



TriMetals Mining Inc.

Annual Information Form

For the Fiscal Year Ended December 31, 2014

March 23, 2015

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General

In this Annual Information Form, references to the “Company” mean TriMetals Mining Inc. and its subsidiaries, unless the context otherwise requires or indicates. References to the business of the Company include the business conducted by its wholly-owned subsidiaries, currently and prior to the incorporation or plan of arrangement of the Company.

This Annual Information Form contains references to both U.S. dollars and Canadian dollars. All U.S. dollar amounts are referred to as “U.S. dollars” or “US\$” and Canadian dollars are referred to as “CDN dollars” or “CDN\$”. As at March 23, 2015, the USD-CAD noon rate as reported by the Bank of Canada was US\$1.00 = CDN\$1.2516 or CDN\$1.00 = US\$0.7990.

The information in this Annual Information Form is presented as at December 31, 2014 unless otherwise indicated.

Third Party Information

This Annual Information Form includes third party information which was obtained from various publicly available sources and other sources and is believed to be true. Although the Company believes that these independent sources are generally reliable, the accuracy and completeness of such information are not guaranteed and have not been independently verified by the Company.

Forward-Looking Statements

Forward-looking statements look into the future and provide an opinion as to the effect of certain events and trends on the business. Forward-looking statements may include words such as “creating”, “pursuit”, “realization”, “potential”, “intends”, “target”, “anticipates”, “proceed”, “will”, “would”, “should”, “estimates”, “expects”, “believes”, “indicates”, “suggests”, “further”, “expand”, and similar expressions.

This Annual Information Form, and in particular (but without limitation) the Business Outlook for 2015 commencing on page 5, contains forward-looking statements. These forward-looking statements are based on current expectations and various estimates, factors and assumptions and involve known and unknown risks, uncertainties and other factors. Information concerning economic assessments, mineral resource estimates and the interpretation of exploration programs and drill results also may be considered forward-looking statements, as such information constitutes a prediction of what mineralization might be found to be present and economically mineable if and when a project is actually developed.

The material assumptions that were applied in making the forward-looking statements in this Annual Information Form include, but are not limited to:

- Execution of the Company’s existing plans and further exploration and development programs for Gold Springs and Escalones which may change due to changes in the views of the Company or if new information arises which makes it prudent to change such plans or programs, the timely receipt of required permits for exploration activities, the availability of equipment and qualified personnel, the continuing support for mining by local governments in Nevada, Utah and Chile, and the availability of sufficient financing to fund planned or further required work in a timely manner and on acceptable terms to advance the Gold Springs and Escalones projects.
- The accuracy of economic assessments, current mineral resource estimates and interpretation of drill, metallurgical testing and other exploration results. New information or new interpretation of existing information may result in changes in the Company’s expectations.
- The assumptions and estimates disclosed in the Amended Preliminary Economic Assessment on the Gold Springs Property, Utah/Nevada, USA with an effective date of April 30, 2014, amended July 8, 2014, authored by Lane and Associates, Kurt Katsura and Deepak Malhotra.
- The ability of the Company to realize value from its investment in Bolivia, the arbitration proceedings continuing along a timeline consistent with other international arbitrations and the third party funder honoring its contractual commitments regarding the arbitration.

Factors that could cause results or events to differ materially from current expectations expressed or implied by the forward-looking statements include, but are not limited to: the risks of mineral exploration industry which may affect the advancement of the Company's properties, including possible variations in mineral resources or grade, metal prices, capital and operating costs, and the application of taxes, availability of sufficient financing to fund planned or further required work in a timely manner and on acceptable terms, timely receipt of required permits, availability of equipment and qualified personnel, failure of equipment or processes to operate as anticipated, road access to the property, changes in project parameters as plans continue to be refined and political, regulatory, environmental and other risks of the mining industry; uncertainties associated with the arbitration proceeding against Bolivia, including non-compliance with the terms of the arbitration funding agreement; the advancement of the international arbitration process in a customary manner and in accordance with Procedural Order No.1; the outcome of the international arbitration process, including the timing and value of any arbitral award or settlement; management's expectation with regards to the final amount of costs, fees and other expenses and commitments payable in connection with this arbitration; an inability or delay in recovering from Bolivia the amount of any award or settlement and the response of the Bolivian government to the filing of the Statement of Claim; and the political and economic climate in Bolivia, including the attitudes and actions of the Bolivian government related to foreign investment in Bolivia. For a further description of material factors that could cause the Company's actual results to differ materially from the forward-looking statements in this Annual Information Form, please see "Description of the Business - Risk Factors" commencing on page 27. The risk factors described in this Annual Information Form are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in the forward-looking statements herein.

It is important to note that:

- Readers are cautioned not to place undue reliance on these statements as the Company's actual results, performance or achievements may differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements if known or unknown risks, uncertainties or other factors affect the Company's business, or if the Company's estimates or assumptions prove inaccurate. Therefore, the Company cannot provide any assurance that results, performance or achievements expressed or implied by forward-looking statements will materialize.
- Unless otherwise indicated, forward-looking statements in this Annual Information Form describe the Company's expectations as of March 23, 2015.
- Subject to applicable laws, the Company assumes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or any other reason.

Cautionary Statement Regarding Resource Estimates

Readers should note that the estimation of quantities of resources and reserves is complex, based on significant subjective assumptions and forward-looking information, including assumptions that arise from the evaluation of geological, geophysical, engineering and economic data for a given mineralized body. This data could change over time as a result of numerous factors.

Unless otherwise indicated, all resource estimates have been prepared in accordance with Canadian National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("NI 43-101") and the Canadian Institute of Mining, Metallurgy and Petroleum Definition Standards for Mineral Resources and Mineral Reserves ("CIM Definition Standards"). Canadian standards, including NI 43-101, differ significantly from the requirements of the SEC, and resource information may not be comparable to similar information disclosed by U.S. companies. In particular, and without limiting the generality of the foregoing, the term "resource" does not equate to the term "reserves". Under SEC Industry Guide 7 mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. SEC Industry Guide 7 does not define and the SEC's disclosure standards normally do not permit the inclusion of information concerning "measured mineral resources", "indicated mineral resources" or "inferred mineral resources" or other descriptions of the amount of mineralization in mineral deposits that do not constitute "reserves" by U.S. standards in documents filed with the SEC. U.S. investors should also understand that "inferred mineral resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of an "inferred mineral resource" will ever be upgraded to a higher category. Under Canadian rules, estimated "inferred mineral

resources” may not form the basis of feasibility or pre-feasibility studies except in rare cases. Investors are cautioned not to assume that all or any part of an “inferred mineral resource” exists or is economically or legally mineable. Disclosure of “contained ounces” in a resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report mineralization that does not constitute “reserves” by SEC standards as in-place tonnage and grade without reference to unit measures. The requirements of NI 43-101 for identification of “reserves” are also not the same as those of the SEC, and any reserves reported by the Company in the future in compliance with NI 43-101 may not qualify as “reserves” under SEC standards. Accordingly, information concerning mineral deposits set forth herein may not be comparable to information made public by companies that report in accordance with United States standards.

CORPORATE STRUCTURE

Name, Address and Incorporation

The Company was incorporated as “South American Silver Corp.” under the *Canada Business Corporations Act* by articles of incorporation dated September 28, 2006. By articles of amendment dated February 7, 2007, the Company split its issued and authorized common shares on a 4.3-for-1 basis.

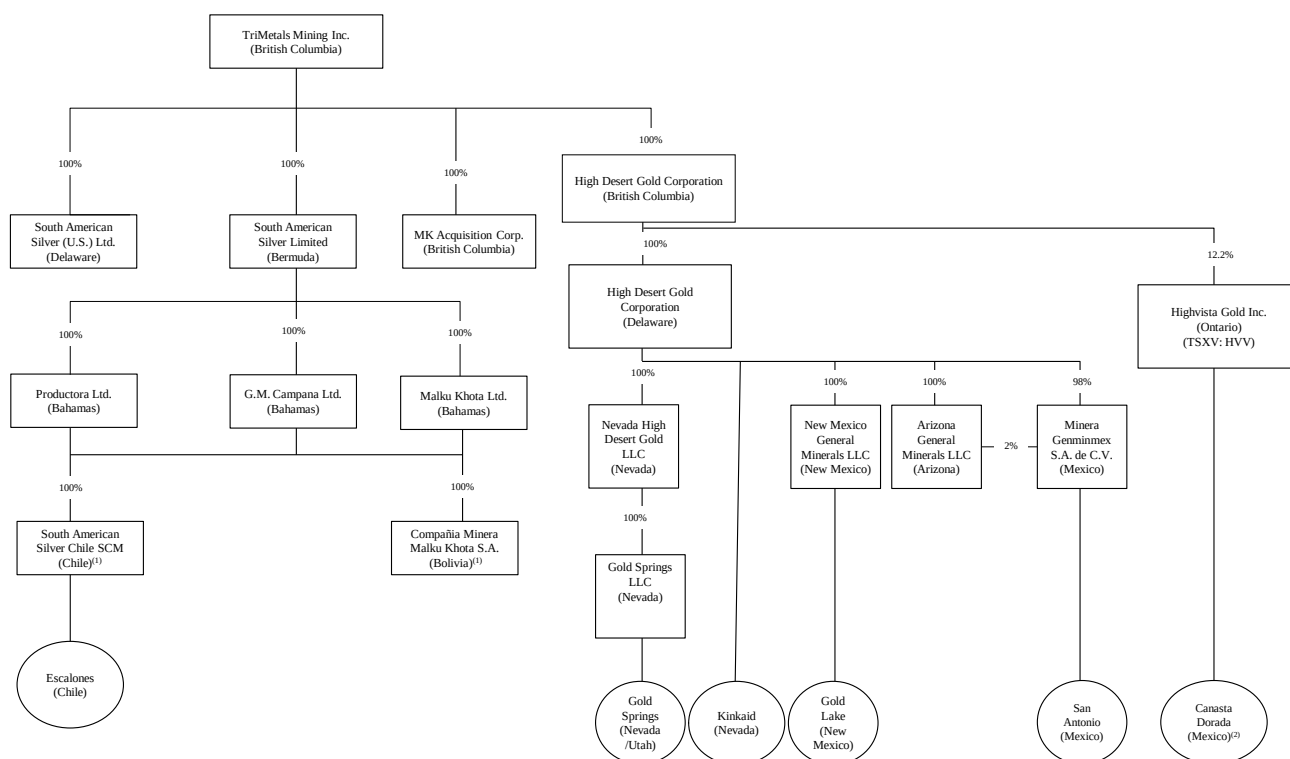
The Company was continued under the *Business Corporations Act* (British Columbia) effective December 17, 2013. On December 20, 2013, the Company completed a plan of arrangement whereby, among other things, each then issued and outstanding common share of the Company was exchanged for one new common share (the “Common Shares”) and one Class B non-voting share (the “Class B Shares”). See also “Description of Capital Structure” commencing on page 35.

The Company changed its name to “TriMetals Mining Inc.” by filing a notice of alteration of its articles on March 17, 2014.

The registered office, records office and head office of the Company in Canada is located at 580 Hornby Street, Suite 880, Vancouver, British Columbia, V6C 3B6 and the head office of the Company in the U.S. is located at 2696 South Colorado Boulevard, Suite 240, Denver, Colorado 80222.

Intercorporate Relationships

The following is a diagram of the intercorporate relationships among the Company and its material subsidiaries as at December 31, 2014 indicating the percentage of votes attaching to all voting securities of the subsidiary beneficially owned, controlled or directed by the Company and where the subsidiary was incorporated or continued.



- (1) Local laws in Chile require that companies incorporated in Chile have at least two shareholders. Similarly, local laws in Bolivia require that companies incorporated in Bolivia have at least three shareholders. Accordingly, the issued shares of these subsidiaries are held as follows:

Subsidiary	Shareholders
South American Silver Chile SCM	Productora Ltd. (1,499 shares) G.M. Campana Ltd. (one share)
Compañia Minera Malku Khota S.A. (“CMMK”)	Malku Khota Ltd. (48 shares) GM Campana Ltd. (one share) Productora Ltd. (one share)

- (2) Held through wholly-owned subsidiaries of Highvista Gold Inc.

GENERAL DEVELOPMENT OF THE BUSINESS

The Company is a growth focused mineral exploration company creating value through the exploration and development of the near surface Gold Springs gold-silver project along the Nevada-Utah border, the advancement of the large scale Escalones copper-gold project located in the world renowned Chilean copper belt and the realization of value from the expropriated Malku Khota project in Bolivia through an arbitration process.

The Company’s approach to business combines the team’s track record of discovery and advancement of large projects, key operational and process expertise, and a focus on community relations and sustainable development. Management has extensive experience in the global exploration and mining industry.

The Company’s Common Shares and Class B Shares trade on the Toronto Stock Exchange (the “TSX”) under the symbols TMI and TMI.B, respectively, and the Company’s Common Shares and Class B Shares trade in the US on the OTCQX International Market as TMIAF and TMIBF.

Business Outlook for 2015

The disclosure in this section contains forward-looking statements. Reference should also be made to the disclosure under the heading “Forward-Looking Statements” commencing on page 1 and for a description of material assumptions applied in making the forward-looking statements and the material factors that could cause the Company’s actual results to differ materially from its forward-looking statements, please see “Description of the Business – Risk Factors” commencing on page 27.

The Company intends on delivering value to shareholders by continuing to acquire, explore and develop its principal exploration properties located in North and South America. Some of the key business objectives of the Company for 2015 will include:

- updating the mineral resource estimate and the preliminary economic assessment of the Gold Springs project once the interpretation of all the results from the 2014 drill program, and the metallurgical testing from our ongoing column leach tests, are complete. These will help determine if it should proceed along the engineering / development curve or continue the exploration phase to further expand the estimated resource, whilst continuing permitting activities and metallurgical testing;
- seeking an appropriate joint venture partner for the Escalones copper-gold porphyry project in Chile; and
- continuing international arbitration proceedings against Bolivia to recover compensation for the expropriation of the Malku Khota project.

Gold Springs, United States

The Company has completed an initial preliminary economic assessment (“PEA”) for its the near surface Gold Springs gold-silver project along the Nevada-Utah border. The PEA for the Gold Springs Project, dated April 30, 2014, and amended on July 8, 2014, authored by Lane and Associates, Kurt Katsura and Deepak Malhotra, supports:

- a 9 year, 10,000 tonnes per day (“tpd”) “heap-leach” project;
- a pre-tax net present value with a 5% discount rate (“NPV_{5%}”) of US\$162 million;
- a pre-tax internal rate of return (“IRR”) of 57.5%;
- a cash cost of US\$614/ ounce (“oz.”) of gold equivalent mineralization (“AuEq”)¹; and
- total costs of US\$749/AuEq oz.

The Company’s Gold Springs property is discussed in more detail under the heading “Description of the Business – Gold Springs (United States)”.

Escalones, Chile

The big upside potential at the Escalones property in Chile includes the very large, undrilled “magnetic body” which is interpreted to be a continuation of the copper-gold skarn drilled to date and the “conductivity anomaly” on the east side of the property which is interpreted as near surface oxide/secondary copper mineralization as seen in drill hole ES 35. The Company believes this property has the potential to host a greatly expanded resource and that it will add significantly to share value.

In November 2014, the Company was granted an environmental permit for Escalones to construct 20 drill pads from which 20,000 metres of diamond drilling can be performed. The permit authorizes work to be completed over 3 drilling seasons, which typically extend from October to May. The Company continues to seek a joint venture partner for Escalones.

The Company’s Escalones property is discussed in more detail under the heading “Description of the Business – Escalones (Chile)”.

¹ All references to gold equivalent (AuEq) calculations with respect to the Gold Springs Property reflect gross metal content using a gold/silver ratio of 57.14, based on metal prices of \$1,250/oz gold (Au), and \$21.88/oz silver (Ag), and have not been adjusted for metallurgical recoveries.

Malku Khota, Bolivia - International Arbitration Claim

The Company is moving forward with determination seeking payment for the expropriation by Bolivia of its significant discovery, the Malku Khota silver-indium deposit, through the international arbitration process. To allow shareholders to more clearly invest in either the Company's ongoing exploration/development programs or the arbitration with Bolivia, the Company created the Class B Shares, the holders of which are entitled to 85% of the net-cash, if any, (after deducting all costs, taxes and expenses and the third party funder's portion thereof) received by the Company from an award or settlement in relation to the Company's wholly-owned subsidiary South American Silver Limited's arbitration proceeding against the State of Bolivia for the expropriation of the Malku Khota project. See "Description of Capital Structure - Class B Non-Voting Shares".

On June 3, 2014, South American Silver Limited ("SASL") received Procedural Order No. 1 from the Arbitral Tribunal (the Tribunal's binding decisions on procedural matters). Based on the procedural calendar included in Procedural Order No.1, SASL's statement of claim and memorial on the merits was filed on time on September 24, 2014. SASL seeks monetary compensation for damages in the amount of US\$385.7 million, which includes US\$307.2 million for all of its losses caused by Bolivia's breaches of the UK-Bolivia Treaty, plus US\$78.5 million in pre-award interest but excludes fees and costs incurred in connection with the arbitration proceeding. Alternatively, SASL seeks restitution of the Malku Khota project along with monetary damages in the amount of US\$176.4 million, including pre-award interest.

Substantive advances in the arbitration process are expected in 2015 with a major step forward being the expected submittal of Bolivia's Statement of Defense to the Arbitration Tribunal following which, each party will have the opportunity to reply to each other's submissions. There will then be an oral hearing in front of the Arbitration Tribunal. The oral hearing is scheduled to take place between April and May 2016 and is expected to last for approximately 10 days. Orders of the Tribunal, including any awards and pleadings (but not exhibits, witness statements or expert reports) are posted on the Permanent Court of Arbitration's website at www.pca-cpa.org. Based on the procedural calendar included in Procedural Order No.1, and unless there is a negotiated settlement of the dispute, it is expected that any actual cash award, if there is one, would not be received until after May 2016.

Malku Khota and the dispute with Bolivia are discussed in more detail under the heading "Description of the Business – Malku Khota (Bolivia) – International Arbitration Claim".

New Opportunities

The Company also has the opportunity to seek out mineral properties that would benefit from the "acid chloride leach" technology that it developed for the Malku Khota silver-indium project. This patented technology was successful in extracting multiple metals from mixed ores including precious and base metals, plus indium and gallium. All metals are extracted into a single leach fluid greatly simplifying the process. Now that the Company has the patents in place, it has the opportunity to look worldwide for appropriate projects.

Three-Year History

During 2012, the Bolivian government expropriated the Malku Khota mining concessions held by the Company's Bolivian subsidiary prompting the Company to look for new opportunities while continued to advance its Escalones property in Chile. During 2013, the Company continued to advance its Escalones property in Chile, filed an international arbitration claim against Bolivia and acquired High Desert Gold Corporation and its portfolio of exploration properties, including the Gold Springs property. During 2014, the Company advanced the exploration of the Gold Springs property in Nevada/Utah, including completing and filing a preliminary economic assessment for Gold Springs, continued seeking a joint venture partner for Escalones, and continued advancing the arbitration process against Bolivia, including filing a statement of claim. More specifically:

- In February 2012, the Company filed the technical report containing the NI 43-101 compliant resource estimate (the "2012 Escalones Report"). Highlights included:
 - Newly defined inferred resource of 420 million tonnes of mineralized material containing 3.8 billion lbs of copper, 56.9 million lbs of molybdenum, 610,000 ozs of gold and 16.8 million ozs of silver using a 0.2% copper equivalent cut-off grade.

