NOTICE OF SPECIAL MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE

SPECIAL MEETING OF THE SHAREHOLDERS AND OTHER SECURITYHOLDERS OF CAYDEN RESOURCES INC.

TO BE HELD ON OCTOBER 27, 2014

DATED AS OF SEPTEMBER 26, 2014

These materials affect your legal rights as a securityholder of Cayden and should receive your immediate attention. They require holders of common shares and holders of options and warrants of Cayden to make an important decision about selling the Company. If you are in doubt as to how to make the decision, please contact your professional advisors. If you have any questions or require more information with regard to the procedures for voting or completing your transmitted documentation, please contact the Company's Corporate Secretary, Peter Rees, at 778-729-0600 or email at peter.rees@caydenresources.com.

September 26, 2014

Dear Fellow Cayden Securityholders,

It is my pleasure to extend to you, on behalf of the board of directors of Cayden Resources Inc. ("**Cayden**"), an invitation to attend the special meeting (the "**Meeting**") of the common shareholders, optionholders and warrantholders of Cayden (collectively, "**Cayden Securityholders**") to be held at the Vancouver offices of McMillan LLP, our lawyers, at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia on Monday, October 27, 2014 at 10:00 a.m. (Vancouver time).

At the Meeting, Cayden Securityholders will be asked to consider and, if thought advisable, approve the acquisition by Agnico Eagle Mines Limited ("**Agnico Eagle**") of all of the outstanding common shares of Cayden, including the common shares issuable on the exercise of outstanding options and warrants of Cayden. The proposed acquisition will be completed by way of a plan of arrangement (the "**Arrangement**") under the provisions of the *Business Corporations Act* (British Columbia). Under the Arrangement, Cayden shareholders will receive 0.09 of a common share of Agnico Eagle and $0.01 in cash for each Cayden common share held. The Arrangement is being proposed under the terms of an arrangement agreement dated September 8, 2014 between Cayden and Agnico Eagle.

The board of directors of Cayden (the "**Board**"), based in part on the unanimous recommendation of the special committee of the Board created to consider matters relating to the Arrangement, has determined that the Arrangement is fair to Cayden Securityholders and is in the best interests of Cayden. **Accordingly, the Board unanimously approved the Arrangement and recommends that Cayden Securityholders vote their securities in favour of the Arrangement.** In making its recommendation, the Board considered a number of factors, including the receipt by the Board of a fairness opinion from Beacon Securities Limited, all as described in the accompanying information circular (the "**Information Circular**") under the heading *"The Arrangement — Recommendation of the Cayden Board"* and *"The Arrangement — Principal Reasons for the Board's Favourable Recommendation"*. All of the directors and officers of Cayden (who hold in the aggregate approximately 19.8% of the issued and outstanding Cayden common shares on a fully-diluted basis) have entered into support agreements with Agnico Eagle pursuant to which they have agreed, among other things, to support the Arrangement and vote the Cayden securities they hold in favour of the Arrangement.

The Information Circular contains a detailed description of the Arrangement and other information relating to Cayden and Agnico Eagle. We urge you to consider carefully all of the information in the Information Circular. If you require assistance, please consult your tax, financial, legal or other professional advisor.

We hope you will be able to attend the Meeting. Your vote is important regardless of the number of Cayden securities you own. We encourage you to vote your securities in person or by proxy at the Meeting. Please review the voting instructions set out in the Information Circular under the heading "*General Proxy Information*".

On behalf of Cayden, we would like to thank all Cayden Securityholders for their ongoing support as we prepare to take part in this important event for Cayden.

Yours truly,

"*Ivan Bebek*"

Ivan Bebek
President, Chief Executive Officer and Director

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS AND OTHER SECURITYHOLDERS

NOTICE IS HEREBY GIVEN that the special meeting (the "**Meeting**") of the shareholders, optionholders and warrantholders (collectively, "**Cayden Securityholders**") of Cayden Resources Inc. ("**Cayden**") will be held at the offices of McMillan LLP at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia on October 27, 2014 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to consider, pursuant to an interim order of the Supreme Court of British Columbia dated September 25, 2014 (the "**Interim Order**"), and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") authorizing and approving an arrangement under section 288 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), pursuant to which Agnico Eagle Mines Limited ("**Agnico Eagle**") will acquire all of the issued and outstanding common shares of Cayden, including common shares issuable on the exercise of outstanding options and warrants of Cayden (the "**Arrangement**"); and
2. to transact such other business, including amendments to the foregoing, as may properly come before the meeting or any adjournment or adjournments thereof.

A detailed discussion about the Arrangement and related matters is set out in the accompanying information circular (the "**Information Circular**"). The Information Circular also contains copies of the Arrangement Resolution, the plan of arrangement that will implement the Arrangement (the "**Plan of Arrangement**"), the Interim Order and a notice of hearing of petition for the final order in respect of the Arrangement.

The directors of Cayden have fixed the close of business on September 19, 2014 as the record date (the "**Record Date**") for the determination of the Cayden Securityholders entitled to receive notice of, and to vote at, the Meeting. Persons who are Cayden Securityholders on the Record Date are entitled to vote at the Meeting, either in person or by proxy, as described in the Information Circular under the heading *"General Proxy Information"*. Only registered Cayden Securityholders, or the persons they appoint as their proxies, are entitled to attend and vote at the Meeting. For information with respect to Cayden shareholders who own their common shares beneficially through an intermediary, see "*General Proxy Information — Beneficial Shareholders*" in the Information Circular.

Registered Cayden shareholders have the right to dissent with respect to the Arrangement Resolution and, if the Arrangement Resolution becomes effective, to be paid the fair value of their common shares in accordance with the provisions of sections 237 to 247 of the BCBCA as modified by the Plan of Arrangement and the Interim Order. The right of registered Cayden shareholders to dissent is more particularly described in the Information Circular under the heading "*The Arrangement — Dissent Rights*". **Failure to strictly comply with the requirements with respect to the dissent rights set forth in the BCBCA (as described in the Interim Order and Plan of Arrangement) may result in the loss of any right to dissent. Persons who are beneficial owners of common shares registered in the name of a broker, custodian, nominee or other intermediary and who wish to dissent must make arrangements for the common shares beneficially owned by them to be registered in their name before the time the written objection to the Arrangement Resolution is required to be received by Cayden, or alternatively, make arrangements for the registered holder of their common shares to dissent on their behalf.**

ON BEHALF OF THE BOARD OF DIRECTORS

"Ivan Bebek" (original signed)

President, Chief Executive Officer and Director

(This page has been left blank intentionally.)

QUESTIONS AND ANSWERS ABOUT THE MEETING AND THE ARRANGEMENT

The following is a summary of certain information contained in or incorporated by reference into this Information Circular, including the Schedules hereto, together with some of the questions that you, as a Cayden Securityholder, may have and answers to those questions. You are urged to read the remainder of the Information Circular, the form of proxy and the Letter of Transmittal carefully, because the information contained below is of a summary nature and therefore is not complete, and is qualified in its entirety by the more detailed information contained elsewhere in or incorporated by reference into this Information Circular, including the Schedules hereto, the form of proxy and the Letter of Transmittal, all of which are important. Capitalized terms used in these Questions and Answers but not otherwise defined herein have the meanings set forth in the Glossary of Defined Terms.

Q: Why is the Meeting being held?

A. The Meeting is being held to consider a special resolution to approve the acquisition by Agnico Eagle of all of the Cayden Shares, including the Cayden Shares issuable on the exercise of outstanding Cayden Options and Cayden Warrants. The acquisition will be completed by way of the Plan of Arrangement under the provisions of the BCBCA.

Q: What will I receive for my Cayden Shares under the Arrangement?

A: Pursuant to the Arrangement, Cayden Shareholders (other than Dissenting Shareholders) will receive the Arrangement Consideration, being 0.09 of an Agnico Eagle Share and $0.01 in cash for each Cayden Share they hold. Upon completion of the transactions contemplated by the Arrangement Agreement, Cayden Shareholders (other than Dissenting Shareholders) will become shareholders of Agnico Eagle. See "*The Arrangement — Arrangement Steps*".

Q: What will I receive for my Cayden Options and Cayden Warrants under the Arrangement?

A: Pursuant to the Arrangement, Cayden Optionholders and Cayden Warrantholders must exercise their Cayden Options and Cayden Warrants before the Effective Time to receive the Arrangement Consideration. All unexercised Cayden Options and Cayden Warrants will be terminated at the Effective Time without any payment to the holder. See "*The Arrangement — Arrangement Steps*".

Q: Who is Agnico Eagle?

A. Agnico Eagle is a senior Canadian gold mining company. Its nine mines are located in Canada, Finland and Mexico, with exploration and development activities in each of these regions as well as in the United States. Agnico Eagle Shares are listed on the TSX and the NYSE under the symbol "AEM". See "*Information About Agnico Eagle*".

Q: Will the Agnico Eagle Shares to be issued to Cayden Shareholders be listed on a stock exchange?

A: Yes. Agnico Eagle will apply to list the Agnico Eagle Shares issuable by Agnico Eagle under the Arrangement on the NYSE and the TSX.

Q: How does the consideration offered by Agnico Eagle compare to the market price of the Cayden Shares before the Arrangement was announced?

A: Under the Arrangement, holders of Cayden Shares will receive 0.09 of an Agnico Eagle Share and $0.01 in cash per Cayden Share. The consideration represents a premium of 42.5% to the volume weighted average price of Cayden Shares on the TSX-V for the 30-day period and a 51.9% premium to the 60-day period, both ended September 5, 2014 (the last trading day before announcement of the Arrangement).

Q: Does the Cayden Board support the Arrangement?

A: Yes. The Cayden Board has unanimously determined (i) that the Arrangement is fair to Cayden Securityholders and in the best interests of Cayden, and (ii) to recommend to Cayden Securityholders to vote FOR the Arrangement Resolution.

Before entering into the Arrangement Agreement, the Cayden Board established a Special Committee, comprised of three independent directors of Cayden (Steven Cook, David Jones and Rene Carrier) to oversee and supervise the process carried out by Cayden in negotiating and entering into the Arrangement

Agreement and to advise the Cayden Board with respect to any recommendation that the Cayden Board should make to Cayden Securityholders. The Board retained Beacon as its fairness advisor.

The Special Committee determined that the proposed Arrangement with Agnico Eagle was fair to Cayden Securityholders and in the best interests of Cayden. The Special Committee then unanimously recommended that the Cayden Board approve the proposed Arrangement Agreement.

In making its recommendation, the Cayden Board also considered a number of factors as described in the Information Circular under the heading "*The Arrangement — Principal Reasons for the Board's Favourable Recommendation*", including the Beacon Fairness Opinion, which determined that the consideration offered to Cayden Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Cayden Shareholders.

Agnico Eagle has entered into Support Agreements with each of the directors and officers of Cayden pursuant to which each director and officer has agreed, among other things and subject to compliance with certain legal requirements, to vote their Cayden Securities in favour of the Arrangement Resolution. The directors and officers of Cayden hold, on a fully-diluted basis, approximately 19.8% of the outstanding Cayden Shares.

See "*The Arrangement — Background to the Arrangement*".

Q: What approvals are required by Cayden Securityholders at the Meeting?

A: To be effective, the Arrangement Resolution must be approved by (i) at least two-thirds (66⅔%) of the votes cast by Cayden Securityholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Meeting, and (ii) a simple majority of the votes cast by the Cayden Shareholders present in person or represented by proxy and entitled to vote at the Meeting (other than votes cast in respect of Cayden Shares held by Excluded Cayden Shareholders). See "*The Arrangement — Securityholder Approval*".

Q: In addition to Cayden Securityholder approval, what other approvals are required for the Arrangement to be implemented?

A: The Arrangement requires the approval of the Court and also is subject to, among other things, the receipt of certain regulatory approvals, including Mexican Regulatory Approval. See "*The Arrangement Agreement — Conditions Precedent to the Arrangement*".

Q: When will the Arrangement become effective?

A: Subject to obtaining Court approval and other approvals as well as the satisfaction of all other conditions precedent to the Arrangement, if Cayden Securityholders approve the Arrangement Resolution, it is anticipated that the Arrangement will be completed in late December 2014. However, because of requirements under Mexican antitrust laws to receive authorization of the Mexican antitrust regulator before completing the Arrangement, it is possible that completion of the Arrangement will occur after that time. To account for the uncertainty relating to the timing of the receipt of Mexican Regulatory Approval, the Arrangement Agreement provides an outside date for the completion of the Arrangement of six months following the date of the Arrangement Agreement. However, Cayden is not permitted to terminate the Arrangement Agreement for a further three months after such time if, among other things, Mexican Regulatory Approval has not been obtained and is being actively sought in good faith. See "*The Arrangement Agreement — Termination*".

Q: What will happen to Cayden if the Arrangement is completed?

A: If the Arrangement is completed, Agnico Eagle will acquire all of the outstanding Cayden Shares and Cayden will become a wholly-owned subsidiary of Agnico Eagle and the Cayden Shares will be delisted from the TSX-V and the OTCQX.

Q: When will I receive the consideration payable to me under the Arrangement for my Cayden Shares?

A: You will receive the consideration due to you under the Arrangement promptly after the Arrangement Resolution is approved by Cayden Securityholders, Court and other approvals have been obtained

(including Mexican Regulatory Approval), the Arrangement becomes effective and your Letter of Transmittal and all other required documents, including any Cayden Share certificate(s), are received by the Depositary. See "*The Arrangement — Arrangement Steps*" and "*The Arrangement — Delivery Procedures*". The progress of these steps will be updated regularly by Cayden through news releases.

Q: What are the Canadian and United States federal income tax consequences to me?

A: Generally speaking, most Cayden Shareholders resident in Canada can make a joint tax election with Agnico Eagle under the *Income Tax Act* (Canada) that can permit the full or partial deferral of taxable gain otherwise arising on the transaction. **Holders should consult with their own tax advisors as the process for making the joint tax election requires prompt attention, and the necessary election information must be submitted to Agnico Eagle on or before forty-five (45) days after the Effective Date.** See also "*Certain Canadian Federal Income Tax Considerations*" for additional tax election guidance and relevant assumptions and provisos.

A Holder not resident in Canada will not generally be subject to tax under the *Income Tax Act* (Canada) on any capital gain realized on the transaction (unless the Holder's Cayden Shares are "taxable Canadian property" and the gain is not otherwise exempt under the terms of an applicable tax treaty).

The exchange of Cayden Shares for the Arrangement Consideration will be a taxable transaction for a U.S. Holder for purposes of the U.S. Tax Code (as such terms are defined under "*Certain United States Federal Income Tax Considerations*"), with gain or loss recognized in an amount equal to the difference between (i) the fair market value of the Arrangement Consideration received by a U.S. Holder in the Arrangement, and (ii) the adjusted tax basis of the U.S. Holder in the Cayden Shares exchanged. Nonrecognition treatment under the U.S. Tax Code is not available with respect to the transaction. The taxation of any gain so realized will depend on a number of factors, including the status of Cayden as a "passive foreign investment company".

The summary above is subject to the more detailed comments, provisos and assumptions under "*Certain Canadian Federal Income Tax Considerations*" and "*Certain United States Federal Income Tax Considerations*", which should be reviewed by Holders in conjunction with their own tax advisors.

Q: What will happen if the Arrangement Resolution is not approved or the Arrangement is not completed for any reason?

A: If the Arrangement Resolution is not approved or the Arrangement is not completed for any reason, the Arrangement Agreement may be terminated under certain circumstances. If this occurs, Cayden will continue to carry on its business operations in the normal course. See "*Risk Factors*". In certain termination circumstances, Cayden will be required to pay to Agnico Eagle either a termination payment of $5.7 million or must reimburse Agnico Eagle for certain of its expenses to a maximum of $1.5 million. See "*The Arrangement Agreement — Termination — Termination Payment*". If the Arrangement Agreement is not completed for any reason, the Letters of Transmittal and any share certificates that have been submitted by Registered Shareholders will be returned to such Registered Shareholders.

Q: What do I need to do now?

A: You should carefully read and consider the information contained in this Information Circular. Registered Shareholders, Optionholders and Warrantholders should then complete, sign and date the enclosed form of proxy and return it in the enclosed return envelope or by facsimile as soon as possible so that your Cayden Securities may be voted at the Meeting. For your Cayden Securities to be eligible to be voted at the Meeting, the form of proxy must be returned by mail or by facsimile to Computershare not later than 10:00 a.m. (Vancouver time) on October 23, 2014, or if the Meeting is adjourned or postponed, before 10:00 a.m. (Vancouver time) on the Business Day that is two days before the date to which the Meeting is adjourned or postponed. See "*General Proxy Information*".

We also encourage Registered Shareholders to complete, sign, date and return the enclosed Letter of Transmittal (printed on blue paper) in accordance with the instructions set out therein and in this Information Circular, so that if the Arrangement is completed the Arrangement Consideration to which you are entitled can be sent to you as soon as possible following completion of the Arrangement.

If you hold Cayden Shares through a broker, custodian, nominee or other intermediary, you should follow the instructions provided by your intermediary to ensure your vote is counted at the Meeting and should arrange for your intermediary to complete the necessary steps to ensure that you receive the Arrangement Consideration for your Cayden Shares as soon as possible following completion of the Arrangement.

Q: Who can attend and vote at the Meeting?

A: Only Cayden Securityholders of record as of the close of business on September 19, 2014, the record date for the Meeting, are entitled to receive notice of, and to attend and vote at, the Meeting or any adjournment(s) or postponement(s) of the Meeting. Optionholders and Warrantholders will vote as if their Cayden Options and Cayden Warrants had already been converted into the underlying Cayden Shares.

