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February 22, 2019

Dear Fellow Shareholder,

We are looking forward to 2019 being a pivotal year for Pembrook's shareholders. All of our efforts in 2018 were concentrated in advancing the Pecoy Cu, Mo, (Au, Ag) porphyry project in which the Company owns a 51% interest and is in the process of earning an additional 29% interest to bring its ownership to 80%.

The Pecoy deposit extends over the southern property boundary to adjacent claims owned by a third party. Pembrook has negotiated an agreement with the third party to jointly sell both portions of the Pecoy project (the "Joint Disposition Agreement"). Combining the two portions of the properties enhances the value of both properties. A technical engineering study has been prepared that combines the portion of the Pecoy deposit held on Pembrook's claims and the portion on the adjacent claims held by the third party. **The estimated 43-101 Inferred Resource for the combined project at a 0.25% Cu cut off is 869 million tonnes at a grade of 0.34% Cu, 0.011% Mo, 0.050 g/t Au and 1.33 g/t Ag. Contained metal includes: 6.514mm lbs Cu, 211mm lbs Mo, 1,397k oz Au and 37mm oz Ag. The deposit remains open at depth and to the west and east.**

During 2018, the Company completed the appropriate engineering studies and additional optimization analyses for the technical engineering study, including open pit mine scheduling, processing plant design, tailings design, mine infrastructure studies (water, power, road) and Life of Mine project economics. A summary of the results of the highlights from the technical engineering report and project economics is listed in the attached table.

With the completion of all studies, the Joint Disposition Agreement and the benefits of combining Pecoy with our much larger 100% owned Tororume Cu porphyry system, we have commenced a sales process to attract a buyer for the Company in 2019. To oversee the sale, the Company has appointed a Special Committee of the Board who has engaged the Bank of Montreal as our investment banker to advise the Company through the sale process.

In 2018, the Company raised CAD\$3,615,000 million at CAD\$1.00 per share in order to fund activities required to continue to earn an 80% interest in Pecoy (including a USD\$1.5 million scheduled cash payment) and to complete the engineering studies, revised resource estimate and project economics.

On January 15, 2019, I was appointed to replace Brian Booth who resigned as President and CEO, in order to pursue a new opportunity. With the process to sell the Company being driven by the Special Committee and Bank of Montreal, and my involvement with Pembrook from the beginning, this transition in management will not have any impact on the sales process. We are grateful to Brian for all his work to bring the Company successfully to this point.

During this critical time for the Company, we require additional funds to facilitate completion of a sale transaction from a position of strength. These funds would be used to continue to earn an 80% interest in Pecoy and drill targets at the drill-permitted Tororume property. We believe that advancing these projects will best position the Company for the sale process, while having a minimum dilution impact.

We are inviting all our shareholders, who are interested, to participate in a \$5 million convertible note financing. Each convertible note will bear interest at a rate of 4% per annum, compounded annually, not in advance. The convertible notes together with accrued interest thereon, shall be convertible into common shares of Pembrook at a conversion price of CAD\$1.00 per share commensurate with the completion of a sale of Pembrook. Further terms and conditions of the convertible notes are detailed in the subscription agreement.

Please contact us at [info@pembrookmining.com](mailto:info@pembrookmining.com) or by telephone at +1-778-373-1541 if you are interested in participating in this opportunity. We propose to close the financing on March 15, 2019.

We believe that our successful exploration results at Pecoy and Tororume in Peru, along with our view of an improvement in the long term copper market, will enable us to realize value for our shareholders in 2019.

Yours truly,

A handwritten signature in black ink, appearing to read 'D. Innes', written over a horizontal line.

Daniel G. Innes  
President & Chief Executive Officer

Technical Report Summary  
Combined Pecoy Project<sup>1</sup>

|  |              |            |
|--|--------------|------------|
| Assumptions:                                       |              |            |
| Discount rate                                      | %            | 7%         |
| Copper price                                       | US\$/lb.     | \$3.25     |
| Gold price   | US\$/oz.     | \$1,310.00 |
| Silver price                                       | US\$/oz.     | \$20.00    |
| Molybdenum price                                   | US\$/lb.     | \$11.34    |
| Strip ratio  |              | 0.24       |
| Processing rate                                    | tonnes/day   | 120,000    |
| Minelife   | years        | 36         |
| Average annual payable production <sup>2</sup> of: |              |            |
| Copper   | tonnes       | 92,513     |
| Gold   | ounces       | 11,410     |
| Silver   | ounces       | 696,687    |
| Molybdenum   | tonnes       | 1,236      |
| Capital Expenditure – initial                      | USD millions | \$1,722    |
| Capital Expenditure - sustaining                   | USD millions | \$357      |
| Net present value before tax                       | USD millions | \$1,758.9  |
| Net present value after tax                        | USD millions | \$847.9    |
| Internal rate of return before tax                 | %            | 15.5%      |
| Internal rate of return after tax                  | %            | 12.0%      |
| Payback before tax (undiscounted)                  | years        | 5.4        |
| Payback after tax (undiscounted)                   | years        | 5.7        |
| Payback before tax (discounted at 7%)              | years        | 7.6        |
| Payback after tax (discounted at 7%)               | years        | 10.8       |

<sup>1</sup> Based on 100% of Pecoy project.

<sup>2</sup> Actual annual payable metal varies from year to year. The average is the total payable metal produced divided by the 36 year minelife.