- A copper-equivalent² content of 4.5 billion lbs of copper grading 0.49%.
- The deposit remains open to expansion laterally and down dip with 90% of this first resource hosted in copper, gold and silver replacement-style mineralization, and one drill hole testing porphyry-style mineralization.
- During the quarter ended March 31, 2012, the Company expended approximately USD\$1.1 million on the Malku Khota project. Work focused on drilling, engineering optimization studies, metallurgical testing, environmental baseline data collection and increased community programs based on the signed Impact and Benefit agreements with the local land owning Ayllus in the project area.
- During the quarter ended March 31, 2012, expenditures at the Escalones copper-gold project totaled approximately USD\$1.8 million with work primarily focused on drilling, sample analysis, metallurgical testing and geophysical modeling.
- In April / May 2012, the Company completed a CDN\$16 million private placement financing of 10 million units of the Company at CDN\$1.60 per unit, each unit consisting of one common share of the Company and one-half of one common share purchase warrant of the Company. Each whole warrant is exercisable to purchase one common share of the Company until April 20, 2014 at a price of CDN\$2.00.
- In late June 2012, certain individuals were detained illegally by a group protesting the Malku Khota project. The Company ceased all field activities while government-led talks attempted to seek a peaceful resolution. All of the detainees were released by the protesters by early July 2012.
- On July 10, 2012, the Bolivian government announced its intention to nationalize the Malku Khota project.
- In July 2012 the Company engaged the international law firm, King & Spalding LLP, to act as lead legal counsel in any international arbitration proceedings against Bolivia. On the recommendation of King & Spalding, the Company engaged one of Bolivia's leading law firms to act as co-counsel.
- On August 2, 2012, the Company received official notice of a Nationalization Decree of the Malku Khota project in Bolivia.
- In August 2012, Gregory Johnson stepped down from his role as President and Chief Executive Officer and as a director of the Company and Phillip Brodie-Hall was appointed President and Chief Executive Officer. Also in August 2012, the Company announced the appointment of Matias Herrero as full-time Chief Financial Officer ("CFO") of the Company replacing William Filtness, the Company's previous part-time CFO, who continued on with the Company as a consultant.
- In September 2012, the Company retained a leading global financial advisory firm to provide expert services to assess the damages suffered by the revocation of CMMK's mining concessions.
- In September 2012, the Company announced the results of a five-hole diamond drilling program and the interpretation of the ZTEM conductivity and magnetic geophysical surveys at Escalones, including a new copper oxide zone.
- In October 2012, the Company's wholly-owned subsidiary, South American Silver Limited, delivered a formal letter to the Plurinational State of Bolivia notifying it of an investment dispute between South American Silver and Bolivia under the Bilateral Investment Treaty between the Government of the United Kingdom and the Government of Bolivia. Notification of the investment dispute triggered a six-month cooling-off period, expiring on April 23, 2013, during which the disputing parties may negotiate a settlement.

² Copper equivalent (CuEq) calculations reflect gross metal content using approximate 3 year average metals prices as of December 2011 of \$3.00/lb copper (cu), \$1200/oz gold (Au), \$22/oz silver (Ag), and \$16/lb molybdenum (Mo) and have not been adjusted for metallurgical recoveries. An economic cut-off grade of 0.2% copper equivalent (0.41% cu, 0.05 g/t Au, 1.24 g/t Ag and 61.39 ppm Mo) represents a metal price of approximately \$2.50/lb copper. Contained metal values may vary from calculated values due to rounding.

- From August 2012 to February 2013, South American Silver Limited delivered several letters to the Bolivian Government reiterating its willingness to meet with Bolivian Government representatives to resolve the dispute amicably.
- In December 2012, the Company commenced a summer drill program at the Escalones copper-gold project. In addition, the first program of metallurgical testwork on Escalones material was completed at SGS Laboratories in Ontario and a second program commenced. The standard sulphuric acid leach test achieved average copper extraction of 77% from mixed copper oxide/sulphide mineralization. Copper flotation was also successful and rougher/cleaner flotation testing of the porphyry material achieved 25-34% copper concentrate grade at high recovery. The thrust of metallurgical testing is to use conventional sulphuric acid and flotation methods although the Company's patented chloride leach has also been tested. The patented leach averaged 100% extraction of the copper and 57% of the gallium on both oxide and sulphidic mineralization but with high reagent consumption.
- On December 21, 2012, the Company's common shares began trading in the United States on the OTCQX.
- In December 2012 and January 2013, the Company purchased, pursuant to private placements, a total of 16,077,000 common shares of the High Desert Gold Corporation ("HDG"), at a price of CDN\$0.18 per share for aggregate cash consideration of CDN\$2,893,860. As a result of the purchases, the Company then owned approximately 19.9% of the issued and outstanding common shares of HDG. The Company was also granted a pre-emptive right enabling it to maintain its percentage equity interest in HDG until December 28, 2015.
- In January and February 2013, the Company announced updates on drilling progress at the Escalones copper-gold porphyry project in Chile. By January 21, 2013, three diamond drills were on site, the first two holes had been completed and assay results had been received for part of the first hole, with the best two metres averaging 3.04% copper with 0.13 g/t gold. The better secondary enrichment averaged 0.99% copper with 0.15 g/t gold and 2 g/t silver over 27 metres including 2.23% copper with 0.14 g/t gold and 1.4 g/t silver over 6 metres. By February 27, 2013, assay results had been received from the first three drill holes which continued to show a zone of copper enrichment below a partially leached zone that lies below the approximately 70 metre thick deposit of glacial moraine that was deposited on the Meseta.
- In February 2013, a severe storm interrupted the drilling program at Escalones by causing significant damage to the access road that connects Santiago and the Escalones site. There was no loss or damage to the Company's people, facilities or equipment. Drilling operations recommenced on February 25, 2013 with one drill rig and by March 7, 2013, all three drill rigs were back in operation. On April 2, 2013 the Company announced drill results for a new "gold-only" zone at Escalones.
- On February 21, 2013, the Government of Bolivia finally responded to South American Silver Limited's letter and requested a meeting with South American Silver Limited representatives on April 17, 2013 to discuss a potential amicable resolution to the dispute. Attorneys representing South American Silver attended the April meeting but no resolution was reached and no compensation offered. The Decree stated clearly that the Bolivian state mining company, Corporación Minera de Bolivia (COMIBOL), would hire an independent firm to carry out a valuation of the investments made by CMMK within a period not to exceed 120 business days. The Company is not aware if such valuation has been carried out, or if an independent firm has been hired to undertake the valuation as provided for in the Decree.
- In April 2013, South American Silver filed for international arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) claiming full compensation based on fair market value of the Malku Khota project pursuant to the Agreement between the Government of the United Kingdom and the Government of Bolivia for the Promotion and Protection of Investments (the "Treaty"). The arbitration claim is for Bolivia's breach of the Treaty and international law. Bolivia has breached the Treaty's requirement to provide full protection and security to foreign investors and their investments, as well as the Treaty's protections against, among other things, expropriation without just and effective compensation, unfair and inequitable treatment, and less favorable treatment than afforded to Bolivian nationals or nationals of third states.

- On May 23, 2013, the Company entered into an agreement with a third party funder (the “Fund”) pursuant to which the Fund will cover most of South American Silver’s future costs and expenses related to the international arbitration proceedings against the Plurinational State of Bolivia for the expropriation of the Malku Khota project. In consideration for the funding, the Company agreed to pay to the Fund a portion of any recoveries received pursuant to the arbitration proceedings or any settlement with Bolivia.
- In July 2013, the Company extended for 5 years the terms of its option agreement to acquire the remaining 4,689 hectares of the Escalones property located in Chile, which are not already 100% owned by the Company.
- In June 2013, the Company announced an updated resource estimate for the Escalones copper-gold-silver project in central Chile. In August 2013, the Company filed the technical report containing a resource estimate. The technical report was subsequently amended on July 11, 2014. Highlights include:
 - A significant increase in pounds of copper and molybdenum and ounces of gold above assumed economic cut-off of 0.25% copper equivalent (CuEq³), compared to the initial resource dated December 19, 2011.
 - Upgrading of approximately a third of the resource to the indicated category from inferred.
 - Indicated resource of 1.9 billion pounds CuEq³ at a CuEq³ grade of 0.38%
 - Inferred resource of 4.7 billion pounds CuEq³ at a CuEq³ grade of 0.40%
- On October 21, 2013 the Company entered into an arrangement agreement pursuant to which it agreed to acquire all of the issued and outstanding shares of HDG that it did not already own in an all-share transaction by way of a plan of arrangement (the “Arrangement”) where HDG shareholders (other than the Company) receive 0.275 of a Common Share for each HDG share held. As part of the Arrangement, immediately prior to the acquisition of HDG, the shareholders of the Company received one new Common Share and one Class B Share for each Common Share previously held, with the Class B Shares entitling the holders collectively to 85% of the net cash proceeds received from any award or settlement in connection with the ongoing dispute with Bolivia related to its expropriation of the Malku Khota Project.
- On December 2, 2013 the Company announced that Ralph Fitch had been re-appointed to the position of President and CEO. Mr. Fitch, also the Executive Chairman of the Company, is the founder of the Company. He replaced Phillip Brodie-Hall who served as Interim President and CEO of the Company from August 2012.
- On December 19, 2013 the Company and HDG received final court approval for the Arrangement from the Supreme Court of British Columbia and the Arrangement was completed on December 20, 2013. The Company exchanged each of its outstanding common shares for one new Common Share and one Class B Share and issued 19,460,067 new Common Shares to the former shareholders of HDG in exchange for their HDG common shares. Also pursuant to the Arrangement, all outstanding options and warrants of the Company were adjusted and each became exercisable to acquire one new Common Share and one Class B Share instead of a common share of the Company at the same exercise price and all outstanding HDG options and warrants became exercisable to acquire Common Shares, with the number of Common Shares and exercise price adjusted, as appropriate, to reflect the consideration to be received by the HDG shareholders pursuant to the Arrangement.
- In February 2014, the Company announced an updated resource estimate for the Jumbo Zone and the Grey Eagle Zone at the Gold Springs gold-silver project that straddles the Nevada-Utah border. In March 2014, the Company filed a technical report containing a resource estimate, which was subsequently amended on July 8, 2014.

³ Copper Equivalent (CuEq) calculations reflect gross metal content using approximate 3 year average metals prices as of June 25th, 2013 of \$3.71/lb copper (cu), \$1549/oz gold (Au), \$30.29/oz silver (Ag), and \$14.02/lb molybdenum (Mo) and have not been adjusted for metallurgical recoveries. The grade of each metal is disclosed under the heading “Description of the Business – Escalones (Chile) – The Escalones Report.”

- On April 3, 2014, the Company announced the US Bureau of Land Management (BLM) Caliente Office of the State of Nevada issued a Record of Decision and a Finding of No Significant Impact for the Company's Environmental Assessment ("EA") covering the Nevada portion of the Gold Springs project. The acceptance of EA permits the work proposed in its Plan of Operations filed at the BLM, which proposes staged exploration activities focused on the expansion of the Grey Eagle resource and the future exploration of 13 of the then 18 (now 26) identified outcropping gold targets located in Nevada. In Utah, the Company has completed and filed an Exploration Plan of Operations and EA, which are in process with approval expected in the second quarter of 2015.
- On May 1, 2014 the Company announced the completion of its PEA at the Gold Springs gold-silver project in mining friendly Nevada/Utah, USA and filing of a supporting technical report. The PEA describes:
 - a 9 year, 10,000 tpd "heap-leach" project;
 - a pre-tax NPV_{5%} of US\$162 million;
 - a pre-tax IRR of 57.5%;
 - a cash cost of US\$614/AuEq⁴ oz.; and
 - total costs of US\$749/AuEq oz.

These estimates were made using a \$1,300/oz gold price and \$21/oz silver price and assumes contractor mining. The underlying resource estimate used in the PEA includes only 2 of the then 18 (now 26) original areas of outcropping gold mineralization (Jumbo and Grey Eagle) and none of the buried geophysical targets at Gold Springs. A supporting technical report was filed on SEDAR, which was subsequently amended July 8, 2014.

- On May 7, 2014 the Company announced plans to start a drill program to expand the resource at both Jumbo and Grey Eagle and to test a third target area for possible resource development.
- On May 13, 2014 the Company's wholly-owned Bermudian subsidiary South American Silver Limited had its first procedural meeting with representatives of the Government of Bolivia and the three members of the Arbitration Tribunal at the Center of Arbitration and Conciliation of the Bogota Chamber of Commerce in Colombia under the oversight of the Permanent Court of Arbitration. SASL provided a summary of its claims and Bolivia provided a summary of its defense. The Parties also had an opportunity to present their positions to the Tribunal with respect to logistical matters regarding the Arbitration process going forward.
- On June 3, 2014 the Company announced that SASL received Procedural Order No. 1 from the Arbitral Tribunal, which constitutes the Tribunal's binding decisions on procedural matters that will govern the arbitration process.
- On July 8, 2014, the Company announced the filing of an amended technical report for the Gold Springs project (the "Amended Report"). The Amended Report restates the resource estimate for Gold Springs and includes the results of the base case PEA which remained unchanged from the previously filed technical report. The Measured Resource at the Grey Eagle area was re-categorized as Indicated Resource resulting in the Indicated Resource increasing by the same amount as the Measured Resource decreased.
- On July 14, 2014, the Company announced the first results from the 2014 Gold Springs drill program, including hole J-14-004 which intersected 67 metres of 1.03 g/t AuEq in the southern portion of the Jumbo resource block. The hole successfully extended the mineralization located in 2013 in RC holes J-13-005 and 006 both along strike and down-dip.
- On August 1, 2014, the Company announced additional drill results from an additional Reverse Circulation ("RC") drill hole from the Jumbo Area and six RC holes from the Etna Area at Gold Springs. RC hole J-14-011 intersected 38.1 metres of 1.01 g/t AuEq, including 7.6 metres of 3.21 g/t AuEq, to the east of the center portion of the Jumbo resource block where previous drilling was done in this sector. Further drilling will be needed to better understand the relationship of this mineralization to that to the North and to the South due to east-west faulting in the area. The indications, however, are that this intercept extends the 200m long higher grade southern Jumbo zone, which includes the 67m@1.03 g/t AuEq in hole J-14-004,

⁴ See footnote 1 on page 5.

- On August 27, 2014, the Company announced plans for a second round of drilling on the Gold Springs project. The second drill phase was to focus additional drilling on the Jumbo resource area where earlier drilling results showed the development of a higher grade portion of the system. The Company also released the latest results from the 9 RC holes completed in the Grey Eagle target which indicated that the immediate southern extension of the mineralized zone seen in the holes drilled in 2013 was weaker because faulting had offset the stronger mineralization or it had been eroded prior to the deposition of the post mineral cover.
- On September 24, 2014, the Company's subsidiary, South American Silver Limited, filed its statement of claim seeking US\$385.7 million pursuant to its statement of claim filed in its arbitration proceeding against Bolivia.
- On October 16, 2014, the Company announced the discovery of new outcropping areas of gold mineralization at Gold Springs. The new discoveries were made with the help of the LIDAR survey, which can see through trees to show geology and very small old prospect pits and outcrops. One completely new area surveyed was the Snow prospect located approximately 800 metres west of Etna on the Utah side of the property. Rock samples from this structural zone include assays of up to 3.7 gpt Au and 12 gpt Ag over 4.6 metres.
- On November 12, 2014, the Company announced the results from the second round of drilling at Gold Springs. The Phase II drill program at Jumbo was successful in all areas, demonstrating the continuation of mineralization to the east in both the main and southern Jumbo zones and to depths below any previously known mineralization. Holes in the main-Jumbo zone intersected deeper vein systems not previously known and extended mineralization to depths of 200 metres below the outcropping gold zones. Hole J-14-018 intersected 138.7 metres @ 1.01 g/t AuEq and ended in mineralization.
- On November 14, 2014, the Company announced that its wholly-owned Chilean subsidiary, South American Silver Chile SCM, has been granted an environmental permit to construct 20 drill pads from which 20,000 metres of diamond drilling can be performed at Escalones. The permit authorizes work to be completed over 3 drilling seasons, which typically extend from October to May.

DESCRIPTION OF THE BUSINESS

Summary

The Company is a growth focused mineral exploration company creating value through the exploration and development of the near surface Gold Springs gold-silver project along the Nevada-Utah border, the advancement of the large scale Escalones copper-gold project located in the world renowned Chilean copper belt, the realization of value from the expropriated Malku Khota project in Bolivia through an arbitration process.

The Company's approach to business combines the team's track record of discovery and advancement of large projects, key operational and process expertise, and a focus on community relations and sustainable development. Management has extensive experience in the global exploration and mining industry.

Gold Springs (United States)

The Gold Springs gold-silver project straddles the Nevada-Utah border in the United States. The updated 2014 resource estimate was based upon the 2013 drill program at the Jumbo Zone in Utah and the Grey Eagle Zone in Nevada. These two targets represent only two of the 26 outcropping targets identified in the 74 sq. km Gold Springs district and none of the buried geophysical targets.

The indicated resource of 456,000 oz. AuEq averaging 0.67g/t AuEq and an additional 299,000 oz AuEq @0.56 g/t AuEq in the inferred category, is based on a gold (Au) cut-off of 0.2 g/t. If the cut-off is increased to 0.3 g/t Au then the indicated resource grade increases to 0.84 g/t AuEq for a total of 369,000 oz. AuEq and 0.74 g/t AuEq for a total of 208,000 oz AuEq in the inferred category.

The PEA based on the updated resource supports;

- a 9 year, 10,000 tpd “heap-leach” project;
- a pre-tax NPV_{5%} of US\$162 million;
- a pre-tax IRR of 57.5%;
- a cash cost of US\$614/AuEq⁵ oz; and
- total costs of US\$749/AuEq oz.

The Gold Springs Report

The Amended Preliminary Economic Assessment of the Gold Springs Property, Utah/Nevada, USA (the “Gold Springs Report”) was prepared by Terre Lane of Lane & Associates (L&A), Dr. Deepak Malhotra and Kurt Katsura, M.S., R.G., each a “Qualified Person” as such term is defined in NI 43-101. The Gold Springs Report was filed on July 8, 2014 and can be found at www.SEDAR.com under the Company’s profile. The following summary is reproduced from the Gold Springs Report, which is hereby incorporated into this Annual Information Form by reference.

Summary

The Gold Springs project (“Gold Springs” or “the Property”) is an advanced exploration stage gold project located along the Nevada-Utah border in the U.S. The project, located in western Iron County, Utah and eastern Lincoln County, Nevada, consists of 983 unpatented lode claims, 13 patented lode claims and 4 State of Utah leases covering a total of approximately 7,568 ha. The Gold Springs project is held by TriMetals Mining Inc. (“TMI” or “TriMetals”) through Gold Springs LLC, a wholly owned subsidiary of High Desert Gold Corporation (“HDG”). Prior to March 17, 2014, TMI was known as South American Silver Corp., which acquired 100% ownership of HDG on December 20, 2013. HDG is now a wholly owned subsidiary of TMI. All work completed on the property has been done by HDG unless otherwise noted.

TMI contracted with Lane & Associates (L&A) to perform this Preliminary Economic Assessment (PEA). This PEA for the Gold Springs Project is organized in accordance with National Instrument 43-101, including all 27 of the prescribed sections. The purpose of this PEA is to provide an initial evaluation of the economic prospects for the Gold Springs project. This evaluation will inform decisions to be made about the future of the project and what further work might be warranted. The mining methods, estimated costs, and economic modeling presented in this PEA have not been presented previously. Sections 4 through 14 of the Updated Technical Report dated March 18, 2014 are repeated here for completeness and in fulfillment of NI 43-101 requirements.

Gold mineralization at Gold Springs is hosted by complex sheeted veins, breccias and stockwork vein systems that are laterally extensive and locally form resistant ledges and ribs that protrude up to 10 metres above the surrounding ground surface. The veins contain quartz, adularia, and bladed calcite with minor sulfides (<2%) and represent a low sulfidation, epithermal gold-silver vein systems. Trace element geochemistry for As (arsenic) and Sb (antimony) show relatively low values similar to other quartz-adularia epithermal vein systems such as the K-2 deposit in Washington and the Midas deposit in northern Nevada.

As indicated in the previously issued Resource Report (Kurt Katsura and Lane and Associates, March 18, 2014), HDG completed a total of 19,233 metres of drilling in 141 holes. Of these holes 36 have been completed in the Jumbo resource area and 74 in the Grey Eagle resource area. In addition HDG completed 3 holes in the Midnight target, 3 holes in the Thor target, 1 hole in the North Jumbo target, 3 holes in the Etna target, 3 holes in the Fluorite target, 6 holes in the State Section target, 3 holes in the Tin Can target and 2 holes in the Pope target. Previous work by other exploration companies saw the completion of drill holes in the Jumbo (18 drill holes), Etna (5 drill holes) and North Jennie (1 drill hole) targets. In each instance, the drilling demonstrated that gold mineralization is present in these areas. The combination of surface geochemical sampling and drilling results completed on the project to date shows the potential for significant gold mineralization in the Gold Springs project area as high-grade veins (>3.0 g/t gold) and areas of broad lower-grade disseminated and stockwork mineralization (<1.0 g/t gold).