Q: If my Cayden Shares are held in street name by my broker, will my broker vote my Cayden Shares for me?

A: You must contact your broker as a broker will vote the Cayden Shares held by you only if you provide instructions to your broker on how to vote. Without instructions, those Cayden Shares will not be voted. Cayden Shareholders should instruct their brokers to vote their Cayden Shares by following the directions provided to them by their brokers. Unless your broker gives you its proxy to vote the Cayden Shares at the Meeting, you cannot vote those Cayden Shares owned by you at the Meeting. See "*General Proxy Information — Beneficial Shareholders*".

Q: Can I change my vote after I have voted by proxy?

A: Yes. A Cayden Securityholder executing the enclosed form of proxy has the right to revoke it. A Cayden Securityholder may revoke a proxy by depositing an instrument in writing executed by him or her, or by his or her attorney authorized in writing, at the registered office of Cayden at any time up to and including the last Business Day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used, or with the chairman of the Meeting on the day of the Meeting before the Meeting, or any adjournment thereof, or in any other manner permitted by law. See "*General Proxy Information — Revocation of Proxies*".

Q: Who can help answer my questions?

A: Cayden Securityholders who would like additional copies, without charge, of this Information Circular or have additional questions about the Arrangement, including the procedures for voting Cayden Securities or completing transmittal documents, should contact their broker or the Company's Corporate Secretary, Peter Rees, at 778-729-0600 or email at peter.rees@caydenresources.com.

TABLE OF CONTENTS

CAYDEN RESOURCES INC.
INFORMATION CIRCULAR

(as at September 19, 2014)

This Information Circular is furnished in connection with the solicitation of proxies by management of Cayden for use at the Meeting to be held at 10:00 a.m. (Vancouver time), on October 27, 2014, at the Vancouver offices of McMillan LLP at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia for the purposes set forth in the accompanying Notice of Meeting.

This Information Circular contains defined terms. For a list of certain defined terms used herein, see "*Glossary of Defined Terms*" on page 6.

Unless otherwise indicated, all references to "$" or "C$" in this Information Circular refer to Canadian dollars and all reference to "US$" in this Information Circular refer to U.S. dollars.

Forward-Looking Statements

Certain statements contained or incorporated by reference in this Information Circular are forward-looking statements, including, but not limited to, those relating to the proposed Arrangement, the timing of the various approvals for the proposed Arrangement, the timing of the closing of the proposed Arrangement, information concerning Cayden and Agnico Eagle, and other statements that are not historical facts. These statements are based upon certain material factors, assumptions and analyses that were applied in drawing a conclusion or making a forecast or projection, including Cayden's experience and perceptions of historical trends, current conditions and expected future developments, as well as other factors that are believed to be reasonable in the circumstances.

Forward-looking statements are provided for the purpose of presenting information about management's current expectations and plans relating to the future and readers are cautioned that such statements may not be appropriate for other purposes. These statements may include, without limitation, statements regarding the operations, business, financial condition, expected financial results, performance, prospects, opportunities, priorities, targets, goals, ongoing objectives, milestones, strategies and outlook of Cayden or Agnico Eagle, including but not limited to those statements under the headings "*The Arrangement — Principal Reasons for the Board's Favourable Recommendation*", "*Risk Factors*" and "*Information About Agnico Eagle*". Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "pro forma", "expects", "anticipates", "plans", "believes", "estimates", "intends", "targets", "projects", "forecasts", "seeks", "likely" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could". Examples of the assumptions underlying the forward-looking statements contained herein include, but are not limited to those related to: the receipt of all necessary consents and approvals (including, without limitation, Cayden Securityholder, Court and regulatory) for the Arrangement, the ability of Cayden (or Agnico Eagle if the Arrangement is completed) to obtain necessary financing to pursue its business plans, the achievement of exploration and development goals, the obtaining of all necessary permits and governmental approvals, as well as expectations regarding availability of equipment, skilled labour and services needed for exploration and development of mineral properties, development, operating or regulatory risks, trends and developments in the mining industry, business strategy and outlook, expansion and growth of business and operations. Other assumptions on which the forward-looking information contained herein is predicated are set out in this Information Circular and the documents incorporated by reference herein.

By its nature, forward-looking information is subject to risks and uncertainties, and there are a variety of material factors, many of which are beyond the control of Cayden or Agnico Eagle, that may cause actual outcomes to differ materially from those discussed in the forward-looking statements. These factors include, but are not limited to: receipt of all necessary consents and approvals, actual results of exploration activities; estimation or realization of mineral reserves and resources; capital expenditures; costs and timing of the development of new deposits; costs associated with environmental liabilities; requirements for additional capital; future prices of metal; possible variations in grades of mineralization or recovery rates; failure of plant, equipment or processes to operate as anticipated; accidents, labour disputes and other risks of the mining

industry; delays in obtaining governmental approvals, permits or financing or in the completion of development or construction activities; title disputes; claims limitations on insurance coverage; risks related to the integration of acquisitions; fluctuations in the spot and forward price of gold or certain other commodities (such as diesel fuel and electricity); changes in national and local government legislation, taxation, controls, regulations and political or economic developments in the countries in which Cayden now carries on business or where Agnico Eagle may carry on business in the future if the Arrangement is completed; the speculative nature of gold exploration and development; and management's success in anticipating and managing the foregoing factors, as well as the risks described under "*Risk Factors*" and other risks set out in this Information Circular and the documents incorporated by reference herein.

These risk factors are not intended to represent a complete list of the risk factors that could affect Cayden or Agnico Eagle. Although Cayden has attempted to identify in this Information Circular important factors that could cause actual actions, events or results to differ materially from those described in the forward looking statements included herein, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended, and there can be no assurance that the forward-looking statements in this Information Circular will prove to be accurate. Accordingly, readers should not place undue reliance on forward-looking statements in this Information Circular. All of the forward-looking statements made in this Information Circular are qualified by these cautionary statements.

These forward-looking statements are made as of the date of this Information Circular and, other than as specifically required by law, Cayden does not assume any obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Information Contained in this Information Circular

The information contained in this Information Circular is given as at September, 19, 2014, except where otherwise noted and except that information in documents incorporated by reference is given as of the dates noted therein. No person has been authorized to give any information or to make any representation in connection with the Arrangement and other matters described herein other than those contained in this Information Circular and, if given or made, any such information or representation should be considered not to have been authorized by Cayden or Agnico Eagle.

This Information Circular does not constitute the solicitation of an offer to purchase, or the making of an offer to sell, any securities or the solicitation of a proxy by any person in any jurisdiction in which such solicitation or offer is not authorized or in which the person making such solicitation or offer is not qualified to do so or to any person to whom it is unlawful to make such solicitation or offer.

Information contained in this Information Circular should not be construed as personal legal, tax or financial advice to any person and Cayden Securityholders are urged to consult their own professional advisors in connection therewith.

Descriptions in this Information Circular of the terms of the Arrangement Agreement and the Plan of Arrangement are summaries of the terms of those documents and are qualified in their entirety by such terms. Cayden Securityholders should refer to the full text of each of the Arrangement Agreement and the Plan of Arrangement for complete details of those documents. The full text of the Plan of Arrangement and the Arrangement Agreement are attached as Schedule B and C, respectively, to this Information Circular.

Information Pertaining to Agnico Eagle

Certain information in this Information Circular pertaining to Agnico Eagle, including, but not limited to, information pertaining to Agnico Eagle under "*Information About Agnico Eagle*" has been furnished by Agnico Eagle and should be read together with, and is qualified by, the documents of Agnico Eagle incorporated by reference herein which have been filed with or furnished to Canadian Securities Authorities and the SEC. With respect to this information, the Cayden Board has relied exclusively upon Agnico Eagle without independent verification by Cayden. Although Cayden does not have any knowledge that would indicate that such

information is untrue or incomplete, neither Cayden nor any of its directors or officers assumes any responsibility for the accuracy or completeness of such information.

For further information regarding Agnico Eagle, please refer to Agnico Eagle's filings with the Canadian Securities Authorities which may be obtained under Agnico Eagle's profile on the SEDAR website at www.sedar.com and in respect of filings made in the United States through the EDGAR website at www.sec.gov.

Note to Investors Concerning Certain Measures of Performance Used By Agnico Eagle

This Information Circular and the documents incorporated by reference herein present certain measures in respect of Agnico Eagle's performance, including "total cash costs per ounce", "all-in sustaining costs" and "minesite costs per tonne" that are not recognized measures under U.S. GAAP. This data may not be comparable to data disclosed by other gold producers. A reconciliation of these measures to the figures presented in the consolidated financial statements prepared in accordance with U.S. GAAP is set out (i) in respect of the data for the year ended December 31, 2013, in management's discussion and analysis of Agnico Eagle in respect of the year ended December 31, 2013 under the caption "Non-US GAAP Financial Performance Measures — Total Cash Costs per Ounce of Gold Produced and Minesite Costs per Tonne", and (ii) in respect of the three and six month period ended June 30, 2014, in management's discussion and analysis of the Company in respect of the three months ended June 30, 2014 under the captions "Non-US GAAP Financial Performance Measures — Total Cash Costs per Ounce of Gold Produced and Minesite Costs per Tonne" and "Non-US GAAP Financial Performance Measures — All-in Sustaining Costs per Ounce of Gold Produced", each of which is incorporated by reference into this Information Circular.

Total cash costs per ounce of gold produced is presented in this Information Circular and the Agnico Eagle documents incorporated by reference herein on both a by-product basis (deducting by-product metal revenues from production costs) and co-product basis (before by-product metal revenues). Total cash costs per ounce of gold produced on a by-product basis is calculated by adjusting production costs as recorded in the consolidated statements of income (loss) and comprehensive income (loss) for by-product revenues, unsold concentrate inventory production costs, non-cash reclamation provisions, deferred stripping costs, smelting, refining and marketing charges and other adjustments, and then dividing by the number of ounces of gold produced. Total cash costs per ounce of gold produced on a co-product basis is calculated in the same manner as total cash costs per ounce of gold produced on a by-product basis except that no adjustment for by-product metal revenues is made. Accordingly, the calculation of total cash costs per ounce of gold produced on a co-product basis does not reflect a reduction in production costs or smelting, refining and marketing charges associated with the production and sale of by-product metals. Total cash costs per ounce of gold produced is intended to provide information about the cash generating capabilities of Agnico Eagle's mining operations. Agnico Eagle's management also uses these measures to monitor the performance of its mining operations. As market prices for gold are quoted on a per ounce basis, using the total cash cost per ounce of gold produced on a by-product basis measure allows Agnico Eagle's management to assess a mine's cash generating capabilities at various gold prices. Agnico Eagle's management is aware that these per ounce measures of performance can be affected by fluctuations in exchange rates and, in the case of total cash costs per ounce of gold produced on a by-product basis, by-product metal prices. Agnico Eagle's management compensates for these inherent limitations by using these measures in conjunction with minesite costs per tonne (discussed below) as well as other data prepared in accordance with U.S. GAAP. Agnico Eagle's management also performs sensitivity analyses in order to quantify the effects of fluctuating exchange rates and metal prices. Agnico Eagle's primary business is gold production and the focus of its current operations and future development is on maximizing returns from gold production, with other metal production being incidental to the gold production process. Accordingly, all metals other than gold are considered by-products. Total cash costs per ounce of gold produced is presented on a by-product basis because (i) the majority of Agnico Eagle's revenues are gold revenues, (ii) Agnico Eagle mines ore, which contains gold, silver, zinc, copper and other metals, (iii) it is not possible to specifically assign all costs to revenues from the gold, silver, zinc, copper and other metals Agnico Eagle produces and (iv) it is the method used by management and Agnico Eagle's Board to monitor operations.

Minesite costs per tonne is calculated by adjusting production costs as shown in Agnico Eagle's unaudited consolidated statements of income (loss) and comprehensive income (loss) for unsold concentrate inventory production costs, non-cash reclamation provisions, deferred stripping costs and other adjustments, and then

dividing by tonnes of ore processed. As the total cash costs per ounce of gold produced measure can be affected by fluctuations in by-product metal prices and exchange rates, Agnico Eagle's management believes that the minesite costs per tonne measure provides additional information regarding the performance of Agnico Eagle's mining operations. Agnico Eagle's management is aware that this per tonne measure of performance can be affected by fluctuations in production levels and compensates for this inherent limitation by using this measure in conjunction with production costs prepared in accordance with U.S. GAAP.

This Information Circular and the documents incorporated by reference herein also contain information as to Agnico Eagle's estimated future total cash costs per ounce, all-in sustaining costs and minesite costs per tonne. The estimates of Agnico Eagle's total cash costs per ounce, all-in sustaining costs and minesite costs per tonne are based upon the total cash costs per ounce, all-in sustaining costs and minesite costs per tonne that Agnico Eagle expects to incur to mine gold at its mines and projects and, consistent with the reconciliation provided, do not include production costs attributable to accretion expense and other asset retirement costs, which will vary over time as each project is developed and mined. It is therefore not practicable to reconcile these forward-looking non-U.S. GAAP financial measures to the most comparable U.S. GAAP measure.

Note to U.S. Securityholders

THE SECURITIES ISSUABLE IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITIES OF ANY STATE, NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE PASSED UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The Agnico Eagle Shares to be issued by Agnico Eagle pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States and will be issued in reliance on the Section 3(a)(10) Exemption and corresponding exemptions under the securities laws of each state of the United States in which U.S. Shareholders are domiciled. Section 3(a)(10) of the U.S. Securities Act exempts from registration the offer and sale of a security that is issued in exchange for outstanding securities and other property where, among other things, the fairness of the terms and conditions of such exchange are approved after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear by a court or governmental authority expressly authorized by law to grant such approval and to hold such a hearing. Accordingly, the Final Order, if granted by the Court, will constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the Agnico Eagle Shares to be issued in connection with the Arrangement. See *"The Arrangement — Court Approval of the Arrangement"*.

The Agnico Eagle Shares to be issued to Cayden Shareholders under the Arrangement will be freely transferable under U.S. federal securities laws except that the U.S. Securities Act imposes restrictions on the resale of securities received pursuant to the Arrangement by persons who are, or within the 90 days immediately before such resale were, "affiliates" of the issuer of those securities. See *"Securities Law Considerations — U.S. Securities Laws"*.

Cayden Shareholders resident in the United States should be aware that the Arrangement described herein may have tax consequences both in the United States and in Canada. Such consequences for Cayden Shareholders may not be described fully herein. For a general discussion of the principal Canadian federal income tax considerations to investors who are resident in the U.S., see *"Certain Canadian Federal Income Tax Considerations — Holders Not Resident in Canada"*. For a general discussion of certain U.S. federal income tax considerations to investors who are resident in the United States, see *"Certain United States Federal Income Tax Considerations"*. Cayden Shareholders resident in the United States are urged to consult their own tax advisors with respect to such Canadian and United States federal income tax consequences and the applicability of any federal, state, local, foreign and other tax laws.

The solicitation of proxies involve securities of an issuer located in Canada and is being effected in accordance with the corporate laws of the Province of British Columbia, Canada and securities laws of the provinces of Canada. The proxy solicitation rules under the Exchange Act are not applicable to the Company or

this solicitation, and this solicitation has been prepared in accordance with the disclosure requirements of the securities laws of the provinces of Canada. Cayden Securityholders should be aware that disclosure requirements under the securities laws of the provinces of Canada differ from the disclosure requirements under United States securities laws.

The enforcement by Cayden Securityholders of civil liabilities under United States federal securities laws may be affected adversely by the fact that the Company is incorporated under the BCBCA, certain of its directors and its executive officers are residents of Canada and a substantial portion of its assets and the assets of such persons are located outside the United States. Cayden Securityholders may not be able to sue a foreign company or its officers or directors in a foreign court for violations of United States federal securities laws. It may be difficult to compel a foreign company and its officers and directors to subject themselves to a judgment by a United States court. In addition, Cayden Securityholders resident in the United States should not assume that Canadian courts: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the securities laws of the United States or "blue sky" laws of any state within the United States or (b) would enforce, in original actions, liabilities against such persons predicated upon civil liabilities under the securities laws of the United States or "blue sky" laws of any state within the United States.

The financial statements of Agnico Eagle incorporated by reference herein have been prepared in accordance with U.S. GAAP, which differs in material ways from IFRS.

Information concerning the properties and operations of Agnico Eagle which is contained herein, and in certain publicly-available disclosure filed on SEDAR by Agnico Eagle and incorporated by reference herein, uses terms that comply with reporting standards in Canada. In particular, certain estimates of mineralized material are made in accordance with Canadian National Instrument 43-101 — *Standards of Disclosure for Mineral Projects*, under guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "**CIM**") Standards on Mineral Resources and Mineral Reserves adopted by the CIM Council on November 27, 2010.

NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects.

Unless otherwise indicated, all reserve and resource estimates referred to or contained in this Information Circular have been prepared in accordance with NI 43-101. **These NI 43-101 standards differ significantly from the requirements of the SEC, and such resource information may not be comparable to similar information disclosed by U.S. companies.** For example, while the terms "mineral resource", "measured resource", "indicated resource" and "inferred resource" are recognized and required by Canadian regulations, they are not recognized by the SEC. It cannot be assumed that any part of the mineral deposits in these categories will ever be upgraded to a higher category. These terms have a great amount of uncertainty as to their existence, and great uncertainty as to their economic and legal feasibility. In particular, it cannot be assumed that any part of an inferred resource exists. In accordance with Canadian rules, estimates of "inferred resources" cannot form the basis of feasibility or other economic studies. In addition, under the requirements of the SEC, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made.

