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June 11, 2024

Ontario Securities Commission
22nd Floor, 20 Queen Street West
Toronto ON M5H 3S8

Attention: Applications Administrator

Re: Silver Mountain Resources Inc. - Exemptive Relief Application

1. INTRODUCTION

1.1 We are counsel to Silver Mountain Resources Inc. (the "**Filer**").

1.2 This exemptive relief application (the "**Application**") is being filed on behalf of the Filer for a decision under the securities legislation (the "**Legislation**") of the Province of Ontario (the "**Jurisdiction**") for the relief described and defined as the "Exemptions Sought" below.

1.3 This Application is being filed as a passport application under National Policy 11-203 - *Process for Exemptive Relief Applications in Multiple Jurisdictions*. In connection herewith:

(a) the Ontario Securities Commission (the "**OSC**") is the principal regulator for this Application; and

(b) the Filer intends to rely upon section 4.7(1) of Multilateral Instrument 11-102 - *Passport System* in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Nunavut and the Northwest Territories (together with the Jurisdiction, the "**Reporting Jurisdictions**").

1.4 The Filer has selected the OSC as the principal regulator to review this Application. The head office of the Filer is located in Toronto, Ontario.

2. BACKGROUND

2.1 The Filer is incorporated under the *Canada Business Corporations Act* and its head office is located at 82 Richmond St. East, Toronto, Ontario, M5C 1P1, Canada. The Filer's principal business objectives are the acquisition, exploration, and development of precious metal resource properties and the Filer's principal asset is a 99.99% interest in a mineral project located near the town of Castrovirreyna, department of Huancavelica, province of Castrovirreyna, Peru.

2.2 The Filer is a reporting issuer in the Reporting Jurisdictions.

2.3 The Filer is authorized to issue an unlimited number of class A common shares and an unlimited number of class B non-voting common shares. As of June 10, 2024, the Filer had 367,298,788 class A common shares and nil class B non-voting common shares issued and outstanding.

2.4 The Filer's class A common shares are listed on the TSX Venture Exchange (the "**TSXV**") under the symbol "AGMR", the Risk Capital Segment of the Lima Stock Exchange (*Segmento de Capital de Riesgo de la Bolsa de Valores de Lima*) in Peru (the "**Lima Exchange**") under the symbol "AGMR" and the OTCQB under the symbol "AGMRF".

2.5 The Filer's class A common shares were first listed for trading on the Lima Exchange on July 18, 2022. The Filer listed its class A common shares on the Lima Exchange due to the Filer's connection to Peru and to facilitate the sale and transfer of its class A common shares for shareholders domiciled in Peru.

2.6 The Filer is not in default of any of the requirements of the Legislation, except that from July 18, 2022 until the date of this Application, the Filer has been in default of any applicable securities legislation requirements in the Reporting Jurisdictions that apply to reporting issuers that are not venture issuers by virtue of its listing on the Lima Exchange.

2.7 In the Instruments, the definition of "venture issuer" excludes a reporting issuer who, at the relevant time, has "any of its securities listed or quoted on any of the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace or a marketplace outside of Canada and the United States of America other than the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc" (the "**Venture Issuer Definition**").

2.8 As the Lima Exchange is a marketplace and hence a "marketplace outside of Canada and the United States of America", the Filer does not, subsequent to July 18, 2022, meet the criteria of the Venture Issuer Definition.

2.9 The Filer acknowledges that any right of action, remedy, penalty or sanction available to any person or company or to a securities regulatory authority against the Filer from July 18, 2022 until the date of a decision pursuant to this Application will not be terminated or altered as a result of such a decision.

2.10 The Lima Exchange has two main segments on which securities may be traded. The Filer's securities are listed on the junior segment of the Lima Exchange -- the Risk Capital Segment of the Lima Exchange (*Segmento de Capital de Riesgo de la Bolsa de Valores de Lima*) (the "**Risk Capital Segment**"). The Risk Capital Segment is a junior segment and is a specialized market implemented by the Lima Exchange to provide junior mining companies the opportunity to obtain funding through the Peruvian capital markets. The listing of a security of an issuer on this segment is streamlined (subject to submission and acceptance of the required application forms and sponsorship) if that issuer is already listed on certain stock exchanges, including the TSXV (the "**Dual Listing Program**").