In 2012, HDG completed an initial inferred resource on the Jumbo target area that estimated an inferred 9,392,155 tonnes @ 0.57 g/t Au and 12.9 g/t Ag for a total of 173,115 troy ounces of gold and 3,880,745 troy ounces of silver for a total of 233,344 troy ounces gold equivalent (AuEq) at a grade of 0.77 g/t (Gold equivalent

⁵ See footnote 1 on page 5.

(AuEq) calculations reflect gross metal content using the following metal prices of \$1,020/oz gold (Au), and \$15.80/oz silver (Ag), and have not been adjusted for metallurgical recoveries).

In 2013, the estimate was updated to an inferred resource within the Jumbo and Grey Eagle areas of 19,373,085 tonnes @ 0.48 g/t Au and 10.4 g/t Ag for a total of 301,756 troy ounces of gold and 6,476,149 troy ounces of silver. This equates to a gold equivalent (AuEq) grade of 0.67 g/t and a total of 415,254 AuEq ounces (Gold equivalent (AuEq) calculations reflect gross metal content using the following metal prices of \$1,600/oz gold (Au), and \$28/oz silver (Ag), and have not been adjusted for metallurgical recoveries).

In 2014, the resource was again updated by Kurt Katsura and Lane and Associates leading to the following resource. The Gold Springs Indicated Geologic Model Mineral Resource is 21,289,000 tonnes @ 0.5 g/t Au and 9.8 g/t Ag for a contained 339,000 troy ounces gold and 6,687,000 troy ounces silver plus an Inferred Mineral Resource of 16,674,000 tonnes @ 0.4 g/t Au and 9.1 g/t Ag for an additional 214,000 troy ounces gold and 4,857,000 troy ounces silver using a 0.2 g/t Au cutoff. This equates to an Indicated resource of 456,000 ounces AuEq averaging 0.67g/t AuEq and an additional 299,000 ounces AuEq @0.56 g/t AuEq in the Inferred category. Gold equivalent (AuEq) calculations reflect gross metal content using the gold/silver ratio of 57.14, and have not been adjusted for metallurgical recoveries. Readers are advised that mineral resources that are not mineral reserves do not have demonstrated economic viability under National Instrument 43-101.

In April 2014, Lane and Associates were contracted to complete a PEA using the March 2014 updated mineral resource. To create the economic model for the PEA Lane and Associates first developed a series of pit shells within the mineral resource block model using a range of gold prices and associated cutoff grades for silver and gold, in order to establish the most profitable and robust mine plan. Mine schedules were developed for each of the resulting pit shells, using production rates appropriate to support an 8- to 10-year time frame for the project. These results became the basis for estimating capital and operating costs and developing an economic model for the project. Mining and process equipment were sized for each individual case. The analysis assumed a heap leach process with a Merrill-Crowe plant to recover gold and silver. The subsequent economic model used a base gold price of \$1300/oz and a silver price of \$21.00/oz.

Pit shell 4, with a cutoff grade of 0.222, was chosen for this study because it had the most robust economics over a range of gold prices. Two scenarios are considered, owner-operated mining and contractor mining. Under an owner-operated scenario, the capital costs are \$85.6 million, with operating costs per tonne of leachable material of \$7.58 per tonne. A pre-tax Net Present Value (NPV) at a 5% discount rate was \$150.2 million and with a pre-tax Internal rate of return (IRR) of 39.66%.

The Contractor Mining scenario showed improved economics for the project. Capital costs decreased by about 30% to \$57.5 million because the contractor would supply the fleet of mining equipment. Total operating costs per tonne of leachable material were about 7.5% higher for contractor mining at \$8.16/tonne. Pre-tax NPV at a discount rate of 5% for contractor mining was \$162 million with an IRR of 57.5%.

Utah Corporate Income tax and Nevada Net Proceeds of Minerals tax, both 5%, and Federal Income tax of 25% were factored into the economic analysis. Straight line depreciation of Capital Costs was also used in the economic analysis tax calculation. The after tax NPV at a 5% discount rate and IRR for owner operated mining is \$98 million and 29%; the after tax NPV at a 10% discount rate for owner operated mining is \$62 million. The after tax NPV at a 5% discount rate and with contractor mining is \$109 million and the IRR is 42%; the after tax NPV at a 10% discount for contractor mining is \$75 million. Approximately \$68 million and \$70 million are paid in State and Federal taxes in the owner-operated and contractor mining scenarios respectively.

Additional analyses included a determination of pre-tax NPV sensitivity to gold price. Contractor mining provided the highest NPVs and IRRs.

This PEA is preliminary in nature and includes inferred mineral resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as mineral reserves under National Instrument 43-101. Readers are advised that there is no certainty that the results projected in this preliminary economic assessment will be realized.

Continued exploration work is recommended for the Gold Springs property, which would focus on collecting geologic information from detailed mapping, geochemical sampling of rock chips and analyzing the

geophysical data, followed by a rotary drill program. The authors recommend drilling some core holes to add to the geologic understanding of the veins and related structures. These core holes should be used to gather specific gravity data. Future drill programs should continue to use standard and blank samples inserted into the drill samples submitted to the labs at a rate of no less than 5%. The primary focus of the recommended exploration program would be to continue to expand the gold resources at the Jumbo and Grey Eagle targets, convert inferred mineralization to Indicated category, as well as to define a third target. All holes should be surveyed on completion. In addition, ongoing geological mapping, structural analyses, and geochemical sampling would focus on developing other target areas for drilling and expanding the current gold resources at Gold Springs. The program should include metallurgical test work, topographic surveys, and base line environmental work. It is estimated that this continuing exploration and project development at the Gold Springs property would require an expenditure of approximately US\$ 3,383,000 this year.

Further Exploration and Development

In 2014 the Company completed 31 reverse-circulation (“RC”) drill holes totaling 4,956 metres within the resource areas (22 at Jumbo and nine at Grey Eagle), six RC holes at the Etna target totaling 810 metres, and two core holes at each the Jumbo and Grey Eagle resource areas totaling 381 metres. The 2014 drilling within the Grey Eagle and Jumbo resource areas are not included in the resource estimate contained in the Gold Springs Report referenced above. All references to gold equivalent (AuEq) calculations in this section reflect gross metal content using a gold/silver ratio of 57.14 and have not been adjusted for metallurgical recoveries.

On July 14, 2014 the Company announced via news release the first results from the 2014 Gold Springs drill program, including hole J-14-004 which intersected 67 metres of 1.03 g/t AuEq in the southern portion of the Jumbo resource block. The hole successfully extended the mineralization located in 2013 in RC holes J-13-005 and 006 both along strike and down-dip.

Hole	From (m)	To (m)	Length (m)	Average Au (g/t)	Average Ag (g/t)	AuEq (g/t)	True Thickness (m)
J-14-004	16.8	83.8	67.0	0.60	24.4	1.03	54.9
	16.8	44.2	27.4	0.92	31.2	1.47	22.5
	36.6	38.1	1.5	5.48	39.6	6.17	1.2

Azimuth 270°, declination -65°, Cut off 0.1g/t AuEq.

The results from J-14-001,002 and 003 also strongly support a higher grade zone of mineralization as shown below. These holes as a group extend the previously known mineralization envelope, confirm the importance of the 2013 Jumbo intercepts in J-13-005 and 006 and exhibit higher grades than are typically found in the Jumbo Zone:

Hole	From (m)	To (m)	Length (m)	Average Au (g/t)	Average Ag (g/t)	AuEq (g/t)	True Thickness (m)
J-14-001	56.4	106.7	50.3	0.56	24.8	0.99	41.2
	56.4	91.4	35.0	0.68	29.9	1.20	28.7
Highest grade zone	86.9	89.9	3.0	2.12	77.6	3.48	2.5
J-14-002	45.7	61.0	15.3	0.58	19.5	0.92	14.7
Highest grade zone	48.8	51.8	3.0	1.17	26.2	1.63	2.9
J-14-003	64.0	135.6	71.6	0.46	16.6	0.76	45.8
	64.0	97.5	33.5	0.54	26.7	1.01	21.4
Highest grade zone	131.1	134.1	3.0	2.29	17.4	2.60	2.0

Cutoff 0.1g/t AuEq.

Drill hole J-14-001 and J-14-004 intersected the full width of the mineralized body whereas holes J-14-002 and 003 ended in mineralization suggesting the mineralized body is likely thicker than reported. J-14-003 extended mineralization beyond the previously known mineralization boundary. This higher grade block of mineralization extends for approximately 200 metres north-south and is open for expansion to the north and east.

RC holes J-14-005 through 010 all contain additional mineralization except for J-14-007 which was drilled to the east and remained in post mineral rocks above a fault and J-14-008 drilled to the NW in the south end of the zone did not intercept the main target due to faulting. RC hole J-14-010 is noteworthy in that it is located approximately 100 metres north of the Jumbo resource area and intersects what is interpreted as a new zone of mineralization east of the main trend. This hole intersected 25.9 metres at 0.65 g/t AuEq

Three bulk samples of coarse broken mineralized rock from the Grey Eagle trench were collected for metallurgical testing. Also, a metallurgical test program designed to enhance silver extraction was been set up using existing RC chip samples as well as trench samples. Metallurgical test results are being analyzed by the Company.

The following lists the results from the first 10 Jumbo RC holes:

Hole	Azi-muth	Inclina-tion	From (m)	To (m)	Length (m)	Average Au (g/t)	Average Ag (g/t)	AuEq (g/t)	True Thickness (m)
J-14-001	270°	-65°	56.4	106.7	50.3	0.56	24.83	0.99	41.2
			56.4	91.4	35.1	0.68	29.86	1.20	28.7
			86.9	89.9	3.0	2.12	77.55	3.48	2.5
J-14-002	270°	-45°	45.7	61.0	15.2	0.58	19.49	0.92	14.7
			48.8	51.8	3.0	1.17	26.20	1.63	2.9
J-14-003	270°	-80°	64.0	135.6	71.6	0.46	16.62	0.76	46.0
			64.0	97.5	33.5	0.54	26.67	1.01	21.6
			131.1	134.1	3.0	2.29	17.40	2.60	2.0
J-14-004	270°	-65°	16.8	83.8	67.0	0.60	24.38	1.03	54.9
			16.8	64.0	47.2	0.69	29.41	1.20	38.7
			16.8	44.2	27.4	0.92	31.19	1.47	22.5
			36.6	42.7	6.1	2.17	39.03	2.85	5.0
			36.6	38.1	1.5	5.48	39.60	6.17	1.2
J-14-005	270°	-65°	51.8	109.7	57.9	0.34	18.04	0.66	47.4
			53.3	100.6	47.2	0.41	20.97	0.77	38.7
			77.7	94.5	16.8	0.51	25.45	0.96	13.7
			77.7	80.8	3.0	0.72	31.65	1.28	2.5
J-14-006	270°	-65°	71.6	141.7	70.1	0.22	10.24	0.40	57.4
			96.0	117.3	21.3	0.29	16.78	0.58	17.5
			112.8	115.8	3.0	0.67	22.15	1.05	2.5
J-14-007	90°	-45°	Un-mineralized						
J-14-008	305°	-45°	121.9	132.6	10.7	0.15	4.39	0.22	10.3
J-14-009	270°	-45°	0.0	15.2	15.2	0.49	24.81	0.92	14.7
			85.3	96.0	10.7	0.30	3.70	0.37	10.3
J-14-010	90°	-45°	150.9	176.8	25.9	0.54	6.24	0.65	unknown
			150.9	155.4	4.6	1.63	16.03	1.91	unknown
			150.9	152.4	1.5	3.99	26.00	4.44	unknown

Cutoff 0.1g/t AuEq.

On August 1, 2014 the Company announced via news release the results from an important additional RC drill hole from the Jumbo Area and six RC holes from the Etna Area at Gold Springs.

RC hole J-14-011 intersected 38.1 metres of 1.01 g/t AuEq, including 7.6 metres of 3.21 g/t AuEq, to the east of the center portion of the Jumbo resource block where previous drilling was done in this sector. See also Phase II drill results announced November 12, 2014.

Hole	From (m)	To (m)	Length (m)	Average Au (g/t)	Average Ag (g/t)	AuEq (g/t)	True Thickness (m)
J-14-011	71.6	126.5	54.9	0.54	13.48	0.77	49.7
	82.3	120.4	38.1	0.71	16.93	1.01	34.5
	91.4	99.1	7.7	2.48	41.54	3.21	6.9

Hole	From (m)	To (m)	Length (m)	Average Au (g/t)	Average Ag (g/t)	AuEq (g/t)	True Thickness (m)
	91.4	94.5	3.1	4.97	80.45	6.38	2.8

Azimuth 270°, declination -550°. Cut off 0.1g/t AuEq.

Six RC holes were also completed on the Etna target approximately 2 km south of the present Jumbo Resource Block. Etna was chosen as the next target to test because of extensive outcrops of gold mineralization.

RC hole E-14-001 intersected mineralization over 106.7 metres @0.49 AuEq and included 29 metres of 1.03 g/t AuEq. This broad zone relates to RC hole E-12-001 drilled approximately 50 metres to the north which intersected 125 metres of 0.35 g/t AuEq including 39.6 metres of 0.64 g/t AuEq. More drilling is required to further define this new zone and its extensions which have the potential to be substantial because of the large intercept widths.

Hole	From (m)	To (m)	Length (m)	Average Au (g/t)	Average Ag (g/t)	AuEq (g/t)	True Thickness (m)
E-14-001	22.9	129.6	106.7	0.38	6.80	0.49	103.0
	77.7	106.7	29.0	0.85	10.22	1.03	28.0
	77.7	86.9	9.2	1.94	19.10	2.27	8.8
	80.8	85.3	4.5	3.25	31.17	3.79	4.4
E-12-001	4.6	129.6	125.0	0.29	3.3	0.35	117.4
	61.0	100.6	39.6	0.57	4.2	0.64	37.2
	91.4	100.6	9.2	1.55	9.9	1.72	8.6
	91.4	93.0	1.6	4.86	17.1	5.16	1.4

Cutoff 0.1g/t AuEq.

The remaining five holes at Etna were exploratory in nature and intersected weak mineralization often over broad widths. Further geological and geophysical analysis and additional drilling is required in the Etna zone to follow the extensions of the mineralized body found in E12-001 and E14-001. The following lists the results from all the six Etna RC holes:

Hole	Azi-muth	Inclina-tion	From (m)	To (m)	Length (m)	Average Au (g/t)	Average Ag (g/t)	AuEq (g/t)	True Thickness (m)
E-14-001	70°	-45°	22.9	129.6	106.7	0.38	6.80	0.49	103.0
			77.7	106.7	29.0	0.85	10.22	1.03	28.0
			77.7	86.9	9.2	1.94	19.10	2.27	8.8
			80.8	85.3	4.5	3.25	31.17	3.79	4.4
E-14-002	247°	-45°	42.7	53.3	10.6	0.33	11.86	0.53	10.3
			4.6	30.5	25.9	0.16	2.49	0.20	Unknown
			4.6	13.7	9.1	0.26	2.52	0.30	Unknown
E-14-003	70°	-45°	39.6	146.3	106.7	0.16	3.22	0.22	103.0
			39.6	67.1	27.5	0.20	4.11	0.27	26.5
			88.4	99.1	10.7	0.32	4.96	0.40	10.3
			123.4	132.6	9.2	0.42	5.47	0.52	8.8
E-14-004	70°	-45°	0.0	152.4	152.4	0.11	2.79	0.16	147.2
			0.0	15.2	15.2	0.20	4.48	0.28	14.7
			0.0	4.6	4.6	0.37	6.20	0.48	4.4
			120.4	134.1	13.7	0.35	4.36	0.43	13.2
E-14-005	70°	-45°	10.7	100.6	89.9	0.09	2.81	0.14	86.9
			10.7	24.4	13.7	0.14	4.38	0.22	13.2
E-14-006	55°	-45°	0.0	61.0	61.0	0.17	3.11	0.22	58.9
			0.0	32.0	32.0	0.24	3.78	0.30	30.9
			158.5	163.1	4.6	0.05	17.03	0.35	4.4

Cutoff 0.1gt AuEq.

On August 27, 2014 the Company announced via news release results from the nine RC holes completed at the Grey Eagle target which indicated that the immediate southern extension of the mineralized zone seen in the holes drilled in 2013 was weaker because faulting had offset the stronger mineralization or it had been eroded prior to the deposition of the post mineral cover. Eight of the nine holes can be divided into two sets. The first set was designed to look for the eastern up-dip edge to the strong mineralization discovered in 2013, seen for example, in holes GE 13-005, 008, 036 and 039 (61m@1.07gt AuEq, 65.5m@0.7gt AuEq, 73.2m@0.66gt AuEq, 47.2m@0.55gt AuEq, respectively). The new results, whilst positive, indicate that the up-dip, eastern, near surface extensions of the mineralized zone have been partially eroded reducing the widths of the intercepts or removing them almost entirely as in GE-14-001 and 003. An example of these partial intercepts can be seen in the east- west section that includes RC hole GE-13-023 from 2013 which included 71.6m averaging 0.9 g/t AuEq. This intercept is located in the center of the Grey Eagle resource block with the 2014 holes GE-14-002 (21m @0.6g/t AuEq) and GE-14-008 (27m @0.6 g/t AuEq) located on the eastern edge of the block where they intercepted the partially eroded zone.

Hole	Azi-muth	Inclina-tion	From (m)	To (m)	Length (m)	Average Au (g/t)	Average Ag (g/t)	AuEq (g/t)	True Thickness (m)
GE-14-002	120°	-60°	59.4	91.4	32.0	0.38	5.39	0.47	32.0
			64.0	85.3	21.3	0.48	6.24	0.59	21.3
			68.6	79.2	10.7	0.71	8.41	0.86	10.7
GE-14-008	120°	-60°	53.3	93.0	39.6	0.38	4.88	0.47	39.6
			61.0	88.4	27.4	0.50	5.82	0.60	27.4
			61.0	77.7	16.8	0.71	8.02	0.85	16.8

Cut off of 0.1g/t AuEq.

The second set of holes were placed one to two hundred metres further south than the 2013 drilling and were designed to test for extensions of the mineralized zone in a southerly direction. Results suggest that the Grey Eagle mineralized zone has been eroded and down-faulted in this area. Although anomalous gold values were detected, no significant mineralization was found in these holes.

The ninth RC hole was designed to test the western extension of the Grey Eagle mineralization. The hole intersected a post mineral dyke-rock that cut out some of the mineralized zone. It does however, show that the mineralized zone continues in a westerly direction. Future drilling will further define the mineralization in this area.

Hole	Azi-muth	Inclina-tion	From (m)	To (m)	Length (m)	Average Au (g/t)	Average Ag (g/t)	AuEq (g/t)	True Thickness (m)
GE-14-009	0°	-90°	166.1	173.7	7.6	0.50	7.36	0.63	6.6
			166.1	189.0	22.9	0.38	4.01	0.45	19.8
			184.4	190.5	6.1	0.83	1.45	0.85	5.3
			166.1	170.7	4.6	0.82	8.63	0.97	4.0

Cut off of 0.1g/t AuEq.

On October 16, 2014 the Company announced via news release the discovery of new outcropping areas of gold mineralization. The new discoveries were made with the help of the LIDAR survey, which can see through trees to show geology and very small old prospect pits and outcrops. One completely new area is the Snow Prospect located approximately 800 metres west of Etna on the Utah side of the property. Rock samples from this structural zone include assays of up to 3.7 gpt Au and 12 gpt Ag over 4.6 metres. Trenching and further sampling will be done in this area to better understand the scale of the target prior to drilling. Samples included:

Sample Number	Description	Gold (g/t)	Silver (g/t)	Gold Equivalent (g/t)
102789	2×3 m Panel of Altered Wall Rock	0.38	3.5	0.44
102790	4.6 m Across Altered Wall Rock	3.72	12.0	3.93
102791	Lower Dump	3.32	40.9	4.04
26448	Vein From Lower Dump	2.21	18.5	2.53

Sample Number	Description	Gold (g/t)	Silver (g/t)	Gold Equivalent (g/t)
26449	Altered Wall Rock from Lower Dump	2.50	13.2	2.73

Another example of an outcrop area is White Point, located 400 metres west of the Grey Eagle resource area, where an expanded sampling program has completed a series of four channel samples. These were continuous chip samples collected from outcropping material and along an old road cut. Samples were cut approximately perpendicular to the strike of the mineralization. The results include:

Channel Number	Sample Number	Sample Width* (metres)	Gold (g/t)	Silver (g/t)	Gold Equivalent (g/t)
WP-1	41622-27	9.1	0.33	2.7	0.38
WP-2	41628-32	7.6	0.85	6.7	0.96
WP-3	41633-36	6.1	0.20	2.8	0.25
WP-4	41639-56	27.4	0.63	6.7	0.74

*True width unknown but believed to approximate sample width.

