

This Offering Document (the “**Offering Document**”), constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons to whom they may be lawfully offered for sale. This Offering Document is not, and under no circumstances is to be construed as a prospectus or advertisement or a public offering of these securities.

OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

May 1, 2023



SILVER HAMMER MINING CORP.
(the “**Issuer**”, “**Silver Hammer**” or “**we**”)

SUBSCRIPTION PRICE \$0.25 PER UNIT

PART 1 SUMMARY OF OFFERING

What are we offering?

Offering:	Units (“ Units ”) of the Issuer, with each Unit being comprised of one common share of the Issuer (a “ Share ”) and one-half of one common share purchase warrant (each whole warrant, a “ Warrant ”). Each Warrant will be exercisable to acquire an additional Share (each a “ Warrant Share ”, and together with the Units, Shares and Warrants, the “ Securities ”) at an exercise price of \$0.33 for a period of 24 months from the date of closing.
Offering Price:	\$0.25 per Unit.
Offering Amount:	A minimum of 10,000,000 Units and a maximum of 12,000,000 Units, for minimum gross proceeds of \$2,500,000 (the “ Minimum Offering ”) and maximum gross proceeds of \$3,000,000 (the “ Maximum Offering ”, and together with the Minimum Offering, the “ Offering ”).
The Agents:	The Issuer has entered into an engagement letter with Echelon Wealth Partners Inc. to act as lead agent and sole bookrunner, on behalf of a syndicate of agents to be formed (together, the “ Agents ”). The Units will be offered and sold pursuant to an agency agreement (the “ Agency Agreement ”) to be entered into between the Issuer and the Agents.
Closing Date:	In one or more closings and is expected to close by May 18, 2023, or such other date as may be agreed between the Issuer and the Agents. At the Closing Date, Units will be issued against receipt of funds.
Exchange:	The Shares of the Issuer are listed on the Canadian Securities Exchange (the “ Exchange ”), under the symbol “ HAMR ”. The Warrants are not listed on any stock exchange.
Last Closing Price:	The closing price of the Shares on the Exchange on April 28, 2023, was \$0.27.
Description of Shares:	The holders of Shares are entitled to: (i) receive dividends as and when declared by the board of directors of the Issuer, out of the moneys properly applicable to the payment of dividends, in such amount and in such form as the board of directors may from time to time determine; (ii) in the event of the dissolution, liquidation or winding-up of the Issuer, whether voluntary or

	<p>involuntary, or any other distribution of the assets of the Issuer among its shareholders for the purpose of winding-up its affairs, receive the remaining property and assets of the Issuer; and (iii) receive notice of and to attend all meeting of the shareholders of the Issuer and to have one vote for each Share held at all meetings of the shareholders of the Issuer, except for meeting at which only holders of another specified class or series of shares of the Issuer are entitled to vote separately as a class or series.</p>
<p>Description of Warrants:</p>	<p>Each Warrant will entitle the holder to acquire, subject to adjustment in certain circumstances, one Warrant Share at an exercise price of \$0.33 until 5:00 p.m. (Vancouver time) on the date that is 24 months following the date of closing, after which time the Warrants will be void and of no value. The Warrants will be created and issued pursuant to the terms of a warrant indenture (the “Warrant Indenture”) to be dated as of the Closing Date between the Issuer and Endeavor Trust Corporation, as warrant trustee. The Warrant Indenture will provide for adjustment in the number of Warrant Shares issuable upon the exercise of the Warrants and/or the exercise price per Warrant Share upon the occurrence of certain customary events. The Warrant Indenture will also contain provisions designed to protect holders of the Warrants against dilution upon the happening of certain events.</p> <p>No fractional Warrants Shares will be issuable to any holder of Warrants upon the exercise thereof, and no cash or other consideration will be paid in lieu of fractional shares. The holding of Warrants will not make the holder thereof a shareholder of the Issuer or entitle such holder to any right or interest in respect of the Warrants except as expressly provided in the Warrant Certificate. Holders of Warrants will not have any voting or pre-emptive rights or any other rights of a holder of Shares. Warrant holders will be entitled to exercise their Warrants for cash or on a cashless basis, calculated based on the in-the-money value of the Warrants as of the date of exercise. See “Loss of Foreign Issuer Status” below.</p> <p>Except for Shares and Warrants issued to, or for the account or benefit of, persons within the United States or U.S. persons who are acquiring Units pursuant to the registration exemption in Rule 506(b) of Regulation D, which will be issued in each case in certificated form, no certificates evidencing the Shares and Warrants are expected to be issued. Instead, the Shares and Warrants sold pursuant to the Offering are expected to be issued in electronic form to the Canadian Depository for Securities (“CDS”) or nominees thereof and deposited with CDS on the closing of the Offering.</p>