2.11 The Lima Exchange defers to the requirements of the issuer's primary stock exchange for issuers that list on the Risk Capital Segment through the Dual Listing Program. The Risk Capital Segment of the Lima Exchange is junior or equivalent to the TSXV in terms of its requirements and does not have any minimum listing, listing maintenance or continuous disclosure requirements for TSXV-listed issuers that are more onerous as compared with the TSXV as it defers to the requirements of the TSXV with respect to TSXV-listed issuers, including the Filer. For a listing application, a TSXV-listed issuer must file a sponsorship report by a local broker dealer acting as a sponsor for the listing. In addition, an issuer must file all public disclosure documents filed in its home jurisdiction with the Lima Exchange. The Lima Exchange does not have any requirements for a mining issuer to hold a significant interest in a qualifying property, expenditure requirements or work program or exploration work limits.

2.12 The Lima Exchange requires the Filer to, and the Filer does and will continue to, comply with applicable laws and regulations of the Filer's home jurisdiction, including the policies of the TSXV.

2.13 The information that the Filer has provided regarding the Risk Capital Segment of the Lima Exchange and its status as a junior market for the purposes of review by staff of the principal regulator is accurate as of the date of this Application.

2.14 The Filer monitors the requirements of the Risk Capital Segment of the Lima Exchange on an ongoing basis, through both its Peruvian sponsor, Kallpa SAB (the "**Peruvian Sponsor**") and its Chief Executive Officer, Mr. Alvaro Espinoza Vargas, and its Chief Financial Officer, Ms. Patricia Alejandra Soto Rengifo, both of whom are designated to act as the Filer's Stock Exchange Representatives (*Representantes Bursátiles*) with the Lima Exchange (the "**Lima Representatives**").

3. RELIEF SOUGHT

Exemptions Sought

3.1 On behalf of the Filer, we hereby request a decision under the Legislation for the following relief (the "**Exemptions Sought**"):

(a) Relief from the requirements otherwise applicable to the Filer as a reporting issuer who is not a venture issuer in each of the following instruments, including the forms thereof (collectively, the "**Instruments**");

(i) National Instrument 41-101 - *General Prospectus Requirements*;

(ii) National Instrument 51-102 - *Continuous Disclosure Obligations*;

(iii) National Instrument 52-107 - *Acceptable Accounting Principles and Auditing Standards*;

(iv) National Instrument 52-109 - *Certification of Disclosure in Issuer's Annual and Interim Filings*;

(v) National Instrument 52-110 - *Audit Committees*; and

(vi) National Instrument 58-101 - *Disclosure of Corporate Governance Practices*;

(b) Relief from the formal valuation requirements in sections 4.3 and 5.4 of Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**"); and

(c) Relief from the minority approval requirement in section 5.6 of MI 61-101 (the "**Minority Approval Relief**").

Securities legislation imposes obligations for all reporting issuers. There are different obligations applicable to reporting issuers who are venture issuers and to those that are non-venture issuers. The Exemptions Sought will permit the Filer to comply with the obligations applicable to venture issuers notwithstanding that the Filer does not meet the criteria in the Venture Issuer Definition.

Precedent Decisions

1.1 The Exemptions Sought have been previously granted by the securities regulatory authorities or regulators in the Reporting Jurisdictions in comparable applications. See, for instance, the decisions of the OSC in the matters of *Peruvian Precious Metals Corp.* (August 11, 2015), *Bear Creek Mining Corporation* (December 5, 2023), *Element 29 Resources Inc.* (March 28, 2023), *Karmin Exploration Inc.* (November 19, 2012) and *Sierra Metals Inc.* (December 18, 2012) and the British Columbia Securities Commission in the matter of *Rio2 Limited* (January 24, 2022) (the "**Precedent Decisions**").

