

## CERRO GRANDE MINING CORPORATION

67 Yonge Street, Suite 1201  
Toronto, Ontario, M5E 1J8

### NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

**NOTICE IS HEREBY GIVEN THAT** the annual and special meeting (the “**Meeting**”) of shareholders (the “**Shareholders**”) of Cerro Grande Mining Corporation (the “**Company**”) will be held at the offices of Norton Rose Canada LLP, Royal Bank Plaza, South Tower, Suite 3800, 200 Bay Street, Toronto, Ontario, on Monday, March 25, 2013 at 4:00 p.m. (Toronto time), for the following purposes:

1. to receive the audited consolidated financial statements of the Company for the year ended September 30, 2012, together with the report of the auditors thereon;
2. to consider and, if deemed advisable, to pass an ordinary resolution electing, as directors for the ensuing year, the nominees proposed by management of the Company in the accompanying management information circular dated February 21, 2013 (the “**Circular**”) to hold office until the close of the next annual meeting of shareholders of the Company;
3. to consider and, if deemed advisable, to pass an ordinary resolution reappointing PricewaterhouseCoopers LLP, Chartered Accountants, as the auditors of the Company and to authorize the directors of the Company to fix the auditors’ remuneration and terms of engagement;
4. to consider and, if deemed advisable, to pass an ordinary resolution (the full text of which is set out under the heading “Matters to be Acted Upon at the Meeting — Amendments to the Share Option Plan — Approval by Shareholders” in the Circular) of disinterested shareholders to approve certain amendments to the Company’s share option plan, as described in further detail in the accompanying Circular;
5. To consider and, if deemed advisable, to pass an ordinary resolution (the full text of which is set out under the heading “Matters to be Acted Upon at the Meeting — Approval of Amendment to By-law No. 1 — Confirmation by Shareholders” in the Circular) to ratify, confirm and approve By-law No. 1A; and
6. to transact such other business as may properly come before the Meeting, or any adjournment or postponement thereof.

The specific details of the matters to be put before the Meeting as identified above are set forth in the Circular accompanying this Notice. This Notice and the accompanying Circular have been sent to each director of the Company, each shareholder of the Company entitled to notice of the Meeting and the auditors of the Company.

Shareholders, even those who are able to attend the Meeting in person are requested to sign and return the enclosed form of proxy to Computershare Investor Services Inc., 9th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 so as to arrive no later than 4:00 p.m. (Toronto time) on March 21, 2013 or the second business day preceding the of any adjournment(s) or postponement(s) of the Meeting. Notwithstanding the foregoing, the Chair of the Meeting has the sole discretion to accept proxies received after such deadline but is under no obligation to do so.

If you have any questions or need assistance to vote, please contact the Company’s proxy solicitation agent, CST Phoenix Advisors, by e-mail at [inquiries@phoenixadvisorscst.com](mailto:inquiries@phoenixadvisorscst.com), by telephone at 1-866-822-1243 (toll-free within Canada or the United States) or 1-201-806-2222 (banks, brokers and collect calls outside Canada and the United States) or by fax at 1-888-509-5907 (North American Toll Free Facsimile) or 1-647-351-3176.

**DATED** the 21<sup>st</sup> day of February, 2013.

**BY ORDER OF THE BOARD OF DIRECTORS**

*“Stephen W. Houghton” (signed)*

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Stephen W. Houghton  
Chief Executive Officer