The White Point area represents a priority target for follow-up drilling where reconnaissance RC holes completed in 2011 returned values of up to 9.1 metres at 1.63 gpt AuEq and 13.7 metres at 0.70 gpt AuEq.

Channel sampling was also conducted on the North Grey Eagle area with positive results, providing another shallow drill target that could potentially extend the Grey Eagle resource. Samples were cut perpendicular to the strike of the mineralization and were continuous chips of outcropping material. The results include:

Channel Number	Sample Number	Sample Width* (metres)	Gold (g/t)	Silver (g/t)	Gold Equivalent (g/t)
GE-2	41601-10 & 41694-704	33.8	0.53	9.1	0.69
GE-3	41611-14	6.1	0.59	6.7	0.71
GE-7	41668-76	13.7	0.89	12.9	1.11
GE-8	41677-93	38.1	0.72	13.1	0.95

*True width unknown but believed to approximate sample width.

On November 12, 2014 the Company announced via news release the results from the second round of drilling consisting of 11 RC drill holes designed to extend mineralization to the east and at depth in the main and southern Jumbo zones, and to test mineralization in a new southwest Jumbo zone.

Hole J-14-18, drilled in the northern portion of the Jumbo main zone, included a long intercept of plus 1 g/t AuEq and extended the mineralization beyond the limits of the present resource block model and PEA pit design.

Hole	From (metres)	To (metres)	Thickness (metres)	Gold (g/t)	Silver (g/t)	AuEq (g/t)	True Thickness (m)
J-14-018	83.8	222.5	138.7	0.69	17.92	1.01	136.6
	106.7	143.3	36.6	1.39	38.05	2.06	36.0

The Phase II drill program at Jumbo was successful in all areas, demonstrating the continuation of mineralization to the east in both the main and southern Jumbo zones and to depths below any previously known mineralization. Holes in the main-Jumbo zone intersected deeper vein systems not previously known and extended mineralization to depths of 200 metres below the outcropping gold zones. Hole J-14-018 intersected 138.7 metres @ 1.01 g/t AuEq and ended in mineralization. Results from the holes in the main-Jumbo zone include:

Hole	From (metres)	To (metres)	Thickness (metres)	Gold (g/t)	Silver (g/t)	AuEq (g/t)	True Thickness (m)
J-14-018	83.8	222.5	138.7	0.69	17.92	1.01	136.6
	106.7	143.3	36.6	1.39	38.05	2.06	36.0
J-14-013	77.7	137.2	59.4	0.24	4.14	0.31	59.2
	117.3	134.1	16.8	0.49	6.75	0.61	16.7

Hole	From (metres)	To (metres)	Thickness (metres)	Gold (g/t)	Silver (g/t)	AuEq (g/t)	True Thickness (m)
J-14-014	48.8	61.0	12.2	0.35	4.69	0.43	12.0
	132.6	146.3	13.7	0.31	11.03	0.50	13.5
J-14-017	57.9	182.9	125.0	0.31	9.89	0.48	123.1
	64.0	91.4	27.4	0.54	7.39	0.67	27.0
J-14-019	137.2	192.0	54.9	0.44	5.50	0.53	53.0
	137.2	141.7	4.6	3.07	3.07	3.13	4.4

In the southern Jumbo zone holes J-14-012, 15, 16, and 20 tested the eastern and downdip extension of the mineralization with positive results. Hole J-14-022 was located to infill a section of the southern Jumbo. Holes J-14-016 and 20 both ended in mineralization. The new results are listed below:

Hole	From (metres)	To (metres)	Thickness (metres)	Gold (g/t)	Silver (g/t)	AuEq (g/t)	True Thickness (m)
J-14-012	93.0	132.6	39.6	0.21	11.01	0.40	39.6
	100.6	111.3	10.7	0.33	18.21	0.65	10.7
J-14-016	41.1	131.1	89.9	0.53	15.95	0.81	81.5
	56.4	111.3	54.9	0.71	16.93	1.00	49.7
J-14-020	82.3	158.5	76.2	0.44	17.02	0.73	66.0
	82.3	134.1	51.8	0.55	20.84	0.91	44.9
J-14-022	83.8	109.7	25.9	0.81	29.09	1.32	22.4
	10.7	56.4	45.7	0.28	9.91	0.45	45.0
	22.9	42.7	19.8	0.42	13.95	0.67	19.5

Hole J-14-021 was located to test a western Jumbo zone and is the western most Jumbo hole drilled to date. Results from this hole indicate the potential for a parallel mineralized zone immediately west of Jumbo. This area will need additional drilling to understand the potential for additional resources.

Hole	From (metres)	To (metres)	Thickness (metres)	Gold (g/t)	Silver (g/t)	AuEq (g/t)	True Thickness (m)
J-14-021	16.8	68.6	51.8	0.21	6.14	0.32	50.1

The 2014 RC drill program was successful. 18 of the 22 holes drilled at Jumbo extended mineralization beyond the present PEA pit design, three provided infill information and one drilled into post mineral cover. This new information will potentially allow for the expansion of the present PEA pit design and the extraction of more ounces of precious metals.

The results reported above for the Phase II drill program, along with the previously reported 2014 results, are not only important in terms of the expansion of the gold and silver mineralization beyond the present PEA pit design, but they also demonstrate grades above the overall average of the PEA resource, particularly in the South Jumbo area. Looking at the grades of holes J-14-018 and J-14-016 together with the previous 2014 holes it can be seen that there are areas developing which contain higher grades.

Hole	Area	Thickness (metres)	AuEq (g/t)
J-14-018	Main Jumbo	138.7	1.01
J-14-016	South Jumbo	54.9	1.00
J-14-020	South Jumbo	51.8	0.91
J-14-001	South Jumbo	50.3	0.99
J-14-002	South Jumbo	15.3	0.92
J-14-003	South Jumbo	33.5	1.01
J-14-004	South Jumbo	67.0	1.03
J-14-005	South Jumbo	16.8	0.96
J-14-009	South Jumbo	15.2	0.92
J-14-011	South Jumbo	38.1	1.01

None of the 2014 drill results are included in the resource numbers reported in the Gold Springs Report. The higher grades from these holes may have additional positive impacts on the total resource numbers and the already strong economics for the project as reported in the PEA.

The Company also started a short core drilling program at the end of 2014. This program was designed to obtain material from all of the different mineralization types at both Grey Eagle and Jumbo for additional metallurgical work, geotechnical analysis, geochemistry and geology, which are ongoing.

Each of the Company's news releases referenced above is publicly available under the Company's profile at www.SEDAR.com and on the Company's website at www.trimetalsmining.com.

Escalones (Chile)

The Escalones copper-gold porphyry project is located approximately 100 kilometres south-east of Santiago by road in central Chile. The 100% controlled 69 square kilometer property is 35 kilometres east of El Teniente, one of the world's largest underground copper mine. Escalones has an indicated resource of 232.6 million tonnes of mineralized material containing 1.6 billion lbs of copper, 31.9 million lbs of molybdenum, 498,000 ounces of gold and 4.9 million ounces of silver (1.9 billion lbs. of copper equivalent⁶ using a 0.38% copper equivalent cut-off grade) and an inferred resource of 527.7 million tonnes of mineralized material containing 3.9 billion lbs of copper, 79.5 million lbs of molybdenum, 609,000 ounces of gold and 14.4 million ounces of silver (4.7 billion lbs. of copper equivalent using a 0.4% copper equivalent cut-off grade). The most recently completed technical report for Escalones showed the deposit remains open to expansion laterally and at depth. The project's infrastructure includes road access and a gas pipeline that crosses the property. The Company is currently seeking a joint venture partner for the Escalones project.

Chilean Mining Laws

In Chile, all mineral deposits are the property of the State, with the exploration and exploitation of mineral deposits by private companies and individuals, either local or foreign, permitted through mining concessions granted by the courts. The ownership rights of concession holders are protected by law and the Chilean constitution. Once a mining concession is granted, the concession holder is entitled to explore and exploit all the concessionable mineral deposits located within the territory covered by the concession and owns all mineral substances removed from the land.

Unlike exploitation concessions which have an indefinite duration, exploration concessions are limited to a two year term, subject to renewal on a one time basis for up to another two years provided that the concession holder reduces the surface area of such concession to at least half of its original area. During the initial two year period or during the renewal period, the concession holder may at any time convert the concession from an exploration to an exploitation concession. Exploration concession holders are barred from any exploitation activities and contravention of this rule may cause the lapsing of the concession and cancellation of the corresponding registration of title. Holders of exploitation and exploration concessions are required to pay an annual mining patent fee in March of each year of approximately⁷ US\$7.00 and US\$1.50 per ha. per year, respectively, and failure to do so may result in the respective concession being sold in a public auction unless the holder pays double the amount of the outstanding patent fee.

The Chilean Mining Code does not convey surface rights to owners of the mining concessions. However, the owners of the concessions are entitled to the establishment of the necessary easements for mining exploration and exploitation. The establishment of necessary easements, the exercise thereof, and the compensation therefor, are agreed upon between the concession owner and the surface owner, or may be established by a court under a special procedure provided for under Chilean law.

In November 2014, the Company was granted an environmental permit to construct 20 drill pads from which 20,000 metres of diamond drilling can be performed. The permit authorizes work to be completed over 3 drilling seasons, which typically extend from October to May.

⁶ Copper Equivalent (Cu Eq) calculations reflect gross metal content using approximate 3 year average metals prices as of June 25th, 2013 of \$3.71/lb copper (cu), \$1549/oz gold (Au), \$30.29/oz silver (Ag), and \$14.02/lb molybdenum (Mo) and have not been adjusted for metallurgical recoveries. The grade of each metal is disclosed under the heading "Description of the Business – Escalones (Chile) – The Escalones Report."

⁷ As of March 23, 2015; subject to increase or decrease, including changes due to exchange rate fluctuations.

The Escalones Report

A technical report dated August 12, 2013 and amended on July 11, 2014 in respect of the Escalones prospect (the “Escalones Report”) was prepared by Jeffrey Choquette, P.E. and Jennifer J. Brown, P.G. of Hard Rock Consulting, LLC (“HRC”) and David Dreisinger, Ph.D., P.Eng. of Dreisinger Consulting Inc., each a “Qualified Person” as such term is defined in NI 43-101. The Escalones Report has been filed on SEDAR and can be found at www.SEDAR.com under the Company’s profile. The following summary is reproduced from the Escalones Report, which is hereby incorporated into this Annual Information Form by reference.

Summary

1.1 Property Description and Ownership

The Escalones Property (“Property”) is located within the Santiago Metropolitan Region, in Central Chile, approximately 97 km southeast of Santiago and nine km west of the border between Chile and Argentina. A gas pipeline and associated service road pass through the western part of the Property and provide easy access from Santiago.

The total property position controlled by TriMetals Mining Inc. (“TMI”), formerly South American Silver Corp. consists of 9,389 hectares, of which 4,689 hectares are exploitation concessions that are the subject of an option agreement dated February 26, 2004 entered into by South American Silver Chile SCM (“SCM”), with Juan Luis Boezio Sepulveda, as amended (the “Boezio Option”). The remaining 4,700 ha are held 100% by SCM and are exploration concessions. The exploitation and exploration concessions can be maintained indefinitely by paying annual dues in March of each year of approximately⁸ US\$8.02 and US\$1.60 per hectare respectively.

1.2 Geology and Mineralization

The Escalones Property lies within the Miocene to Pliocene age Pelambres-El Teniente Porphyry copper belt, which hosts the world’s largest underground copper mine at El Teniente, as well as other large copper deposits at Los Bronces-Andina, Pelambres and Bajo La Alumbrera in Argentina. Exploration at Escalones has demonstrated that copper mineralization occurs in two forms, (1) as skarn and structurally controlled mineralization hosted by altered sediments and intrusive dykes and sills, and (2) as porphyry style disseminated and stockwork mineralization hosted by an underlying intrusive granodiorite-diorite stock. Rock geochemistry from surface and drill hole samples shows anomalous levels of gold, silver and molybdenum that are spatially associated with the copper mineralization. This spatial relationship may also be due to separate pulses of mineralization or zoning within a much larger porphyry system.

The principal mineralization observed at Escalones consists of metasomatic replacement or skarn-type mineralization hosted by calcareous sediments overlying and adjacent to an intrusive porphyry system. High grade copper ores (>10% copper) were historically mined at Escalones from exposures of magnetite skarn at Escalones Alto and prospects along Escalones Bajo. Previous drilling has demonstrated that high grade magnetite skarn extends to the east and south from outcroppings at Escalones Alto. Drill intercepts of skarn, up to 113 m, exhibit grades of >1.0% copper with localized intervals grading up to 3.6 g/t gold. Individual narrower drill intervals of 40-75 m contain grades averaging 1.7% copper and values up to 0.48 g/t for gold.

1.3 Status of Exploration

In addition to the skarn mineralization, the drilling has encountered copper mineralization as disseminated and stockworks hosted in a sequence of non-calcareous pelitic hornfels, which underlies the skarn, and as disseminated and stockworks hosted by a variety of intrusive rocks, including andesite sills and dykes, and the granodiorite stock. In the Escalones Bajo area, anomalous rock geochemistry in road cuts indicate a stockwork style of mineralization. Porphyry style mineralization was first intersected in drill hole ES-25 in the granodiorite beneath the Meseta, between Escalones Alto and Escalones Bajo. Drilling results show 293 m grading 0.36% copper and 0.09 g/t gold within the granodiorite. It is believed that both the porphyry and skarn mineralization targets in the project area are genetically related components to a larger porphyry system. The drill program in 2012 and 2013 focused on drilling to find the extent of the porphyry mineralization so that it could be added to the resource.

⁸ As of the effective date of the Escalones Report; subject to increase or decrease, including changes due to exchange rate fluctuations.

SP, IP, magnetic and ZTEM geophysical surveys have produced several anomalies indicating the presence of buried sulfide mineralization, which has been supported by drilling. The analysis of the ZTEM conductivity data suggests that in addition to the mineralization drilled to date, there may be additional sulphide and secondary mineralization located in a broad zone extending for several kilometres located east of the Meseta paralleling the Arguelles valley as seen in drill hole ES-35. Interpretation of magnetic data shows anomalies that appear to be related to extensions of the skarn mineralization for several kilometres to the north-north-west, east and southeast of Escalones Alto, towards the Rio Arguelles.

Drilling in 2012-2013 completed 9,070m in 18 holes for a total of 24,939m in 53 diamond drill holes drilled at Escalones. The program included re-opening access roads and the project camp, interpretation of the ZTEM geophysics, environmental work and the drilling.

Interpretation of both the resistivity and magnetic results of the ZTEM survey suggest that both the magnetite skarn and associated sulfide bodies are much larger than indicated by present drilling and that there is considerable potential for a significant expansion of the skarn resource and a new sulphide/secondary sulphide/oxide resource that lies stratigraphically above the skarn striking parallel to the Arguelles valley.

1.4 Mineral Resource Estimate

The resource estimate was completed and reported in a news release issued on June 28th, 2013 (filed on SEDAR). The resource included indicated and inferred resources as shown below:

- The updated resource dated 28 June, 2013 includes:
 - Indicated resource of 1.9 billion pounds CuEq* at a CuEq* grade of 0.38%
 - Inferred resource of 4.7 billion pounds CuEq* at a CuEq* grade of 0.40%
- The deposit includes a higher grade portion particularly within the skarn using a 0.35% CuEq* cut-off
 - Indicated resource of 235 million pounds CuEq* at a CuEq* grade of 0.65%
 - Inferred resource of 2.0 billion pounds CuEq* at a CuEq* grade of 0.58%
- Copper Equivalent (CuEq*) calculations reflect gross metal content using approximate 3 year average metals prices as of June 25th, 2013 of \$3.71/lb copper (cu), \$1549/oz gold (Au), \$30.29/oz silver (Ag), and \$14.02/lb molybdenum (Mo) and have not been adjusted for metallurgical recoveries. An economic cut-off grade of 0.25% copper equivalent was assumed for this report. Contained metal values may vary from calculated values due to rounding.

The Escalones mineral resource estimate is based on 53 diamond drill holes (24,939 meters) and 15,880 associated assay values collected through June 28, 2013. The resource estimate is categorized as indicated and inferred as defined by the CIM guidelines for resource reporting. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resources will be converted into mineral reserves after economic considerations are applied. The Mineral Resource Estimate reported for the Escalones Property is presented in Table 1-1.

Table 1-1: Mineral Resource Estimate

Classification	CuEq% Cutoff	Tonnes * 1,000	Cu %	Cu lbs * 1,000	Au g/t	Au Oz	Ag g/t	Ag oz	Mo %	Mo lbs	CuEq% ¹	CuEq lbs * 1,000
Indicated	0.15	405,242	0.243	2,170,281	0.052	673,999	0.528	6,879,224	0.006	51,308,289	0.302	2,701,842
Indicated	0.25	232,561	0.308	1,578,329	0.067	498,012	0.661	4,938,667	0.006	31,908,650	0.380	1,947,232
Indicated	0.35	107,885	0.393	935,279	0.082	284,745	0.877	3,041,487	0.006	14,730,116	0.477	1,134,703
Indicated	0.45	43,319	0.507	484,661	0.092	127,714	1.329	1,850,716	0.006	5,665,736	0.602	574,524
Indicated	0.55	19,395	0.634	271,048	0.098	60,973	1.948	1,214,926	0.005	2,341,742	0.737	315,284
Indicated	0.75	6,141	0.860	116,456	0.107	21,198	2.760	544,871	0.005	722,393	0.979	132,489
Indicated	1.00	1,974	1.120	48,753	0.127	8,091	3.294	209,076	0.004	163,188	1.251	54,456
Inferred	0.15	1,023,299	0.253	5,712,479	0.028	931,176	0.624	20,520,258	0.006	132,275,704	0.300	6,768,823
Inferred	0.25	527,667	0.343	3,992,410	0.036	609,437	0.849	14,397,830	0.007	79,488,676	0.401	4,664,903
Inferred	0.35	233,140	0.463	2,378,257	0.047	349,019	1.205	9,029,026	0.008	40,503,161	0.535	2,750,819
Inferred	0.45	129,938	0.572	1,638,097	0.049	203,645	1.471	6,146,340	0.008	22,270,448	0.648	1,857,501
Inferred	0.55	73,690	0.688	1,117,424	0.051	120,870	1.622	3,841,986	0.007	11,658,186	0.765	1,243,336
Inferred	0.75	24,609	0.950	515,222	0.057	45,400	1.875	1,483,881	0.006	3,224,734	1.029	558,488
Inferred	1.00	8,622	1.300	247,098	0.055	15,342	1.792	496,792	0.003	661,249	1.368	260,062

- 1) Copper Equivalent (CuEq *) calculations reflect gross metal content using approximate 3 year average metals prices as of June 25th, 2013 of \$3.71/lb copper (cu), \$1549/oz gold (Au), \$30.29/oz silver (Ag), and \$14.02/lb molybdenum (Mo) and have not been adjusted for metallurgical recoveries. An economic cut-off grade of 0.25% copper equivalent was assumed for this report. Contained metal values may vary from calculated values due to rounding.
- 2) Mineral resources are not reserves and do not have demonstrated economic viability. The estimate of mineral resources may be materially affected by environmental, permitting, legal, title, taxation, sociopolitical, marketing or other relevant issues and are subject to the findings of a full feasibility study.
- 3) The quantity and grade of reported inferred mineral resources are uncertain in nature and there has been insufficient exploration to define these inferred resources as an indicated or measured mineral resource and it is uncertain if further exploration will result in upgrading them to an indicated or measured mineral resource category.

