

Security Class

Holder Account Number

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**Form of Proxy - Annual and Special Meeting to be held on March 27, 2012**

**This Form of Proxy is solicited by and on behalf of Management.**

**Notes to proxy**

1. Every holder has the right to appoint a person or company of their choice, who need not be a holder, to represent them at the meeting or any adjournment or postponement thereof other than the Management Nominees set out herein and may do so by inserting the name of your chosen proxyholder in the space provided (see reverse).
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc.), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you must sign this proxy with signing capacity stated, and you may be required to provide documentation evidencing your power to sign this proxy.
3. This proxy should be signed in the exact manner as the name(s) appear(s) on the proxy.
4. If this proxy is not dated, it will be deemed to bear the date on which it is mailed by Management to the holder.
5. **The securities represented by this proxy will be voted as directed by the holder, however, if such a direction is not made in respect of any matter, this proxy will be voted as recommended by Management.**
6. The securities represented by this proxy will be voted or withheld from voting in accordance with the instructions of the holder on any ballot that may be called for and, if the holder has specified a choice with respect to any matter to be acted upon, the securities will be voted accordingly.
7. This proxy confers discretionary authority in respect of amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the meeting or any adjournment or postponement thereof.
8. This proxy should be read in conjunction with the accompanying documentation provided by Management.

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**Proxies submitted must be received by 4:00 pm, Eastern Time, on March 23, 2012.**

**VOTE USING THE TELEPHONE OR INTERNET 24 HOURS A DAY 7 DAYS A WEEK!**



**To Vote Using the Telephone**



**To Vote Using the Internet**

- Call the number listed BELOW from a touch tone telephone.

**1-866-732-VOTE (8683) Toll Free**

- Go to the following web site:  
[www.investorvote.com](http://www.investorvote.com)

**If you vote by telephone or the Internet, DO NOT mail back this proxy.**

**Voting by mail** may be the only method for securities held in the name of a corporation or securities being voted on behalf of another individual.

**Voting by mail or by Internet** are the only methods by which a holder may appoint a person as proxyholder other than the Management nominees named on the reverse of this proxy. Instead of mailing this proxy, you may choose one of the two voting methods outlined above to vote this proxy.

**To vote by telephone or the Internet, you will need to provide your CONTROL NUMBER listed below.**

**CONTROL NUMBER**



### Appointment of Proxyholder

I/We, being holder(s) of Cerro Grande Mining Corporation (the "Company") hereby appoint: Stephen W. Houghton, Chief Executive Officer of the Company or failing this person, Peter W. Hogg, Chief Financial Officer of the Company

OR

Print the name of the person you are appointing if this person is someone other than the Management Nominees listed herein.

as my/our proxyholder with full power of substitution and to attend, act and to vote for and on behalf of the shareholder in accordance with the following direction (or if no directions have been given, as the proxyholder sees fit) and all other matters that may properly come before the Annual and Special Meeting of shareholders of the Company to be held at the offices of Norton Rose Canada LLP, 79 Wellington Street West, 23rd Floor, Toronto ON on March 27, 2012 at 4:00 p.m. (Eastern time) and at any adjournment or postponement thereof.

VOTING RECOMMENDATIONS ARE INDICATED BY **HIGHLIGHTED TEXT** OVER THE BOXES.

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**For** **Withhold**

#### 1. Election of Directors

Management recommends that you vote **FOR** all of the nominees listed in the accompanying management information circular.

 

Vote FOR or WITHHOLD for all nominees proposed by Management

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**For** **Withhold**

#### 2. Appointment of Auditors

Appointment of PricewaterhouseCoopers LLP, Chartered Accountants as auditors of the Company and to authorize the directors to fix their remuneration.

 

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**For** **Against**

#### 3. Amendments to Share Option Plan

Approval of the amendments to the Company's share option plan, as described in the accompanying management information circular.

 

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**Authorized Signature(s) - This section must be completed for your instructions to be executed.**

I/We authorize you to act in accordance with my/our instructions set out above. I/We hereby revoke any proxy previously given with respect to the Meeting. **If no voting instructions are indicated above, this Proxy will be voted as recommended by Management.**

Signature(s)

Date

DD / MM / YY