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This offering may not be suitable for you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

The Securities have not been and will not be registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any U.S. state securities laws, and may not be offered or sold in the United States or to, or for the account or benefit of, any U.S. person or any person in the United States, absent an exemption from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. The Warrants will not be exercisable by, or on behalf of, a person in the United States or a U.S. person unless exemptions from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws are available at the time of exercise. Certain Securities will be “restricted securities” within the meaning of Rule 144 under the U.S. Securities Act subject to certain restrictions on transfer set forth therein, and will be represented by definitive certificates or other instruments bearing a legend (a “U.S. Legend”) regarding such restrictions, if: (a) issued to, or for the account or benefit of, a U.S. person or a person in the United States pursuant to exemptions from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws, or (b) issued after September 30, 2023, when we will cease to be eligible to avail ourselves of the rules and forms of the United States

Securities and Exchange Commission (the "SEC") designated for "foreign private issuers" (as defined in U.S. Securities Act Rule 405), as described below under the heading "Loss of Foreign Issuer Status." Any Securities issued as restricted securities after September 30, 2023, will not be eligible to removal of the U.S. Legend in connection with their resale in offshore transactions pursuant to Rule 904 of Regulation S ("Regulation S") under the U.S. Securities Act. "United States" and "U.S. person" have the respective meanings assigned to them in Rule 902 of Regulation S.

Investors who participate in this Offering are deemed to have acknowledged certain facts and agreements on which the Issuer is relying. Please review the Appendix to ensure you agree with these acknowledgements and have provided the Issuer or the Agents with any required information. **NOTHING IN THE APPENDIX MODIFIES ANY DISCLOSURE MADE BY THE ISSUER IN THIS OFFERING DOCUMENT.**

All references in this Offering Document to "dollars" or "\$" are to Canadian dollars, unless otherwise stated.

General Information

The Issuer is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 – *Prospectus Exemptions*. In connection with this Offering, the Issuer represents the following is true:

- The Issuer has active operations and its principal asset is not cash, cash equivalents or its exchange listing.
- The Issuer has filed all periodic and timely disclosure documents that it is required to have filed.
- The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this Offering Document, will not exceed \$5,000,000.
- The Issuer will not close this Offering unless the Issuer reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.
- The Issuer will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Issuer seeks security holder approval.

Cautionary Note Regarding Forward-Looking Statements

This Offering Document contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as “plans”, “will”, “proposes”, “expects”, “estimates”, “intends”, “anticipates” or “believes”, or variations (including negative and grammatical variations) of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved. All statements, other than statements of historical fact, that address activities, events or developments that the Issuer believes, expects or anticipates will or may occur in the future (including, without limitation, statements regarding any objectives and strategies of the Issuer) are forward-looking statements. Examples of such forward-looking statements in this Offering Document include the Issuer’s business plans focused on the exploration and development of the Issuer’s mineral properties; the proposed work program on the Issuer’s mineral properties; costs and timing of future exploration and development activities; timing and receipt of approvals, consents and permits under applicable legislation; use of available funds, including the proceeds of the Offering and the costs of the Offering; business objectives and milestones; and adequacy of financial resources. These forward-looking statements reflect the current expectations, assumptions or beliefs of the Issuer based on information currently available to the Issuer.