GLOSSARY OF DEFINED TERMS

The following terms used in this Information Circular have the meanings set forth below:

"**Acquisition Proposal**" has the meaning ascribed thereto in "*The Arrangement Agreement — Covenants — Non-Solicitation Covenants*".

"**Agnico Eagle**" means Agnico Eagle Mines Limited.

"**Agnico Eagle Shares**" means common shares of Agnico Eagle.

"**Arrangement**" means the arrangement of the Company under the provisions of the BCBCA, on the terms and conditions set forth in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with the Arrangement Agreement, the applicable provisions of the Plan of Arrangement or made at the direction of the Court in the Final Order.

"**Arrangement Agreement**" means the arrangement agreement dated September 8, 2014 between Agnico Eagle and the Company, together with the schedules attached thereto, attached as Schedule C hereto, as amended or supplemented from time to time.

"**Arrangement Consideration**" means the consideration payable to Cayden Shareholders under the Arrangement, being 0.09 of an Agnico Eagle Share and $0.01 in cash for each Cayden Share.

"**Arrangement Resolution**" means the special resolution of Cayden Securityholders, voting as a single class, approving the Arrangement to be considered at the Meeting, substantially in the form of Schedule A hereto.

"**BCBCA**" means the *Business Corporations Act* (British Columbia).

"**Beacon**" means Beacon Securities Limited, the fairness advisor to Cayden in respect of the Arrangement.

"**Beacon Fairness Opinion**" means the opinion dated as of September 8, 2014 and prepared and delivered by Beacon to the Board to the effect that the Arrangement Consideration is fair, from a financial point of view, to Cayden Shareholders, which is attached as Schedule D hereto.

"**Beneficial Shareholder**" has the meaning ascribed thereto in "*General Proxy Information — Beneficial Shareholders*".

"**Board**" or "**Board of Directors**" or "**Cayden Board**" means the board of directors of Cayden.

"**Business Day**" means a day, other than a Saturday or Sunday, on which the principal commercial banks located in Toronto, Ontario and Vancouver, British Columbia are open for the conduct of business.

"**Canadian Securities Authorities**" means all applicable securities regulatory authorities, including the applicable securities commissions or similar regulatory authorities in each of the provinces and territories of Canada.

"**Canadian Securities Laws**" means the *Securities Act* (British Columbia), as amended, and the equivalent legislation in the other provinces where the Company is a reporting issuer, as amended from time to time, the rules, regulations and forms made or promulgated under any such statutes and the published policies, bulletins and notices of the regulatory authorities administering such statutes.

"**Cayden**" or the "**Company**" means Cayden Resources Inc.

"**Cayden Optionholder**" or "**Optionholder**" means a holder of Cayden Options.

"**Cayden Option Plans**" means: (i) the stock option plan of the Company first approved by Shareholders on September 29, 2010; and (ii) the stock option plan of the Company dated as of September 27, 2011, as ratified, confirmed and approved by the Shareholders of the Company on June 17, 2014.

"**Cayden Options**" means the outstanding options to purchase an aggregate of 3,916,250 Cayden Shares granted pursuant to the Cayden Option Plans.

"**Cayden Securities**" means, collectively, Cayden Shares, Cayden Options and Cayden Warrants.

"**Cayden Securityholders**" or "**Securityholders**" means, collectively, the Cayden Shareholders, Cayden Optionholders and Cayden Warrantholders.

"**Cayden Shareholders**" or "**Shareholders**" means persons who hold Cayden Shares.

"**Cayden Shares**" means common shares in the capital of the Company.

"**Cayden Warrantholders**" or "**Warrantholders**" means the holders of Cayden Warrants.

"**Cayden Warrants**" means the warrants to purchase an aggregate of 31,809 Cayden Shares, issued in connection with a financing completed on April 1, 2014, with an exercise price of $1.70 per Cayden Share and that expire on April 1, 2016.

"**CEO**" means chief executive officer.

"**Change in Recommendation**" means: (i) the Board or the Special Committee withdraws, modifies, changes or qualifies its approval or recommendation of the Arrangement Agreement or the Arrangement Resolution in any manner adverse to Agnico Eagle; (ii) the Board fails to reaffirm its recommendation of the Arrangement in accordance with Section 7.3(d) of the Arrangement Agreement; (iii) the Board or the Special Committee recommends or approves an Acquisition Proposal; (iv) the Board or the Special Committee has resolved to do either (i) or (iii); or (v) the Company is in material default of any covenant or obligation under Article 7 of the Arrangement Agreement.

"**Cofece**" means the Comisión Federal de Competencia Económica (the Mexican antitrust regulator).

"**Computershare**" means Computershare Trust Company of Canada, the Company's registrar and transfer agent.

"**Court**" means the Supreme Court of British Columbia.

"**CRA**" means the Canada Revenue Agency.

"**Depositary**" means Computershare Investor Services Inc., in its capacity as depositary for the Arrangement.

"**Dissent Procedures**" has the meaning ascribed thereto in "*The Arrangement — Dissent Rights*".

"**Dissent Rights**" means the right of dissent and appraisal which may be exercised by holders of Cayden Shares in connection with the Arrangement in accordance with the Dissent Procedures.

"**Dissenting Shareholder**" has the meaning ascribed thereto in "*The Arrangement — Dissent Rights*".

"**Dissenting Shares**" has the meaning ascribed thereto in "*The Arrangement — Dissent Rights*".

"**EDGAR**" means the Electronic Data Gathering, Analysis and Retrieval system of the SEC.

"**Effective Date**" means the date that Agnico Eagle and the Company agree on, acting reasonably, as the effective date of the Arrangement after all of the conditions precedent to the completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived, including that the Final Order has been granted by the Court.

"**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time as the Company and Agnico Eagle may agree in writing before the Effective Date.

"**Elected Amount**" has the meaning ascribed thereto in "*Certain Canadian Federal Income Tax Considerations — Holders Resident in Canada*".

"**Eligible Holder**" means a beneficial owner of Cayden Shares immediately before the Effective Time who is a resident of Canada for purposes of the Tax Act (other than a Tax Exempt Person), or a partnership any member of which is (i) a resident of Canada for the purposes of the Tax Act, and (ii) not a Tax Exempt Person.

"**Encumbrance**" includes any mortgage, pledge, assignment, charge, lien, claim, security interest, adverse interest, adverse claim, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing.

"**Exchange Act**" means the *United States Securities Exchange Act of 1934*, as amended and the rules and regulations promulgated thereunder.

"**Excluded Cayden Shareholders**" means the Cayden Shares that are required to be excluded for the purposes of obtaining minority approval of the Arrangement Resolution in accordance with Part 8 of MI 61-101.

"**Exercised Option**" means a Cayden Option for which an Optionholder has executed an applicable exercise form and in respect of which the Optionholder has, before the Effective Time, paid to the Company the aggregate of the exercise price of such Cayden Option and applicable taxes in respect of such exercise.

"**Exercised Warrant**" means a Cayden Warrant for which a Warrantholder has executed an applicable exercise form and in respect of which the Warrantholder has, before the Effective Time, paid to the Company the aggregate of the exercise price of such Cayden Warrant.

"**Final Order**" means the order of the Court approving the Arrangement, as such order may be amended at any time before the Effective Date or, if appealed, then unless such appeal is withdrawn or denied, as affirmed or as amended on appeal.

"**Holder**" has the meaning ascribed thereto under "*Certain Canadian Federal Income Tax Considerations*".

"**IFRS**" means International Financial Reporting Standards.

"**Information Circular**" means this management information circular of Cayden, including all schedules hereto, and all amendments and supplements hereto.

"**Interim Order**" means the interim order of the Court, providing for, among other things, the calling and holding of the Meeting, as the same may be amended by the Court, and attached as Schedule F hereto.

"**Intermediary**" or "**Intermediaries**" has the meaning ascribed thereto under "*General Proxy Information — Beneficial Shareholders*".

"**Law**" means any applicable laws, including international, national, provincial, state, municipal and local laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, by-laws, rules, regulations, ordinances, or other requirements of any Regulatory Authority having the force of law.

"**Letter of Intent**" means the letter of intent entered into by Cayden and Agnico Eagle dated July 9, 2014, as amended on August 15, 2014, setting out, among other things, the basic business terms and conditions of the proposed Arrangement.

"**Letter of Transmittal**" means the letter of transmittal (printed on blue paper) that accompanies this Information Circular sent to Registered Shareholders pursuant to which Registered Shareholders are required to deliver certificates, if any, representing Cayden Shares to the Depositary in order to receive the Arrangement Consideration in exchange for their Cayden Shares.

"**Material Adverse Effect**" means, in respect of a person, any effect that is, or could reasonably be expected to be, material and adverse to the business, condition (financial or otherwise), properties, assets (tangible or intangible), prospects, liabilities (whether absolute, accrued, conditional or otherwise), operations or results of operations of such person and its subsidiaries taken as a whole, other than any effect: (a) relating to the Canadian or Mexican economy, political conditions or securities markets in general; (b) affecting the gold mining industry in general; (c) relating to a change in the market trading price of shares of that person, either: (i) related to this Agreement and the Arrangement or the announcement thereof, or (ii) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from this definition of Material Adverse Effect referred to in clause (a), (b) or (d); or (d) relating to any generally applicable change in applicable Law (other than orders, judgments or decrees against such person, or any of its subsidiaries) or in accounting principles or standards applicable to that person; provided, however, that the effect referred to in clause (a), (b) or (d) above does not primarily relate only to (or have the effect of primarily relating only to) such person and its subsidiaries, taken as a whole, or disproportionately adversely affect such person and its subsidiaries taken as a whole, compared to other companies of similar size operating in the industry in which it and its subsidiaries operate.

"**Meeting**" means the special meeting of Cayden Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution.

"**Mexican Regulatory Approval**" means the issuance of an authorization by Cofece to Agnico Eagle and Cayden to consummate, on terms satisfactory to Agnico Eagle, the transactions contemplated by the Arrangement Agreement, or the expiry of the relevant statutory term (and any extension thereof) prescribed by the Federal Economic Competition Law (Mexico) (*Ley Federal de Competencia Económica*) without a decision by Cofece, and the deemed authorization of Agnico Eagle to consummate the transactions contemplated by the Arrangement Agreement.

"**Mexico Share Transfer Agreement**" means the share transfer agreement dated September 8, 2014 between Peter Rees and Agnico Eagle, whereby Peter Rees agrees, as of the Effective Time, to transfer to a wholly-owned subsidiary of Agnico Eagle all of the shares of Cayden's Mexican subsidiaries that he holds in trust for Cayden.

"**MI 61-101**" means Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions*.

"**NI 43-101**" means National Instrument 43-101 — *Standards of Disclosure for Mineral Projects*.

"**NI 54-101**" means National Instrument 54-101 — *Communications with Beneficial Owners of Securities of a Reporting Issuer*.

"**NOBOs**" means non-objecting beneficial owners, as defined in NI 54-101.

"**Notice of Application**" means the notice of application which is attached as Schedule G hereto.

"**NYSE**" means the New York Stock Exchange.

"**OBCA**" means the *Business Corporations Act* (Ontario).

"**OBOs**" means objecting beneficial owners, as defined in NI 54-101.

"**OTCQX**" means the OTCQX over-the-counter securities market operated in the United States by OTC Markets Group Inc.

"**Outside Date**" means March 8, 2015, or such later date as Agnico Eagle and the Company may agree in writing.

"**Person**" means an individual, general partnership, limited partnership, corporation, company, limited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative.

"**Plan of Arrangement**" means the plan of arrangement in the form and content of Schedule B attached hereto, as amended or supplemented from time to time.

"**Proxy**" has the meaning ascribed thereto in "*General Proxy Information — Appointment of Proxyholders*".

"**Record Date**" means September 19, 2014, the date fixed for determining the Cayden Securityholders entitled to receive notice of, and to vote at, the Meeting.

"**Registered Shareholder**" means a registered holder of Cayden Shares as recorded in the central securities register of the Company maintained by Computershare.

"**Regulatory Authority**" means: (i) any multinational or supranational body or organization, nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission, instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing; (ii) any self-regulatory organization or stock exchange, including the TSX-V; (iii) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government; and (iv) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of such entities or other bodies pursuant to the foregoing.

"**SEC**" means the United States Securities and Exchange Commission.

"**Section 3(a)(10) Exemption**" means the exemption from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) of the U.S. Securities Act.

"**Section 85 Election**" has the meaning ascribed thereto in "*Certain Canadian Federal Income Tax Considerations*".

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval of the Canadian Securities Administrators.

"**Special Committee**" means the committee of independent directors of the Board formed to consider the Arrangement and report to the Board, which is comprised of Steven Cook, David Jones and Rene Carrier.

"**Subsidiary**" means, with respect to a person, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class will or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such person and will include any body corporate, partnership, joint venture or other entity over which it exercises direction or control or which is in a like relation to a subsidiary.

"**Superior Proposal**" has the meaning ascribed thereto in "*The Arrangement Agreement — Covenants — Non-Solicitation Covenants*".

"**Support Agreements**" means, collectively, the support agreements entered into by Agnico Eagle with each of the Supporting Shareholders.

"**Supporting Shareholders**" means, collectively, each of the directors and officers of the Company.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations thereunder, each as amended.

"**Tax Exempt Person**" means a person who is exempt from tax under Part I of the Tax Act.

"**Termination Payment**" means the amount of $5.7 million which is payable by Cayden to Agnico Eagle if the Arrangement Agreement is terminated in certain circumstances described herein as Termination Payment Events.

"**Termination Payment Event**" means the circumstances under which the Termination Payment must be made, see "*The Arrangement Agreement — Termination Payment*".

"**TSX**" means the Toronto Stock Exchange.

"**TSX-V**" means the TSX Venture Exchange.

"**United States**" means the United States of America, its territories and possessions, any State of the United States, and the District of Columbia.

"**U.S. GAAP**" means generally accepted accounting principles of the United States.

"**U.S. Securities Act**" means the *United States Securities Act of 1933*, as amended and the rules and regulations promulgated thereunder.

"**U.S. Shareholders**" means those Cayden Shareholders that are located in the United States or that are U.S. Persons, as defined under Rule 902 of Regulation S, promulgated under the U.S. Securities Act.

SUMMARY OF INFORMATION CIRCULAR

The following is a summary of certain information contained elsewhere in, or incorporated by reference into, this Information Circular, including the Schedules hereto. Certain capitalized terms used in this summary are defined in the *"Glossary of Defined Terms"* or elsewhere in this Information Circular. This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Information Circular.

The Meeting

The Meeting will be held on Monday, October 27, 2014 at 10:00 a.m. (Vancouver time) at the offices of McMillan LLP at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia.

Purpose of the Meeting

The purpose of the Meeting is for Cayden Securityholders to consider and vote on the Arrangement Resolution, the full text of which is attached as Schedule A to this Information Circular. The Arrangement Resolution is a special resolution to approve the acquisition by Agnico Eagle of all of the Cayden Shares, including the Cayden Shares issuable on the exercise of outstanding Cayden Options and Cayden Warrants. The acquisition will be completed by way of the Plan of Arrangement under the provisions of the BCBCA. See *"The Arrangement"* and *"The Arrangement Agreement"* for a summary of the principal terms of the Plan of Arrangement and the Arrangement Agreement.

Securityholder and Other Approvals

To be effective, the Arrangement Resolution must be approved by (a) at least two-thirds (66⅔%) of the votes cast by Cayden Securityholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Meeting, and (b) a simple majority of the votes cast by the Cayden Shareholders present in person or represented by proxy and entitled to vote at the Meeting (other than votes cast in respect of Cayden Shares held by Excluded Cayden Shareholders). See *"The Arrangement — Securityholder Approval"*.

On September 25, 2014, Cayden obtained an Interim Order providing for the calling and holding of the Meeting and other procedural matters. Under the terms of the Interim Order, each Cayden Securityholder will have the right to appear and make representations at the hearing for the Final Order. The Court hearing in respect of the Final Order is scheduled to take place at 9:45 a.m. (Vancouver time) on October 29, 2014, unless adjourned, or as soon after that time as the application may be heard, at 800 Smithe Street, Vancouver, British Columbia, subject to the approval of the Arrangement Resolution at the Meeting. Any Cayden Securityholder who wishes to participate in or be represented at the Court hearing should consult with their legal advisors as to the procedural requirements. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct. The Court's approval is required for the Arrangement to become effective. The Court will be informed before the hearing for the Final Order that its determination that the Arrangement is fair to Cayden Securityholders, both substantively and procedurally, will constitute the basis to claim the Section 3(a)(10) Exemption with respect to the issuance of the Agnico Eagle Shares to be issued to Cayden Shareholders in exchange for Cayden Shares pursuant to the Arrangement. See *"The Arrangement — Court Approval of the Arrangement"*.

The Arrangement is also subject to the receipt of certain regulatory approvals, including Mexican Regulatory Approval. See *"The Arrangement — Effective Date of the Arrangement"*.

