

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Americas Silver Corporation		2 Issuer's employer identification number (EIN) None	
3 Name of contact for additional information Warren Varqa	4 Telephone No. of contact (416) 848-9503	5 Email address of contact wvarqa@americassilvercorp.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact Suite 2870, 145 King Street West		7 City, town, or post office, state, and Zip code of contact Toronto, Ontario Canada M5H 1J8	
8 Date of action December 21, 2016		9 Classification and description Common Shares: Share Consolidation	
10 CUSIP number 03063L705	11 Serial number(s) N/A	12 Ticker symbol TSX: USA; NYSE: USAS	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On December 21, 2016, the Board of Directors of Americas Silver Corporation ("ASC") declared a 1-for-12 share consolidation of ASC's common shares effective upon the filing and effectiveness of Articles of Amendment to ASC's Articles of the Company. Such Articles of Amendment were filed as of December 21, 2016. As a result of the share consolidation, each twelve pre-consolidation shares of common stock outstanding were automatically combined into one new share of common stock without any action on the part of any shareholder. No fractional shares were issued in connection with the 1-for-12 share consolidation, with shareholders entitled to receive a fractional share of common stock receiving the nearest whole number of shares of common stock, rounding down.

The share consolidation is described in further detail in the ASC Management Information Circular and Proxy Statement dated November 10, 2016, which is available at www.sedar.com

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ A shareholder will determine its tax basis in each share of ASC common stock held after the 1-for-12 share consolidation by allocating such shareholder's aggregate tax basis in its shares of ASC common stock held immediately after the share consolidation. Specifically, a shareholder's tax basis in each post-1-for-12 share consolidation share of common stock will be determined by multiplying the tax basis in each one (1) share of ASC common stock held before the 1-for-12 share consolidation by twelve (12) and adding to it the proportionate amount of any tax basis that would otherwise have been allocated to a fractional share if such fractional share had been received.

While the "per share" tax basis is impacted, the aggregate tax basis of the shareholder's total investment in ASC remains unchanged.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ A shareholder's per share tax basis in each newly acquired share of ASC common stock is 1200% of that shareholder's per share tax basis immediately prior to the 1-for-12 share consolidation, plus the proportionate amount of any tax basis that would otherwise have been allocated to a fractional share if such fractional share had been received. For example, if a shareholder's per share tax basis was \$1.00 before the 1-for-12 share consolidation, the per share tax basis will be \$12.00 immediately after the 1-for-12 share consolidation, plus the proportionate amount of any tax basis that would otherwise have been allocated to a fractional share if such fractional share had been received.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ ASC believes that the 1-for-12 share consolidation should qualify as a recapitalization within the meaning of Code Section 368(a)(1)(E). Consequently, the U.S. federal income tax consequences of the 1-for-12 share consolidation for ASC shareholders should be determined under Code Sections 368(a), 354(a) and 358(a).

18 Can any resulting loss be recognized? ▶ Since the share consolidation should qualify as a recapitalization within the meaning of Code Section 368(a), each ASC shareholder should not recognize any loss.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ In general, any gain or loss recognized should be reported by shareholders for the tax year which includes December 31, 2016 (e.g., a calendar year shareholder would report the 1-for-12 share consolidation on his or her federal income tax return filed for the 2016 calendar year).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here Signature ▶ Warren Varga Date ▶ 18 April, 2017
Print your name ▶ WARREN VARGA Title ▶ CHIEF FINANCIAL OFFICER

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	<u>John D. Hollinrake Jr.</u>	<u>John D. Hollinrake</u>	<u>18 Apr 2017</u>		<u>P01568530</u>
	Firm's name ▶ <u>Dorsey & Whitney LLP</u>	Firm's EIN ▶ <u>41-0223337</u>		Phone no. <u>(206) 903-8812</u>	
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