1.5 Conclusions and Recommendations

HRC recommends that exploration, environmental and engineering studies be continued on the property with the intent to demonstrate the economic viability of the deposit. The size of the budget depends on the rate at which the Company wishes to progress, however a sensible next step might include 20-50 drill holes with associated geology and geochemistry, together with additional metallurgy and early stage engineering studies (PEA), together with the needed environmental studies and permits required to do this.

The budget for this program would include:

- Drilling, 10,000-20,000 meters - US\$2,500,000 - US\$5,000,000⁹
- Road and trenches - US\$400,000
- Geochemistry, ~7,000-15,000 samples - US\$250,000 – US\$550,000
- Geological/Engineering personnel - US\$200,000
- Metallurgy - US\$200,000
- Engineering studies – US\$300,000
- Environmental studies and permitting – US\$200,000
- Other costs – US\$200,000

Total: US\$4,250,000 to US\$7,050,000

⁹ Estimate as of the date of the Escalones Report. As of March 23, 2015, the Company estimates the cost of the recommended drilling program to be US\$4,000,000 - US\$8,000,000.

Malku Khota (Bolivia) – International Arbitration Claim

On July 10, 2012, the Bolivian government announced to the media its intention to nationalize the Malku Khota project and on August 1, 2012, issued Supreme Decree No.1308 nationalizing the Malku Khota project. In October 2012, the Company's wholly-owned subsidiary, South American Silver Limited, delivered a formal letter to the Plurinational State of Bolivia notifying it of an investment dispute. The dispute has arisen as a result of acts and omissions of the Government of Bolivia including the issuance of Supreme Decree No.1308. The Decree revoked mining concessions held by CMMK, a wholly-owned subsidiary of South American Silver Limited, without any compensation. South American Silver Limited is a protected investor under the Bilateral Investment Treaty between the Government of the United Kingdom and the Government of Bolivia, and the actions and omissions of the Bolivian Government are in violation of that Treaty and of international law. Notification of the investment dispute triggered a six-month cooling-off period during which the disputing parties could negotiate a settlement.

In April 2013, following the six month cooling off period, South American Silver filed for international arbitration under the Arbitration Rules of the United Nations Commission on International Trade Law (UNCITRAL) for Bolivia's breach of the Treaty and international law. Bolivia has breached the Treaty's requirement to provide full protection and security to foreign investors and their investments, as well as the Treaty's protections against, among other things, expropriation without just and effective compensation, unfair and inequitable treatment, and less favorable treatment than afforded to Bolivian nationals or nationals of third states. Arbitration provides an internationally-recognized forum to pursue fair compensation for the expropriation of the Malku Khota project.

Since the expropriation the Company has appointed the international legal firm, King & Spalding, to prepare and handle the claim. King & Spalding is being supported by prominent local counsel in Bolivia. Financial experts to assess the value of the damages have also been appointed.

In May 2013, the Company entered into an agreement with a third party funder (the "Fund") pursuant to which the Fund will cover most of South American Silver's future costs and expenses related to the international arbitration proceedings against Bolivia. The Fund will not cover the salaries or travel expenses of the employees and executives of the Company when working on arbitration related matters. The funding is on a non-recourse basis and includes costs and expenses of the enforcement of any award rendered by the arbitral tribunal. The Fund specializes in the funding of international arbitration proceedings and in providing assistance in connection with the enforcement of arbitration awards.

South American Silver Limited continues to have control over the conduct of the international arbitration proceedings and to have the right to settle with Bolivia, discontinue proceedings, pursue the proceedings to trial and take any action it considers appropriate to enforce any resulting judgment or award. Under the terms of the privileged arbitration funding agreement, the Company has given certain warranties and covenants to the Fund and has provided security for its obligations. In consideration for the funding, South American Silver Limited and the Company have agreed to pay to the Fund a portion of any recoveries received by South American Silver Limited pursuant to the arbitration proceedings or any settlement with Bolivia.

A large majority of the costs of the arbitration to be incurred by South American Silver Limited or the Company are payable only in the event there is an award in favour of South American Silver Limited and will be paid out of the proceeds of any such award. These costs include certain fees and other expenses incurred in connection with the arbitration, including the Fund's portion of any recoveries received pursuant to the arbitration proceedings or any settlement with Bolivia, the contingent success fee payable to South American Silver Limited's lead arbitration counsel and other commitments. These fees, costs and expenses will be paid out of any such award, thus potentially reducing funds received by South American Silver Limited by as much as one-third of the amount of any award in its favour.

Concurrent with the Notice of Arbitration issued to Bolivia, South American Silver Limited appointed its arbitrator to the arbitral tribunal. On June 28, 2013 the Bolivian Government responded to the Notice of Arbitration and appointed its own arbitrator. Each party challenged the appointment of the other party's arbitrator on grounds of justifiable doubts as to his independence and impartiality but the challenges were ultimately rejected by the Permanent Court of Arbitration. The appointed arbitrators could not agree on the appointment of a third arbitrator to act as president of the three-person arbitral tribunal so on January 22, 2014 the Secretary General of the PCA appointed the presiding arbitrator.

On May 13, 2014, South American Silver Limited attended its first Procedural Meeting with representatives of the Government of Bolivia and the three members of the Arbitral Tribunal, Messrs. Eduardo Zuleta Jaramillo (President), Francisco Orrego Vicuña and Osvaldo Guglielmino, at the Center of Arbitration and Conciliation of the Bogota Chamber of Commerce in Bogota, Colombia under the oversight of the Permanent Court of Arbitration.

On June 3, 2014, South American Silver Limited received Procedural Order No. 1 from the Arbitral Tribunal, which constitutes the Tribunal's binding decisions on procedural matters. With Procedural Order No. 1 the Tribunal fixed the place of arbitration at The Hague, the Netherlands (where the arbitration is considered held from a legal point of view) and stated that the meetings and hearings will take place in Bogota (Colombia) or Washington DC (U.S.A.), to be determined by the Tribunal after consultation with the parties before each hearing or meeting. Procedural Order No. 1 also includes a procedural calendar with two rounds of pleadings (4 months to each party for the first round and 3 months to each party for the second round, with an additional 1 month to South American Silver Limited for a potential rejoinder on jurisdiction). The Tribunal also limited the document production phase to approximately 5 months. Based on the procedural calendar, South American Silver Limited's statement of claim and memorial on the merits was filed on time on September 24, 2014. South American Silver Limited seeks monetary compensation for damages in the amount of US\$385.7 million, which includes US\$307.2 million for all of its losses caused by Bolivia's breaches of the UK-Bolivia Treaty, plus US\$78.5 million in pre-award interest but excludes fees and costs incurred in connection with the arbitration proceeding. Alternatively, South American Silver Limited seeks restitution of the Malku Khota project along with monetary damages in the amount of US\$176.4 million, including pre-award interest. The hearing on the merits will take place between April and May 2016 and will last for approximately 10 days. The Tribunal held that any justifiable extension that may be granted upon request of the parties would not affect the dates fixed for the hearing or other meeting although it is possible that the hearing dates could change, but only upon request of the parties and for good cause.

Based on the procedural calendar included in Procedural Order No.1, and unless there is a negotiated settlement of the dispute, it is expected that any actual cash award, if there is one, would not be received until after May 2016.

On December 1, 2014, Bolivia informed the Tribunal about the agreement with South American Silver Limited to extend the deadline for Bolivia to submit its Statement of Defense and Counter-Memorial from January 22, 2015 to February 22, 2015. On February 17, 2015, the Tribunal issued Procedural Order No.5 granting Bolivia a further extension to file the Statement of Defense and Counter-Memorial on the merits until March 31, 2015. Such extensions do not modify any other procedural deadlines as set forth in Procedural Order No.1.

Also on December 1, 2014, the Tribunal issued Procedural Order No.2 classifying certain Malku Khota project information owned by South American Silver Limited as highly confidential. Procedural Order No.2 includes an order from the Tribunal to protect the information from unauthorized use or access during Bolivia's counsel and expert review.

On January 14, 2015, the Tribunal issued Procedural Order No.3 amending the protective order issued with Procedural Order No.2. The amended protective order allows Bolivia's counsel and expert to review certain confidential information of the Malku Khota project in electronic and native format with protective measures to avoid unauthorized use or access remaining. On January 26, 2015, the Tribunal issued Procedural Order No.4 ordering South American Silver Limited to provide Bolivia with certain documents in their native format.

Orders of the Tribunal, including any awards, and pleadings (but not exhibits, witness statements or expert reports) are posted on the Permanent Court of Arbitration's website at www.pca-cpa.org.

Other Properties

Through HDG, the Company also has a 100% interest in the San Antonio project in Sonora, Mexico and a 12.2% equity interest in Highvista Gold Inc. that owns the Canasta Dorada property in Sonora, Mexico. HDG holds additional exploration properties in Nevada (Kinkaid) and New Mexico (Gold Lake).

San Antonio (Mexico)

Since 2005, HDG has staked a number of properties in the northern State of Sonora, Mexico. In addition to Canasta Dorada and associated properties transferred to Highvista Gold Inc., HDG also has a 100% interest in San Antonio. The San Antonio property was the focus of both historic small-scale underground mining at the turn of the century and a small surface excavation which was completed within the past 20 years. The surface excavation consists of a cut approximately 110 metres long, 5-10 metres wide and 10-30 metres deep. The material from the excavation was placed on heaps for leaching with the higher grade material trucked offsite for processing. Bulk sampling by HDG of the material on one of the old leach pads returned average values of 1.8 g/t gold and 35.3 g/t silver. Bulk sampling of a smaller pad, which does not appear to have been subjected to leaching, returned average values of 3.1 g/t gold and 40.4 g/t silver.

While the Sonora Gold Belt is recognized as a world-class gold and silver mining region, there has been little to no modern exploration within 80 km. of HDG's San Antonio gold project.

HDG sampling indicates that the mineralized zone is over one kilometre long. The zone is not continuously exposed due to alluvial and thin volcanic cover. However, HDG has located a small window within the volcanic cover 650 metres along strike from the trench which exposes weakly silicified and iron stained carbonates returning values of 0.352 g/t gold, 5 g/t silver, 0.16% lead and 0.27% zinc, indicating that the mineralized system continues under the volcanic cover.

A total of 187 samples have been collected from the HDG property position. Values range from 0.05 to 100 g/t gold and from 0.08 to 492 g/t silver.

HDG holds four concessions which cover a total of 4,230 ha.

Results of an initial drill program announced by HDG via news release on May 11, 2011 included:

From (m)	To (m)	Thickness (m)	Gold (g/t)	Silver (g/t)
0.0	25.8	25.8	1.394	11.1
including 13.7	24.3	10.6	3.029	22.3
includes 19.8	24.3	4.5	5.722	24.4

Canasta Dorada (Mexico)

During 2011, HDG completed a series of transactions which resulted in the exchange of all of its interests in the Canasta Dorada property in Mexico for shares of Highvista Gold Inc. (TSXV: HVV). As of March 23, 2015, HDG's 12.2% interest consists of 1,068,313 shares of Highvista Gold Inc.

The Canasta Dorada property is located in the northwest corner of the State of Sonora, Mexico, near the town of Caborca, in the province extending from southern California through northern Sonora along the Mojave-Sonora Megashear. Mines in this well-established trend known as the Sonora Gold Belt, include Mesquite, Picacho and Padre-Madre in the Yuma area of extreme southwestern Arizona and southeast California, and La Cholla, La Herradura, and Chanate in the Caborca region of northwest Sonora, Mexico. The property is approximately 28 kilometres north of Caborca, approximately 285 km north of Hermosillo, and is approximately 190 km southwest of Tucson, Arizona.

Exploration and discoveries of gold mineralization throughout northwest Sonora has increased since 1990. Many of the new deposits currently being mined exploit low grade, micron size, disseminated mineralization along a northwest-trending zone characterized by traces of the Mojave-Sonora megashear, a broad northwest-striking structural zone, and northeast regional thrusts and associated tear faults in the northwestern portion of the zone. Deposit types include veins and breccias, discontinuous quartz veins, carbonate sedimentary-hosted deposits and several structurally controlled deposits. Mineralization is hosted by a wide range of rock units, including Proterozoic gneiss, Paleozoic sedimentary rocks, Late Jurassic granitic rocks and Cretaceous clastic and carbonate units. Recent

erosion of pre-existing terrains and alluvial deposits have resulted in locally extensive Late Tertiary placer gold deposits near Caborca.

On June 28 2013, AuRico Gold Inc. and Highvista signed an option and joint venture agreement where AuRico Gold has the option to earn a 51% undivided interest in the El Chanate Extension which represents approximately 30 percent of the Canasta Dorada gold project. AuRico Gold must incur an aggregate of \$3 million in exploration expenditures on the El Chanate Extension property over the next 3 years. AuRico Gold also has the option to earn an additional 19% interest in the joint venture by funding the preparation to a feasibility study on the El Chante Extension.

AuRico Gold completed its first drill campaign on the El Chanate Extension, which consisted of 11 drill holes totalling 2,378 metres in four target areas. Four target areas were drilled with anomalous gold values intersected in several of the holes. In addition, Aurico completed an aeromagnetic survey, additional mapping and sampling over the Chanate extension. The second drill campaign permits were received prior to December 31, 2014 with the campaign expected to begin during Q1 2015 and is expected to consist of approximately 5,000 metres or 16 to 20 drill holes over 4 separate areas.

Other Properties (United States)

In addition to the properties described above, HDG holds the Gold Lake property in New Mexico and the Kinkaid property in Nevada, both of which are early stage exploration properties. The Gold Lake property is a porphyry copper-molybdenum-gold target and the Kinkaid property is a gold-copper system. In 2008 HDG completed a 6 hole 2,100 meter drill hole program at Gold Lake and in July 2008, HDG completed its initial evaluation of the Kinkaid property as part of an ongoing reconnaissance program. In 2013 HDG wrote off the deferred costs associated with Gold Lake amounting to \$1,627,717.

Risk Factors

There are certain risks associated with owning Common Shares and/or Class B Shares of the Company that holders should carefully consider. The risks and uncertainties below are not the only risks and uncertainties facing the Company. Additional risks and uncertainties not presently known to the Company or that the Company currently considers immaterial may also impair the business, operations and future prospects of the Company and cause the price of the Common Shares and/or Class B Shares to decline. If any of the following risks actually occur, the business of the Company may be harmed and its financial condition and results of operations may suffer significantly. In that event, the trading price of the Common Shares and/or Class B Shares could decline, and holders of the Common Shares and/or Class B Shares may lose all or part of their investment. In addition to the risks described elsewhere and the other information contained in this Annual Information Form, holders of Common Shares and/or Class B Shares of the Company should carefully consider each of, and the cumulative effect of all of, the following risk factors.

International Arbitration

On August 2, 2012, the Company received a Nationalization Decree from the Bolivian government revoking the concessions held by CMMK without any compensation. The Company is vigorously pursuing international arbitration proceedings against Bolivia to recover full compensation based on the fair market value of the Malku Khota project. The Company, however, cannot provide assurances with respect to the outcome of the international arbitration, the amount, timing or form of any settlement or award, or its ability to enforce any award against Bolivia.

Class B Shares

The holders of the Class B Shares have contingent rights to receive a *pro rata* share of 85% of the net cash proceeds, if any (after deducting all costs, tax and expenses and the third party funder's portion thereof), received pursuant to any award or settlement agreement entered into in respect of the South American Silver Limited's arbitration claim against the Government of Bolivia. The holders of Class B Shares will not realize any value if: (i) no award or settlement agreement is reached; (ii) no cash payment is included in the award or settlement agreement; or (iii) the costs of obtaining a cash payment on, or enforcement of, the award or settlement agreement exceeds to amount of such cash payment. South American Silver Limited has sole discretion and decision making authority

over when and whether to pursue any particular course of action in respect of the arbitration proceedings, including whether to negotiate or enter into a settlement agreement and including whether to accept non-cash consideration pursuant thereto.

In addition, the accrual of value on the Class B Shares may be significantly delayed. The international arbitration process can take several years before an award is rendered or settlement reached. Once an award is rendered or settlement is reached, enforcing the award or settlement agreement could take additional several years and the full amount of any award or settlement may not ultimately be received, which would reduce the amount, if any, payable to the holders of Class B Shares.

Uncertainty of Resource Estimates

The Company announced resource estimates on the Gold Springs and Malku Khota projects and the results of its preliminary economic studies on such projects. The Company has announced resource estimates for the Escalones property. The statements of mineral resources disclosed in this Annual Information Form and in the Company's public disclosure are estimates only and no assurance can be given that the anticipated tonnages and grades will be achieved or that the indicated level of recovery will be realized. In addition, for the Malku Khota project, no assurance can be given as to the value to be given to the resource estimates in the arbitration process.

Mineral resources are not mineral reserves and do not have demonstrated economic viability. Until they are categorized as "mineral reserves", the known mineralization is not determined to be economic ore. The mining and exploration business relies upon the accuracy of determinations as to whether a given deposit has significant mineral reserves and resources. Mineral reserve and resource estimates are based on limited sampling, and inherently carry the uncertainty that samples may not be representative. Such estimates necessarily include presumptions of continuity of mineralization which may not actually be present. Mineral reserve and resource estimates may require revision (either upward or downward) based on actual production experience. Market fluctuations in the price of metals, as well as increased production costs or reduced recovery rates, may render certain mineral resources uneconomic. Inaccurate estimates may result in a misallocation of resources such that an excess amount could be allocated to a less than economic deposit or, conversely, failure to develop a significant deposit. Greater assurance will require completion of final comprehensive feasibility studies that conclude a potential mine at the Gold Springs or Escalones project is likely to be economic, but such studies remain subject to the same risks and uncertainties.

Exploration Stage Operations

The Company's operations are subject to all of the risks normally associated with the exploration for and the development of mineral properties. Each of Gold Springs and Escalones is still in the advanced exploration stage. Mineral exploration and exploitation involves a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to avoid. Few properties that are explored are ultimately developed into producing mines. Unusual or unexpected formations, formation pressures, fires, power outages, labour disruptions, flooding, explosions, tailings impoundment failures, cave-ins, landslides and the inability to obtain necessary permits, adequate machinery, equipment or labour are some of the risks involved in mineral exploration and exploitation activities. The Company has relied on and may continue to rely on consultants and others for mineral exploration and exploitation expertise.

Substantial expenditures are required to establish mineral reserves and resources through drilling, to develop metallurgical processes to extract the metal from the material processed and to develop the mining and processing facilities and infrastructure at any site chosen for mining. There can be no assurance that commercial quantities of ore will be discovered. There is also no assurance that even if commercial quantities of ore are discovered, that the properties will be brought into commercial production or that the funds required to exploit mineral reserves and resources discovered by the Company will be obtained on a timely basis or at all. The commercial viability of a mineral deposit once discovered is also dependent on a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, as well as metal prices. Most of the above factors are beyond the control of the Company. There can be no assurance that the Company's mineral exploration activities will be successful. In the event that such commercial viability is never attained, the Company may seek to transfer its property interests or otherwise realize value or may even be required to abandon its business and fail as a "going concern". The recoverability of the carrying value of its mineral properties and the Company's continued existence is dependent, in part, upon the preservation of its interest in its properties, the discovery of economically recoverable reserves, the achievement of profitable operations, or the ability of the

Company to obtain financing or, alternatively, upon the Company's ability to dispose of its interests on an advantageous basis.

Portions of the Company's interests in the Escalones and Gold Springs projects are subject to option or lease agreements which require the Company to make periodic payments over a varying number of years to maintain its interest in those portions of those projects. The Company can cancel any of these agreements at any time without completing the remaining payments and without further obligation.

Financing

The Company currently has no revenues from operations. The Company has in excess of 12 months of funding in place to advance the Gold Springs and Escalones projects and a funding agreement in place to finance the costs associated with the arbitration proceedings of SASL regarding the Malku Khota project. In order to further fund the Company's business plans, additional funds will be required. The only sources of future funds presently available to the Company are the sale of additional equity capital, the sale of debt instruments or credit agreements, the sale of a future gold, copper or other metal stream from a property, the sale of a production royalty, the entering into of a metal or concentrate off-take type agreement, the sale or leasing of the Company's interest in a property or the entering into of a joint venture arrangement or other strategic alliance in which the funding source could become entitled to an interest in one or more of the assets of the Company. The Company's capital resources are largely determined by the strength of the junior resource market, which has significantly weakened in recent years, and by the status of the Company's projects in relation to these markets, and its ability to compete for investor support of its projects. There is no assurance that the Company will be successful in raising additional funds in the future. If the Company does not have the necessary capital to meet its obligations under its contractual obligations, the Company may have to forfeit its interest in properties or prospects earned or assumed under such contracts. In addition, if the Company does not have sufficient funds to pursue its exploration and development programs and other plans, the viability of the Company could be jeopardized.