Forward-looking information is based on the reasonable assumptions, estimates, analysis and opinions of management made in light of its experience and its perception of trends, current conditions and expected developments, as well as other factors that management believes to be relevant and reasonable in the circumstances at the date that such statements are made, but which may prove to be incorrect. The material factors and assumptions used to develop the forward-looking statements contained in this Offering Document include, without limitation, the availability and final receipt of required approvals, licenses and permits, sufficient working capital, access to adequate services and supplies, economic conditions, commodity prices, foreign currency exchange rates, interest rates, access to equity and debt markets and associated costs of funds, availability of a qualified work force, that the Issuer is able to procure equipment and supplies in sufficient quantities and on a timely basis, that engineering and exploration timetables and capital costs for the Issuer’s exploration plans are not incorrectly estimated or affected by unforeseen circumstances or adverse weather conditions, that any environmental and other proceedings or disputes are satisfactorily resolved, and that the Issuer maintains its ongoing relations with its business partners and governmental authorities.

There can be no assurance that forward-looking statements will prove to be accurate, as actual results, performance or developments could differ materially from those anticipated in such statements. Although the Issuer believes that the assumptions inherent in the forward-looking statements are reasonable, forward-looking statements are not guarantees of future performance and accordingly undue reliance should not be put on such statements due to the inherent uncertainty therein. The factors identified above are not intended to represent a complete list of the factors that could affect the Issuer.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the Issuer’s actual results, performance or developments to be materially different from any future results, performance or developments expressed or implied by the forward-looking statements, and even if such actual results are realized or substantially realized, there can be no assurance that they will have the expected consequences to, or effects on, the Issuer. Prospective investors should carefully consider all information contained in this Offering Document including information contained in the section entitled “Cautionary Note Regarding Forward-Looking Statements”, before deciding to purchase the Units. Additionally, purchasers should consider the risk factors set forth below, as well as risks described in the Issuer’s filings that are available on the Issuer’s SEDAR profile at www.sedar.com. Risks which may impact the forward-looking information contained in this Offering Document include but are not limited to, fluctuations in mineral and commodity prices; risks and hazards associated with the business of mineral exploration and development (including environmental hazards, potential unintended releases of contaminants, accidents, unusual or unexpected geological or structural formations); the speculative nature of mineral exploration and development; the Issuer’s ability to obtain additional funding; the absence of known resources; environmental risks and remediation measures, including evolving environmental regulations and legislation; changes in laws and regulations impacting exploration and mining activities; the Issuer’s mineral properties being subject to prior

unregistered agreements, transfers or claims and other defects in title; legal and litigation risks; statutory and regulatory compliance; insurance and uninsurable risks; the Issuer's history of losses and negative cashflow, which will continue into the foreseeable future; the Issuer's inability to pay dividends; volatility in the Issuer's share price, the continuation of the Issuer's management team and the Issuer's ability to secure the specialized skill and knowledge; relations with and claims by local communities and non-governmental organizations; actual and perceived political risks in local jurisdictions; the effectiveness of the Issuer's internal control over financial reporting; cybersecurity risks; general business, economic, competitive, political and social uncertainties; loss of foreign issuer status; and public health crises such as the COVID-19 pandemic and other uninsurable risks.

Loss of Foreign Issuer Status

The Issuer has determined that it has ceased to qualify as a "foreign private issuer" for the purposes of United States federal securities laws as of March 31, 2023, being the last business day of its most recently completed second fiscal quarter. The definition of "foreign private issuer" in U.S. Securities Act Rule 405 provides in part that "[a]n issuer's determination that it fails to qualify as a foreign private issuer governs its eligibility to use the forms and rules designated for foreign private issuers beginning on the first day of the fiscal year following the determination date. Once an issuer fails to qualify for foreign private issuer status, it will remain unqualified unless it meets the requirements for foreign private issuer status as of the last business day of its second fiscal quarter." Accordingly, the Issuer will not be able to avail itself of the SEC rules and forms designated for foreign private issuers after September 30, 2023, which has certain implications for Securities sold pursuant to the Offering as described below.

Any Securities issued to, or for the account or benefit of, a U.S. person or a person in the United States pursuant to exemptions from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws will be as "restricted securities," as defined in U.S. Securities Act Rule 144, and will be represented by definitive certificates or other instruments bearing a U.S. Legend regarding such restrictions. If issued no later than September 30, 2023, such Securities will be eligible for U.S. Legend removal in connection with their resale in "offshore transactions" in compliance with Rule 904 of Regulation S, even if such resale transaction occurs on or after October 1, 2023.