Conditions to Exemptions Sought

1.2 Consistent with the Precedent Decisions and the provisions of the Instruments, the Exemptions Sought would be subject to the following conditions:

(a) The Filer complies with the conditions and requirements of Canadian securities legislation applicable to a reporting issuer that satisfies the Venture Issuer Definition, including the rules and policies of the TSXV;

(b) The representations listed in paragraphs 2.10 through 2.13 above continue to be true;

(c) The Filer will monitor the representations made in paragraphs 2.10 through 2.13 above on an ongoing basis through both its Peruvian Sponsor, Kallpa SAB, and the Lima Representatives, Mr. Alvaro Espinoza Vargas and Ms. Patricia Alejandra Soto Rengifo, including periodic reviews of the requirements of the Risk Capital Segment of the Lima Exchange and its status as a junior market, and inform the principal regulator of any material change affecting the truth of said representations;

(d) The Filer will inform the principal regulator of any material change regarding the Risk Capital Segment of the Lima Exchange in terms of its requirements, the minimum listing requirements, the listing maintenance requirements or any other changes which relate to its status as a junior market and inform the principal regulator of whether any such change impacts its status as a junior market;

(e) The Risk Capital Segment of the Lima Exchange is not restructured in a manner that makes it unreasonable to conclude that it is still a junior market and that the representations listed in paragraphs 2.10 through 2.13 above continue to be true;

(f) The Filer continues to have its class A common shares listed on the TSXV;

(g) The Filer does not graduate from the Risk Capital Segment of the Lima Exchange to a more senior segment of the Lima Exchange;

(h) The Filer does not have any of its securities listed or quoted on any of the Toronto Stock Exchange, Aequitas NEO Exchange Inc., a U.S. marketplace or a marketplace outside of Canada and United Stated of America other than the Lima Exchange, the Alternative Investment Market of the London Stock Exchange or the PLUS markets operated by PLUS Markets Group plc;

(i) In the event an exemption under Canadian securities legislation applies to a requirement in the Instruments applicable to the Filer, and a condition to the exemption requires the issuer to be a venture issuer, the Filer may invoke the benefit of that exemption if the Filer meets the conditions required by the exemption except for the condition that the Filer be a venture issuer;

(j) In the event an exemption under Canadian securities legislation applies to a requirement applicable to the Filer as a reporting issuer who is not a venture issuer in the Instruments, and a condition to the exemption requires the issuer to not be a venture issuer, the Filer does not invoke the benefit of that exemption; and

(k) For the purposes of the Minority Approval Relief, in addition to conditions (a) through (j) above, the Filer complies with the requirement to obtain minority approval in section 5.6 of MI 61-101, except that the Filer is entitled to rely on the exemption from the requirement to obtain minority approval set out in subsection 5.7(1)(b) of MI 61-101, despite subsection 5.7(1)(b)(i) of MI 61-101, provided that the other conditions of subsection 5.7(1)(b) of MI 61-101 are satisfied.

ENCLOSURES

Enclosed herewith please find the following:

(a) an executed verification certificate for the Filer confirming the truth of the facts contained herein and our authority to prepare and file this Application, which is attached to this Application;

(b) payment of the requisite filing fee payable to the OSC as principal regulator, in the amount of $7,000.00; and

(c) a draft decision document.

We look forward to receiving your comments with respect to this Application at your earliest convenience. Should you have any questions with respect to this matter or require anything further, please do not hesitate to contact the undersigned at (647) 499-2640 at your convenience.

Sincerely,

Yours truly,
Mintz LLP

"*Eric Foster*"

Eric Foster

VERIFICATION STATEMENT

The making and filing of the attached application is authorized by Silver Mountain Resources Inc. and the truth of the facts contained therein concerning Silver Mountain Resources Inc. is confirmed.

DATED this 11th day of June, 2024.

SILVER MOUNTAIN RESOURCES INC.

By: *(signed) "Alvaro Espinoza"*
Name: Alvaro Espinoza
Title: Chief Executive Officer

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