The Arrangement

The Arrangement is being proposed pursuant to the terms of the Arrangement Agreement which was entered into by Cayden and Agnico Eagle on September 8, 2014. Pursuant to the Arrangement, Cayden Shareholders (other than Dissenting Shareholders) will receive the Arrangement Consideration, being 0.09 of an Agnico Eagle Share and $0.01 in cash in exchange for each Cayden Share they hold. Upon completion of the transactions contemplated by the Arrangement Agreement, Cayden Shareholders (other than Dissenting Shareholders) will become shareholders of Agnico Eagle. Cayden Optionholders and Cayden Warrantholders

must exercise their Cayden Options and Cayden Warrants before the Effective Time to receive the Arrangement Consideration. All unexercised Cayden Options and Cayden Warrants will be terminated at the Effective Time without any payment to the holder. If the aggregate number of Agnico Eagle Shares to which a former holder of Cayden Shares would otherwise be entitled would include a fractional share, then the number of Agnico Eagle Shares that such former holder of Cayden Shares is entitled to receive will be rounded down to the nearest whole number. See "*The Arrangement — Arrangement Steps*".

Recommendation of the Cayden Board

After careful consideration and on the unanimous recommendation of the Special Committee, the Cayden Board unanimously determined that the consideration under the Arrangement is fair to Cayden Securityholders, and that the Arrangement is in the best interests of Cayden. **Accordingly, the Cayden Board unanimously recommends that Cayden Securityholders vote FOR the Arrangement Resolution.**

Principal Reasons for the Board's Favourable Recommendation

In the course of its evaluation of the Arrangement, the Cayden Board consulted with Cayden's senior management, legal counsel, Beacon and the Board's other financial advisors, and considered the Arrangement with reference to the general industry, economic and market conditions as well as the financial condition of Cayden, its prospects, strategic alternatives, competitive position and the risks related to Cayden's ongoing financing requirements. Specifically, the Cayden Board considered the following factors, among others:

- The consideration payable to Cayden Shareholders pursuant to the Arrangement represents a premium of 42.5% to the volume weighted average price of Cayden Shares on the TSX-V for the 30-day period ended September 5, 2014 and a 51.9% premium to the 60-day volume weighted average price for the period ended September 5, 2014 (the last trading day before announcement of the transaction).
- The Beacon Fairness Opinion, which provides that, as of the date thereof and subject to the assumptions, limitations and qualifications contained therein, the Arrangement Consideration is fair, from a financial point of view, to the Cayden Shareholders. The Beacon Fairness Opinion is attached as Schedule D to this Information Circular.
- Cayden's industry outreach efforts with several other gold companies to solicit their interest in a transaction with the Company suggested to the Board that it was unlikely that any party would be likely to consummate a transaction on terms that were superior to the proposed transaction with Agnico Eagle in the near term.
- Cayden Shareholders will be exchanging their interests in relatively early stage gold projects for an interest in Agnico Eagle's gold-producing assets, the value of which is highly correlated to the price of gold. The Cayden Board has confidence in the recovery of gold prices and has concluded that both the price and timing are right for this transaction.
- The Arrangement Consideration will provide Cayden Shareholders with more certainty of value given the greater volatility of shares of junior exploration companies like Cayden and given the enhanced liquidity in respect of the Agnico Eagle Shares, which are listed on the TSX and NYSE. Agnico Eagle has a significantly greater market capitalization and greater trading liquidity than Cayden. Cayden Shareholders who choose to maintain an ownership position in Agnico Eagle may also benefit from its more diversified asset base.
- Agnico Eagle's management team and board of directors include established mining industry executives who have participated in the successful acquisition and development of mineral projects worldwide. The Cayden Board believes that the Agnico Eagle management team will enhance the potential to fully develop Cayden's mineral exploration projects for the benefit of both the holders of Agnico Eagle Shares and the Cayden Shareholders.
- Cayden currently relies on ongoing equity financing, third party partners or, where possible, asset sales to provide funding to advance its exploration projects. The ability to continue to obtain equity financing or

partners for its exploration projects is uncertain. Agnico Eagle has superior access to the capital needed to develop gold assets.

- The process to implement the Arrangement is procedurally fair. The following rights and approvals protect Cayden Securityholders: (i) the Arrangement Resolution must be approved by not less than 66⅔% of the votes cast at the Meeting by Cayden Securityholders; (ii) the Arrangement Resolution must be approved by a "majority of the minority" of Cayden Shareholders, that is by a simple majority of the votes cast by Cayden Shareholders other than certain members of management of Cayden who are deemed to be receiving collateral benefits under the Arrangement; (iii) the Arrangement must be approved by the Court, which will consider, among other things, the fairness of the Arrangement to Cayden Securityholders; and (iv) Registered Shareholders have the right to dissent from the Arrangement, and be paid the fair value of their Cayden Shares.
- The material conditions required for completion of the Arrangement, including Mexican Regulatory Approval, Securityholder approval and Court approval, were considered by the Cayden Board to be reasonable under the circumstances.
- Under the Arrangement Agreement, Cayden is allowed to seek additional financing if the Final Order has been granted and the Effective Date has not occurred by December 15, 2014, subject to certain rights of Agnico Eagle to provide that financing.
- The terms of the Arrangement Agreement allow the Cayden Board to consider and respond to unsolicited bona fide written Acquisition Proposals received before the Meeting that are, or are reasonably likely to lead to, a Superior Proposal, in circumstances where that the failure to consider such Acquisition Proposal would be inconsistent with the Board's fiduciary duties.
- The Supporting Shareholders have entered into Support Agreements with Agnico Eagle in respect of Cayden Securities representing, in the aggregate, approximately 19.8% of the outstanding Cayden Shares (calculated on a fully-diluted basis), pursuant to which, and subject to certain exceptions, such Supporting Shareholders have agreed, among other things, to support the Arrangement and vote their Cayden Securities in favour of the Arrangement Resolution.
- The Special Committee retained financial advisors who, together with the Company's legal advisor, advised it throughout the negotiations with Agnico Eagle and the Arrangement Agreement is the result of arm's length negotiations between Cayden and Agnico Eagle (the Special Committee concluded that independent legal counsel was not required).
- The El Barqueño property has not been determined to host any estimated inferred, or measured or indicated mineral resources and there can be no assurance given that future exploration activities would identify any material inferred, measured or indicated resources or proven or probable reserves on the property.

In the course of its deliberations, the Cayden Board also identified and considered a variety of risks and potentially negative factors in connection with the Arrangement, including the risks set out in *"Risk Factors"*.

See *"The Arrangement — Principal Reasons for the Board's Favourable Recommendation"*.

Fairness Opinion

The Board retained Beacon to assess the fairness, from a financial point of view, of the consideration to be received by Cayden Shareholders pursuant to the Arrangement. In connection with this mandate, Beacon provided an opinion to the Board on the date of the Arrangement Agreement to the effect that, as at that date and subject to the assumptions, limitations and qualifications contained therein, the Arrangement Consideration to be received by Cayden Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Cayden Shareholders. The summary of the Beacon Fairness Opinion described in this Information Circular is qualified in its entirety by reference to the full text of the Beacon Fairness Opinion, which is attached as Schedule D to this Information Circular. See *"The Arrangement — Fairness Opinion"*.

Parties to the Arrangement Agreement

Cayden is a company incorporated under and governed by the BCBCA. Cayden's registered office is located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7 and its head office is located at Suite 600 – 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5. Cayden Shares are listed for trading on the TSX-V under the symbol "CYD" and trade on the OTCQX under the symbol "CDKNF".

Agnico Eagle is a corporation incorporated under and governed by the OBCA. Agnico Eagle's registered office and head office is located at 145 King Street East, Suite 400, Toronto, Ontario, Canada M5C 2Y7. Agnico Eagle Shares are listed for trading on the TSX and the NYSE under the symbol "AEM". See *"Information About Agnico Eagle"*.

Rights of Dissent for Cayden Shareholders

Pursuant to the Interim Order and the Plan of Arrangement, Registered Shareholders have Dissent Rights with respect to the Arrangement. Any Registered Shareholder who dissents from the Arrangement Resolution in accordance with sections 242 to 247 of the BCBCA, as modified by the Interim Order, will be entitled to be paid by Agnico Eagle the fair value of the Cayden Shares held by the Registered Shareholder, determined as at the point in time immediately before the Arrangement Resolution is approved by the Cayden Securityholders.

To exercise Dissent Rights, Cayden must receive from the Registered Shareholder a written objection to the Arrangement Resolution not later than 10:00 a.m. (Vancouver time) on October 23, 2014 or two Business Days immediately preceding any date to which the Meeting may be postponed or adjourned. If Cayden Shareholders holding more than 5% of the issued and outstanding Cayden Shares exercise Dissent Rights, Agnico Eagle has the right to terminate the Arrangement Agreement.

A Dissenting Shareholder who fails to strictly comply with the requirements of the Dissent Rights set out in the Interim Order will lose its Dissent Rights. The Dissent Rights are set out in their entirety in the Interim Order, the text of which is set out in Schedule F to this Information Circular. A Cayden Shareholder wishing to exercise Dissent Rights should seek independent legal advice.

See *"The Arrangement — Dissent Rights"* in this Information Circular.

Certain Canadian Federal Income Tax Considerations

The following overview of certain income tax considerations is subject to the assumptions, provisos and details under *"Certain Canadian Federal Income Tax Considerations"*, which should be reviewed by all holders in conjunction with their own tax advisors.

The exchange of Cayden Shares for the Arrangement Consideration will be a taxable transaction to a Cayden Shareholder resident in Canada unless the holder files a valid Section 85 Election. Eligible Holders may generally obtain a full or partial tax deferral of a capital gain in respect of the disposition of Cayden Shares by jointly electing with Agnico Eagle and filing with the CRA (and where applicable, with a provincial revenue authority) a Section 85 Election selecting an Elected Amount that fully or partially defers a capital gain otherwise arising, subject to the limitations under the Tax Act (and relevant provincial legislation). Holders should refer to the discussion under "*Certain Canadian Federal Income Tax Considerations*", and further details regarding the procedure for making a Section 85 Election will be contained in a tax instruction letter to be posted on the Agnico Eagle website shortly after the Effective Date.

A Holder not resident in Canada will not be subject to tax under the Tax Act on any capital gain realized on the exchange of Cayden Shares for the Arrangement Consideration unless such Cayden Shares are, or are deemed to be, "taxable Canadian property" of the non-resident holder and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Holders who wish to file a Section 85 Election should promptly consult with their own tax advisors as the process for filing a valid Section 85 Election is subject to complexities under the relevant tax legislation and the

necessary tax election information must be submitted by an Eligible Holder to Agnico Eagle in accordance with the procedures set out in the tax instruction letter on or before forty-five (45) days after the Effective Date.

The tax treatment of Cayden Optionholders and Cayden Warrantholders is not discussed in this summary or in the discussion under *"Certain Canadian Federal Income Tax Considerations"*, and affected holders should consult with their own tax advisors in this regard.

All Holders should read the discussion under *"Certain Canadian Federal Income Tax Considerations"* and consult with their own tax advisors, and this summary is qualified accordingly.

Certain United States Federal Income Tax Considerations

The exchange of Cayden Shares for the Arrangement Consideration will be a taxable transaction for a U.S. Holder (as defined under *"Certain United States Federal Income Tax Considerations — U.S. Holders"*), with gain or loss recognized in an amount equal to the difference between (i) the fair market value of Agnico Eagle Shares and Canadian dollars received by a U.S. Holder in the Arrangement, and (ii) the adjusted tax basis of the U.S. Holder in the Cayden Shares exchanged. Subject to the passive foreign investment company rules (described under "*Certain United States Federal Income Tax Considerations — Tax Consequences of the Arrangement Under the Passive Foreign Investment Company Rules*"), any gain or loss recognized by the U.S. Holder as a result of the Arrangement will be short-term capital gain or loss, unless the U.S. Holder's holding period for the Cayden Shares exchanged was more than one year, in which case any gain or loss recognized would be long-term capital gain or loss. Preferential tax rates for long-term capital gains are generally applicable to a U.S. Holder that is an individual, estate or trust. Deductions for capital losses may be limited. If Cayden is a passive foreign investment company, any gain or loss recognized as a result of the Arrangement will be subject to different gain recognition rules, generally less favourable to the U.S. Holder than if Cayden were not a passive foreign investment company. For additional information and a general discussion of U.S. tax considerations, see *"Certain U.S. Federal Income Tax Considerations"*.

Securities Laws Information for Canadian Shareholders

The issuance of Agnico Eagle Shares pursuant to the Arrangement will constitute distributions of securities which are exempt from the prospectus requirements of Canadian Securities Laws. Agnico Eagle Shares issued in connection with the Plan of Arrangement may be resold in each province of Canada without a prospectus, provided: (i) that Agnico Eagle is a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade; (ii) the trade is not a "control distribution" as defined in National Instrument 45-102 — *Resale of Securities*; (iii) no unusual effort is made to prepare the market or create a demand for the securities that are the subject of the trade; (iv) no extraordinary commission or consideration is paid in respect of the trade; and (v) if the selling security holder is an insider or officer of Agnico Eagle (as such terms are defined in Canadian Securities Laws), the selling securityholder has no reasonable grounds to believe that Agnico Eagle is in default of Canadian Securities Laws.

If the Arrangement becomes effective, each Cayden Securityholder who receives Agnico Eagle Shares is urged to consult the holder's professional advisors with respect to restrictions applicable to trades in Agnico Eagle Shares under Canadian Securities Laws.

See "*Securities Laws Considerations — Canadian Securities Laws*".

Securities Laws Information for U.S. Securityholders

The Agnico Eagle Shares to be issued under the Arrangement to Cayden Shareholders have not been and will not be registered under the U.S. Securities Act. Such securities will be issued in reliance upon the Section 3(a)(10) Exemption under the U.S. Securities Act. Except with respect to resales of Agnico Eagle Shares issued to Cayden Shareholders under the Arrangement who were affiliates of Agnico Eagle at the time of such resale, or within the 90 days immediately before such resale, the securities to be issued or distributed pursuant to the Arrangement will not be subject to resale restrictions under the U.S. Securities Act.

See *"Note to U.S. Securityholders"* and *"Securities Laws Considerations — U.S. Securities Laws"*.

THE ARRANGEMENT

Overview

Agnico Eagle is proposing to acquire 100% of outstanding Cayden Shares, including Cayden Shares issuable on the exercise of Cayden Options and the Cayden Warrants. The acquisition will be completed by way of the Plan of Arrangement under the provisions of the BCBCA. Pursuant to the Plan of Arrangement, Cayden Shareholders will receive 0.09 of an Agnico Eagle Share and $0.01 in cash for each Cayden Common Share they held at the Effective Time.

On September 8, 2014, Cayden and Agnico Eagle entered into the Arrangement Agreement which provides for the implementation of the Plan of Arrangement. A summary of the principal terms of the Arrangement Agreement and the Plan of Arrangement is provided in this Information Circular, and copies of the Arrangement Agreement and Plan of Arrangement are attached to this Information Circular as Schedules C and B, respectively. The summaries set out herein do not purport to be complete and are qualified in their entirety by reference to the Arrangement Agreement and the Plan of Arrangement.

Capitalized terms have the meanings set out in the Glossary of Terms, or are otherwise defined herein.

Arrangement Steps

The following summarizes the steps that will occur under the Plan of Arrangement on the Effective Date, if all conditions to the completion of the Arrangement have been satisfied or waived. The following description of steps is qualified in its entirety by reference to the full text of the Plan of Arrangement attached as Schedule B to this Information Circular.

Pursuant to the Arrangement, commencing at the Effective Time, each of the following events will be deemed to occur without any further authorization, act or formality:

1) each of the Exercised Options will be, and will be deemed to be, exercised and Cayden will, and will be deemed to, issue to the holder of such Exercised Options that number of Cayden Shares issuable pursuant to the terms of such Exercised Options, and the name of each such holder will be added to the securities register maintained by or on behalf of Cayden in respect of Cayden Shares showing such holder as the legal and beneficial owner of the Cayden Shares acquired pursuant to the terms of such Exercised Options;

2) all Cayden Options will be terminated without payment or compensation therefor, and neither Cayden nor Agnico Eagle will have any further liabilities or obligations to the Cayden Optionholder thereof with respect thereto;

3) each of the Exercised Warrants will be, and will be deemed to be, exercised and Cayden will, and will be deemed to, issue to the holder of such Exercised Warrant that number of Cayden Shares issuable pursuant to the terms of such Exercised Warrant, and the name of each such holder will be added to the securities register maintained by or on behalf of Cayden in respect of Cayden Shares showing such holder as the legal and beneficial owner of the Cayden Shares acquired pursuant to the terms of such Exercised Warrant;

4) all Cayden Warrants will be terminated without payment or compensation therefor, and neither Cayden nor Agnico Eagle will have any further liabilities or obligations to the Cayden Warrantholder thereof with respect thereto;

5) each Cayden Share (other than those held by Dissenting Shareholders or Agnico Eagle) will be irrevocably transferred to Agnico Eagle (free and clear of all Encumbrances), and the holder thereof will be entitled to receive from Agnico Eagle the Arrangement Consideration for such Cayden Share and upon the transfer of each such Cayden Share from such holder to Agnico Eagle, each such holder will cease to be a holder of the Cayden Shares so transferred and cease to have any rights as a holder of such Cayden Shares other than the right to be paid the Arrangement Consideration for such Cayden Shares and the name of such holder will be removed as the holder of such Cayden Shares from the central securities register of holders of Cayden Shares maintained by or on behalf of Cayden and

Agnico Eagle will become the sole legal and beneficial holder of the Cayden Shares so transferred (free and clear of all Encumbrances) and will be entered in the central securities register of holders of Cayden Shares maintained by or on behalf of Cayden; and

6) each Cayden Share held by a Dissenting Shareholder will be irrevocably transferred to Agnico Eagle (free and clear of all Encumbrances) without any further act or formality and such Dissenting Shareholder will cease to be the holder of such Cayden Shares so transferred and to have any rights as holder of such Cayden Shares other than the right to be paid fair value for such Cayden Shares by Agnico Eagle as set out in the Plan of Arrangement and such Dissenting Shareholder's name will be removed as the holder of such Cayden Shares from the central securities register of holders of Cayden Shares maintained by or on behalf of Cayden and Agnico Eagle will become the sole legal and beneficial holder of such Cayden Shares so transferred (free and clear of all Encumbrances) and will be entered in the central securities register of holders of Cayden Shares maintained by or on behalf of Cayden.