By operation of Rule 905 of Regulation S, any Securities issued by the Issuer on or after October 1, 2023 (including any Warrant Shares issued pursuant to an exercise of Warrants for cash) will be "restricted securities," and will be issued with a U.S. Legend, regardless of whether they are issued in an "offshore transaction" pursuant to Regulation S, or are issued in the United States pursuant to an exemption from the registration requirements of the U.S. Securities Act and any applicable U.S. state securities laws. Further, such Securities will continue to be subject to U.S. resale restrictions notwithstanding their resale in an "offshore transaction" pursuant to Regulation S. The presence of a U.S. Legend on a certificate or other instrument representing Securities will prevent the selling security holder from making good delivery of such Securities on a Canadian stock exchange. This will effectively preclude resale transactions on the Exchange in Securities (including Warrant Shares) that are represented by a certificate or other instrument bearing such a legend, if issued on or after October 1, 2023.

The Issuer's inability to issue securities outside the United States after September 30, 2023 without resale restrictions imposed by the U.S. Securities Act and regulations thereunder may make it difficult or impossible to complete securities offerings on favourable terms or at all.

For greater certainty, Securities that are issued no later than September 30, 2023 pursuant to an "offshore transaction" in compliance with Regulation S will not bear a U.S. Legend, provided that they are not offered and sold to, or for the account or benefit of, a U.S. person or a person within the United States. Further, any Warrant Shares issued upon exercise of Warrants that comprise such Securities on a cashless basis will not be "restricted securities" and will not be required to bear a U.S. Legend, provided that no commission or other remuneration is paid or given, directly or indirectly, for soliciting the exercise of such Warrants.

PART 2 SUMMARY DESCRIPTION OF BUSINESS

What Is Our Business?

The Issuer was incorporated under the laws of the Province of British Columbia and under the *Business Corporations Act* (British Columbia) on May 2, 2017 under the name “Lakewood Exploration Inc.” On October 1, 2021, the Issuer changed its name to “Silver Hammer Mining Corp.”. The address of the Issuer’s corporate office and its principal place of business is 206-595 Howe Street, Vancouver, British Columbia, Canada.

The Shares trade on the Exchange under the symbol “HAMR”. The Issuer is a reporting issuer in the provinces of British Columbia, Alberta and Ontario.

The Issuer is a mineral resource company engaged in acquiring and exploring mineral resource properties. Its objective is to locate and develop precious and base metals, focusing on the exploration and development of its material property, the Silver Strand project (the “**Silver Strand Project**”) in the Coeur d’Alene Mining District in Idaho, USA. The Issuer’s non-material properties include the Eliza Silver project (the “**Eliza Silver Project**”) and the Silverton Silver project (the “**Silverton Silver Project**”) located in Nevada.

The Issuer strives to become a silver producer and will focus near-term exploration and drilling plans at the Issuer’s Idaho and Nevada silver-gold assets.

Recent Developments

The most material recent developments in our business are:

- On November 23, 2022, the Issuer announced the appointment of Warwick Smith as the Interim President and Interim CEO. The Issuer also announced the resignation of Morgan Lekstrom as President and CEO of the Issuer.
- On January 4, 2023, the Issuer reported drill results from the Phase II drilling program at the Silver Strand Project. The Issuer completed nine drillholes from its previously established underground drilling station that were generally focused on testing the historically mined zone of gold-silver mineralization at greater depth and further along strike. Going forward, the Issuer will be updating its 3D model of the Silver Strand deposit, incorporating lithological and alteration information as well as the multi-element geochemical data produced by the drillhole assays from the two drilling programs.
- On February 15, 2023, the Issuer announced the appointment of Peter A. Ball as President, CEO and Director of the Issuer. Warwick Smith continued as an advisor to the Issuer.
- On April 5, 2023, the Issuer filed an updated technical report in respect of the Silver Strand Project titled “Independent NI 43-101 Technical Report for the Silver Strand Gold-Silver Project, Kootenai County, Idaho, USA” authored by Wayne Barnett, Ph.D., P.Geo., SRK Practice Leader and Principal Consultant, with an effective date of November 3, 2022.

Material Facts

There are no material facts about the securities being distributed hereunder that have not been disclosed either in this Offering Document or in another document filed by the Issuer over the 12 months preceding the date of this Offering Document on the Issuer’s profile at www.sedar.com. You should read these documents prior to investing.

