

**EARLY WARNING REPORT FILED PURSUANT TO
NATIONAL INSTRUMENT 62-103**

1. Name and Address of Offeree:

Ronald Lang (the “Offeree”)
1601-675 West Hastings, Vancouver, BC
V6B 1N2

2. Designation and number or principal amount of securities and the Offeree's securityholding percentage in the class of securities of which the Offeree acquired ownership or control in the transaction or occurrence giving rise to the reporting obligation, and whether it was ownership or control that was acquired in those circumstances:

On December 12, 2016, the Offeree, a significant shareholder, director, President, and Chief Executive Officer of Agave Silver Corp. (the “Company”), transferred ownership of 4,000,000 common shares of the Company (the “Shares”).

The 4,000,000 Shares transferred by the Offeree represent approximately 10.4% of the issued and outstanding common shares of the Company on an undiluted basis.

3. Designation and number or principal amount of securities and the Offeree's securityholding percentage in the class of securities immediately after the transaction or occurrence giving rise to the reporting obligation:

After giving effect to the transfer of the Shares, the Offeree owns or controls 12,766,603 Shares of the Company, representing 33.2% of the issued and outstanding Shares of the Company. The Offeree also holds Options and Warrants entitling the Offeree to acquire an additional 5,310,000 Shares, which collectively represents approximately 47% of the issued and outstanding Shares of the Company, calculated on a partially-diluted basis assuming the exercise of all Options and Warrants held by the Offeree.

4. Designation and number or principal amount of securities and the percentage of outstanding securities of the class of securities referred to in paragraph 3 over which:

(a) the Offeree, either alone or together with any joint actors, has ownership and control;

Of the Company's Shares owned or controlled by the Offeree, 1,223,635 are held jointly by Mr. Ronald M. Lang, his sister, Ms. Jennifer S. Lang and his mother, Mrs. Barbara Lang.

(b) the Offeree, either alone or together with any joint actors, has ownership but control is held by other persons or companies other than the Offeree or any joint actor; and

Not applicable

(c) the Offeree, either alone or together with any joint actors, has exclusive or shared control but does not have ownership.

Approximately 8,274,960 shares are held by Dauntless Developments Ltd. (“Dauntless”) a private company controlled by the Offeree and his sister, Ms. Jennifer S. Lang. 36,614 shares are held by Mr. Ronald Lang's son and are controlled by Mr. Ronald Lang.

- 5. The name of the market in which the transaction or occurrence that gave rise to the reporting obligation took place.**

Not applicable. The Shares were gifted directly.

- 6. The value, in Canadian dollars, of any consideration offered per security if the Offeree acquired ownership of a security in the transaction or occurrence giving rise to the reporting obligation.**

The Shares were gifted without cost or expectation of returns.

- 7. Purpose of the Offeree and any joint actors in effecting the transaction or occurrence that gave rise to the reporting obligation, including any future intention to acquire ownership of, or control over, additional securities of the reporting issuer:**

The Shares were gifted without cost or expectation of returns.

- 8. General nature and the material terms of any agreement, other than lending arrangements, with respect to securities of the reporting issuer entered into by the Offeree, or any joint actor, and the issuer of the securities or any other entity in connection with the transaction or occurrence giving rise to the reporting obligation, including agreements with respect to the acquisition, holding, disposition or voting of any of the securities.**

Not applicable

- 9. Names of any joint actors in connection with the disclosure required herein:**

Dauntless is the joint actor, as the Shares described in paragraph (2) above were transferred directly by Dauntless.

- 10. In the case of a transaction or occurrence that did not take place on a stock exchange or other market that represents a published market for the securities, including an issuance from treasury, the nature and value of the consideration paid by the Offeree:**

The Shares were gifted directly without cost or expectation of returns.

- 11. If applicable, a description of any change in any material fact set out in a previous report by the entity under the early warning requirements or Part 4 of National Instrument 62-103 in respect of the reporting issuer's securities.**

Not applicable

- 12. If applicable, a description of the exemption from securities legislation being relied on by the Offeree and the facts supporting that reliance.**

Not applicable

DATED this 14th day of December, 2016.

"Ronald Lang"
Ronald Lang