If the aggregate number of Agnico Eagle Shares to which a former holder of Cayden Shares would otherwise be entitled would include a fractional share, then the number of Agnico Eagle Shares that such former holder of Cayden Shares is entitled to receive will be rounded down to the nearest whole number.

As a result of the completion of the Arrangement, Cayden Shareholders will no longer have an ownership interest in Cayden and all unexercised Cayden Options and Cayden Warrants, if any, will be terminated without payment or compensation to the holder of such Cayden Option or Cayden Warrant. As of the Effective Date, any certificates representing Cayden Shares will only represent the right to receive the corresponding Arrangement Consideration under the Arrangement. If the Arrangement does not proceed for any reason, including because it does not receive the requisite Securityholder or Court approvals, Cayden will continue as a public company with Cayden Shares listed on the TSX-V and OTCQX.

Background to the Arrangement

The provisions of the Arrangement Agreement are the result of arm's length negotiations conducted among representatives of Cayden and Agnico Eagle, with the assistance of their respective legal and financial advisors. The following is a summary of the principal events among the parties leading up to the public announcement of the entering into of the Arrangement Agreement.

During the previous approximately one year period, Cayden was represented at various gold mining industry conferences and conducted regular outreach activities to approach other industry participants about possible corporate and project transactions. As a result, Cayden entered into several confidentiality agreements with other parties who were provided dataroom access and updates on Cayden's activities.

In February 2013, Cayden completed a sale of part of the Morelos Sur project for approximately $16 million and had intended to sell additional parcels of this project until negotiations with Agnico Eagle were initiated.

Representatives of Agnico Eagle first met with representatives of Cayden in March 2012 at an industry conference. At this meeting Cayden provided Agnico Eagle with background information on Cayden and its exploration projects. On March 20, 2013, Agnico Eagle personnel approached Cayden's CEO, Ivan Bebek, to express an interest in the signing of a confidentiality agreement in order to obtain access to non-public data about the Company's projects and undertake a site visit. As a consequence, a confidentiality and standstill agreement between the parties was signed on March 26, 2013. Following the signing of this agreement, various discussions were held between the technical personnel of the two companies, in particular in relation to Cayden's El Barqueño project. Agnico Eagle's technical personnel then made a number of site visits to the property from April through August of 2013.

On September 4, 2013, Mr. Bebek and other Cayden management met with Agnico Eagle's CEO, Sean Boyd, and other Agnico Eagle representatives to discuss Cayden and its exploration projects and to discuss possible ways that Cayden and Agnico Eagle could work together. On October 1, 2013, Agnico Eagle sent a letter to Cayden expressing its interest in discussing a transaction and outlining possible deal structures but without specifying a price. The Cayden Board concluded that it was premature for negotiations to commence

and decided that its current plans to drill El Barqueño project should be pursued. No formal response was provided by Cayden to Agnico Eagle's letter of October 1, 2013.

On December 3, 2013, Cayden met with Agnico Eagle technical personnel to provide an update on drilling results. Following this meeting Mr. Bebek proposed that the parties meet again in early January 2014 to provide a further update.

On January 20, 2014, in reaction to various expressions of interest about possible business transactions involving the Company and its projects, Cayden engaged Minvisory Corp. to act as a financial advisor to help raise equity and consider strategic alternatives. Cayden also considered selling the Las Calles property.

On January 29, 2014, Cayden management met with members of Agnico Eagle's technical team to discuss results of Cayden's drilling program at the El Barqueño project. On February 27, 2014, Nicholas Greatrex of Minvisory Corp., Mr. Bebek and Mr. Boyd and other Agnico Eagle representatives met to discuss a potential strategic investment by Agnico Eagle, and Cayden proposed that Agnico Eagle acquire a 9.9% stake in Cayden through a private placement, but this did not proceed.

On July 4, 2014, Agnico Eagle's financial advisors, Cannacord Genuity Corp., approached the chair of Cayden's Board with a letter outlining the basis upon which Agnico Eagle would be prepared to acquire Cayden. The letter indicated a price of $2.90 per Cayden share, payable in Agnico Eagle Shares. The letter requested a reply by 5 p.m. on July 7, 2014. On July 7, 2014, after consultation with its financial and legal advisors, Cayden made a counter-proposal to Agnico Eagle which Mr. Bebek communicated to Agnico Eagle and its advisors. Over the next two days, Cayden and Agnico Eagle engaged in negotiations over price, quantum of the "break fee", management lock-up agreements and other issues. On July 9, 2014, the parties agreed on a non-binding letter of intent setting out the basis upon which the parties would negotiate the terms of a share exchange take-over bid for all the issued and outstanding Cayden Shares, including a binding exclusivity provision premised on an indicative price of $3.48 per Cayden share payable in Agnico Eagle Shares, subject to due diligence and negotiation of definitive documentation. This offer represented an approximate premium of 74% based on the closing price of Cayden Shares on the day prior to execution of the letter of intent. Under the exclusivity provision, Cayden agreed to a 35 day exclusivity period to allow for the negotiation of definitive agreements and for Agnico Eagle to complete a due diligence review of Cayden. The letter of intent also contemplated that directors and officers of Cayden holding approximately 19.8% of the outstanding Cayden Shares (on a fully-diluted basis) would enter into lock-up agreements with Agnico Eagle pursuant to which they would commit to tender their Cayden Shares into the proposed bid. Agnico Eagle and Cayden also negotiated a new confidentiality agreement to replace the expired agreement entered into in March 2013.

On July 8, 2014, the Board formed the Special Committee, comprised of Steven Cook, David Jones and Rene Carrier, each of whom is an independent director (as such term is defined in MI 61-101), to lead the deal negotiations and to make a recommendation to the Board. On July 21, 2014, the Board engaged Beacon to prepare a fairness opinion in respect of the proposed exchange ratio and any related matters to be delivered to the Board. On August 15, 2014, Cayden and Agnico Eagle extended the term of the Exclusivity Agreement to September 8, 2014 to allow for continued due diligence and the contemplated deal structure was changed from a supported take-over bid to a plan of arrangement under the BCBCA in order to accommodate the extended timeframe for antitrust approval from the Mexican antitrust regulator.

From July 9, 2014 to the signing of the Arrangement Agreement on September 8, 2014, the companies and their respective legal and financial advisors and representatives engaged in negotiations with respect to the acquisition agreement and lock-up agreements and ongoing due diligence with respect to the Company's business in Mexico. The Special Committee regularly communicated with advisors, management and the Board to oversee this negotiation process and to agree the premises and analyses of the Beacon Fairness Opinion.

On Saturday, September 6, 2014 the Special Committee met with Beacon and together reviewed the nearly final draft Arrangement Agreement as well as the draft Beacon Fairness Opinion. They also considered a draft report authored by the Special Committee's chairman on behalf of the Special Committee which would be presented to the Board as the formal recommendation of the Special Committee and reviewed the collateral benefits that would be received by certain of Cayden's directors and officers as a result of the Arrangement as discussed under the heading "*Securities Laws Considerations — Canadian Securities Laws — Special Transaction*

Rules". The Special Committee concluded that votes cast in respect of Cayden Shares beneficially held by Messrs. Bebek, Starr and McCoy will be excluded for the purpose of determining if minority approval of the Arrangement Resolution is obtained. On September 8, 2014, the Special Committee met again, this time with legal counsel, in order to finalize its review of the Special Committee report, Arrangement Agreement and Beacon Fairness Opinion which it had commenced at the September 6, 2014 meeting. During the morning of September 8, 2014, it approved the final report of the Special Committee including the determination of collateral benefits, which report would be delivered to the Board with all the directors present to approve the form of Arrangement Agreement as negotiated. The Board and Special Committee met together immediately thereafter and the Special Committee presented the Beacon Fairness Opinion and the Special Committee report. The Board also heard directly from Beacon and Minvisory Corp. representatives. The Board secured a letter report from a second securities dealer (which had been retained to review the Beacon Fairness Opinion for the Board). The second dealer stated that it was of the view that the underlying assumptions and methodologies applied by Beacon are consistent with industry standards and the fairness conclusions of the Beacon Fairness Opinion are reasonably supported by the analyses provided in the Beacon Fairness Opinion.

After hearing the Special Committee report and received the reports of the financial and fairness advisors and legal counsel, and discussing other relevant factors, including those set forth under the heading below "*Principal Reasons for the Board's Favourable Recommendation*", the Board unanimously determined that it is in the best interests of the Company for the Arrangement to be consummated and approved the entering into of the Arrangement Agreement. The Board resolved to recommend that all Securityholders vote in favour of the Arrangement Resolution. The parties then executed the Arrangement Agreement, the directors and officers of Cayden executed the Support Agreements, and a joint press release was issued by the parties after market close of the TSX and NYSE on September 8, 2014.

Recommendation of the Cayden Board

After careful consideration and on the unanimous recommendation of the Special Committee, the Cayden Board has unanimously determined that the consideration under the Arrangement is fair to Cayden Securityholders, and that the Arrangement is in the best interests of Cayden. **Accordingly, the Cayden Board unanimously recommends that Cayden Securityholders vote FOR the Arrangement Resolution.**

Principal Reasons for the Board's Favourable Recommendation

In the course of its evaluation of the Arrangement, the Cayden Board consulted with Cayden's senior management, legal counsel, Beacon and the Board's other financial advisors, and considered the Arrangement with reference to the general industry, economic and market conditions as well as the financial condition of Cayden, its prospects, strategic alternatives, competitive position and the risks related to Cayden's ongoing financing requirements. Specifically, the Cayden Board considered the following factors, among others:

- The consideration payable to Cayden Shareholders pursuant to the Arrangement represents a premium of 42.5% to the volume weighted average price of Cayden Shares on the TSX-V for the 30-day period ended September 5, 2014 and a 51.9% premium to the 60-day volume weighted average price for the period ended September 5, 2014 (the last trading day before announcement of the transaction).
- The Beacon Fairness Opinion, which provides that, as of the date thereof and subject to the assumptions, limitations and qualifications contained therein, the Arrangement Consideration is fair, from a financial point of view, to the Cayden Shareholders. The Beacon Fairness Opinion is attached as Schedule D to this Information Circular.
- Cayden's industry outreach efforts with several other gold companies to solicit their interest in a transaction with the Company suggested to the Board that it was unlikely that any party would be likely to consummate a transaction on terms that were superior to the proposed transaction with Agnico Eagle in the near term.
- Cayden Shareholders will be exchanging their interests in relatively early stage gold projects for an interest in Agnico Eagle's gold-producing assets, the value of which is highly correlated to the price of

gold. The Cayden Board has confidence in the recovery of gold prices and has concluded that both the price and timing are right for this transaction.

- The Arrangement Consideration will provide Cayden Shareholders with more certainty of value given the greater volatility of shares of junior exploration companies like Cayden and given the enhanced liquidity in respect of the Agnico Eagle Shares, which are listed on the TSX and NYSE. Agnico Eagle has a significantly greater market capitalization and greater trading liquidity than Cayden. Cayden Shareholders who choose to maintain an ownership position in Agnico Eagle may also benefit from its more diversified asset base.
- Agnico Eagle's management team and board of directors include established mining industry executives who have participated in the successful acquisition and development of mineral projects worldwide. The Cayden Board believes that the Agnico Eagle management team will enhance the potential to fully develop Cayden's mineral exploration projects for the benefit of both the holders of Agnico Eagle Shares and the Cayden Shareholders.
- Cayden currently relies on ongoing equity financing, third party partners or, where possible, asset sales to provide funding to advance its exploration projects. The ability to continue to obtain equity financing or partners for its exploration projects is uncertain. Agnico Eagle has superior access to the capital needed to develop gold assets.
- The process to implement the Arrangement is procedurally fair. The following rights and approvals protect Cayden Securityholders: (i) the Arrangement Resolution must be approved by not less than 66⅔% of the votes cast at the Meeting by Cayden Securityholders; (ii) the Arrangement Resolution must be approved by a "majority of the minority" of Cayden Shareholders, that is by a simple majority of the votes cast by Cayden Shareholders other than certain members of management of Cayden who are deemed to be receiving collateral benefits under the Arrangement; (iii) the Arrangement must be approved by the Court, which will consider, among other things, the fairness of the Arrangement to Cayden Securityholders; and (iv) Registered Shareholders have the right to dissent from the Arrangement, and be paid the fair value of their Cayden Shares.
- The material conditions required for completion of the Arrangement, including Mexican Regulatory Approval, Securityholder approval and Court approval, were considered by the Cayden Board to be reasonable under the circumstances.
- Under the Arrangement Agreement, Cayden is allowed to seek additional financing if the Final Order has been granted and the Effective Date has not occurred by December 15, 2014, subject to certain rights of Agnico Eagle to provide that financing.
- The terms of the Arrangement Agreement allow the Cayden Board to consider and respond to unsolicited bona fide written Acquisition Proposals received before the Meeting that are, or are reasonably likely to lead to, a Superior Proposal, in circumstances where that the failure to consider such Acquisition Proposal would be inconsistent with the Board's fiduciary duties.
- The Supporting Shareholders have entered into Support Agreements with Agnico Eagle in respect of Cayden Securities representing, in the aggregate, approximately 19.8% of the outstanding Cayden Shares (calculated on a fully-diluted basis), pursuant to which, and subject to certain exceptions, such Supporting Shareholders have agreed, among other things, to support the Arrangement and vote their Cayden Securities in favour of the Arrangement Resolution.
- The Special Committee retained financial advisors who, together with the Company's legal advisor, advised it throughout the negotiations with Agnico Eagle and the Arrangement Agreement is the result of arm's length negotiations between Cayden and Agnico Eagle (the Special Committee concluded that independent legal counsel was not required).
- The El Barqueño property has not been determined to host any estimated inferred, or measured or indicated mineral resources and there can be no assurance given that future exploration activities would identify any material inferred, measured or indicated resources or proven or probable reserves on the property.

In the course of its deliberations, the Cayden Board also identified and considered a variety of risks and potentially negative factors in connection with the Arrangement, including the risks set out in *"Risk Factors"*.

Fairness Opinion

The Board retained Beacon on July 21, 2014 to assess the fairness, from a financial point of view, of the Arrangement Consideration. In connection with this mandate, Beacon provided an opinion to the Board dated the date of the Arrangement Agreement to the effect that, as at that date and subject to the assumptions, limitations and qualifications contained therein, the Arrangement Consideration to be received by Cayden Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Cayden Shareholders. The full text of the Beacon Fairness Opinion, setting out the assumptions made, matters considered and limitations and qualifications on the review undertaken in connection with the Beacon Fairness Opinion, is attached as Schedule D to this Information Circular. The summary of the Beacon Fairness Opinion described in this Information Circular is qualified in its entirety by reference to the full text of the Beacon Fairness Opinion.

Under the engagement letter with Beacon, Cayden has agreed to pay a fee for Beacon's services (irrespective of the substance or conclusions of the fairness opinion). Cayden has also agreed to reimburse Beacon for its reasonable out-of-pocket expenses and the reasonable fees and expenses of Beacon's legal counsel in connection with the performance of its services thereunder. Cayden also agreed to indemnify Beacon against certain liabilities in connection with their engagement.

The Beacon Fairness Opinion is not a recommendation to any Cayden Shareholder (or other Cayden Securityholder) as to how to vote or act on any matter relating to the Arrangement. The Beacon Fairness Opinion only speaks to the fairness of the Arrangement, from a financial point of view, to the Cayden Shareholders and does not address any other aspect of the Arrangement or any related transaction, including any tax consequences of the Arrangement to Cayden or Cayden Securityholders. The Fairness Opinion does not address the relative merits of the Arrangement as compared to other business strategies or transactions that might be available to Cayden or the underlying business decision of Cayden to effect the Arrangement. All Cayden Securityholders should read the Beacon Fairness Opinion in its entirety. The Beacon Fairness Opinion was one of a number of factors taken into consideration by the Special Committee and the Cayden Board in making their respective unanimous determination to recommend that Cayden Securityholders vote in favour of the Arrangement Agreement.

Securityholder Approval

At the Meeting, Cayden Securityholders will be asked to consider the Arrangement Resolution to approve the Plan of Arrangement with Agnico Eagle that will result in the acquisition by Agnico Eagle of all of the outstanding Cayden Shares, including Cayden Shares issuable on the exercise of Cayden Options and Cayden Warrants. Pursuant to the Arrangement, the Cayden Shares will be transferred to Agnico Eagle in exchange for the Arrangement Consideration and all unexercised Cayden Options and Cayden Warrants will be cancelled. The full text of the Arrangement Resolution is set out in Schedule A to this Information Circular. Cayden Optionholders and Cayden Warrantholders will vote as if those securities had already been exercised into Cayden Shares.

To be effective, the Arrangement Resolution must be approved by (a) at least two-thirds (66⅔%) of the votes cast by Cayden Securityholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Meeting, and (b) a simple majority of the votes cast by the Cayden Shareholders present in person or represented by proxy and entitled to vote at the Meeting (other than votes cast in respect of Cayden Shares held by Excluded Cayden Shareholders). The Arrangement is also subject to approval of the Court, certain stock exchange approvals and Mexican Regulatory Approval.

