

c/o 1800 - 555 Burrard St.  
Vancouver, BC, V7X 1E5  
Canada

**Passive Foreign Investment Company (“PFIC”) Annual Information Statement**

1. This Information Statement applies to the taxable year of Dolly Varden Silver Corporation (“**Dolly Varden**” or “the **Company**”) beginning on January 1, 2021 and ending on December 31, 2021.
2. Ordinary earnings and net capital gain of Dolly Varden for the taxable year ended December 31, 2021 and number of outstanding shares as at December 31, 2021 are as follows:
  - a. Ordinary earnings: Nil
  - b. Net capital gain: Nil
  - c. Total outstanding shares: 130,887,861

Based on the information above, please determine the pro-rata share of ordinary earnings and net capital gains, as defined in Treasury Regulation Section 1.1293-1(a)(2), attributable to your shareholdings in Dolly Varden.

3. The amount of cash and fair market value of other property distributed or deemed to be distributed by Dolly Varden to each shareholder during the taxable year specified in paragraph (1) is as follows:
  - a. Cash: Nil
  - b. Fair market value of property: Nil
4. Dolly Varden will, upon receipt of request, permit its shareholders to inspect and copy its permanent books of accounts, records, and other such documents as may be maintained by Dolly Varden that are necessary to establish that PFIC ordinary earnings and net capital gain, as provided in section 1293(e) of the Code, are computed in accordance with U.S. income tax principles.
5. Dolly Varden will endeavour to provide the necessary documentation to U.S. investors for future taxable years so long as it retains its PFIC status.

Date: March 4, 2022

“Ann Fehr”  
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By: Ann Fehr  
Title: CFO & Corporate Secretary