

CARACARA SILVER INC.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT a special meeting (the “**Meeting**”) of the shareholders (the “**Shareholders**”) of Caracara Silver Inc. (“**Caracara**” or the “**Corporation**”) will be held at the offices of DLA Piper (Canada) LLP located at 1 First Canadian Place, Suite 6000, 100 King St. W., Toronto, Ontario M5X 1E2 at 11:00 a.m. (Toronto time) on July 22, 2019 and at any adjournments thereof for the following purposes:

1. conditional on and effective upon the completion of the proposed business combination of the Corporation with Xtraction Services, Inc. (“**Xtraction**”), whereby the Corporation will complete a reverse take-over transaction with Xtraction as described in the Circular (as defined herein) (the “**Business Combination**”), to fix the number of directors of the Corporation for the ensuing year at four (4);
2. conditional on and effective upon the completion of the Business Combination, to elect each of the nominees specified in the Circular as the directors of the Corporation;
3. conditional on and effective upon the completion of the Business Combination, to appoint Marcum LLP as auditor for the Corporation and authorize the board of directors of the Corporation to fix the auditor’s remuneration;
4. to consider and, if thought advisable, approve, with or without variation, a special resolution, the full text of which is set forth in the Circular, approving an alteration to the Corporation’s share capital to create a new class of shares consisting of an unlimited number of proportionate voting shares having the rights and restrictions described in the Circular (the “**Proportionate Voting Shares Resolution**”), to be implemented only in the event that all conditions to the Business Combination have been satisfied or waived (other than conditions that may be or are intended to be satisfied only after the Proportionate Voting Shares Resolution and New Articles Resolution (as defined herein) are implemented);
5. to consider and, if thought advisable, approve, with or without variation, a special resolution, the full text of which is set forth in the Circular, approving the adoption of a new form of Articles, which are intended to reflect the share capital alterations noted above and the change of the Corporation’s name in connection with the completion of the Business Combination, as described in the Circular (the “**New Articles Resolution**”), to be implemented only in the event that all conditions to the Business Combination have been satisfied or waived (other than conditions that may be or are intended to be satisfied only after the Proportionate Voting Shares Resolution and New Articles Resolution are implemented);
6. to consider, and, if thought advisable, approve, with or without variation, an ordinary resolution, the full text of which is set forth in the Circular, of the majority of the Corporation’s minority shareholders, authorizing the delisting of the Corporation’s common shares from the TSX Venture Exchange (NEX Board) and the listing of the Corporation’s common shares on the Canadian Securities Exchange, as described in the Circular (the “**Delisting Resolution**”);
7. to consider and, if thought advisable, approve, with or without variation, an ordinary resolution, the full text of which is set forth in the Circular, authorizing and approving, conditional on and effective upon the completion of the Business Combination, the adoption of a new omnibus incentive plan, as described in the Circular; and
8. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Accompanying and forming part of this notice of meeting is a management information circular of the Corporation (the “**Circular**”). Shareholders should refer to the Circular for more detailed information with respect to the matters to be considered at the Meeting.

If you are a registered Shareholder of the Corporation and are unable to attend the Meeting in person, please complete, sign and date and return the accompanying form of proxy in accordance with the instructions set out

therein. A proxy will not be valid unless it is deposited at the office of the Corporation's registrar and transfer agent, Computershare Investor Services Inc. at 100 University Avenue, 8th Floor, Toronto, Ontario M5J 2Y1 by no later than 5:00 p.m. (Toronto time) on July 18, 2019, or in the case of any adjournment of the Meeting, not less than 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of such meeting.

If you are not a registered Shareholder of the Corporation and receive these materials through your broker or through another intermediary, please complete and return the form of proxy or voting instruction form in accordance with the instructions provided to you by your broker or by the other intermediary.

To be effective, the Proportionate Voting Shares Resolution and the New Articles Resolution must be passed by not less than $66\frac{2}{3}\%$ of the votes validly cast by all Shareholders present in person or represented by proxy and entitled to vote at the Meeting. All other resolutions require the affirmative vote of not less than a majority of the votes cast by Shareholders present in person or represented by proxy and entitled to vote at the Meeting. The Delisting Resolution requires the affirmative vote of not less than a majority of votes cast by a majority of the Corporation's minority shareholders present in person or represented by proxy and entitled to vote at the Meeting, being the Shareholders other than the directors, officers and other insiders of the Corporation.

The directors of the Corporation have fixed the close of business on June 17, 2019 as the record date for the determination of the Shareholders of the Corporation entitled to receive notice of the Meeting.

DATED this 20th day of June, 2019.

By Order of the Board of Directors

(signed) "*Nick Tintor*"

Nick Tintor
President and CEO