Support Agreements

Agnico Eagle has entered into a Support Agreement with each of Ivan Bebek, Peter Rees, Shawn Wallace, Daniel McCoy, James Russell Nelles Starr, Steven Cook, David Jones and Rene Carrier, being all of the directors and officers of Cayden. The Support Agreements apply to, in the aggregate, approximately 19.8% of the outstanding Cayden Shares (calculated on a fully-diluted basis). Under the Support Agreements, the

Supporting Shareholders have agreed on and subject to the terms thereof, among other things, to vote in favour of the Arrangement Resolution and to grant a proxy to Agnico Eagle to vote all Cayden Securities held by the Supporting Shareholders at the Meeting. The Support Agreements can only be terminated by a Supporting Shareholder in the event of the termination of the Arrangement Agreement. A copy of the form of Support Agreement and disclosure of the respective holdings of Cayden Securities of each individual who has entered into a Support Agreement has been filed on SEDAR under the Cayden profile at www.sedar.com.

Court Approval of the Arrangement

Under the BCBCA, Cayden may apply to the Court for advice and directions in connection with the Arrangement. On September 25, 2014, before mailing the material in respect of the Meeting, Cayden obtained an Interim Order providing for the calling and holding of the Meeting and other procedural matters. The Interim Order provides that the approval of the Arrangement Resolution requires the affirmative vote of (a) at least two-thirds (66⅔%) of the votes cast by Cayden Securityholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Meeting, and (b) a simple majority of the votes cast by the Cayden Shareholders present in person or represented by proxy and entitled to vote at the Meeting (other than votes cast in respect of Cayden Shares held by Excluded Cayden Shareholders). A copy of the Interim Order and the Notice of Application for the Final Order are attached as Schedules F and G, respectively, to this Information Circular. As set out in the Notice of Application, the Court hearing in respect of the Final Order is scheduled to take place at 9:45 a.m. (Vancouver time) on October 29, 2014, unless adjourned, or as soon after that time as the application may be heard, at 800 Smithe Street, Vancouver, British Columbia, subject to the approval of the Arrangement Resolution at the Meeting. Cayden Securityholders who wish to participate in or be represented at the Court hearing should consult with their legal advisors as to the procedural requirements.

Under the terms of the Interim Order, each Cayden Securityholder will have the right to appear and make representations at the hearing for the Final Order. The Court may approve the Arrangement as proposed or as amended in any manner as the Court may direct. The Court's approval is required for the Arrangement to become effective. The Court will be informed before the hearing for the Final Order that its determination that the Arrangement is fair to Cayden Securityholders, both substantively and procedurally, will constitute the basis to claim the Section 3(a)(10) Exemption with respect to the issuance of the Agnico Eagle Shares to be issued to and exchanged with Cayden Securityholders pursuant to the Arrangement, as described under *"Securities Laws Considerations — U.S. Securities Laws"*.

Any Cayden Securityholder desiring to appear at the Court hearing for the Final Order to approve the Arrangement pursuant to the Notice of Application is required under the Interim Order to serve a notice of appearance upon counsel for Cayden at the address set out below, on or before 4:30 p.m. (Vancouver time) on October 27, 2014:

Cayden Resources Inc.
c/o McMillan LLP
Attn: Karen Carteri
1055 West Georgia Street, Suite 1500
Vancouver, BC V6E 4N7

Effective Date of the Arrangement

If the Arrangement Resolution is passed, the Final Order is obtained, the other requirements of the BCBCA relating to the Arrangement are complied with and all other conditions disclosed under "*The Arrangement Agreement — Conditions Precedent to the Arrangement"* are satisfied or waived, including obtaining Mexican Regulatory Approval, the Arrangement will become effective on a date determined by Agnico Eagle and Cayden. Cayden and Agnico Eagle currently expect that the Arrangement will be completed by late December 2014. However, because of requirements under Mexican antitrust laws to receive authorization of the Mexican antitrust regulator before completing the Arrangement, it is possible that completion of the Arrangement will occur after that time. To account for the uncertainty relating to the timing of the receipt of Mexican Regulatory Approval, the Arrangement Agreement provides an outside date for the completion of the

Arrangement of six months following the date of the Arrangement Agreement. However, Cayden is not permitted to terminate the Arrangement Agreement for a further three months after such time if, among other things, Mexican Regulatory Approval has not been obtained and is being actively sought in good faith.

Cancellation of Rights after Six Years

From and after the Effective Time, each certificate, document, register or instrument that immediately before the Effective Time represented Cayden Shares will be deemed to represent only the right to receive the Arrangement Consideration in respect of such Cayden Shares to be paid under the Plan of Arrangement, less any amounts withheld pursuant to the terms thereof, or, in the case of Registered Shareholders, if any, who validly exercise Dissent Rights, the right to receive fair value for their Cayden Shares (see *"The Arrangement — Dissent Rights"*). Any such certificate, document, register or instrument formerly representing Cayden Shares (in each case in respect of which Dissent Rights have not been validly exercised) not duly surrendered on or before the sixth anniversary of the Effective Date will cease to represent a claim by or interest of any kind or nature against or in any of Cayden, Agnico Eagle or the Depositary. **On the sixth anniversary of the Effective Date, any and all Arrangement Consideration to which such former holder of Cayden Securities was entitled will be deemed to have been surrendered to Agnico Eagle.**

Delivery Procedures

Letter of Transmittal

The Letter of Transmittal (printed on blue paper) is enclosed with this Information Circular for use by Registered Shareholders for the purpose of the surrender of their Cayden Shares. The details for the surrender of Cayden Shares to the Depositary and the address of the Depositary are set out in the Letter of Transmittal. Provided that a Registered Shareholder has delivered and surrendered to the Depositary any Cayden Share certificates, together with a Letter of Transmittal properly completed and executed in accordance with the instructions set out in the Letter of Transmittal, and any additional documents as the Depositary may reasonably require, the Registered Shareholder will be entitled to receive, and Agnico Eagle will cause the Depositary to deliver, the Arrangement Consideration, including direct registration system ("**DRS**") statement(s) in respect of the applicable number of Agnico Eagle Shares, issuable or deliverable pursuant to the Arrangement.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully. The deposit of Cayden Shares pursuant to the procedures in the Letter of Transmittal will constitute a binding agreement between the depositing Cayden Shareholder and Agnico Eagle upon the terms and subject to the conditions of the Arrangement.

Only Registered Shareholders should submit a Letter of Transmittal. If you are a Beneficial Shareholder holding Cayden Shares through an Intermediary, you should carefully follow any instructions provided to you by such Intermediary.

Lost Certificates

A Registered Shareholder who has lost or misplaced its Cayden Share certificates should complete the Letter of Transmittal as fully as possible and forward it, together with a letter explaining the loss or misplacement to the Depositary. The Depositary will assist in making arrangements for the necessary affidavit (which will include a bonding requirement) for payment of the Arrangement Consideration in accordance with the Arrangement.

Delivery Requirements

The method of delivery of Cayden Share certificates, the Letter of Transmittal and all other required documents is at the option and risk of the Cayden Shareholder surrendering them. Cayden, Agnico Eagle and the Depositary recommend that such documents be delivered by hand to the Depositary, at the office noted in the Letter of Transmittal, and a receipt obtained therefor or, if mailed, that registered mail, with return receipt requested, be used and that proper insurance be obtained. Cayden Shareholders holding Cayden Shares which are registered in the name of an Intermediary must contact that intermediary to arrange for the surrender of their Cayden Shares.

Shareholder Rights under British Columbia and Ontario Law

Cayden is a company existing under the BCBCA and, accordingly, is governed by the BCBCA, Cayden's notice of articles and Cayden's articles. If the Arrangement Resolution is approved as required by the Interim Order, and the Arrangement is effected, upon completion, the former Cayden Shareholders will become Agnico Eagle shareholders. Agnico Eagle is a corporation existing under the OBCA and, accordingly, is governed by the OBCA and its constitutional documents. The rights and privileges of shareholders of a BCBCA company are substantially the same as those of shareholders of an OBCA corporation, including the rights to dissent and to bring derivative and oppression actions. There are differences between the two statutes and the applicable regulations, however Cayden management believes such legal differences are not material to a Cayden Securityholder's decision whether or not to support the Arrangement.

Dissent Rights

There is no mandatory statutory right of dissent and appraisal in respect of plans of arrangement under the BCBCA. However, as contemplated in the Interim Order and the Plan of Arrangement, Cayden has granted the Dissent Rights to Dissenting Shareholders.

The Interim Order provides Registered Shareholders with the right to dissent in substantially the same manner as set forth in Sections 237 to 247 of the BCBCA (which provisions have been duplicated in Schedule E to this Information Circular). In general, any Registered Shareholder who dissents from the Arrangement Resolution in compliance with Sections 237 to 247 of the BCBCA (as modified by the Interim Order) will be entitled, in the event that the Arrangement becomes effective, to be paid by Agnico Eagle the fair value of the Cayden Shares held by such Registered Shareholder.

The following summary does not purport to provide comprehensive statements of the procedures to be followed by a Dissenting Shareholder under the BCBCA (as modified by the Interim Order) and reference should be made to the specific provisions of Sections 237 to 247 of the BCBCA, the Plan of Arrangement and the Interim Order. The BCBCA requires strict adherence to the procedures regarding the exercise of rights established therein. The failure to adhere to such procedures (the "**Dissent Procedures**") may result in the loss of all Dissent Rights. Accordingly, each Cayden Shareholder who wishes to exercise Dissent Rights should carefully consider and comply with the provisions of Sections 237 to 247 of the BCBCA (as modified by the Interim Order) and consult a legal advisor.

If Cayden Shareholders holding more than 5% of the issued and outstanding Cayden Shares exercise Dissent Rights, Agnico Eagle has the right to terminate the Arrangement Agreement.

The Statutory Provisions: Sections 237 to 247 of the BCBCA

The Interim Order provides that Registered Shareholders who dissent (each a "**Dissenting Shareholder**") from certain actions being taken by Cayden may exercise a right of dissent and require Cayden (or Agnico Eagle, in this case) to purchase the Cayden Shares (the "**Dissenting Shares**") held by the Dissenting Shareholders at the fair value of the Cayden Shares.

A Cayden Shareholder is not entitled to exercise Dissent Rights in respect of the Arrangement Resolution if the Cayden Shareholder votes any of the Cayden Shares beneficially held by it in favour of the Arrangement Resolution. A vote against the Arrangement Resolution or a withholding of votes does not constitute a written objection.

A Dissenting Shareholder is required to send a written notice of dissent to Cayden at least two Business Days before the date of the Meeting. Since the date of the Meeting is October 27, 2014, a notice of dissent must be received by the Company no later than 10:00 a.m. (Vancouver time) on October 23, 2014 or two Business Days immediately preceding any date to which the Meeting may be postponed or adjourned. The written notice should be delivered by registered mail to Cayden at the address for notice described below. After the Arrangement Resolution is approved by Cayden Securityholders and within one month after Cayden notifies the Dissenting Shareholder of Cayden's intention to act upon the Arrangement Resolution in accordance with Section 243 of the BCBCA, the Dissenting Shareholder must send to Cayden a written notice that such holder requires the purchase of all of the Cayden Shares in respect of which such holder has given notice of dissent, together with the share certificate(s), if any, representing those Cayden Shares (including a written statement prepared in accordance with Section 244(1)(c) of the BCBCA if the dissent is being exercised by the Cayden Shareholder on behalf of a beneficial holder) whereupon the Dissenting Shareholder is deemed to have sold and Cayden is deemed to have purchased those Cayden Shares.

Any Dissenting Shareholder who has duly complied with Section 244(1) of the BCBCA, or Cayden, may apply to the Court, and the Court may determine the fair value of the Dissenting Shares and make consequential orders and give directions as the Court considers appropriate. There is no obligation on Cayden to apply to the Court. The Dissenting Shareholder will be entitled to receive the fair value that the Dissenting Shares had immediately before the approval of the Arrangement Resolution.

Addresses for Notice

Dissenting Shareholders should send all written objections with respect to the Arrangement Resolution in accordance with Sections 237 to 247 of the BCBCA to:

Cayden Resources Inc.
Attn: Peter Rees
600-1199 West Hastings Street
Vancouver, British Columbia
Canada V6E 3T5
Facsimile: (778) 729-0650

Strict Compliance with Dissent Provisions Required

The foregoing summary does not purport to provide a comprehensive statement of the procedures to be followed by a Dissenting Shareholder. The requirements set out in Sections 237 to 247 of the BCBCA are complex and technical and failure to comply strictly with them may prejudice the exercise of the Dissent Rights. **A Cayden Shareholder wishing to exercise Dissent Rights should seek independent legal advice.**

THE ARRANGEMENT AGREEMENT

On September 8, 2014, Cayden and Agnico Eagle entered into the Arrangement Agreement, pursuant to which, subject to the terms and conditions set forth in the Arrangement Agreement, Agnico Eagle will acquire all of the issued and outstanding Cayden Shares as part of a plan of arrangement, including Cayden Shares issuable on the exercise of outstanding Cayden Options and Cayden Warrants. Cayden Shareholders (other than Dissenting Shareholders) will receive the Arrangement Consideration (being 0.09 of an Agnico Eagle Share and $0.01 in cash for each Cayden Share held). Under the Arrangement Agreement, any Cayden Options or Cayden Warrants not exercised before the Effective Time will be terminated without any payment or compensation to the holder of such Cayden Option or Cayden Warrant. The terms of the Arrangement Agreement are the result of arm's-length negotiations conducted between Cayden and Agnico Eagle and with the assistance of their respective advisors.

The following is a summary of certain material terms of the Arrangement Agreement, a copy of which is attached as Schedule C to this Information Circular. This summary and certain capitalized terms referred to in the summary do not contain all of the information about the Arrangement Agreement. Therefore, Cayden Securityholders should read the Arrangement Agreement carefully and in its entirety, as the rights and

obligations of Cayden and Agnico Eagle are governed by the express terms of the Arrangement Agreement and not by this summary or any other information contained in this Information Circular.

Certain capitalized terms used in this summary that are not defined in the "*Glossary of Defined Terms*" have the meaning ascribed to them in the Arrangement Agreement attached as Schedule C to this Information Circular.

Conditions Precedent to the Arrangement

Mutual Conditions Precedent

The respective obligations of Cayden and Agnico Eagle to complete the Arrangement are subject to the fulfillment of each of the following conditions precedents on or before the Effective Date, each of which may only be waived in whole or in part with the mutual consent of the parties:

(a) the Arrangement Resolution will have been approved and adopted by the Securityholders at the Meeting in accordance with the Interim Order;

(b) the Interim Order and the Final Order will have been obtained on terms consistent with the Arrangement Agreement and will not have been set aside or modified in a manner unacceptable to the parties, acting reasonably, on appeal or otherwise;

(c) no Regulatory Authority will have enacted, issued, promulgated, enforced or entered any Law which is then in effect and has the effect of making the Arrangement illegal or otherwise preventing or prohibiting consummation of the Arrangement;

(d) the Regulatory Approvals will have been obtained on terms satisfactory to Agnico Eagle and there will be no appeal, stop-order, stay or revocation or proceeding seeking an appeal, stop-order, stay or revocation or proceeding seeking an appeal, stop-order, stay or revocation of the Regulatory Approvals;

(e) the issuance of Agnico Eagle Shares issuable pursuant to the Arrangement will be exempt from registration requirements under the U.S. Securities Act pursuant to section 3(a)(10) thereof and the registration and qualification requirements of all applicable state securities laws; and

(f) the Arrangement Agreement will not have been terminated in accordance with its terms.

