

SILVER MOUNTAIN MINES INC.

**NOTICE OF ANNUAL GENERAL AND SPECIAL MEETING
July 29th, 2011**

TO THE VOTING SECURITYHOLDERS:

NOTICE IS HEREBY GIVEN THAT the Annual General and Special Meeting of Voting Securityholders (the "Meeting") of SILVER MOUNTAIN MINES INC. (the "Corporation") will be held at the Xchange Conference Centre, 2nd floor, 639 - 5th Avenue SW Calgary, Alberta, on July 29th, 2011 at the hour of 10:00 a.m. (Mountain Daylight Time) for the following purposes, namely:

1. to receive and consider the financial statements of the Corporation as at and for the year ended December 31st, 2010
2. to fix the size of the board of directors at four (4) members;
3. to elect the directors of the Corporation for the ensuing year; and
4. to approve the 2011 Stock Option plan of the Corporation.

Particulars of the matters referred to above are set forth in the accompanying Management Information Circular and Proxy Statement (the "Circular").

Only Voting Securityholders (being the holders of Class "A" common voting shares (the "Common Shares") and special warrants (the "Special Warrants") of the Corporation ("Voting Securityholders")) of record at the close of business on June 20th, 2011 will be entitled to receive notice of, and to vote at, the Meeting or any adjournments thereof, provided that, to the extent that: (i) a Voting Securityholder has transferred the ownership of any Voting Securities subsequent to such record date; and (ii) the transferee of those Voting Securities produces properly endorsed share certificates, or otherwise establishes that he or she owns the Voting Securities and demands, not later than ten days before the Meeting, that his or her name be included on the voting Securityholder list before the Meeting, in which case the transferee shall be entitled to vote his or her Voting Securities at the Meeting.

Voting Securityholders who are unable to attend the Meeting in person are requested to date, sign and return the enclosed form of proxy, or other appropriate form of proxy, by mail or fax in accordance with the instructions set forth in the Circular. A proxy will not be valid unless it is deposited at the offices of Olympia Trust Company 2300, 125 - 9th Avenue SE, Calgary, AB, T2G 0P6 (Attention: Proxy Department) or by email: proxy@olympiustrust.com or by fax: 403-265-1455 at least 48 hours (excluding Saturdays, Sundays and statutory holidays) before the day of the Meeting, or any adjournment(s) thereof. A proxyholder need not be a Voting Securityholder.

DATED at Calgary, Alberta, this 20th day of June, 2011.

By Order of the Board of Directors

"Signed"
Steve Konopelky
President, CEO and Director