting by the shareholders.

ADDITIONAL INFORMATION

Additional information relating to the Company can be found at www.sedar.com and at the Company's website at www.southernsilverexploration.com. A copy of the following documents may be obtained, without charge, upon request to the President of the Company at 1100 – 1199 West Hastings Street, Vancouver, BC V6E 3T5, Phone: (604) 684-9384, Fax: (604) 688-4670:

- (a) the comparative financial statements of the Company for the financial years ended April 30, 2018 and April 30, 2017 together with the accompanying reports of the auditor thereon and related Management's Discussion and Analysis and any interim financial statements of the Company for periods subsequent to April 30, 2018 and April 30, 2017 and related Management's Discussion and Analysis; and
- (b) this Information Circular.

**BY ORDER OF THE BOARD OF DIRECTORS
OF SOUTHERN SILVER EXPLORATION CORP.**

"Lawrence Page, Q.C."

Lawrence Page, Q.C.
President

SCHEDULE "A"

AUDIT COMMITTEE CHARTER

(Adopted by the Board of Directors of Southern Silver Exploration Corp. on October 10, 2004)

A. PURPOSE

An audit committee is a committee of a board of directors to which the board delegates its responsibility for oversight of the financial reporting process. Traditionally, the audit committee has performed a number of roles, including:

- (a) helping directors meet their responsibilities;
- (b) providing better communication between directors and the external auditors;
- (c) enhancing the independence of the external auditor;
- (d) increasing the credibility and objectivity of financial reports; and
- (e) strengthening the role of the directors by facilitating in-depth discussions among directors, management and the external auditor.

Multilateral Instrument 52-110 *Audit Committees* ("MI 52-110") requires that the audit committee also be responsible for managing, on behalf of the shareholders, the relationship between the issuer and its external auditors. In particular, it provides that an audit committee must have responsibility for:

- (a) overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditors' report or related work; and
- (b) recommending to the board of directors the nomination and compensation of the external auditors.

Although under corporate law, an issuer's external auditors are responsible to the shareholders, in practice, shareholders have often been too dispersed to effectively exercise meaningful oversight of the external auditors. As a result, management has typically assumed this oversight role. However, the auditing process may be compromised if the external auditors view their main responsibility as serving management rather than the shareholders. By assigning these responsibilities to an independent audit committee, MI 52-110 ensures that the external audit will be conducted independently of the issuer's management.

MI 52-110 provides that an audit committee must be directly responsible for overseeing the work of the external auditors engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the issuer, including the resolution of disagreements between management and the external auditors regarding financial reporting. Notwithstanding this responsibility, the external auditors are retained by, and are ultimately accountable to, the shareholders. As a result, MI 52-110 does not detract from the external auditors' right and responsibility to also provide their views directly to the shareholders if they disagree with an approach being taken by the audit committee.

The Board of Directors (the "Board") of Southern Silver Exploration Corp. (the "Company") is responsible for the management of the business and affairs of the Company. The Audit Committee (the "Committee") is appointed by the Board as an independent and objective party to assist in fulfilling the Board's responsibility for oversight of the Company's financial reporting process.

The Company must comply with the applicable requirements of MI 52-110 which includes having a written charter that sets out the Committee's mandate and responsibilities. As of the date above, the Company is a Venture Issuer as that term is defined under MI 52-110. Accordingly, it is exempt from the requirements of Part 3: Composition of the Audit Committee and Part 5: Reporting Obligations of MI 52-110. The Board may, at any time, amend or rescind any of the provisions hereof, or cancel them entirely, with or without substitution.

B. AUTHORITY

1. The Committee, through its Chair, may directly contact any officer or employee of the Company as it deems necessary or advisable to fulfill its duties and responsibilities, and any officer or employee may bring before the Committee any matter involving questionable, illegal or improper financial practices or transactions;
2. The external auditors will report directly to the Committee. The external auditors shall have a direct line of communication to the Committee through its Chair and may bypass management if deemed necessary; and
3. The Committee may engage, at the Company's expense, outside legal counsel or other advisors as the Committee considers necessary to fulfill its duties and responsibilities and to negotiate compensation arrangements for any such advisors.

C. COMPOSITION AND MEETINGS

1. The Board, at its organizational meeting held in conjunction with each annual general meeting of the shareholders, shall appoint the members of the Committee for the ensuing year. The Board may at any time remove or replace any member of the Committee and may fill any vacancy in the Committee;
2. The Committee shall be composed of three or more members of the Board, a majority of whom are not officers or employees of the Company or of an affiliate of the Company. The members of the Committee shall appoint from among themselves a Chair of the Committee. The Chair shall have responsibility for ensuring that the Committee fulfills its principal duties and responsibilities effectively;
3. A minimum of two and at least 50% of the members of the Committee present either in person or by telephone or other telecommunication device at a Committee meeting shall constitute a quorum;
4. If and whenever a vacancy shall exist in a Committee meeting, the remaining members of the Committee may exercise all of its powers and responsibilities provided a quorum has been established;
5. Any matters to be determined by the Committee shall be decided by a majority of votes cast at a Committee meeting called for such purpose. Actions of the Committee may be taken by an instrument or instruments in writing signed by all of the members of the Committee, and such actions shall be effective as though they had been decided by a majority of votes cast at a Committee meeting called for such purpose. All decisions or recommendations of the Committee shall require the approval of the Board prior to implementation;
6. The time and place at which a Committee meeting shall be held, and procedures at such meetings shall be determined from time to time by the Committee. A Committee meeting may be called by email, telephone, facsimile, letter or other communication means, by giving at least 48 hours notice. Notice of a Committee meeting shall not be necessary if all of the members are present either in person or by telephone or other telecommunication device or if those absent have waived notice or otherwise signified their consent to the holding of such meeting;
7. The Committee may invite such officers, directors and employees of the Company and its subsidiaries as it may see fit, from time to time, to attend at Committee meetings;
8. The Committee shall keep minutes of its meetings which shall be submitted to the Board. The Committee may, from time to time, appoint any person who need not be a member, to act as a secretary at Committee meetings;
9. The Committee shall meet at least quarterly, at the discretion of the Chair or a majority of its members, as circumstances dictate or as may be required. Any member of the Committee or the external auditors may request a meeting of the Committee; and
10. The external auditors shall receive notice of and have the right to attend all Committee meetings.