Conditions Precedent to the Obligations of Agnico Eagle

The obligation of Agnico Eagle to complete the Arrangement is subject to the fulfillment of each of the following additional conditions precedent on or before the Effective Date:

(a) the representations and warranties made by Cayden in the Arrangement Agreement that are qualified by Material Adverse Effect will be true and correct in all respects and the representations and warranties that are made by Cayden in the Arrangement Agreement that are not so qualified will be true and correct in all material respects, in each case as of the Effective Date as if made on and as of such date (except to the extent that any such representation or warranty speaks as of an earlier date or except as affected by transactions contemplated or permitted by the Arrangement Agreement), except where any failures or breaches of representations and warranties would not, either individually or in the aggregate, have a Material Adverse Effect on Cayden or prevent, or materially delay the consummation of the Arrangement and Cayden will have provided to Agnico Eagle a certificate of two senior officers of Cayden certifying such accuracy on the Effective Date;

(b) except as otherwise provided in the Arrangement Agreement, Cayden will have complied in all material respects with its covenants therein and provided to Agnico Eagle a certificate of two senior officers of Cayden certifying that it has so complied with its covenants therein Cayden will have complied in all material respects with its covenants in the Arrangement Agreement;

(c) from June 30, 2014 and up to and including the Effective Date, there will have been no change, effect, event, circumstance, fact or occurrence that, individually or in the aggregate, has had or would

reasonably be expected to have a Material Adverse Effect on Cayden and Cayden will have provided to Agnico Eagle a certificate of two senior officers of Cayden certifying to such effect;

(d) Cayden Shareholders holding no more than 5% of the outstanding Cayden Shares will have validly exercised their Dissent Rights (and not withdrawn such exercise) and Agnico Eagle will have received a certificate dated the day immediately preceding the Effective Date of two officers of Cayden to such effect;

(e) the Support Agreements will not have been terminated;

(f) each of the individuals entitled to a severance payment and identified in the Disclosure Letter will have executed and delivered, in favour of Cayden, a release, in form and substance satisfactory to Agnico Eagle;

(g) the Board will (i) have adopted all necessary resolutions, and all other necessary corporate action will have been taken by Cayden, to permit the consummation of the Arrangement, and (ii) the Board will not have withdrawn any recommendation made by it that Securityholders vote in favour of the Arrangement Resolution or changed any such recommendation in a manner that has substantially the same effect or issued a recommendation that Securityholders not vote in favour of the Arrangement Resolution;

(h) there will not be threatened in writing or pending any suit, action or proceeding by any Regulatory Authority challenging the Arrangement Agreement or the transactions contemplated therein, that would reasonably be expected to result in a judgment, order or decree delaying, restraining or prohibiting the Arrangement (or Agnico Eagle's direct or indirect ownership of Cayden on or following the Effective Date) or compelling Agnico Eagle to dispose of or hold separate any material portion of the business or assets of Cayden (or any equity interest in Cayden);

(i) there will not be threatened in writing or pending any suit, action or proceeding by any person, including any Regulatory Authority, challenging the validity of the Earn-In Agreements or Cayden's (or a Cayden Subsidiary's, as the case may be) rights thereunder;

(j) as of the Effective Date, Cayden will have on a consolidated basis obligations or liabilities, including obligations and liabilities due or to become due for transaction expenses and severance costs, of not more than $9,000,000, all as reflected in a final statement delivered to Agnico Eagle by Cayden two Business Days before the Effective Date setting forth the calculation of such amounts estimated as of the Effective Date;

(k) Agnico Eagle will not have become aware of any Misrepresentation (after giving effect to all subsequent filings in relation to all matters covered in earlier filings) in any document filed or released by or on behalf of Cayden with any securities regulatory authority in Canada or elsewhere, including any annual report, financial statements, material change report, press release or management information circular, that Agnico Eagle will have determined, acting reasonably, constitutes a Material Adverse Effect in respect of Cayden;

(l) the Mexican Regulatory Approval will have been obtained and will be in force and will not have been modified; and

(m) the Mexico Share Transfer Agreement will not have been terminated.

Conditions Precedent to the Obligations of Cayden

The obligation of Cayden to complete the Arrangement is subject to the fulfillment of each of the following additional conditions precedent on or before the Effective Date:

(a) the representations and warranties made by Agnico Eagle in the Arrangement Agreement that are qualified by Material Adverse Effect will be true and correct in all respects and the representations and warranties that are made by Agnico Eagle in the Arrangement Agreement that are not so qualified will be true and correct in all material respects, in each case as of the Effective Date as if made on and as of such date (except to the extent that any such representation or warranty speaks as of an earlier date or except as affected by transactions contemplated or permitted by the Arrangement Agreement), except

where any failures or breaches of representations and warranties would not, either individually or in the aggregate, have a Material Adverse Effect on Agnico Eagle or prevent, or materially delay the consummation of the Arrangement and Agnico Eagle will have provided to Cayden a certificate of two senior officers of Agnico Eagle certifying such accuracy on the Effective Date;

(b) except as otherwise provided in the Arrangement Agreement, Agnico Eagle will have complied in all material respects with its covenants therein, except those in section 2.9 of the Arrangement Agreement, in which case it will have complied in all respects, and Agnico Eagle will have provided to Cayden a certificate of two senior officers of Agnico Eagle certifying that Agnico Eagle has so complied with its covenants therein; and

(c) from the date of the Arrangement Agreement and up to and including the Effective Date, there will have been no change, effect, event, circumstance, fact or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on Agnico Eagle and Agnico Eagle will have provided to Cayden a certificate of two senior officers of Agnico Eagle to such effect.

Representations and Warranties

The Arrangement Agreement contains representations and warranties made by Cayden and Agnico Eagle. These representations and warranties, which are set forth in the Arrangement Agreement, were made by and to the parties for the purposes of the Arrangement Agreement (and not to other parties such as the Cayden Securityholders) and are subject to qualifications and limitations agreed to by the parties in connection with negotiating and entering into the Arrangement Agreement. In addition, these representations and warranties were made as of specified dates, may be subject to a contractual standard of materiality different from what may be viewed as material to Cayden Securityholders, or may have been used for the purpose of allocating risk between the parties instead of establishing such matters as facts. Moreover, information concerning the subject matter of the representations and warranties may have changed since the date of the Arrangement Agreement.

Cayden has provided to Agnico Eagle representations and warranties that include the following: organization and qualification, subsidiaries and joint ventures, compliance with Law and licences, capitalization, authority relative to the Arrangement Agreement, required approvals, operational matters, material agreements, shareholder and similar agreements, filings, books and records, financial statements, undisclosed liabilities, interest in properties, absence of certain changes or events, no defaults, severance and employment agreements, pension and employee benefits, litigation, environmental matters, taxes, insolvency matters, fairness opinion, intellectual property, insurance, guarantees, business, full disclosure, change of control, assets and sales, United States Securities Laws, mineral resources, related party transactions and collateral benefits, finder's fees, title opinion, Foreign Corrupt Practices Act, money laundering laws, the Office of Foreign Assets Control of the U.S. Treasury Department and the Patriot Act.

Agnico Eagle has provided to Cayden representations and warranties that include the following: organization and qualification, capitalization, authority relative to the Arrangement Agreement, ownership of common shares, filings, financial statements, litigation, insolvency matters, compliance with Law, shareholder approval, reporting issuer status, issuance of Agnico Eagle Shares under the Arrangement, United States Securities Law matters, Support Agreements and Investment Canada.

Covenants

Covenants of Cayden Regarding the Conduct of Business

Cayden has covenanted in favour of Agnico Eagle that it will, and will cause the Cayden Subsidiaries to, among other things: (a) conduct its business in the ordinary course of business consistent with past practice, (b)(i) consult with Agnico Eagle (A) with respect to decisions and expenditures in respect of the exploration, development and maintenance of all of the properties and assets owned and controlled by Cayden or the Cayden Subsidiaries, and (B) before making any payments or incurring any expenses that are not Budgeted Capital Expenditures, and (ii) make available to Agnico Eagle on a weekly basis members of senior management of Cayden and each of the Cayden Subsidiaries designated by Agnico Eagle to discuss the business, affairs, finances and operations of Cayden and the Cayden Subsidiaries, (c) maintain the Earn-In Agreements in good standing

and pay all amounts due and perform all obligations thereunder as required to keep its rights in good standing, (d) not sell, transfer or assign (or permit any of the Cayden Subsidiaries to sell, transfer or assign) the Earn-In Agreements or any interest in any of the Company Properties, (e) not incur any indebtedness for borrowed money (other than the Loan), capital expenditures or any other material liability involving amounts which individually or in the aggregate exceed $50,000, (f) in respect of the Company Properties, not enter into new commitments of a capital expenditure nature or incur any new contingent liabilities, (g) not enter into or agree to the terms of any joint venture or similar agreement, arrangement or relationship, (h) not amend its notice of articles, articles, by-laws or other constating documents, (i) not amend the terms of any Cayden Options or Cayden Warrants, (j) not issue any securities (except under existing Cayden Options or Cayden Warrants), (k) except in the ordinary course of business, not sell, lease, encumber or otherwise dispose of any assets in excess of $50,000 in the aggregate, (l) except with the consent of Agnico Eagle, not enter into or amend any of its employment, consulting, severance or similar agreements, (m) other than in the ordinary course of business consistent with past practice, not waive or release any material contractual right under any licence or permit or material contract and (n) not adopt or amend any profit sharing, option, deferred compensation, incentive, compensation, or other similar plan, agreement, trust, fund or arrangements for the benefit of employees.

While Cayden has covenanted not to issue any securities, the Arrangement Agreement provides that if the Final Order has been granted and the Effective Date has not occurred by December 15, 2014, Cayden may, after consultation with Agnico Eagle, undertake debt or equity financings of up to $10.0 million, subject to certain rights of Agnico Eagle to provide that financing.

Covenants of Cayden Relating to the Arrangement

Cayden further agreed that it will and will cause each Cayden Subsidiary to use commercially reasonable efforts to perform all obligations required to be performed by Cayden or any of the Cayden Subsidiaries under the Arrangement Agreement, co-operate with Agnico Eagle in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement and, without limiting the generality of the foregoing, Cayden will and, where appropriate, will cause each of the Cayden Subsidiaries to:

(a) use commercially reasonable efforts to obtain as soon as practicable following execution of the Arrangement Agreement all third party consents, approvals and notices required under any material Contract;

(b) use commercially reasonable efforts to defend all lawsuits or other legal, regulatory or other proceedings against Cayden or any Cayden Subsidiary challenging or affecting the Arrangement Agreement or the consummation of the transactions contemplated therein and use commercially reasonable efforts to have lifted or rescinded any injunction or restraining order or other order relating to Cayden or any Cayden Subsidiary which may materially adversely affect the ability of the parties to consummate the Arrangement; and

(c) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and Final Order applicable to it and comply promptly with all requirements which applicable Law may impose on Cayden or any Cayden Subsidiary with respect to the transactions contemplated by the Arrangement Agreement.

Covenants of Agnico Eagle Regarding the Conduct of Business

Agnico Eagle has covenanted in favour of Cayden that it will: (a) use commercially reasonable efforts to preserve intact its business organizations; and (b) except for the distribution of securities of Agnico Eagle under a prospectus or private placement from time to time, will not, directly or indirectly, do or permit to occur any of the following without the prior consent of Cayden, such consent not to be unreasonably withheld or delayed: (i) amend its articles or by-laws or the terms of its shares in a manner that could have a material adverse effect on the market price or value of Agnico Eagle Shares to be issued pursuant to the Arrangement, (ii) split, consolidate or reclassify any of its shares nor undertake any other capital reorganization, (iii) reduce capital in respect of its shares, or (iv) take any action that could reasonably be expected to interfere with or be inconsistent with the consummation of the Arrangement or the transactions contemplated in the Arrangement Agreement.

Covenants of Agnico Eagle Relating to the Arrangement

The Arrangement Agreement provides that Agnico Eagle will use commercially reasonable efforts to perform all obligations required to be performed by Agnico Eagle under the Arrangement Agreement, co-operate with Cayden in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement and, without limiting the generality of the foregoing, Agnico Eagle will:

(a) use commercially reasonable efforts to defend all lawsuits or other legal, regulatory or other proceedings against Agnico Eagle challenging or affecting the Arrangement Agreement or the consummation of the transactions contemplated thereby and use commercially reasonable efforts to have lifted or rescinded any injunction or restraining order or other order relating to Agnico Eagle which may materially adversely affect the ability of the parties to consummate the Arrangement;

(b) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order and Final Order applicable to it and comply promptly with all requirements which applicable Law may impose on Agnico Eagle with respect to the transactions contemplated by the Arrangement Agreement; and

(c) prepare and file with the applicable Regulatory Authorities, including the NYSE and the TSX, all necessary applications and forms required in order to permit the valid issue and listing of Agnico Eagle Shares on such exchanges issued pursuant to the Arrangement.

Non-Solicitation Covenants

The Arrangement Agreement provides that, subject to certain exceptions, Cayden and any Cayden Subsidiary will not, directly or indirectly through any Representative of Cayden:

(a) solicit, assist, initiate, encourage or facilitate (including by way of discussion, negotiation, furnishing information, permitting any visit to any facilities or properties of Cayden or any Cayden Subsidiary or entering into any form of written or oral agreement, arrangement or understanding) any inquiries, proposals or offers regarding, or that may reasonably be expected to lead to, any Acquisition Proposal;

(b) engage or participate in any discussions or negotiations regarding, or provide any information with respect to or otherwise cooperate in any way with any person (other than Agnico Eagle and its Representatives) regarding, any Acquisition Proposal or potential Acquisition Proposal;

(c) withdraw, modify or qualify, or propose publicly to withdraw, modify or qualify, in any manner adverse to Agnico Eagle, the approval or recommendation of the Arrangement Agreement or the Arrangement by the Board or any of its committees;

(d) approve or recommend, or remain neutral with respect to, or propose publicly to approve or recommend, any Acquisition Proposal, provided that remaining neutral with respect to an Acquisition Proposal and/or failing to reaffirm its recommendation of the Arrangement Agreement and the Offer until the earlier of (i) five calendar days following the public announcement of such Acquisition Proposal, and (ii) three Business Days before the Meeting, will not constitute a breach of this paragraph;

(e) accept or enter into, or publicly propose to accept or enter into, any letter of intent, agreement in principle, agreement, arrangement or undertaking related to any Acquisition Proposal; or

(f) release any person from or waive or otherwise forebear in the enforcement of any confidentiality or standstill agreement or any other agreement with such person that would facilitate the making or implementation of any Acquisition Proposal.

Under the Arrangement Agreement, Cayden agreed to: (a) immediately cease and cause to be terminated any existing solicitation, discussion, negotiation, encouragement or activity with any person (other than Agnico Eagle or any of its Representatives) by Cayden or any of its Representatives with respect to any Acquisition Proposal or any potential Acquisition Proposal; (b) immediately cease to provide any person (other than Agnico Eagle or any of its Representatives) with access to information concerning Cayden or any Cayden Subsidiary in

respect of any Acquisition Proposal or any potential Acquisition Proposal; and (c) request the return or destruction of all confidential information provided to any person (other than Agnico Eagle or any of its Representatives) that has entered into a confidentiality agreement with Cayden relating to any Acquisition Proposal or potential Acquisition Proposal to the extent provided for in such confidentiality agreement and will use all commercially reasonable efforts to ensure that such requests are honoured. Cayden has agreed to be held responsible for any breach of the Non-Solicitation Covenants by its Representatives.

Cayden must promptly (and in any event within 24 hours) notify Agnico Eagle, at first orally and then in writing, of any proposal, inquiry, offer or request received by Cayden or its Representatives: (a) relating to an Acquisition Proposal or potential Acquisition Proposal or inquiry that could reasonably lead or be expected to lead to an Acquisition Proposal; (b) for discussions or negotiations in respect of an Acquisition Proposal or potential Acquisition Proposal; (c) for non-public information relating to Cayden or any Cayden Subsidiary, access to properties, books, records or a list of Shareholders, Securityholders or a list of shareholders of any Cayden Subsidiary; (d) for representation on the Board; or (e) for any material amendments to the foregoing.

Under the Arrangement Agreement, an "**Acquisition Proposal**" means:

(a) any take-over bid, issuer bid, amalgamation, plan of arrangement, business combination, merger, tender offer, exchange offer, consolidation, recapitalization, reorganization, liquidation, dissolution or winding-up in respect of Cayden or any of the Cayden Subsidiaries;

(b) any sale of assets (or any lease, long-term supply arrangement, licence or other arrangement having the same economic effect as a sale) of Cayden or the Cayden Subsidiaries representing 20% or more of the consolidated assets, revenues or earnings of Cayden;

(c) any sale or issuance of shares or other equity interests (or securities convertible into or exercisable for such shares or interests) in Cayden or any of the Cayden Subsidiaries representing 20% or more of the issued and outstanding equity or voting interests of Cayden or any of the Cayden Subsidiaries;

(d) any similar transaction or series of transactions involving Cayden or any of the Cayden Subsidiaries;

(e) any arrangement whereby effective operating control of Cayden is granted to another party; or

(f) any inquiry, proposal, offer or public announcement of an intention to do any of the foregoing.

Consideration of Acquisition Proposals

Under the Arrangement Agreement, if at any time following the date of the Arrangement Agreement and before the Meeting, Cayden receives a *bona fide* written Acquisition Proposal (that was not solicited, assisted, initiated, encouraged or facilitated in contraction of section 3 of the Letter of Intent or in contravention of section 7.1(a) of the Arrangement Agreement), Cayden and its Representatives may contact the person making such Acquisition Proposal solely for the purposes of clarifying the terms and conditions and the likelihood of its consummation so as to determine whether such Acquisition Proposal is, or is reasonably likely to lead to, a Superior Proposal. If the Board determines, after consultation with its legal counsel and financial advisors, that such Acquisition Proposal is or is reasonably likely to lead to, a Superior Proposal and that failure to take action would be inconsistent with its fiduciary duties, Cayden and its Representatives may, subject to compliance with the procedures set forth in the Arrangement Agreement: (a) furnish information with respect to Cayden and Cayden Subsidiaries to the person making such Acquisition Proposal; and (b) engage in discussions and negotiations with the person making such Acquisition Proposal and its Representatives, provided that all such discussions and negotiations will cease during the Match Period (as defined in the Arrangement Agreement).

Cayden may at any time before the Meeting: (a) enter into an agreement, subject to certain exceptions, with respect to an Acquisition Proposal that is a Superior Proposal; and/or (b) withdraw, modify or qualify its approval or recommendation of the Arrangement and recommend or approve an Acquisition Proposal that is a Superior Proposal, provided that Cayden has complied with its Non-Solicitation Covenants, the Board has determined, after consultation with its legal counsel and financial advisors, that such Acquisition Proposal is a Superior Proposal and that the failure to take the relevant action would be inconsistent with its fiduciary duties, Cayden provides written notice to Agnico Eagle in accordance with the Arrangement Agreement, and during the five business days from the date Agnico Eagle received such notice, Agnico Eagle has the opportunity, but not the obligation, to offer to amend the terms of the Arrangement Agreement and the Arrangement. The

directors of Cayden will review any offer by Agnico Eagle to amend the terms of the Arrangement Agreement and the Arrangement in order to determine in good faith, whether the offer of Agnico Eagle upon acceptance by Cayden would result in the Acquisition Proposal not being a Superior Proposal. If the directors of Cayden so determine, Cayden will enter into an amended agreement with Agnico Eagle reflecting the amended proposal of Agnico Eagle and will promptly reaffirm its recommendation of the Arrangement as amended.