What are the business objectives that we expect to accomplish using the available funds?

The following table sets out: (i) the business objectives the Issuer expects to accomplish using its available funds following the Offering; (ii) the significant event(s) that must occur for each business objective to be accomplished; and (iii) the anticipated time period for completion and estimated cost for each such event.

Business Objectives	Preceding Significant Event(s) (each, an "Event")	Expected Time Period for Event	Cost of Event (Minimum Offering)	Cost of Event (Maximum Offering)
Ongoing exploration in Idaho	Exploration and/or drill program at the Silver Strand Project	3-12 months	\$570,614	\$768,494
Ongoing exploration in Nevada	Exploration and/or drill program at the Eliza Silver Project	3-12 months	\$465,419	\$626,819
	Exploration and/or drill program at the Silverton Silver Project	3-12 months	\$300,187	\$404,287
TOTAL:			\$1,336,220	\$1,799,600

PART 3 USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the Offering?

		Assuming Minimum Offering only	Assuming Maximum Offering
A	Amounts to be raised by the Offering	\$2,500,000	\$3,000,000
B	Selling commissions and fees	\$200,000	\$240,000
C	Estimated Offering costs (e.g., legal, accounting, audit)	\$120,000	\$120,000
D	Net proceeds of Offering: $D = A - (B+C)$	\$2,180,000	\$2,640,000
E	Working capital as at most recent months end (deficiency)	\$225,000	\$225,000
F	Additional sources of funding	\$0	\$0
G	Total available funds: $G = D+E+F$	\$2,405,000	\$2,865,000

How will we use the available funds?

The Issuer intends to use the available funds as follows:

Description of intended use of available funds listed in order of priority	Assuming Minimum Offering only	Assuming Maximum Offering
Exploration – Idaho (Silver Strand)	\$570,614	\$768,494
Exploration – Nevada (Eliza Silver)	\$465,419	\$626,819
Exploration – Nevada (Silverton Silver)	\$300,187	\$404,287
General and administrative	\$1,021,200	\$1,021,200
Unallocated working capital	\$47,580	\$44,200

Total: Equal to G in the Use of Available Funds table	\$2,405,000	\$2,865,000
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The above-noted allocation of capital and anticipated timing represents the Issuer’s current intentions based upon its present plans and business condition, which could change in the future as its plans and business conditions evolve. Although the Issuer intends to expend the proceeds from the Offering as set forth above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set forth above, as the amounts actually allocated and spent will depend on a number of factors, including the Issuer’s ability to execute on its business plan. The Issuer has generated negative cash flows from operating activities since inception and anticipates that it will continue to have negative operating cash flow beyond the 12 months after the Closing Date of the Offering. As a result, certain of the net proceeds from this Offering may be used to fund such negative cash flow from operating activities in future periods. See the “*Cautionary Note Regarding Forward-Looking Information*” section above.

The most recent unaudited interim financial statements of the Issuer for the three months ended December 31, 2022 included a going-concern note. The Issuer is still in the exploration stage and the Issuer has not yet generated positive cash flows from its operating activities, which may cast doubt on the Issuer’s ability to continue as a going concern. The Offering is intended to permit the Issuer to continue to explore its properties, and is not expected to affect the decision to include a going concern note in the next financial statements of the Issuer.

How have we used the other funds we have raised in the past 12 months?

On June 2, 2022, the Issuer completed a brokered private placement and concurrent non-brokered private placement (collectively the “**2022 Financing**”) by issuing 7,325,286 units and 588,000 units, respectively, at a price of \$0.38 per unit for total gross proceeds of \$3,007,049. The proposed use of proceeds for the 2022 Financing offering consisted of exploration of the Silver Strand Project in Idaho, the Eliza Silver Project in Nevada, the Silverton Silver Project in Nevada, and for general and working capital purposes. The Issuer has allocated funds to date consistent with the proposed use of funds. In particular, the focus has been on the drill program at the Silver Strand Project as well as the rock sampling program at the Eliza Silver Project.

PART 4 FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this offering, if any, and what are their fees?