Exploration and Operation Risks

In common with other enterprises undertaking business in the mining sector, the Company's mineral exploration and project development activities are subject to conditions beyond its control. The success of the Company will be dependent on many factors including: the discovery and/or acquisition of mineral reserves and mineral resources; the successful conclusions to feasibility and other mining studies; access to adequate capital for project development and sustaining capital; design and construction of efficient mining and processing facilities within capital expenditure budgets; the securing and maintaining of title to properties; obtaining permits, consents and approvals necessary for the conduct of exploration and potential mining operations; complying with the terms and conditions of all permits, consents and approvals during the course of exploration and mining activities; access to competent operational management and prudent financial administration, including the availability and reliability of appropriately qualified employees, contractors and consultants; the ability to procure major equipment items and key consumables in a timely and cost-effective manner; the ability to access full power supply; and the ability to access appropriate road and port networks for shipment of any mineral production. There can be no assurance that the Company will ever be able to develop any of its mineral properties at all or on time or on budget. Should any of these events occur, it would have a material adverse effect on the Company's business, financial condition, results of operations and prospects.

Although the Company has implemented comprehensive safety and environmental measures designed to comply with or exceed government regulations and ensure safe, reliable and efficient operations in all phases of its operations, accidents, environmental hazards or degradation, unusual and unexpected geological formations, seismic activity, cave-ins, pit-wall failures, flooding, rock bursts and other acts of God or unfavorable operating conditions and losses may still occur.

Permits and Government Regulation

The Company requires licenses and permits from various governmental authorities in Chile to carry out exploration and development at Escalones and in Nevada and Utah to carry out exploration and development at Gold Springs. Obtaining permits can be a complex, time-consuming process. There can be no assurance that the Company will be able to obtain the necessary licences and permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining permits and complying with these permits and applicable laws and regulations

could stop or materially delay or restrict the Company from continuing or proceeding with existing or future operations or projects. Any failure to comply with permits and applicable laws and regulations, even if inadvertent, could result in the interruption or closure of operations or material fines, penalties or other liabilities. In addition, the requirements applicable to sustain existing permits and licenses may change or become more stringent over time and there is no assurance that the Company will have the resources or expertise to meet its obligations under such licenses and permits.

The mineral exploration activities of the Company are also subject to various laws governing prospecting, development, production, taxes, labour standards, occupational health, mine safety, waste disposal, toxic substances and other matters. Mining and exploration activities are also subject to various laws and regulations relating to the protection of the environment, historical and archaeological sites and endangered and protected species of plants and animals. Although the exploration activities of the Company at Gold Springs and Escalones are currently carried out substantially in accordance with all applicable rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof could have a substantial adverse impact on the Company.

Environmental Regulations

The Company's activities are subject to foreign environmental laws and regulations which may materially adversely affect its future operations. These laws and regulations control the exploration and development of mineral properties and their effects on the environment, including air and water quality, mine reclamation, waste handling and disposal, the protection of different species of plant and animal life, and the preservation of lands and glaciers. These laws and regulations require the Company to acquire permits and other authorizations for certain activities. There can be no assurance that the Company will be able to acquire such necessary permits or authorizations on a timely basis, if at all.

The Company cannot predict what environmental legislation or regulations will be enacted or adopted in the future or how future laws and regulations will be administered or interpreted. Compliance with more stringent laws and regulations, as well as potentially more vigorous enforcement policies or regulatory agencies or stricter interpretation of existing laws, may materially adversely affect the Company's future operations.

Mineral exploration and development in the United States are subject to various U.S. federal and state and local laws and regulations relating to the protection of the environment. These laws impose high standards on the mining industry to monitor the discharge of waste water and report the results of such monitoring to regulatory authorities, to reduce or eliminate certain effects on or into land, water or air, to progressively rehabilitate mine properties, to manage hazardous wastes and materials and to reduce the risk of worker accidents. A violation of these laws may result in the imposition of substantial fines and other penalties. There can be no assurance that the Company will be able to meet all the regulatory requirements in a timely manner or without significant expense or that the regulatory requirements will not change to prohibit the Company from proceeding with certain exploration and development.

In late 2012 new environmental legislation related to mineral exploration came into effect in Chile. Amongst other things, the new legislation provided the Ministry of Environment with the resources to review the compliance by companies with their environmental permits and put the onus on companies to advise the Ministry of project status by January 22, 2013. This new legislation increases the likelihood that the Company's exploration activities at Escalones will be subject to more frequent and rigorous review of the permit conditions and compliance with those conditions. Although the exploration activities of the Company at Escalones are currently carried out substantially in accordance with all applicable environmental rules and regulations, no assurance can be given that new rules and regulations will not be enacted or that existing rules and regulations will not be applied in a manner which could limit or curtail exploration or development. Amendments to current laws and regulations governing the operations and activities of the Company or more stringent implementation thereof, could have a material adverse impact on the Company.

In Mexico, the Company's activities are subject to regulation by the *Secretaría de Medio Ambiente, Recursos Naturales y Pesca* ("SEMARNAP"), Mexico's environmental protection agency. Regulations require that an environmental impact statement, known in Mexico as a *Manifiesto Impacto Ambiental*, be prepared by a third-

party contractor for submittal to SEMARNAP. Studies required to support the *Manifiesto Impacto Ambiental* include a detailed analysis of the following areas: soil, water, vegetation, wildlife, cultural resources and socio-economic impacts. The Company must also provide proof of local community support for a project to gain final *Manifiesto Impacto Ambiental* approval.

Infrastructure

Development and exploration activities depend on adequate infrastructure, including reliable roads, power sources and water supply. The Company's inability to secure adequate water and power resources, as well as other events outside of its control, such as unusual weather, sabotage, government or other interference in the maintenance or provision of such infrastructure, could adversely affect the Company's operations and financial condition.

Foreign Currency Risk

A portion of the Company's expenses are now, and are expected to continue to be, incurred in foreign currencies. The Company's business will be subject to risks typical of an international business including, but not limited to, differing tax structures, regulations and restrictions and general foreign exchange rate volatility. The Company's financial results are reported in U.S. dollars. Fluctuations in the exchange rate between the U.S. dollar and such other currencies may have a material effect on the Company's business, financial condition and results of operations and could result in losses from currency exchange rate fluctuations. The Company does not actively hedge against foreign currency fluctuations.

Foreign Political Risk

Exploration in Chile and Mexico and the maximization of the value from the Malku Khota project in Bolivia expose the Company to risks that may not otherwise be experienced if operations were domestic. Real and perceived political risk in some countries may also affect the Company's ability to finance exploration programs and future mine development opportunities.

Although Chile has a mature and stable political system and enjoys one of the best country risk ratings of the region, there is always the potential for changes in mining policies, royalties, taxes or shifts in political attitude towards foreign investment in natural resources. Changes, even if minor in nature, may adversely affect the Company's operations.

In the past, Mexico has been subject to political instability, changes and uncertainties, which may cause changes to existing governmental regulations affecting mineral exploration and mining activities. The Company's operations and properties in Mexico are subject to a variety of Mexican governmental regulations including, among others: environmental and water rights and the Mexican mining law. Mexican regulators have broad authority to shut down and/or levy fines against operations that do not comply with regulations or standards. The Company's mineral exploration and development activities in Mexico may be adversely affected in varying degrees by changing government regulations relating to the mining industry or shifts in political conditions that increase the costs related to the Company's activities or maintaining its properties. Operations may also be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety. Mexico's status as a developing country may make it more difficult for the Company to obtain any required financing for its projects in Mexico.

The Company's operations and investments may be adversely affected by political instability and legal and economic uncertainty that might exist. The risks associated with the Company's foreign operations may include political unrest, labour disputes, invalidation of governmental orders, permits or agreements, war, civil disturbances, criminal and terrorist actions, arbitrary changes in laws, regulations and policies, taxation, price controls, exchange controls, delays in obtaining or the inability to obtain necessary permits, import or export restrictions, opposition to mining from local, environmental or other non-governmental organizations, limitations on foreign ownership, limitations on the repatriation of earnings, limitations on mineral exports, government participation, royalties, duties, rates of exchange, high rates of inflation and increased financing costs, currency fluctuations, and changes in laws, regulations or policies as well as by laws and policies of Canada affecting foreign trade, investment and taxation. These risks may limit or disrupt the Company's arbitration proceedings, projects or operations, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization, expropriation or other means without fair compensation.

Dilution

Issuances of additional securities will result in dilution of the equity interests of the Company's shareholders. The Company may issue additional Common Shares in the future as further capital is required and on the exercise of outstanding options or other convertible securities issued from time to time. The Company may also issue a limited number of additional Class B Shares on the exercise of outstanding options or warrants. Sales or issuances of substantial amounts of additional securities, or the availability of such securities for sale, could adversely affect the market prices for the Company's securities. A decline in the market prices of securities of the Company could impair the Company's ability to raise additional capital through the sale of new Common Shares should it desire to do so. In addition, if additional Common Shares or securities convertible into Common Shares are sold or issued, such sales or issuances may substantially dilute the equity interests of the Company's holders of Common Shares.

Commodity Prices

The profitability of the Company's operations, if ever established, will be dependent upon the market price of mineral commodities. Mineral prices fluctuate widely and are affected by numerous factors beyond the control of the Company. The level of interest rates, the rate of inflation, world supply of mineral commodities, consumption patterns, sales of copper, gold and silver by central banks, forward sales by producers, production, industrial and jewellery demand, speculative activities and stability of exchange rates can all cause significant fluctuations in prices. Such external economic factors are in turn influenced by changes in international investment patterns, monetary systems and political developments. The prices of mineral commodities have fluctuated widely in recent years. Current and future price declines could cause commercial production to be impracticable.

The Company's revenues and earnings also could be affected by the prices of other commodities such as fuel and other consumable items, although to a lesser extent than by the price of copper, gold, silver, or molybdenum. The prices of these commodities are affected by numerous factors beyond the Company's control.

Title to Properties

Acquisition of rights to the mineral properties is a very detailed and time-consuming process. Title to, and the area of, mineral properties may be disputed. Although the Company has investigated the title to all of the properties for which it holds concessions or in respect of which it has a right to earn an interest, the Company cannot give an assurance that title to such properties will not be challenged or impugned. The Company's properties may be subject to prior unregistered agreements or transfers and title may be affected by undetected defects or governmental actions. The Company can never be certain that it or its option partners will have valid title to its mineral properties. Mineral properties sometimes contain claims or transfer histories that examiners cannot verify, and transfers under foreign law are often complex. The Company does not carry title insurance on its properties. A successful claim that the Company or its option partner does not have title to a property could cause the Company to lose its rights to that property, perhaps without compensation for its prior expenditures relating to the property. The occurrence of any such event could have a material adverse effect on the Company and its prospects.

The Boezio Option grants the Company the right to earn a 100% interest in a significant portion of the Escalones property, but to earn its full interest in that portion of the property the Company is required to make certain cash payments as more fully described in the Company's financial statements. Similarly, portions of the Gold Springs property, including the Jumbo resource area, are subject to option or lease agreements requiring cash payments. If the Company fails to make these payments, the Company may lose its right to that portion of the property and forfeit any funds previously expended to acquire such interest.

Key Management

The success of the Company will be largely dependent upon the performance of its key officers, consultants and employees. Locating mineral deposits and developing those deposits depends on a number of factors, not the least of which is the technical skill of the personnel involved. Failure to retain key individuals or to attract or retain additional key individuals with necessary skills could have a materially adverse impact upon the Company's success. The Company has not purchased any "key-man" insurance with respect to any of its officers or key employees and has no current plans to do so.

Conflicts of Interest

Certain directors and officers of the Company are or may become associated with other natural resource companies which may give rise to conflicts of interest. In accordance with the *Business Corporations Act* (British Columbia), a director or senior officer who has a material interest in a contract or transaction or a proposed contract or transaction that is material to the Company, or a director or senior officer who is a director or senior officer of, or has a material interest in, a person who has a material interest in the contract or transaction, is required, subject to certain exceptions, to disclose that interest and generally abstain from voting on any resolution to approve the contract or transaction. In addition, the directors and the officers are required to act honestly and in good faith with a view to the best interests of the Company. However, circumstances (including with respect to future corporate opportunities) may arise which are resolved in a manner that is unfavourable to the Company.

Further, the non-management directors and Vice-President of Metallurgy of the Company have either other full-time employment or other business or time restrictions placed on them and accordingly, the Company will not be the only business enterprise of these persons and these persons will not devote all of their time to the business and affairs of the Company.

Uninsurable Risks

The Company maintains liability, property and other insurance, where reasonably available, in such amounts it considers prudent. The Company may become subject to liability for hazards against which it is not insured or which it may have elected not to insure against because of high premium costs or other reasons.

In the course of exploration, development and production of mineral properties, certain risks, and in particular, unexpected or unusual geological operating conditions, including rock bursts, cave-ins, fires, flooding, earthquakes and other environmental occurrences, may occur. It is not always possible to fully insure against such risks and the Company may decide not take out insurance against such risks as a result of high premiums or other reasons. Should such liabilities arise, they could reduce or eliminate any future profitability and result in increasing costs and a decline in the value of the securities of the Company.

Competition

The mining industry is intensely competitive in all of its phases and the Company competes with many companies possessing greater financial resources and technical facilities than itself with respect to the discovery and acquisition of interests in mineral properties and the recruitment and retention of qualified employees and other persons to carry out its mineral exploration activities. Competition in the mining industry could adversely affect the Company's prospects in the future.

Acquisition of Additional Mineral Properties

There is no assurance that the Company will be able to acquire other mineral properties of merit, whether by way of option or otherwise, should the Company wish to acquire any additional properties.

Expected Continued Operating Losses

The Company has experienced losses from operations in previous financial years and had an accumulated deficit of US\$65,234,821 as of December 31, 2014. The Company expects to incur losses for the foreseeable future.

No History of Dividends

The Company has never paid a dividend on its Common Shares and does not expect to do so in the foreseeable future. The Company intends to retain earnings and other cash resources for its business. Any future determination to pay dividends will be at the discretion of the board of directors and will depend upon the capital requirements of the Company, results of operations and such other factors as the board of directors considers relevant. Accordingly, it is likely that for the foreseeable future holders of Common Shares will not receive any return on their investment in the Common Shares other than possible capital gains.

Litigation Risk

Companies in all industries, including the mining industry, are subject to legal claims from time to time, some of which have merit and others of which do not. Defence and settlement costs of legal claims can be substantial, even with respect to claims that have no merit. Due to the inherent uncertainty of the litigation process, the resolution of any particular legal proceeding to which the Company may become subject could have a material effect on the Company's financial position, results of operations or the Company's property development.

Repatriation of Earnings

There is no assurance that any countries other than Canada in which the Company carries on business or may carry on business in the future will not impose restrictions on the repatriation of earnings to foreign entities.

PFIC Status

The Company believes that it was classified as a "passive foreign investment company" under Section 1297(a) of the U.S. Internal Revenue Code (a "PFIC") during the tax year ended December 31, 2014 and may be a PFIC in future tax years. If the Company is a PFIC for any year during a U.S. shareholder's holding period, then such U.S. shareholder generally will be required to treat any gain realized upon a disposition of shares, or any so-called "excess distribution" received on its shares, as ordinary income, and to pay an interest charge on a portion of such gain or distributions, unless the shareholder makes a timely and effective "qualified electing fund" election ("QEF Election") or a "mark-to-market" election with respect to the shares. A U.S. shareholder who makes a QEF Election generally must report on a current basis its share of the Company's net capital gain and ordinary earnings for any year in which the Company is a PFIC, whether or not the Company distributes any amounts to its shareholders. U.S. taxpayers should be aware that there can be no assurance that the Company will satisfy record-keeping requirements or that it will supply U.S. taxpayers with required information under the QEF rules, in event that the Company is a PFIC and a U.S. taxpayer wishes to make a QEF election. This shall not be construed as tax advice given by the Company and U.S. taxpayers are encouraged to consult with their tax advisor regarding the tax consequences of holding shares in the Company. U.S. Shareholders can visit the Company's website, www.trimetalsmining.com and download the Company's PFIC Annual Information Statement for 2014.

Employees

As of December 31, 2014, the Company had 12 employees and also makes use of a variable number of consultants as required for operations. The Company is subject to applicable labour laws and regulations in the countries of employment. None of the Company's employees is covered by a collective agreement.

Corporate Responsibility Policies and Practices

The Company's success depends on how well it manages the economic, environmental and social impacts of its operations on the communities surrounding its properties. In the past sixteen years, the mining industry has undergone a significant shift in its thinking about corporate social and environmental responsibility. Groups such as the International Council on Mining and Metals (ICMM) and the Alliance for Responsible Mining have set new industry standards to encourage mining companies to strike a balance between environmental and economic responsibility by developing and implementing plans that reduce environmental impact on the local land, water, air and people.

The Company is committed to conduct its business activities in full compliance with recognized international and local environmental standards and in a manner that promotes sustainable development and an improvement in the social welfare of the regions in which it operates. It continuously strives to limit the impact of its activities on the natural environment and the surrounding communities. The Company's fundamental policy is to conduct its business responsibly and in a manner designed to protect its representatives, the community and the environment. Its commitment is to conduct its business in a manner that provides a safe and healthy workplace and environment for its representatives.

Environmental Policy

Mining, by its nature, has an impact on the environment. The Company has systems in place to educate the local communities about the effects on the local environment from our exploration and development activities, and to monitor and manage the potential effects on the environment.

The environmental policy of the Company provides that the Company is committed to balancing good stewardship in the protection of the environment with the need for economic growth. In particular, it is the Company's policy: to measure, maintain and improve the Company's compliance with environmental laws and regulations; to place a high priority on environmental considerations in planning, exploring, constructing, operating and closing facilities; to place primary responsibility for compliance with environmental laws with operations management; in the absence of any regulation, to recognize and cost-effectively manage environmental risks in a manner that protects the environment and the Company's economic future; to promote employee involvement in implementing its policy; and to encourage employee reporting of suspected environmental problems. The Company ensures that all personnel and consultants working for the Company are aware of the importance of preserving the environment, that the Company's exploration and development activities are designed to have as small an impact as is practical while still achieving the exploration and development goals and that the Company only carry out activities that are condoned by the authorities in each area in which the Company operates.

With the exception of the new environmental legislation in Chile disclosed above under "Risk Factors – Environmental Regulations", there are no environmental regulation issues which, to the Company's knowledge, have an adverse impact on the current exploration programs of the Company. To the Company's knowledge, its operations are in compliance with applicable environmental laws in the countries in which it is carrying out its exploration.

The Board is responsible for assisting and guiding management in management's development of the Company's environmental policy to maintain environmental excellence, and ensuring compliance with such policy.

DIVIDEND POLICY

Although the Company has not declared or paid dividends on any shares since incorporation and does not anticipate declaring or paying dividends in the foreseeable future, the board of directors of the Company may declare from time to time such cash dividends out of the monies legally available for dividends as the board of directors considers advisable. Any future determination to pay dividends will be at the discretion of the board of directors and will depend on the capital requirements of the Company, results of operations and such other factors as the board of directors considers relevant.

DESCRIPTION OF CAPITAL STRUCTURE

The Company's authorized capital consists of an unlimited number of Common Shares without par value and up to 127,328,790 Class B Shares without par value. As at March 23, 2015, the Company had 135,738,714 Common Shares and 116,278,647 Class B Shares outstanding. As at March 23, 2015, the Company also had 1,683,000 warrants and 8,388,150 stock options, issued and outstanding, (with associated tandem share appreciation rights) exercisable into Common Shares. 4,425,400 of the 8,388,150 stock options are also exercisable into Class B Shares. The material provisions of the Common Shares, Class B Shares, warrants and stock options are summarized below.

