



GOLDEN ARROW RESOURCES CORPORATION

August 9, 2019

Dear Golden Arrow Shareholders:

You are invited to attend a special meeting (the “**Meeting**”) of the holders (the “**Golden Arrow Shareholders**”) of common shares (the “**Golden Arrow Shares**”) of Golden Arrow Resources Corporation (“**Golden Arrow**” or the “**Company**”) to be held at the offices of Blake, Cassels & Graydon LLP, Suite 2600, Three Bentall Centre, 595 Burrard Street, Vancouver, British Columbia, on September 16, 2019 commencing at 10:00 a.m. (Vancouver time).

At the Meeting you will be asked to consider and vote upon a special resolution (the “**Golden Arrow Shareholders Resolution**”) authorizing and approving a transaction (the “**Transaction**”) whereby, pursuant to a share purchase agreement entered into on July 22, 2019 (the “**Share Purchase Agreement**”) between Golden Arrow and SSRM Mining Inc. (“**SSRM**”), Golden Arrow has agreed to sell, and SSRM has agreed to purchase, Golden Arrow’s 25% interest in Puna Operations Inc. (“**Puna Operations**”).

The Consideration

As more particularly described in the accompanying management information circular, as consideration for the sale of its 25% interest in Puna Operations, Golden Arrow will receive from SSRM (collectively, the “**Consideration**”):

- (a) cash consideration of \$3 million payable immediately on closing of the Transaction;
- (b) issuance on closing of the Transaction of such number of common shares in the capital of SSRM equivalent to \$25.9 million, to be calculated based on the 20-day volume weighted average trading price of SSRM’s common shares on the Toronto Stock Exchange ending on the last trading day prior to closing of the Transaction;
- (c) cash consideration equal to the outstanding principal and accrued interest owing under the US\$10 million non-revolving term loan made by SSRM to Golden Arrow pursuant to the credit agreement (the “**Credit Agreement**”) entered into in July 2018 with SSRM (such amount to be used at closing to repay the outstanding indebtedness in full);
- (d) the return by SSRM to Golden Arrow for no consideration of the 4,285,714 Golden Arrow Shares held by SSRM; and
- (e) payment by SSRM of Golden Arrow’s portion of all cash contributions required to be made to Puna Operations from July 22, 2019 until the closing date of the Transaction.

The value of the Consideration is equal to approximately \$44.4 million, calculated as of July 22, 2019. All of the Consideration will be payable to or received by the Company and the Company does not intend to distribute any of the Consideration to the Golden Arrow Shareholders.

Golden Arrow has determined that the Transaction constitutes a sale of substantially all of Golden Arrow’s assets, and as a result, in order to proceed with the Transaction, the Company will require the Golden Arrow Shareholders Resolution approving the Transaction.

Fairness Opinion & Strategic Review Process

The board of directors of Golden Arrow (the “**Board**”) has received the opinion of PI Financial Corp. (“**PI Financial**”), delivered orally on July 22, 2019 (the full text of which is attached as Appendix “B” to the accompanying management information circular), that, subject to the assumptions, limitations and qualifications set out therein, the Consideration to be received by Golden Arrow pursuant to the Transaction is fair, from a financial point of view, to the shareholders of Golden Arrow, other than SSRM.

In addition to the Fairness Opinion, the Board conducted a formal process led by PI Financial. The formal process attracted a number of indications of interest from third parties, both in respect of acquiring Golden Arrow’s 25% interest in Puna Operations and refinancing Golden Arrow’s indebtedness under the Credit Agreement. A number of parties conducted detailed due diligence on the Company but ultimately, discussions with the interested third parties either resulted in no written proposal being made or a proposal being made on terms that were unsatisfactory to Golden Arrow and inferior to SSRM’s proposal. See “*The Transaction – Background for the Transaction*” in the accompanying information circular for additional information.

The Board unanimously recommends shareholders vote

“FOR”

the Golden Arrow Shareholders Resolution

Voting Agreements

All directors, officers and insiders of Golden Arrow and certain family members and holding companies of such parties, holding, in aggregate, 13,111,815 Golden Arrow Shares representing approximately 10.6% of the issued and outstanding Golden Arrow Shares, have indicated their support for the Transaction and have entered into voting agreements with SSRM pursuant to which they are required to vote their Golden Arrow Shares in favour of the Golden Arrow Shareholders Resolution. In addition, SSRM has indicated that it will vote the Golden Arrow Shares it holds in favour of the Transaction, representing an additional 3.4% of the issued and outstanding Golden Arrow Shares.

A well-funded junior exploration company with a portfolio of prospective assets

Following the Transaction, Golden Arrow will retain an asset portfolio with significant potential. The portfolio will be comprised of exploration and development opportunities in Chile and Paraguay, where the Company has acquired or entered into option agreements for projects that it believes have great potential for new discoveries, and Argentina, where the Company has a portfolio of exploration and advanced exploration assets and over several years has established a successful track record operating in the country. Golden Arrow will also hold a strategic shareholding in SSRM, one of the premier Canadian mining companies.

The Company will apply a strategy that led them to success at Chinchillas by focusing on advanced stage and high discovery-potential projects, accelerating the timeline for discovery by concentrating on defined targets with historical resource estimates or significant databases and realizing value by monetizing new discoveries as they mature.

The Indiana and Atlántida projects are two of the Company’s gold and copper projects that are 35 kilometers apart in Chile’s Third District. The Company has entered into option agreements to acquire both projects.

Indiana has a historic (2013) inferred resource estimate of 607,000 ounces of gold equivalentⁱ, in near surface, high-grade veins & mineralized shoots, with opportunities for growth through exploration, and is permitted for production.