Agents:	The Issuer has engaged Echelon Wealth Partners Inc. to act as lead agent and sole bookrunner, on behalf of a syndicate of agents to be formed. The Units will be offered and sold pursuant to an Agency Agreement to be entered into between the Issuer and the Agents.
Compensation Type:	Corporate finance fee, cash fee and non-transferrable compensation warrants.
Corporate Finance Fee:	120,000 Units as a corporate finance fee, being \$30,000 divided by the Offering Price.
Cash Fee:	8% cash fee of the gross proceeds of the Offering (4% for certain president’s list investors).
Broker Warrants:	Non-transferable broker warrants equal to 8% of the aggregate number of Units issued by the Issuer under the Offering (each, a “ Broker Warrant ”) (4% for certain president’s list investors). Each Broker Warrant will entitle the holder thereof to acquire one Share at an exercise price of \$0.25 for a period of 24 months from the date of closing.

Over-Allotment Option:	The Issuer will grant the Agents an option to increase the size of the Offering by up to 15% of the Units sold under the Offering exercisable, in whole or in part, by the Echelon Wealth Partners Inc., on behalf of the Agents, upon written notice to the Issuer at any time up to 48 hours prior to the final Closing Date of the Offering.
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Do the Agents have a conflict of interest?

To the knowledge of the Issuer, it is not a “related issuer” or “connected issuer” of or to the Agents, as such terms are defined in National Instrument 33-105 - *Underwriting Conflicts*.

PART 5 PURCHASERS’ RIGHTS

Rights of action in the Event of a Misrepresentation.

If there is a misrepresentation in this Offering Document, you have a right

- a) to rescind your purchase of these securities with the Issuer, or
- b) to damages against the Issuer and may, in certain jurisdictions, have a statutory right to damages from other persons.

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

PART 6 ADDITIONAL INFORMATION ABOUT THE ISSUER

Where can you find more information about us?

You can access the Issuer’s continuous disclosure under its profile at www.sedar.com and at www.silverhammermining.com.

PART 7 DATE AND CERTIFICATE

Dated: May 1, 2023

This Offering Document, together with any document filed under Canadian securities legislation on or after May 1, 2022, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

"Peter A. Ball"

Peter A. Ball
Chief Executive Officer

"Alnesh Mohan"

Alnesh Mohan
Chief Financial Officer

APPENDIX TO OFFERING DOCUMENT

APPENDIX A

ACKNOWLEDGEMENTS OF THE INVESTOR

Each purchaser of the Units (the “Investor”) makes, and is deemed to make, the following acknowledgements, covenants, representations and warranties to the Issuer and the Agents, as at the date hereof, and as of the Closing Date:

- a) The Investor acknowledges that this Offering is a private placement and accordingly is exempt from the prospectus filing requirements of applicable securities laws. The Investor has received a copy of the Offering Document, has had an opportunity to read it and understands that it does not contain all the information about Silver Hammer that would be contained in a prospectus;
- b) Unless the Investor has otherwise confirmed or agreed in writing to the Issuer or to any Agent referenced in the Offering Document, the Investor hereby confirms that:
 - i. the Investor does not own any other securities of Silver Hammer;
 - ii. the Investor is not an “insider” (as that term is defined in the *Securities Act* (British Columbia)) of the Issuer;
 - iii. the Investor is not a Related Person (as that term is defined in the policies of the Canadian Securities Exchange) of the Issuer; and
 - iv. the Investor is not a “registrant” (as that term is defined in the *Securities Act* (British Columbia));
- c) the Investor confirms that it (i) has such knowledge and experience in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Units (including the potential loss of its entire investment); (ii) is aware of the characteristics of the Units and understands the risks relating to an investment therein; and (iii) is able to bear the economic risk of loss of its investment in the Units and understands that it may lose its entire investment in the Units;
- d) the Investor is resident in the jurisdiction disclosed to the Agents or the Issuer and the Investor was solicited to purchase only in such jurisdiction;
- e) to the Investor’s knowledge and belief, the subscription for the Units by the Investor does not contravene any of the applicable securities legislation in the jurisdiction in which the Investor resides and does not give rise to any obligation of the Issuer to prepare and file a prospectus, registration statement or similar document or to register the Units;
- f) the funds representing the aggregate subscription funds which will be advanced by the Investor to the Issuer hereunder, as applicable, will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the “PCMLTFA”) or for the purposes of the United States Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act, as may be amended from time to time (the “PATRIOT Act”) and the Investor acknowledges that the Issuer and/or the Agents may in the future be required by law to disclose the Investor’s name and other information relating to the Investor’s subscription of the Units, on a confidential basis, pursuant to the PCMLTFA and the PATRIOT Act, and that, to the best of its knowledge: (i) none of the subscription funds to be provided by the Investor (A) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States or any other jurisdiction; or (B) are being tendered on behalf of a person who has not been identified to the Investor; and (ii) it will promptly