Common Shares

The holders of the Common Shares, as such, are entitled to receive notice of and to attend at general meetings of shareholders of the Company and entitled to one vote for each Common Share held. The holders of the Common Shares are also entitled to receive dividends if, as and when declared by the board of directors. Dividends, which the board of directors determines to declare and pay, shall be declared and paid in equal amounts per share on the Common Shares at the time outstanding without preference or distinction. Subject to the rights of holders of the Class B Shares described below, holders of Common Shares are entitled to receive on a *pro rata* basis the remaining property or assets of the Company in the event of any liquidation, dissolution or winding-up of the Company.

Class B Non-Voting Shares

This summary of the rights attached to the Class B Shares is qualified in its entirety by reference to the full provisions of the Class B Non-Voting Shares which are set out in Section 27 of the Company's articles filed and publicly posted on SEDAR on December 30, 2013 and which are incorporated by reference into this Annual Information Form. Shareholders should refer to the full provisions of the Class B Shares for complete details of the rights and restrictions attached to the Class B Shares. Capitalized terms used in this section not otherwise defined in this Annual Information Form are defined in the full provisions of the Class B Shares.

Voting Rights

The holders of the Class B Shares are not entitled as such to receive notice of or to attend any meeting of the shareholders of the Company or to vote at any such meeting, except that (i) the holders of the Class B Shares are entitled to notice of meetings of the shareholders called for the purpose of authorizing the dissolution of the Company or the sale, lease or exchange of all or substantially all of the property of the Company other than in the ordinary course of business of the Corporation and (ii) the approval of the holders of the Class B Shares is required to add to, vary or delete the special rights and restrictions attaching to the Class B Shares.

Class B Share Entitlement

For purposes of the special rights and restrictions attaching to the Class B Shares, the Class B Share Total Entitlement is:

- (a) nil, until the Final Award is issued or a Settlement Agreement is entered into and either:
 - (i) the full Malku Khota Award or Settlement Amount, if any, is received by South American Silver Limited ("SASL") or any of its affiliates, or
 - (ii) SASL determines, in its absolute discretion, that enforcement actions in respect of the collection of such Malku Khota Award or Settlement Amount are sufficiently exhausted and should cease;
- (b) nil, if the Final Award is issued and SASL is not awarded any relief payable in cash to it or any of its affiliates, or if a Settlement Agreement is entered into and no cash is payable thereunder to SASL or any of its affiliates; or
- (c) an amount equal to 85% of the amount, if any, by which the Malku Khota Award or Settlement Amount exceeds the Malku Khota Arbitration Expenses, if the Final Award is issued in favour of SASL or a Settlement Agreement is entered into and either:
 - (i) the full Malku Khota Award or Settlement Amount is received by SASL or any of its affiliates, or
 - (ii) SASL determines, in its absolute discretion, that enforcement actions in respect of the collection of such Malku Khota Award or Settlement Amount are sufficiently exhausted and should cease.

The holders of Class B Shares will not realize any value if: (i) no award or settlement agreement is reached; (ii) no cash payment is included in the award or settlement agreement; or (iii) the costs of obtaining a cash payment on, or enforcement of, the award or settlement agreement exceeds to amount of such cash payment. South American Silver Limited has sole discretion and decision making authority over when and whether to pursue any particular course of action in respect of the arbitration proceedings, including whether to negotiate or enter into a settlement agreement and including whether to accept non-cash consideration pursuant thereto.

Redemption Rights

All but not less than all of the Class B Shares shall be redeemed by the Company on the Redemption Date (as defined below) for an amount per share equal to the total of the Class B Share Entitlement. The Redemption Date is the date that is 60 days after the earliest of the following dates:

- (a) where SASL enters into a Settlement Agreement, the date which is the earlier of (i) the date the full amount of the Malku Khota Award or Settlement Amount is received by SASL or any of its affiliates; or (ii) the date on which SASL determines, in its absolute discretion, that enforcement actions in respect of the collection of such Malku Khota Award or Settlement Amount are sufficiently exhausted and should cease;
- (b) where the Final Award is issued and SASL or its affiliates is awarded relief payable in cash, the date which is the earlier of (i) the date the full amount of the Malku Khota Award or Settlement Amount is received by SASL or any of its affiliates; or (ii) the date on which SASL determines, in its absolute discretion, that enforcement actions in respect of the collection of such Malku Khota Award or Settlement Amount are sufficiently exhausted and should cease;
- (c) the date on which the Final Award is issued and no relief payable in cash is awarded to SASL;
- (d) the date on which SASL enters into a Settlement Agreement pursuant to which no cash settlement or award will be payable to SASL; and
- (e) the date the Malku Khota Arbitration Proceedings are otherwise terminated and the limitation period for SASL to file a challenge or appeal in respect of such termination has expired.

Notwithstanding the foregoing, MK Acquisition Corp. or another affiliate of the Company has the overriding right to purchase all but not less than all of the Class B Shares on the Redemption Date for the same amount as would have been paid on redemption.

Retraction Rights

A holder of Class B Shares is entitled after the Retraction Right Trigger Date (as defined below) to require the Company to redeem any or all of the Class B Shares held by it for an amount for each share equal to the Class B Share Entitlement. The Retraction Right Trigger Date is the date, after the Final Award is issued or a Settlement Agreement is entered into, that is 60 days after the earlier of (i) the date the full amount of the Malku Khota Award or Settlement Amount is received by SASL or any of its affiliates; or (ii) the date on which SASL determines, in its absolute discretion, that enforcement actions in respect of the collection of such Malku Khota Award or Settlement Amount are sufficiently exhausted and should cease.

Notwithstanding the foregoing, MK Acquisition Corp. or another affiliate of the Company has the overriding right to purchase all but not less than all of the Class B Shares otherwise to be retracted for the same amount as would have been paid pursuant to a retraction request.

Rights on Liquidation

In the event of the liquidation, dissolution or winding up of the Company or any other distribution of the assets of the Company among its shareholders for the purpose of winding up its affairs, each holder of a Class B Share will be entitled to its *pro rata* shares of the Class B Share Total Entitlement, if any. Notwithstanding the foregoing, MK Acquisition Corp. or another affiliate of the Company has the overriding right in the event of any proposed liquidation, dissolution or winding up of the Company to purchase all but not less than all of the Class B Shares for the same amount as would have been paid on such liquidation, dissolution or winding-up.

Until (a) the Final Award is issued or a Settlement Agreement is entered into and (i) the Malku Khota Award or Settlement Amount is received by SASL or any of its affiliates or (ii) SASL determines, in its absolute discretion, that enforcement actions in respect of the Malku Khota Award or Settlement Amount are sufficiently exhausted and should cease, or (b) the Malku Khota Arbitration Proceedings are otherwise terminated, as a condition to any liquidation, dissolution or winding-up of the Company or any other distribution of the assets of the

Company among its shareholders for the purpose of winding-up its affairs, each holder of a Class B Share will be issued, in such manner as determined by the Company in its sole discretion, in exchange for each Class B Share a right to their proportionate share of the Malku Khota Award or Settlement Amount.

Warrants

The following table provides details on warrants issued or assumed by Company that are outstanding as of March 23, 2015. Each warrant entitles the holder thereof to purchase certain securities of the Company at the applicable exercise price and until the applicable expiration date noted in the table below.

Transaction Pursuant to Which Warrants Issued or Assumed	No. of Warrants	Underlying Securities	Exercise Price (CDN\$)	Expiration Date
Arrangement.....	550,000	Common Shares	\$0.84	January 31, 2016 ⁽¹⁾
Arrangement.....	1,133,000	Common Shares	\$0.84	December 28, 2015

Notes:

- (1) In the event that the trading price for the Common Shares on the TSX exceeds CDN\$1.27 for a period of 10 consecutive trading days, the Company is entitled to accelerate the exercise period to a period ending at least 30 days from the date notice of such acceleration is provided to the warrant holders.

The terms of the warrants provide for adjustment in the number of underlying securities issuable upon the exercise of the warrants and/or the exercise price therefor upon the occurrence of certain events, including subdivision, consolidation or reclassification of Common Shares of the Company, the payment of stock dividends or the amalgamation of the Company. No adjustment in the exercise price or the number of securities issuable upon the exercise of the warrants is required to be made unless the cumulative effect of such adjustment or adjustments would result in a change of at least 1% in the exercise price.

Stock Options

As of March 23, 2015, the Company has 8,388,150 stock options outstanding. Each option is subject to the Share Incentive Plan described below and includes a tandem share appreciation right as described below. Each of the outstanding options issued by the Company prior to the Arrangement and outstanding as of March 23, 2015 (4,425,400 options) is exercisable for one Common Share and one Class B Share. All other options (3,962,750) are each exercisable for one Common Share.

Share Incentive Plan

The Company has established a share incentive plan (the “Share Incentive Plan”) for the benefit of full-time and part-time employees, officers, directors and consultants of the Company and its affiliates.

The objectives of the Share Incentive Plan are to:

- assist the Company in recruiting and subsequently retaining highly qualified directors, officers, employees and service providers by offering an overall compensation package which is competitive with that offered by other mining companies at the Company’s stage of development;
- align the interests of participants with the long-term interests of shareholders by encouraging the acquisition and ownership of the Company’s Common Shares; and
- motivate participants to achieve important corporate and individual performance objectives and reward them when such objectives are met.

For the purposes of the Share Incentive Plan, a “Common Share” means a common share of the Company, as adjusted in accordance with the provisions of Share Incentive Plan, including the plan of arrangement of the Company with an effective date of December 20, 2013, and for greater certainty, in regards to awards issued by the Company prior to December 20, 2013 and outstanding on December 20, 2013, a “Common Share” means one Common Share and one Class B Share.

The fixed maximum percentage of Common Shares issuable under the Share Incentive Plan as a whole is 10% of the issued and outstanding Common Shares from time to time. The Share Incentive Plan automatically “reloads” after the issuance of Common Shares under an award provided that the number of Common Shares issuable under the Share Incentive Plan as a whole does not then exceed the maximum percentage of 10%. For purposes of these provisions, so long as any awards issued by the Company prior to December 20, 2013 continue to be outstanding, the shares available under the Plan also include that number of Class B Shares as are required to be issued by the Company upon the exercise of such awards pursuant to the adjustment provisions in the Share Incentive Plan.

The number of Common Shares (a) issued to insiders (as defined by the TSX) of the Company, within any one year period; and (b) issuable to insiders of the Company, under the Share Incentive Plan, or when combined with all of the Company’s other security based compensation arrangements (as defined by the TSX), may not exceed 10% of the Company’s total issued and outstanding Common Shares, respectively.

As at March 23, 2015, an aggregate of 8,388,150 stock options with associated share appreciation rights are outstanding under the Share Incentive Plan.

Stock Award Plan

Under the stock award plan (the “Stock Award Plan”), options and share appreciation rights (“SARs”) may be granted to full-time and part-time employees, officers and directors of, or consultants to, the Company or its affiliates. Awards granted under the Stock Award Plan may be stock options, free-standing SARs, or SARs that are granted in tandem with a related option (“Tandem SARs”).

The Board determines the participants who may participate in the Stock Award Plan, as well as the number and the exercise price of each option or the basis value of each SAR at the time the option or SAR, as applicable, is granted. The exercise price of an option or the basis value of a SAR cannot be lower than the most recent closing price of the Common Shares on the TSX, or other stock exchange where the majority of the trading volume and value of the Common Shares occurs, at the time the option or SAR is granted.

The period of time during which a particular option or SAR may be exercised is determined by the Board, subject to any Employment Contract or Consulting Contract (both as hereinafter defined), provided that no such period shall exceed 10 years. If an option or SAR expiration date falls within a “black-out period” (a period during which certain persons cannot trade Common Shares pursuant to a policy of the Company respecting restrictions on trading), or immediately following a black-out period, the expiration date is automatically extended to the date which is the tenth business day after the end of the black-out period, provided that no such extended exercise period shall exceed 10 years.

Upon exercise of a SAR, the participant is entitled to receive payment from the Company in an amount determined by multiplying the excess of the market price of a Common Share on the date of exercise over the basis value at which the SAR was originally granted. All payments are made in Common Shares, the number of which is calculated by dividing the payment amount by the market price of the Common Shares on the exercise date. For SARs issued prior to the Arrangement, the participant is entitled to receive payment from the Company in an amount determined by multiplying the excess of the aggregate market price of a Common Share and Class B Share on the date of exercise over the basis value at which the SAR was originally granted and payments are made in an equal number of Common Shares and Class B Shares, the number of which is calculated by dividing the payment amount by the aggregate market price of a Common Share and Class B Share on the exercise date.

Tandem SARs are SARs granted in tandem with a related option or added to an outstanding option which give the awardee the right to surrender to the Company the vested portion of the option and to receive a distribution of Common Shares (including a Class B Share, if applicable) in an amount equal to the excess of the market price of a specified number of shares as of the date the SAR is exercised over the exercise price of the related option. To the extent a Tandem SAR is exercised, the related option will terminate at the time of such exercise.

Unless otherwise determined by the Board, each option or SAR becomes exercisable as to 33⅓% on a cumulative basis, on each of the date of grant and the first and second anniversaries of the date of grant.

Options and SARs may terminate prior to expiry of the exercise period in the following circumstances:

- on death of an awardee, options and SARs held as at the date of death become immediately exercisable notwithstanding any vesting provisions thereof and remain exercisable until the earlier of 12 months from such date and expiry of the exercise period; and
- if an awardee ceases to be a director, officer, employee and consultant of the Company or an affiliate for any reason other than death, including receipt of notice from the Company of the termination of his, her or its Employment Contract or Consulting Contract, all unvested options and SARs are cancelled as at the date of termination, and all vested options and SARs held as at the date termination remain exercisable until the earlier of 60 days following such date and expiry of the exercise period,

subject however to any contract between the Company and any employee relating to, or entered into in connection with, the employment of the employee or between the Company and any director with respect to his or her directorship or resignation therefrom (an “Employment Contract”), any contract between the Company and consultant relating to, or entered into in connection with, services to be provided to the Company (a “Consulting Contract”) or any other agreement to which the Company is a party with respect to the rights of such person upon termination or change in control of the Company.

In order for options granted to U.S. participants to be considered Incentive Stock Options (“ISOs”) for U.S. tax purposes, the maximum number of shares available for ISOs must be set out in the Stock Award Plan. Accordingly, the Stock Award Plan provides that not more than 3,000,000 Common Shares will be available for issuance pursuant to ISOs. There is no obligation on the Company to issue that number of ISOs and the inclusion of this maximum does not in any way restrict the number of Common Shares available for issuance otherwise pursuant to the Stock Award Plan. To date, no ISOs have been granted under the Stock Award Plan.

General

Rights under the Share Incentive Plan, including options and SARs, are not assignable or transferable except on the death of the participant.

If there is a consolidation, merger, take-over, amalgamation or arrangement of the Company with or into another corporation, a separation of the business of the Company into two or more entities, a transfer of all or substantially all of the assets of the Company to another entity, or a transaction of similar effect all unvested options, SARs and Tandem SARs will become vested and the holder shall be entitled to exercise such awards immediately prior to such event, unless the Board otherwise determines the basis upon which it shall be exercisable. In such event and in the event of a securities exchange take-over bid, the Corporation may, in certain circumstances, provide holders with the choice of exchanging their options if replacement options are offered.

The Board may from time to time in its absolute discretion amend, modify and change the provisions of the Share Incentive Plan or any awards granted thereunder, provided that any amendment, modification or change to the provisions of the Share Incentive Plan or any awards granted pursuant thereto shall:

- not adversely alter or impair any award previously granted except as permitted thereunder;
- be subject to any regulatory approvals, where required, including the approval of the TSX, where required;
- be subject to shareholder approval in accordance with the rules of the TSX in circumstances where the amendment, modification or change to the Share Incentive Plan or award granted thereunder would:
 - reduce the exercise price of an option held by an insider of the Company,
 - extend the term of an award held by an insider beyond the original expiration date (other than as permitted under the Share Incentive Plan),
 - remove or to increase the insider participation limit under the Share Incentive Plan.

- increase the fixed maximum percentage of Common Shares which may be issued under the Share Incentive Plan, or
- grant additional powers to the Board to amend the Share Incentive Plan;
- not be subject to shareholder approval in any circumstance (other than as set out above), including, but not limited to, circumstances where the amendment, modification or change to the Share Incentive Plan or award would:
 - be of a “housekeeping nature”, including any amendment to the Share Incentive Plan or an award granted thereto that is necessary to comply with applicable law or the requirements of any regulatory authority or stock exchange and any amendment to the Share Incentive Plan or an award granted thereto to correct or rectify any ambiguity, defective provision, error or omission therein, including any amendment to any definitions therein;
 - change the exercise price of an option, unless the change is a reduction in the exercise price of an option held by an insider of the Company
 - alter, extend or accelerate any vesting terms, hold period or conditions in the Share Incentive Plan or any awards granted thereto;
 - amend or modify any mechanics for exercising any award;
 - change the expiration date (including acceleration thereof) or change any termination provision in any award, provided that such change does not entail an extension beyond the original expiration date of such award (subject to such date being extended by virtue of the black-out period provisions of the Share Incentive Plan);
 - introduce a cashless exercise feature, payable in securities, whether or not such feature provides for a full deduction of the number of underlying securities from the Share Incentive Plan maximum;
 - change the application of the consolidation, merger, take-over bid, etc.; adjustment in number of shares subject to the Share Incentive Plan; or securities exchange take-over bid provisions of the Share Incentive Plan;
 - add a form of financial assistance or amend a financial assistance provision which is adopted;
 - change the eligible participants of the Share Incentive Plan; and
 - add a deferred or restricted share unit provision or any other provision which results in participants receiving securities while no cash consideration is received by the Company.

The Board may discontinue the Share Incentive Plan at any time without consent of the participants thereunder provided that such discontinuance shall not adversely alter or impair any award previously granted.

MARKET FOR SECURITIES

The Common Shares and Class B Shares of the Company are listed on the TSX under the symbols “TMI” and “TMI.B”, respectively. Before March 19, 2014 the Common Shares and Class B Shares traded under the symbols “SAC” and “SAC.B”, respectively. The below trading information chart chronicles the Company’s monthly trading history on the TSX for the fiscal year ended December 31, 2014.

Common Shares

Month	High (CDN\$)	Low (CDN\$)	Share Volume
January.....	0.395	0.23	2,411,483
February.....	0.345	0.27	996,738
March.....	0.32	0.21	1,476,153
April.....	0.22	0.165	1,573,486
May.....	0.225	0.175	1,022,433
June.....	0.21	0.165	797,585
July	0.20	0.18	1,442,488
August	0.225	0.19	1,063,206
September	0.22	0.17	763,639
October	0.17	0.10	804,809
November	0.145	0.09	878,039
December.....	0.14	0.095	1,939,622

Class B Shares

Month	High (CDN\$)	Low (CDN\$)	Share Volume
January.....	0.195	0.11	848,566
February.....	0.185	0.14	320,581
March.....	0.19	0.13	325,069
April.....	0.22	0.135	375,960
May.....	0.215	0.165	157,330
June.....	0.185	0.15	155,193
July	0.19	0.10	885,348
August	0.145	0.095	261,246
September	0.155	0.10	265,290
October	0.17	0.08	462,467
November	0.155	0.12	451,740
December.....	0.15	0.13	587,980

DIRECTORS AND OFFICERS

Name, Occupation and Security Holding

The following table sets forth the name, province or state and country of residence, position held with the Company, principal occupation and shareholdings of each of the directors and executive officers of the Company. Directors of the Company hold office until the next annual meeting of shareholders or until their successors are duly elected or appointed.