Atlántida is a 1.5 by 1.5-kilometer deposit with deep copper and gold porphyry and near-surface gold-rich skarn mineralization. Previous exploration at Atlántida resulted in an historic resource estimate of 427 million tonnes averaging 0.43% copper equivalentⁱⁱ. There is also an extensive database of previous work completed at Atlántida, including more than 22,000 meters of drilling. Golden Arrow has consolidated adjacent land packages into a single project, which the Company believes gives, for the first time, access to significant potential for expansion of mineralization, both adjacent to the historic resource, along trend and throughout the property.

A Qualified Person as defined under National Instrument 43-101 - *Standards of Disclosure for Mineral Projects* (“**NI 43-101**”) has not done sufficient work to classify the historical estimates at Indiana and Atlántida as current mineral resources, and Golden Arrow is not treating the historical estimates as current mineral resource estimates.

Management is also expanding the Company into Paraguay, one of the last frontiers of mineral exploration in South America, where Golden Arrow is acquiring a significant land package of prospective property. The Company has entered into an option agreement to acquire a 100% interest in the highly prospective Tierra Dorada Project, a district-scale high-grade gold project covering an area of 640 km² (63,854 ha) in two blocks in southeastern Paraguay.

The Company’s management team is enthusiastic that after completion of the Transaction with SSRM, Golden Arrow will have no debt and expects to have sufficient funds to advance these key target projects to unlock the value contained in its portfolio, thus continuing with its track record of creating value through new discoveries.

Your vote is important – Vote your shares today

Golden Arrow’s management team and the Board have followed an extensive process led by PI Financial and have unanimously approved the sale of the Company’s 25% ownership in Puna Operations. You, our shareholders, will have an opportunity to vote on the Transaction on September 16, 2019.

On behalf of our Board, I feel that the Consideration to be received by Golden Arrow under the Transaction, valued at \$44.4 million as calculated as of July 22, 2019, is an excellent result for the Company. The Consideration is expected to give Golden Arrow the financial flexibility to execute on its business plan to deliver value to Golden Arrow Shareholders by leveraging its core skills and repeating the success that it has had in the past of exploring and developing new discoveries and monetizing for maximum value to Golden Arrow Shareholders.

The accompanying management information circular contains a summary of the terms and conditions of the Transaction and all related matters, including the anticipated effects of the Transaction on the Company. Please give this material your careful consideration.

We request your support for the Transaction and look forward to seeing you at the Meeting.

Sincerely,

“Joseph Grosso”

Executive Chairman, Chief Executive Officer &
President

This letter contains “forward looking information” within the meaning of applicable Canadian securities legislation. Golden Arrow Shareholders should not place undue reliance on such statements and should refer to the disclosure provided under the heading “Cautionary Note Regarding Forward-Looking Statements and Risks” in the accompanying management information circular.

Brian McEwen, P.Geol., VP Exploration and Development to the Company and a Qualified Person as defined in National Instrument 43-101 - Standards of Disclosure for Mineral Projects (“NI 43-101”), has reviewed and approved the contents of this letter.

| Vote using the following methods prior to the Meeting. |  Internet |  Telephone or Fax |  Mail |
|---|---|---|---|
| Registered Shareholders <i>Shares held in own name</i> | www.investorvote.com | Telephone: 1-866-732-8683 Fax: 1-866-249-7775 | Return the form of proxy in the enclosed postage paid envelope. |
| Non Registered Shareholders <i>Shares held with a broker, bank or other intermediary.</i> | www.proxyvote.com | Call or fax to the number(s) listed on your voting instruction form. | Return the voting instruction form in the enclosed postage paid envelope. |

Shareholder questions or requests for voting assistance may be directed to Golden Arrow Resources Corporation's proxy solicitation agent;

Laurel Hill Advisory Group

North American Toll- Free Number: 1-877-452-7184

Collect Calls Outside North America: 1-416-304-0211

Email: assistance@laurelhill.com

ⁱ Based on 3,093,700 KT @ 2.8 g/t Au, 1.6% Cu, 0.01% Mo, 4g/t Au equivalent cut-off. The following parameters were used in the calculation of equivalent grade: gold equivalency based on the following prices: gold - US\$1,100/oz, copper -US\$2.80/lb, molybdenum -US\$12/lb, and adjusted for the following recovery rates: gold - 75%, copper - 88%, molybdenum - 60% (e.g. 1 lb Cu = $(1 \times \$2.80) / \$1,100 \times (88\% / 75\%)$ Au equivalent.). The historical resource is derived from the technical report entitled "*Technical Report Indiana Gold and Copper Project Region III Chile*" dated December 9, 2013, prepared in accordance with NI 43-101 by Dr. Eduardo Magri for Minería Activa SpA, a Chilean private equity investment management firm. Readers are cautioned that Golden Arrow's qualified person has reviewed this technical report in respect of the historical resource estimate and believes it to have been a reliable estimate of inferred resources at the time of its publication; however, a qualified person has not done sufficient work to classify this estimate a current mineral resource, and Golden Arrow is not treating this as a current mineral resource estimate. Golden Arrow plans to proceed with a program to delineate current mineral resources by an independent Qualified Person, using Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") best practices and current long-term pricing.

ⁱⁱ Based on 427.10 MT @ 0.20% Cu, 0.34 g/t Au and 27 ppm Mo. The historical resource was completed by Inmet Mining Corporation in 2012 for internal use and was not prepared using the CIM categories. As the historical estimate was completed by a major company, the Company believes that the methodology used was likely reliable, however, the key assumptions and parameters used in the estimate are unknown to the Company at this time. Following a review of the information acquired, Golden Arrow will determine if it will immediately pursue the completion of a current mineral resource estimate by an independent Qualified Person, using CIM best practices and following the guidelines of NI 43 - 101, or first proceed with additional exploration.