notify the Issuer and the Agents if the Investor discovers that any of such representations ceases to be true, and to provide the Issuer and the Agents with appropriate information in connection therewith;

- g) neither the Issuer, the Agents, nor any of their respective directors, employees, officers, affiliates or agents has made any written or oral representations to the Investor: (i) that any person will resell or repurchase the Units; (ii) that any person will refund all or any part of the subscription amount; or (iii) as to the future price or value of the Units;
- h) the Investor is not purchasing the Units with knowledge of any material information concerning the Issuer that has not been generally disclosed. The Investor's Units are not being purchased by the Investor as a result of any oral or written representation as to fact or otherwise made by, or on behalf of, the Issuer or any other person and is based entirely upon the Offering Document and the Issuer's continuous disclosure record at www.sedar.com;
- i) no securities commission, agency, governmental authority, regulatory body, stock exchange or other regulatory body has reviewed or passed on the investment merits of the Units and there is no government or other insurance covering the Units;
- j) if the Investor is:
 - i. a corporation, it is duly incorporated and is validly subsisting under the laws of the jurisdiction where it has provided a business address to the Issuer and has all requisite legal and corporate power and authority to subscribe for the Units;
 - ii. a partnership, syndicate or other form of unincorporated organization, the Investor has the necessary legal capacity and authority to observe and perform its covenants and obligations under this Offering Document and has obtained all necessary approvals in respect thereof; or
 - iii. an individual, the Investor is of the full age of majority and is legally competent to observe and perform his or her covenants and obligations under this Offering Document;
- k) the Investor is responsible for obtaining such legal and tax advice as it considers appropriate in connection with the performance of this Offering Document and the transactions contemplated under this Offering Document, and that the Investor is not relying on legal or tax advice provided by the Issuer, the Agents or their respective counsel;
- l) the purchase of the Units will not breach any third party agreement or court order to which the Investor is subject;
- m) where required by law, the Investor is either purchasing the Units as principal for its own account and not as agent or trustee for the benefit of another or is deemed to be purchasing the Units as principal for its own account in accordance with applicable Securities Laws;
- n) all capitalized terms used herein without definition have the respective meanings ascribed to them in the accompanying Offering Document;

United States Investors - Additional Acknowledgements

- o) unless the Investor has separately delivered to the Issuer and the Agents a U.S. Representation Letter (in which case the Investor makes the representations, warranties and covenants set forth therein), the Investor (i) is not a U.S. person, and is not in the United States, its territories or possessions, any State of the United States or the District of Columbia (collectively, the "**United States**"), (ii) was outside of the United States at the time the buy order for the Units was originated, (iii) is not subscribing for the Units for the

account or benefit of a U.S. person or a person in the United States, (iv) is not subscribing for the Units for resale in the United States, and (v) was not offered the Units in the United States; and

- p) the Investor is aware that the Securities have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and that the Units may not be offered, sold or otherwise disposed of, directly or indirectly, in the United States without registration under the U.S. Securities Act and all applicable U.S. state securities laws, or without compliance with the requirements of an exemption from such registration, and it acknowledges that the Issuer has no obligation or present intention of filing a registration statement under the U.S. Securities Act or any U.S. state securities laws in respect of the sale or resale of any of the Securities.

