

CERRO GRANDE MINING CORPORATION

1 King Street West, Suite 4009
Toronto, Ontario, M5H 1A1

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT the annual meeting (the “**Meeting**”) of shareholders (the “**Shareholders**”) of Cerro Grande Mining Corporation (the “**Company**”) will be held at the offices of Norton Rose Fulbright Canada LLP, Royal Bank Plaza, South Tower, Suite 3800, 200 Bay Street, Toronto, Ontario, on Wednesday, March 26, 2014 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, 2013, 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 24, 2014 (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 appointing KPMG 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 — Approval of Amendment to By-law No. 1 — Confirmation by Shareholders” in the Circular) to ratify, confirm and approve By-law No. 1B; and
5. 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., 8th Floor, 100 University Avenue, Toronto, Ontario M5J 2Y1 so as to arrive no later than 4:00 p.m. (Toronto time) on March 24, 2014 or the second business day preceding the date 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, 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 24th day of February, 2014.

BY ORDER OF THE BOARD OF DIRECTORS

“*Stephen W. Houghton*” (signed) _____
Stephen W. Houghton
Chief Executive Officer