D. PRINCIPAL DUTIES AND RESPONSIBILITIES

1. The overall duties and responsibilities of the Committee shall be as follows:
 - (a) assist the Board in the discharge of its responsibilities relating to the Company's accounting principles and reporting practices including its approval of the Company's annual and quarterly consolidated financial statements and corresponding management's discussion and analysis ("MD&A");
 - (b) establish and maintain a direct line of communication with the Company's external auditors and assess their performance;
 - (c) ensure that the management of the Company has designed, implemented and is maintaining an effective financial reporting system;
 - (d) ensure compliance with MI 52-110; and
 - (e) report regularly to the Board on the fulfillment of its duties and responsibilities.
2. The duties and responsibilities of the Committee as they relate to the external auditors shall be as follows:
 - (a) verify the independence of external auditors and recommend to the Board a firm of external auditors to be nominated for the purpose of preparing or issuing an auditors' report or performing other audit, review or attest services for the Company;
 - (b) monitor the independence of the external auditors and confirm their independence to the Board on an annual basis;
 - (c) recommend to the Board the compensation of the external auditor;
 - (d) oversee the work of the external auditor, including the resolution of disagreements between management and the external auditor regarding financial reporting;
 - (e) pre-approve all non-audit services to be provided to the Company by the external auditors unless otherwise provided for in MI 52-110;
 - (f) review the audit plan of the external auditors prior to the commencement of the audit;
 - (g) review with the external auditors any changes or proposed changes in accounting policies, the presentation and impact of significant risks and uncertainties and key estimates and judgments of management that may be material to the Company's financial reporting;
 - (h) discuss with the external auditors the quality and appropriateness of the Company's accounting principles;
 - (i) review with the external auditors, upon completion of their audit:
 - (i) contents of their report including the scope and quality of the audit work performed;
 - (ii) adequacy of the Company's financial and auditing personnel;
 - (iii) co-operation received from the Company's personnel during the audit;
 - (iv) internal resources used;

- (v) significant transactions outside of the normal business of the Company;
 - (vi) significant proposed adjustments and recommendations for improving internal accounting controls, accounting principles or management systems; and
 - (vii) the non-audit services provided by the external auditors; and
 - (j) periodically review the Company's financial and auditing procedures and the extent to which recommendations made by the external auditors have been implemented.
3. The Committee shall review and discuss with Management and the Auditors, where appropriate, the following financial documents and reports prior to public disclosure:
- (a) the annual report, including the audited financial statements and the Auditors' report to the shareholders of the Company, and quarterly financial statements and corresponding MD&A;
 - (b) all press releases containing financial information extracted or derived from the Company's financial statements or MD&A;
 - (c) all certifications that may be made by Management on the annual or quarterly financial results, disclosure controls and procedures and internal controls over financial reporting;
 - (d) any legal, tax or regulatory matters that may have a material impact on the Company's operations and financial statements; and
 - (e) all financial information contained in any prospectus, information circular or other disclosure documents or regulatory filings containing financial information of the Company.
4. The Committee shall recommend to the Board the amendment or approval of all annual and interim financial statements and MD&A and any other documents that may be reviewed by the Committee.
5. Other duties and responsibilities of the Committee shall be as follows:
- (a) ensure that procedures are in place for the review of the Company's public disclosure of financial information extracted or derived from the Company's financial statements, such as press releases, and periodically assess the adequacy of the procedures;
 - (b) implement procedures for:
 - (i) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
 - (ii) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters;
 - (c) review and approve the Company's hiring policies regarding partners, employees or former partners and employees of the present and former external auditors of the Company; and
 - (d) make recommendations to the Board with respect to any changes or improvements to the financial reporting process including this Charter.

Please return completed form to:
Computershare
8th Floor, 100 University Avenue
Toronto, Ontario M5J 2Y1

Interim Financial Statements
Mark this box if you would like to receive Interim Financial Statements and related Management's Discussion and Analysis of Southern Silver Exploration Corp.'s current financial year by mail.

Annual Financial Statements
Mark this box if you would like to receive Annual Financial Statements and related Management's Discussion and Analysis of Southern Silver Exploration Corp.'s current financial year by mail.

Financial Statements Request Form

Under securities regulations, a reporting issuer must send annually a form to holders to request the Interim Financial Statements and MD&A and/or the Annual Financial Statements and MD&A. If you would like to receive the report(s) by mail, please make your selection and return to the address as noted or register online at www.computershare.com/maillinglist.

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