



U.S. SILVER & GOLD INC.

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 18, 2014**

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders (the "**U.S. Silver & Gold Shareholders**") of common shares ("**U.S. Silver & Gold Shares**") of U.S. Silver & Gold Inc. ("**U.S. Silver & Gold**") will be held on December 18, 2014 at 20 Toronto Street, 2nd Floor, Suite C/D, Toronto, Ontario, M5C 2B8, commencing at 9:00 a.m. (Toronto time), for the following purposes:

1. to consider pursuant to an interim order of the Ontario Superior Court of Justice dated November 18, 2014 (the "**Interim Order**") and, if thought advisable, to pass, with or without amendment, a special resolution (the "**Arrangement Resolution**"), the full text of which is set forth in Appendix "A" to the accompanying management information circular (the "**Circular**"), to approve a plan of arrangement (the "**Arrangement**") under section 182 of the *Business Corporations Act* (Ontario) (the "**OBCA**") whereby, among other things, U.S. Silver & Gold Shareholders will receive, for each U.S. Silver & Gold Share that they hold, 1.68 common shares (each whole share, a "**Scorpio Mining Share**") of Scorpio Mining Corporation ("**Scorpio Mining**"); and
2. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the accompanying Circular. The Circular is deemed to form part of this Notice of Meeting. Please read the Circular carefully before you vote on the matters being transacted at the Meeting.

The board of directors of U.S. Silver & Gold has fixed the record date for determining U.S. Silver & Gold Shareholders entitled to receive notice of and to vote at the Meeting as the close of business on November 18, 2014 (the "**Record Date**"). No person becoming a U.S. Silver & Gold Shareholder of record after that time will be entitled to vote at the Meeting or any adjournment or postponement thereof.

Registered Shareholders

A registered U.S. Silver & Gold Shareholder may attend the Meeting in person or may be represented by proxy. Registered U.S. Silver & Gold Shareholders who are unable to attend the Meeting or any adjournment or postponement thereof in person are requested to complete, date, sign and return the form of proxy accompanying this Circular for use at the Meeting or any adjournment or postponement thereof. A registered U.S. Silver & Gold Shareholder who has submitted a proxy may revoke it at any time prior to the exercise thereof. If a person who has given a proxy attends in person at the Meeting at which such proxy is to be voted, such person may revoke the proxy and vote in person.

Registered U.S. Silver & Gold Shareholders are requested to complete, date, sign and return (in the pre-paid return envelope provided for that purpose) the form of proxy accompanying this Circular. You may also vote your U.S. Silver & Gold Shares by proxy by appointing another person to attend the Meeting and vote on your behalf. To be valid, the enclosed form of proxy must be received by the proxy department of U.S. Silver & Gold's transfer agent, Equity Financial Trust Company, by mail at Suite 300, 200 University Avenue, Toronto, Ontario, M5H 4H1, by facsimile at 416-595-9593, or by voting online at www.voteproxyonline.com by entering the control number printed on the form of proxy by not later than 9:00 a.m. (Toronto time) on December 16, 2014, or if the Meeting is adjourned or postponed by not later than 9:00 a.m. (Toronto time) on the second day, other than Saturdays, Sundays

or statutory holidays in Toronto, Ontario, before any adjournment or postponement of the Meeting. Failure to properly complete or deposit a proxy may result in its invalidation. Notwithstanding the foregoing, the Chair of the Meeting has sole discretion to accept proxies received after such deadline but is under no obligation to do so.

If you are a registered U.S. Silver & Gold Shareholder, please see the section in the accompanying Circular entitled "*General Proxy Information — Voting by Registered U.S. Silver & Gold Shareholders*" for information on how to vote your U.S. Silver & Gold Shares at the Meeting.

Non-Registered Shareholders

Most U.S. Silver & Gold Shareholders do not hold their U.S. Silver & Gold Shares in their own name. Such U.S. Silver & Gold Shares may be beneficially owned by you but registered either (a) in the name of an intermediary such as a bank, trust company, securities dealer or broker, or the trustee or administrator of a self-administered RRSP, RRIF, RESP, TFSA or similar plan, or (b) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc., in Canada, or The Depository Trust & Clearing Corporation, in the United States) or its nominee, of which the intermediary is a participant. If your U.S. Silver & Gold Shares are shown in an account statement provided to you by your intermediary, in almost all cases, your U.S. Silver & Gold Shares will not be registered in your name in the records of U.S. Silver & Gold. Only proxies deposited by registered U.S. Silver & Gold Shareholders can be recognized and acted upon at the Meeting. As a result, if you hold your U.S. Silver & Gold Shares through an intermediary, we urge you to complete only the voting instruction form or form of proxy delivered to you by your intermediary or provide your voting instructions to your intermediary by other acceptable methods.

If you are a non-registered U.S. Silver & Gold Shareholder, please see the section in the accompanying Circular entitled "*General Proxy Information — Voting by Non-Registered U.S. Silver & Gold Shareholders*" for information on how to vote your U.S. Silver & Gold Shares at the Meeting.

DATED this 17th day of November, 2014.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) Darren Blasutti

Darren Blasutti

President and Chief Executive Officer