Name and Province/State and Country of Residence	Position held with the Company	Principal Occupation	Director Since	Number of Voting Securities Owned (4)
Ralph G. Fitch Colorado, USA	President, Chief Executive Officer and Chairman	Officer of the Company	September 28, 2006 (Incorporation)	4,325,533
Antonio Canton ⁽²⁾⁽³⁾ Gingins, Switzerland	Director	Independent Consultant for international companies in marketing, finance and real estate	June 4, 2010	Nil
Paul Haber ⁽¹⁾⁽³⁾ Ontario, Canada	Director	Managing Director, Haber and Co. Ltd. (consulting company)	December 1, 2006	140,145
Roman Mironchik ⁽¹⁾⁽²⁾⁽³⁾ London, U.K	Lead Director	Managing Director, Izurium Capital (private equity firm)	May 24, 2012	Nil

Name and Province/State and Country of Residence	Position held with the Company	Principal Occupation	Director Since	Number of Voting Securities Owned (4)
Paul Sheehan ⁽¹⁾ Hong Kong	Director	Chief Executive Officer, Sheehan Far East Limited (investment fund)	August 27, 2013	20,000
Muqit Teja London, U.K.	Director	Director, Zamadini Advisors Ltd. (financial advisory services)	July 9, 2013	Nil
Tina Woodside ⁽²⁾ Ontario, Canada	Director	Partner, Gowling Lafleur Henderson LLP (law firm)	September 28, 2006 (Incorporation)	314,340
Matias Herrero Colorado, USA	Chief Financial Officer	Officer of the Company	-	83,474
Randall Moore Oregon, USA	Executive Vice- President of Exploration – North America	Officer of the Company	-	361,048
Felipe Malbran Santiago, Chile	Executive Vice- President of Exploration – South America	Officer of the Company	-	1,837,464
David B. Dreisinger British Columbia, Canada	Vice-President of Metallurgy	Professor, University of British Columbia (educational institution)	-	28,263

Notes:

- (1) Member of the Audit Committee.
- (2) Member of the Compensation Committee.
- (3) Member of the Corporate Governance and Nominating Committee.
- (4) The information as to the number of Common Shares, being the only class of voting securities, beneficially owned, directly or indirectly, or over which control or direction is exercised, by the directors and executive officers, but which are not registered in their names and not being within the knowledge of the Company, has been furnished by such directors and officers.

Each of the foregoing individuals has been engaged in the principal occupation set forth opposite his or her name during the past five years or in a similar capacity with a predecessor organization except for Matias Herrero who, from February 2010 to July 2012, was Chief Financial Officer of Rusoro Mining Ltd. (gold mining company). As at March 23, 2015, the directors and executive officers of the Company and its subsidiaries as a group, beneficially owned, directly or indirectly, or exercised control or direction over 7,110,267 Common Shares of the Company, being approximately 5.2% of the issued and outstanding Common Shares.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

The following information has been furnished by the directors and executive officers of the Company.

No director or executive officer of the Company is, as at the date hereof or has been, within the 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Company), that:

- was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or
- was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued after

the director or executive officer 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.

No director or executive officer of the Company or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company:

- is, as at the date hereof, or has been within the 10 years before the date hereof, 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
- has, within the 10 years before the date hereof, 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 director, executive officer or shareholder.

No director or executive officer of the Company or shareholder holding a sufficient number of securities of the Company to affect materially the control of the Company, has been subject to:

- 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
- any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

Certain of the directors and officers of the Company and its subsidiaries are also directors, officers and shareholders of other companies and conflicts may arise between their duties as directors or officers of the Company and its subsidiaries and as directors, officers or shareholders of other companies. All such possible conflicts in duty are required to be disclosed in accordance with the requirements of the *Business Corporations Act* (British Columbia) and the Company's Code of Business Conduct and Ethics and those concerned are required to govern themselves in accordance with the obligations imposed upon them by law and such code.

LEGAL PROCEEDINGS

There are no legal proceedings material to the Company to which the Company or any of its subsidiaries is or was a party or of which any of the Company's properties is or was the subject matter during the year ended December 31, 2014 and no other such proceedings are known to the Company to be contemplated, other than the investment dispute and arbitration between South American Silver Limited and Bolivia described under the heading "Description of the Business – Malku Khota (Bolivia) – International Arbitration Claim".

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or principal shareholder of the Company, and no associate or affiliate of the foregoing persons, has or has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company or any of its subsidiaries, other than certain directors and executive officers of the Company held securities of the Company and/or HDG that were exchanged or adjusted in accordance with the Arrangement, however all such securities were treated in the same manner under the Arrangement as securities held by all other securityholders of the Company and HDG.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Company's Common Shares and Class B Shares is CST Trust Company, P.O. Box 700, Station B, Montreal, QC, H3B 3K3. The register of transfers of the Company's Common Shares and Class B Shares are located in Toronto, Ontario and can also be accessed from the Company's office in Vancouver, British Columbia.

MATERIAL CONTRACTS

Except for contracts entered into in the ordinary course of business and not required to be filed under Section 12.2 of *National Instrument 51-102 – Continuous Disclosure Obligations*, ("NI 51-102") there are no contracts which are regarded as material and which were entered into by the Company within the most recently completed financial year or before the most recently completed financial year that are still in effect.

INTERESTS OF EXPERTS

The following is a list of persons or companies whose profession or business gives authority to a statement made by the person or company named as having prepared or certified a report, valuation, statement or opinion described, included or referred to in a filing made by the Company under NI 51-102 during or related to the year ended December 31, 2014:

- PricewaterhouseCoopers LLP is the auditor of the Corporation and the auditor of HDG and has advised that they are independent of each of the Corporation and HDG within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.
- Jeffery W. Choquette, P.E. and Jennifer J. Brown, P.G., of Hard Rock Consulting, LLC, are responsible for the preparation of one or more sections of the Escalones Report.
- David Dreisinger, Ph.D., P.Eng., of Dreisinger Consulting Inc, is responsible for the preparation of one or more sections of the Escalones Report. Mr. Dreisinger is the Company's Vice President of Metallurgy.
- Terre Lane, of Lane and Associates is responsible for the preparation of the one or more sections of the Gold Springs Report.
- Dr. Deepak Malhotra is responsible for the preparation of the one or more sections of the Gold Springs Report.
- Kurt Katsura is responsible for the preparation of the one or more sections of the Gold Springs Report.

To the Company's knowledge, none of the persons referred to above and the designated professionals of the entities through which they provided their services to the Company, held, received or is to receive securities representing 1% or more of the securities of such class.

ADDITIONAL INFORMATION

Additional information relating to the Company may be found on SEDAR at www.SEDAR.com under the Company's profile.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Company's securities and securities authorized for issuance under equity compensation plans, is contained in the Company's information circular for its most recent annual meeting of security holders involving the election of directors.

Additional financial information is provided in the Company's financial statements and MD&A for its most recently completed financial year.

AUDIT COMMITTEE INFORMATION

The following information is provided in accordance with Form 52-110F1 under the Canadian Securities Administrators' National Instrument 52-110 – Audit Committees (“NI 52-110”).

The Audit Committee's Charter

The text of the Company's Audit Committee Charter is set out in Schedule “A” hereto.

Composition of the Audit Committee

Currently, the audit committee of the Company (the “Audit Committee”) is composed of the following three directors: Messrs. Haber (Chair), Sheehan and Mironchik. All three members are considered “independent” and “financially literate” (as such terms are defined in NI 52-110).

Relevant Education and Experience

Each member of the Audit Committee is financially literate, i.e., has the ability to read and understand financial statements. Collectively, the Audit Committee has the education and experience to fulfill the responsibilities outlined in the Audit Committee Charter. The education and current and past experience of each Audit Committee member that is relevant to the performance of his or her responsibilities as an Audit Committee member is summarized below:

Name	Education and Experience
Mr. Haber (Chair)	Mr. Haber is a Chartered Accountant and a Certified Public Accountant. He is the Managing Director of Haber and Co. Ltd., which provides CFO consulting services, and has been the Chief Financial Officer of various TSX and TSX Venture Exchange listed companies since 2004. He is also the Chairman and Managing Director of BlackBirch Capital Inc. which provides capital and strategic, business, and financial expertise to developing private and public companies.
Mr. Sheehan	Mr. Sheehan's background is focused on international finance and was the CEO and a founder of Thaddeus Capital Limited, a Hong Kong-based hedge fund. He was also previously associated with ING Bank NV in Hong Kong and with Lehman Brothers Asia where he was a Vice President and co-head of Asian bank research. Mr. Sheehan has been both an investor and lender in multi-commodity resource projects throughout Asia, Africa and South America. Mr. Sheehan's education includes a BA in economics from the University of Albany, State University of New York, and a Masters Degree in Public and Private Management from the Yale School of Management. He also completed course work in Financial Risk Management at New York University.
Mr. Mironchik	Mr. Mironchik is a partner at Izurium Capital, an independent investment firm headquartered in London. Mr. Mironchik has extensive experience in assisting investee companies with budgeting, strategic planning, financing and M&A activities.

External Auditor Service Fees (By Category)

For the years ended December 31, 2014 and 2013, PricewaterhouseCoopers LLP and its affiliates billed or accrued fees to the Company and its subsidiary entities (excluding High Desert Gold Corporation and its subsidiaries prior to the Arrangement) as detailed below:

	December 31, 2014 (CDN\$'000)	December 31, 2013 (CDN\$'000)
Audit Fees	79	118
Audit-Related Fees ⁽¹⁾	-	31
Tax Fees ⁽²⁾	129	135
All Other Fees ⁽³⁾	-	25
Total Fees	<u>208</u>	<u>309</u>

Notes:

- (1) Audit-Related Fees represent fees incurred in connection with interim quarterly reviews.
- (2) Tax Fees include costs incurred in respect of tax compliance and tax planning matters, including the distribution of Class B Shares pursuant to the Arrangement.
- (3) All Other Fees in 2013 relate to fees incurred in respect of the Arrangement, other than "Tax Fees".

SCHEDULE A

AUDIT COMMITTEE CHARTER

I. Mandate and Purpose of the Committee

The Audit Committee (the “Committee”) of the board of directors (the “Board”) of TriMetals Mining Inc. (the “Company”) is a standing committee of the Board whose primary function is to assist the Board in fulfilling its oversight responsibilities relating to:

- (a) the integrity of the Company’s financial statements;
- (b) the Company’s compliance with legal and regulatory requirements, as they relate to the Company’s financial statements;
- (c) the qualifications, independence and performance of the Company’s auditor;
- (d) internal controls and disclosure controls;
- (e) the performance of the Company’s internal audit function;
- (f) consideration and approval of all related party transactions; and
- (g) performing the additional duties set out in this Charter or otherwise delegated to the Committee by the Board.

II. Authority

The Committee has the authority to:

- (a) engage and compensate independent counsel and other advisors as it determines necessary or advisable to carry out its duties; and
- (b) communicate directly with the Company’s auditor.

The Committee has the authority to delegate to individual members or subcommittees of the Committee.

III. Composition and Expertise

The Committee shall be composed of a minimum of three members, each whom is a director of the Company. Each Committee member must be “independent” and “financially literate” as such terms are defined in applicable securities legislation.

Committee members shall be appointed annually by the Board at the first meeting of the Board following each annual meeting of shareholders. Committee members hold office until the next annual meeting of shareholders or until they are removed by the Board or cease to be directors of the Company.

The Board shall appoint one member of the Committee to act as Chair of the Committee. If the Chair of the Committee is absent from any meeting, the Committee shall select one of the other members of the Committee to preside at that meeting.

IV. Meetings

Any member of the Committee or the auditor may call a meeting of the Committee. The Committee shall meet at least four times per year and as many additional times as the Committee deems necessary to carry out its

duties. The Chair shall develop and set the Committee's agenda, in consultation with other members of the Committee, the Board and senior management.

Notice of the time and place of every meeting shall be given in writing to each member of the Committee, at least 72 hours (excluding holidays) prior to the time fixed for such meeting. The Company's auditor shall be given notice of every meeting of the Committee and, at the expense of the Company, shall be entitled to attend and be heard thereat. If requested by a member of the Committee, the Company's auditor shall attend every meeting of the Committee held during the term of office of the Company's auditor.

A majority of the Committee shall constitute a quorum. No business may be transacted by the Committee except at a meeting of its members at which a quorum of the Committee is present in person or by means of such telephonic, electronic or other communications facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously.

The Committee may invite such directors, officers and employees of the Company and advisors as it sees fit from time to time to attend meetings of the Committee.

The Committee shall meet without management present whenever the Committee deems it appropriate.

The Committee shall appoint a Secretary who need not be a director or officer of the Company. Minutes of the meetings of the Committee shall be recorded and maintained by the Secretary and shall be subsequently presented to the Committee for review and approval.

V. Committee and Charter Review

The Committee shall conduct an annual review and assessment of its performance, effectiveness and contribution, including a review of its compliance with this Charter. The Committee shall conduct such review and assessment in such manner as it deems appropriate and report the results thereof to the Board.

The Committee shall also review and assess the adequacy of this Charter on an annual basis, taking into account all legislative and regulatory requirements applicable to the Committee, as well as any guidelines recommended by regulators or the Toronto Stock Exchange and shall recommend changes to the Board thereon.

VI. Reporting to the Board

The Committee shall report to the Board in a timely manner with respect to each of its meetings held. This report may take the form of circulating copies of the minutes of each meeting held.

VII. Duties and Responsibilities

(a) Financial Reporting

The Committee is responsible for reviewing and recommending approval to the Board of the Company's annual and interim financial statements, MD&A and related news releases, before they are released.

The Committee is also responsible for:

- (i) being satisfied that adequate 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, other than the public disclosure referred to in the preceding paragraph, and for periodically assessing the adequacy of those procedures;

- (ii) engaging the Company's auditor to perform a review of the interim financial statements and receiving from the Company's auditor a formal report on the auditor's review of such interim financial statements;
- (iii) discussing with management and the Company's auditor the quality of applicable accounting principles and financial reporting standards, not just the acceptability thereof;
- (iv) discussing with management any significant variances between comparative reporting periods; and
- (v) in the course of discussion with management and the Company's auditor, identifying problems or areas of concern and ensuring such matters are satisfactorily resolved.

(b) Auditor

The Committee is responsible for recommending to the Board:

- (i) the auditor to be nominated for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company; and
- (ii) the compensation of the Company's auditor.

The Company's auditor reports directly to the Committee. The Committee is directly responsible for overseeing the work of the Company's auditor engaged for the purpose of preparing or issuing an auditor's report or performing other audit, review or attest services for the Company, including the resolution of disagreements between management and the Company's auditor regarding financial reporting.

(c) Relationship with the Auditor

The Committee is responsible for reviewing the proposed audit plan and proposed audit fees. The Committee is also responsible for:

- (i) establishing effective communication processes with management and the Company's auditor so that it can objectively monitor the quality and effectiveness of the auditor's relationship with management and the Committee;
- (ii) receiving and reviewing regular feedback from the auditor on the progress against the approved audit plan, important findings, recommendations for improvements and the auditor's final report;
- (iii) reviewing, at least annually, a report from the auditor on all relationships and engagements for non-audit services that may be reasonably thought to bear on the independence of the auditor; and
- (iv) meeting in camera with the auditor whenever the Committee deems it appropriate.

(d) Accounting Policies

The Committee is responsible for:

- (i) reviewing the Company's accounting policy note to ensure completeness and acceptability with applicable accounting principles and financial reporting standards as part of the approval of the financial statements;

- (ii) discussing and reviewing the impact of proposed changes in accounting standards or securities policies or regulations;
- (iii) reviewing with management and the auditor any proposed changes in major accounting policies and key estimates and judgments that may be material to financial reporting;
- (iv) discussing with management and the auditor the acceptability, degree of aggressiveness/conservatism and quality of underlying accounting policies and key estimates and judgments; and
- (v) discussing with management and the auditor the clarity and completeness of the Company's financial disclosures.

(e) Risk and Uncertainty

The Committee is responsible for reviewing, as part of its approval of the financial statements:

- (i) uncertainty notes and disclosures; and
- (ii) MD&A disclosures.

The Committee, in consultation with management, will identify the principal financial risks of the Company. The Committee is responsible for reviewing related risk management policies and recommending such policies for approval by the Board.

The Committee is responsible for requesting the auditor's opinion of management's assessment of significant risks facing the Company and how effectively they are managed or controlled.

(f) Controls and Control Deviations

The Committee is responsible for reviewing:

- (i) the plan and scope of the annual audit with respect to planned reliance and testing of controls; and
- (ii) major points contained in the auditor's management letter resulting from control evaluation and testing.

The Committee is also responsible for receiving reports from management when significant control deviations occur.

(g) Compliance with Laws and Regulations

The Committee is responsible for reviewing regular reports from management and others (e.g. auditors) concerning the Company's compliance with financial related laws and regulations, such as:

- (i) tax and financial reporting laws and regulations;
- (ii) legal withholdings requirements;
- (iii) environmental protection laws; and
- (iv) other matters for which directors face liability exposure.

(h) **Related Party Transactions**

All transactions between the Company and a related party (each a “related party transaction”), other than transactions entered into in the ordinary course of business, shall be presented to the Committee for consideration.

The term “related party” includes (i) all directors, officers, employees, consultants and their associates (as that term is defined in the Securities Act (Ontario)), as well as all entities with common directors, officers, employees and consultants (each “general related parties”); and (ii) all other individuals and entities having beneficial ownership of, or control or direction over, directly or indirectly, securities of the Company carrying more than 10% of the voting rights attached to all of the Company’s outstanding voting securities (each “10% shareholders”).

Related party transactions involving general related parties which are not material to the Company require review and approval by the Committee. Related party transactions that are material to the Company or that involve 10% shareholders require approval by the Board, following review thereof by the Committee and the Committee providing its recommendation thereon to the Board.

VIII. Non-Audit Services

All non-audit services to be provided to the Company or its subsidiary entities by the Company’s auditor must be pre-approved by the Committee.

IX. Submission Systems and Treatment of Complaints

The Committee is responsible for establishing procedures for:

- (a) the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and
- (b) the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.

The Company has adopted a Code of Business Conduct and Ethics (the “Code”) and a Whistle Blower Policy (the “Policy”) (a copy of the Policy is attached as Appendix A to this charter), which provides for the reporting and treatment of complaints and concerns. The Committee is responsible for reviewing complaints and concerns that are brought to the attention of the Chair of the Audit Committee in accordance with the provisions of the Code and the Policy and for ensuring that any such complaints and concerns are appropriately addressed. The Committee shall report quarterly to the Board on the status of any complaints or concerns received by the Committee.

X. Hiring Policies

The Committee is responsible for reviewing and approving the Company’s hiring policies regarding partners, employees and former partners and employees of the present and former auditor of the Company.

**Appendix A
To Audit Committee Charter**

WHISTLE BLOWER POLICY

The policy of the Corporation is that all complaints and concerns made to the Company regarding (i) accounting, internal accounting controls, or auditing matters and (ii) any actual or potential violation of the Company's Code of Business Conduct and Ethics (collectively referred to as "Complaints") may be made on an anonymous basis and shall be received, retained and investigated in a formalized, ethical and confidential manner.

The following procedures have been established regarding the submission and investigation of Complaints:

1. The Company shall forward to the Audit Committee of the Board of Directors any Complaints that it has received.
2. Any employee of the Company may submit, on a confidential, anonymous basis if the employee so desires, a Complaint by sending such Complaint in writing and forwarding it in a sealed envelope to:

Chair of the Audit Committee
TriMetals Mining Inc.
580 Hornby Street, Suite 880
Vancouver, British Columbia, V6C 3B6

The envelope is to be clearly marked, "Confidential – For the Chair of the Audit Committee". The Complaint should be specified in detail, including all information the complainant knows relating to the Complaint and any available corroborating information.

Any such envelopes received by the Company shall be forwarded promptly to the Chair of the Audit Committee.

3. Contact information including a phone number and e-mail address shall be published for the Chair of the Audit Committee on the Company's website for those people wishing to contact the Chair directly.
4. At each of its meetings following the receipt of any information pursuant to this Appendix A, the Audit Committee shall review and consider any Complaints and take any action that it deems appropriate in the circumstances to investigate the Complaint, including the use of internal and external resources.
5. All Complaints will be treated in confidence and investigations of Complaints shall be carried out in a manner to ensure confidentiality of the matter and will involve only those individuals who need to be involved in order to conduct the investigation of the Complaint. If requested by the complainant, the investigation will be carried out in a manner to protect the anonymity of the complainant.
6. There shall be no reprisal or other action taken against any employee who, in good faith, brings forward a Complaint. Retaliation against anyone who makes a good faith report is prohibited under Canadian law. Anyone engaging in any form of retaliatory conduct will be subject to disciplinary action, which may include termination of employment.
7. All investigations of Complaints will be fully documented in writing. The Audit Committee shall retain all Complaints along with the material gathered and prepared in connection with its investigation for a period of no less than seven (7) years. Such records will be held on behalf of the Audit Committee by the Audit Committee Secretary.
8. This Appendix A shall appear on the Company's website as part of this Charter.
9. This Whistle Blower Policy will be reviewed by the Audit Committee at least annually and updated as required.