APPENDIX B

INDIRECT COLLECTION OF PERSONAL INFORMATION

By purchasing Units, the purchaser (each a “Purchaser”) acknowledges that the Issuer and the Agent and their respective agents and advisers may each collect, use and disclose its name and other specified personally identifiable information (including its name, jurisdiction of residence, address, telephone number, email address and aggregate value of the Units that it has purchased) (the “Information”), for purposes of (i) meeting legal, regulatory, stock exchange and audit requirements and as otherwise permitted or required by law or regulation, and (ii) issuing ownership statements issued under a direct registration system or other electronic book-entry system, or certificates that may be issued, as applicable, representing the Units to be issued to the Purchaser. The Information may also be disclosed by the Issuer to: (i) stock exchanges, (ii) revenue or taxing authorities and (iii) any of the other parties involved in the Offering, including legal counsel, and may be included in record books in connection with the Offering. The Purchaser is deemed to be consenting to the disclosure of the Information.

By purchasing Units the Purchaser acknowledges (A) that Information concerning the Purchaser will be disclosed to the relevant Canadian securities regulatory authorities, and may become available to the public in accordance with the requirements of applicable securities and freedom of information laws and the Purchaser consents to the disclosure of the Information; (B) the Information is being collected indirectly by the applicable Canadian securities regulatory authorities under the authority granted to them in securities legislation; and (C) the Information is being collected for the purposes of the administration and enforcement of the applicable Canadian securities legislation; and by purchasing the Units, the Purchaser shall be deemed to have authorized such indirect collection of personal information by the relevant Canadian securities regulatory authorities.

The Purchaser may contact the following public official in the applicable province with respect to questions about the commission’s indirect collection of such Information at the following address, telephone number and email address (if any):

Alberta Securities Commission

Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: (403) 297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: (403) 297-6156
Public official contact: FOIP Coordinator

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: (604) 899-6854
Toll free in Canada: 1-800-373-6393
Facsimile: (604) 899-6506
Email: FOI-privacy@bcsc.bc.ca
Public official contact: FOI Inquiries

The Manitoba Securities Commission

500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: (204) 945-2548
Toll free in Manitoba 1-800-655-5244
Facsimile: (204) 945-0330
Public official contact: Director

Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: (506) 658-3060
Toll free in Canada: 1-866-933-2222

Government of Nunavut

Department of Justice
Legal Registries Division
P.O. Box 1000, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6170
Facsimile: (867) 975-6195
Public official contact: Superintendent of Securities

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: (416) 593- 8314
Toll free in Canada: 1-877-785-1555
Facsimile: (416) 593-8122
Email: exemptmarketfilings@osc.gov.on.ca
Public official contact: Inquiries Officer

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: (902) 620-3870
Facsimile: (902) 368-5283
Public official contact: Superintendent of Securities

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3

Facsimile: (506) 658-3059
Email: info@fcnb.ca
Public official contact: Chief Executive Officer and Privacy Officer

**Government of Newfoundland and Labrador
Financial Services Regulation Division**

P.O. Box 8700, 1 Prince Philip Drive
2nd Floor, West Block, Confederation Building
St. John's, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: (709) 729-4189
Facsimile: (709) 729-6187
Public official contact: Superintendent of Securities

**Government of the Northwest Territories
Office of the Superintendent of Securities**

P.O. Box 1320
1st Floor Stuart Hodgson Building, 5009 49th Street
Yellowknife, Northwest Territories X1A 2L9
Attention: Deputy Superintendent, Legal & Enforcement
Telephone: (867) 767-9305
Facsimile: (867) 873-0243
Public official contact: Superintendent of Securities

Nova Scotia Securities Commission

Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: (902) 424-7768
Facsimile: (902) 424-4625
Public official contact: Executive Director

Telephone: (514) 395-0337 or 1-877-525-0337
Facsimile: (514) 873-6155 (For filing purposes only)
Facsimile: (514) 864-6381 (For privacy requests only)
Email: financementdesocietes@lautorite.qc.ca (For corporate
finance issuers); fonds_dinvestissement@lautorite.qc.ca (For
investment fund issuers)
Public official contact: Secrétaire générale

Financial and Consumer Affairs Authority of Saskatchewan

Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: (306) 787-5645
Facsimile: (306) 787-5899
Public official contact: Director

Government of Yukon

Department of Community Services

Office of the Superintendent of Securities
307 Black Street
Whitehorse, Yukon Y1A 2N1
Telephone: (867)667-5466
Facsimile: (867) 393-6251
Email: securities@gov.yk.ca
Public official contact: Superintendent of Securities