Under the Arrangement Agreement, a "**Superior Proposal**" means any *bona fide* Acquisition Proposal made in writing after the date of the Arrangement Agreement, that was not solicited in contravention of the Arrangement Agreement and did not result from the breach of the Letter of Intent or the Arrangement Agreement by Cayden or its Representatives, that is made for all or substantially all of the consolidated assets of Cayden or all of the Cayden Shares not owned by the person making such Acquisition Proposal and that the Board determines in good faith and in the proper discharge of its fiduciary duties, after consultation with its legal counsel and financial advisors:

(a) would, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction more favourable to the Shareholders from a financial point of view than the Arrangement taking into account the form and amount of consideration, the likelihood and timing of completion and the other terms thereof (after due consideration of the legal, financial, regulatory and other aspects of such proposal and other factors deemed relevant by the Board);

(b) complies with applicable Law;

(c) is not subject to a due diligence condition;

(d) offers the same consideration on a per share basis to all Cayden Shareholders;

(e) is reasonably capable of being completed in accordance with its terms without undue delay or uncertainty, taking into account all legal, financial, regulatory and other aspects of such proposal and the party making such proposal and taking into account that shareholder approval might be required;

(f) in respect of which the financing is then committed or confirmation is provided from the sources of financing to be used to complete the transaction contemplated by such Acquisition Proposal that such financing is available subject to customary conditions; and

(g) that the taking of action in respect of such Acquisition Proposal is necessary for the Board in the discharge of its duties under applicable Law.

Termination

The Arrangement Agreement may be terminated at any time before the Effective Date:

(a) by mutual written agreement of Agnico Eagle and Cayden;

(b) by Agnico Eagle,

  (i) if the Securityholders do not approve the Arrangement Resolution at the Meeting in the manner required by the Interim Order;

  (ii) if there is a Change in Recommendation; or

  (iii) if the Meeting has not been held by October 27, 2014;

(c) by either Agnico Eagle or Cayden,

  (i) if the Effective Date has not occurred on or before the Outside Date, other than as a result of the breach by such party of any covenant or obligation under the Arrangement Agreement or as a result of any representation or warranty of such party in the Arrangement Agreement being untrue or incorrect; provided, however, that if the Effective Date is delayed by (A) an injunction or order made by a Regulatory Authority of competent jurisdiction, or (B) Agnico Eagle not having obtained the Mexican Regulatory Approval or any regulatory waiver, consent or approval which is necessary to permit the Effective Date to occur, then, provided that such injunction or order is being contested or appealed in good faith or such regulatory waiver, consent or approval is being actively sought in good faith, as applicable, the Arrangement Agreement will not be

terminated by Cayden until the fifth Business Day following the earlier of the date on which such injunction or order ceases to be in effect or such waiver, consent or approval is obtained, as applicable, and June 8, 2015;

(ii) if any Regulatory Authority will have enacted any law or issued an order, decree or ruling permanently restraining or enjoining or otherwise prohibiting any of the transactions contemplated in the Arrangement Agreement (unless such law, order, decree or ruling has been withdrawn, reversed or otherwise made inapplicable) which order, decree or ruling is final and non-appealable;

(iii) if (A) any representation or warranty of the other party under the Arrangement Agreement is untrue or incorrect or will have become untrue or incorrect such that the conditions for completion of the Arrangement would be incapable of satisfaction; or (B) the other party is in default of a material covenant or obligation under the Arrangement Agreement such that the conditions for completion of the Arrangement would be incapable of satisfaction;

(d) by Cayden, if Cayden proposes to enter into a definitive agreement with respect to a Superior Proposal in compliance with the provisions of the Arrangement Agreement, provided that Cayden has previously, or concurrently will have, paid to Agnico Eagle the Termination Payment and provided that Cayden is not in breach of any of its covenants or obligations under the Arrangement Agreement; or

(e) by Agnico Eagle or Cayden, if Agnico Eagle elects not to match a Superior Proposal in accordance with the terms of the Arrangement Agreement, provided that Cayden has previously, or concurrently will have, paid to Agnico Eagle the Termination Payment.

Termination Payment

Agnico Eagle is entitled to a payment of $5.7 million upon the occurrence of any of the following events:

(a) the Arrangement Agreement is terminated by Agnico Eagle as a result of a Change in Recommendation; in which case the Termination Payment will be paid to Agnico Eagle on the first business day following termination;

(b) the Arrangement Agreement is terminated by either Agnico Eagle or Cayden as a result of Cayden's default in respect of a covenant or an obligation such that Cayden is unable to provide the necessary certifications and confirmations which are required as a condition of closing, in which case the Termination Payment will be paid to Agnico Eagle on the first business day following termination;

(c) the Arrangement Agreement is terminated by Cayden as a result of Cayden proposing to enter into a definitive agreement with respect to a Superior Proposal in compliance with the provisions of the Arrangement Agreement, provided that Cayden has previously, or concurrently will have, paid to Agnico Eagle the Termination Payment;

(d) the Arrangement Agreement is terminated by Agnico Eagle as a result of the Securityholders not approving the Arrangement Resolution at the Meeting in the manner required by the Interim Order, if on or after the date of the Arrangement Agreement and before the Meeting, an Acquisition Proposal is publicly announced by any person (other than Agnico Eagle or any of its affiliates) and not publicly withdrawn or abandoned more than five business days before the Meeting, and within 12 months following the termination of the Arrangement Agreement any Acquisition Proposal is consummated or a binding agreement in entered into by Cayden with respect thereto, in which case the Termination Payment will be paid on the date such Acquisition Proposal is consummated (provided that, for the purposes of this Termination Payment Event, all references to "20%" in the definition of "Acquisition Proposal" are deemed to be reference to "50%");

(e) the Arrangement Agreement is terminated by either Cayden or Agnico Eagle as a result of the Effective Date not occurring on or before the Outside Date, other than as a result of the breach by such Party of any covenant or obligation under the Arrangement Agreement or as a result of any representation or warranty of such party in the Arrangement Agreement being untrue or incorrect; provided, however, that if the Effective Date is delayed by (A) an injunction or order made by a Regulatory Authority of competent jurisdiction, or (B) Agnico Eagle not having obtained the Mexican

Regulatory Approval or any regulatory waiver, consent or approval which is necessary to permit the Effective Date to occur, then, provided that such injunction or order is being contested or appealed in good faith or such regulatory waiver, consent or approval is being actively sought in good faith, as applicable, the Arrangement Agreement will not be terminated by Cayden until the fifth business day following the earlier of the date on which such injunction or order ceases to be in effect or such waiver, consent or approval is obtained, as applicable, and June 8, 2015, if on or after the date of the Arrangement Agreement and before the Meeting, an Acquisition Proposal is publicly announced by any person (other than Agnico Eagle or any of its affiliates) and not publicly withdrawn or abandoned more than five business days before the Meeting, and within 12 months following the termination of the Arrangement Agreement any Acquisition Proposal is consummated or a binding agreement is entered into by Cayden with respect thereto, in which case the Termination Payment will be paid on the date such Acquisition Proposal is consummated (provided that, for the purposes of this Termination Payment Event, all references to "20%" in the definition of "Acquisition Proposal" are deemed to be reference to "50%"); or

(f) the Arrangement Agreement is terminated by Agnico Eagle or Cayden, if Agnico Eagle elects not to match a Superior Proposal in accordance with the terms of the Arrangement Agreement, in which case the Termination Payment will be paid before or concurrently with such termination.

If the Arrangement Agreement is terminated by Agnico Eagle as a result of Cayden's representations or warranties under the Arrangement Agreement becoming untrue or incorrect such that Cayden is unable to provide the necessary certifications and confirmations that are required as a condition of closing pursuant to the Arrangement Agreement, Cayden will pay such amount as is required to reimburse Agnico Eagle for all reasonable costs and expenses incurred by it in connection with the Arrangement, including all reasonable fees, costs and expenses of its legal, financial, auditing, professional and other advisors and all other reasonable costs and expenses whatsoever or howsoever incurred, in connection with the Arrangement, up to a maximum of $1.5 million, to Agnico Eagle on the first business day following termination.

Amendment and Waiver

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Date, be amended by mutual written agreement of Cayden and Agnico Eagle, subject to the provisions of the Interim Order, the Plan of Arrangement and applicable Laws, without further notice to or authorization on the part of the Securityholders. No waiver of any of the provisions of the Arrangement Agreement will be effective unless in writing and such waiver will only affect the matter specifically identified in the waiver and will not extend to any other matter or occurrence.

INFORMATION ABOUT CAYDEN

Cayden is a junior mineral exploration and development company whose principal business is the exploration and development of mineral properties in which it currently holds an interest and the identification and acquisition of interests in additional mineral properties. Cayden is primarily focused on its two mineral exploration projects, being the El Barqueño property located approximately 110 km west of Guadalajara in the state of Jalisco, Mexico and the Morelos Sur property located in the Nukay mining district of central Guerrero state, Mexico.

Cayden was incorporated under the BCBCA on September 10, 2008. The Company's registered office is located at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7. The Company's head office is located at Suite 600 – 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5. BDO Canada LLP have been the auditors of Cayden since September 29, 2010.

The Company is a reporting issuer in each province of Canada (except Quebec) and files its continuous disclosure documents with the Canadian Securities Authorities in such provinces. Such documents are available on SEDAR at www.sedar.com.

Price Range and Trading Volume Data

Cayden Shares are listed and trade on the TSX-V and the OTCQX under the symbols "CYD" and "CDKNF", respectively. The following table summarizes the high and low prices and volumes of trading of Cayden Shares on the TSX-V and OTCQX for each of the periods indicated:

	TSX-V			OTCQX		
	High ($)	Low ($)	Average Daily Volume	High (US$)	Low (US$)	Average Daily Volume
2013						
September	1.80	1.43	114,227	1.79	1.35	18,115
October	1.69	1.08	116,006	1.63	1.08	18,691
November	1.23	0.99	77,979	1.18	0.93	15,235
December	1.18	0.96	61,011	1.08	0.92	18,990
2014						
January	1.35	0.97	46,775	1.22	0.94	8,752
February	1.77	1.25	91,814	1.59	1.16	22,432
March	2.02	1.65	232,830	1.96	1.48	26,748
April	2.07	1.71	111,393	1.86	1.54	11,981
May	2.11	1.56	85,515	1.93	1.48	5,038
June	1.94	1.55	64,384	1.82	1.34	7,062
July	2.54	1.83	104,785	2.29	1.71	14,209
August	2.95	2.36	109,245	2.71	2.14	18,671
September (to September 19)	3.49	2.74	657,641	3.15	2.52	47,057

Prior Sales

The following table sets out the number of Cayden Shares, and securities that are convertible into Cayden Shares, issued by Cayden during the 12-month period preceding the date of this Information Circular:

Date of Issuance/Grant	Number of Securities Issued/Granted	Type of Securities Issued/Granted	Issue/Exercise Price ($)	Reason for Issuance/Grant
October 17, 2013	44,643	Cayden Shares	1.50	Shares issued as finder's fee in connection with option agreement relating to the El Barqueño property
October 18, 2013	175,000	Cayden Options	1.58	Options granted under the Cayden Option Plans
December 19, 2013	80,000	Cayden Options	1.10	Options granted under the Cayden Option Plans
March 18, 2014 – September 15, 2014	2,929,736	Cayden Shares	1.50 – 1.70	Exercise of Cayden Warrants
April 1, 2014	5,301,500	Cayden Shares	1.70	Cayden Shares issued in connection with bought deal financing
April 1, 2014	159,045	Cayden Warrants	1.70	Cayden Warrants issued in connection with bought deal financing
April 1, 2014 – May 28, 2014	24,375	Cayden Shares	0.90 – 1.40	Exercise of Cayden Options
April 17, 2014	54,348	Cayden Shares	1.84	Shares issued as finder's fee in connection with option agreement relating to the El Barqueño property

Date of Issuance/Grant	Number of Securities Issued/Granted	Type of Securities Issued/Granted	Issue/Exercise Price ($)	Reason for Issuance/Grant
September 10, 2014 – September 19, 2014 . . .	181,875	Cayden Shares	0.90 – 2.00	Exercise of Cayden Options
September 19, 2014	150,000	Cayden Shares	3.44	Shares issued in connection with purchase agreement for Shamba-La mining concession

INFORMATION ABOUT AGNICO EAGLE

No securities authority has expressed an opinion about the Agnico Eagle Shares (as defined herein) issuable under the Arrangement and it is an offence to claim otherwise.

The following information was prepared and provided by Agnico Eagle for inclusion in this Information Circular and Agnico Eagle is responsible for its completeness and accuracy. The following information should be read in conjunction with the information concerning Agnico Eagle appearing elsewhere or incorporated by reference in this Information Circular.

Unless otherwise indicated, the information about Agnico Eagle contained in this Information Circular is as at September 19, 2014.

Documents Incorporated by Reference

Information has been incorporated by reference in this Information Circular from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Vice-President, Investor Relations at Suite 400, 145 King Street East, Toronto, Ontario, Canada, M5C 2Y7, telephone number 416-947-1212. Alternatively, these documents may be obtained at Agnico Eagle's website at www.agnicoeagle.com, Agnico Eagle's profile on SEDAR at www.sedar.com or on EDGAR at www.sec.gov.

The following documents ("**documents incorporated by reference**" or "**documents incorporated herein by reference**") of Agnico Eagle filed with the various securities commissions or similar authorities in each of the provinces of Canada, are specifically incorporated by reference herein and form an integral part of this Information Circular:

(a) the annual information form of Agnico Eagle for the year ended December 31, 2013 dated March 21, 2014 (the "**Agnico Eagle AIF**");

(b) the annual audited consolidated financial statements of Agnico Eagle and the notes thereto as at December 31, 2013 and December 31, 2012 and for each of the years ended December 31, 2013, 2012 and 2011, together with the auditors' report thereon, dated March 21, 2014;

(c) management's discussion and analysis of the financial condition and results of operations of Agnico Eagle for the year ended December 31, 2013 dated March 21, 2014;

(d) the management information circular of Agnico Eagle dated March 11, 2014 in connection with the annual and special meeting of shareholders of Agnico Eagle held on May 2, 2014;

(e) the material change report filed by Agnico Eagle on April 25, 2014 announcing the entering into of an arrangement agreement among Agnico Eagle, Yamana Gold Inc. ("**Yamana**") and Osisko Mining Corporation ("**Osisko**") pursuant to which, among other things, Agnico Eagle and Yamana would jointly acquire all of Osisko's issued and outstanding common shares;

(f) the material change report filed by Agnico Eagle on June 26, 2014 announcing the completion of the court-approved plan of arrangement among Agnico Eagle, Yamana and Osisko;

(g) the interim unaudited consolidated financial statements of Agnico Eagle and the notes thereto for the three and six months ended June 30, 2014 dated August 11, 2014;

(h) management's discussion and analysis of the financial condition and results of operations of Agnico Eagle for the three and six months ended June 30, 2014 dated August 11, 2014; and

(i) the business acquisition report filed by Agnico Eagle on August 22, 2014 related to Agnico Eagle's acquisition of 50% of Osisko.

Any document of the type referred to above in (a) through (i) and any other document of the type required by National Instrument 44-101 — *Short Form Prospectus Distributions* ("**NI 44-101**") to be incorporated by reference in a short form prospectus filed by Agnico Eagle with a securities commission or similar regulatory authority in Canada after the date of this Information Circular and before the date of completion of the Arrangement will be deemed to be incorporated by reference in this Information Circular.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded, for purposes of this Information Circular, to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute part of this Information Circular.

Summary Description of the Business

Agnico Eagle is an established Canadian-based international gold producer with mining operations in northwestern Quebec, northern Mexico, northern Finland and Nunavut and exploration activities in Canada, Europe, Latin America and the United States. Agnico Eagle's operating history includes over three decades of continuous gold production, primarily from underground operations. Since its formation on June 1, 1972, Agnico Eagle has produced approximately 10.2 million ounces of gold.

Agnico Eagle's strategy is to focus on the continued exploration, development and expansion of its properties, all of which are located in politically stable jurisdictions. Agnico Eagle has spent approximately $2.9 billion on mine development over the last five years. Through this development program, Agnico Eagle transformed itself from a regionally focused, single mine producer to a multi-mine international gold producer with eight operating, 100% owned mines, one operating 50% owned mine that is jointly operated with Yamana and one advanced exploration project. Agnico Eagle plans to pursue opportunities for growth in gold production and gold reserves through the prudent acquisition or development of exploration properties, development properties, producing properties and other mining businesses in the Americas and Europe.

Set out below is a list of Agnico Eagle's main projects and mines, all of which are 100% owned (unless otherwise noted), directly or indirectly, by Agnico Eagle:

- La Ronde mine (Quebec, Canada)
- Lapa mine (Quebec, Canada)
- Goldex mine (Quebec, Canada)
- Canadian Malartic mine (Quebec, Canada) (50% owned and jointly operated with Yamana)
- Kittila mine (Finland)
- Meadowbank mine (Nunavut, Canada)
- Meliadine project (Nunavut, Canada)
- Pinos Altos mine (Chihuahua, Mexico)

- Creston Mascota mine (Chihuahua, Mexico)
- La India mine (Sonora, Mexico)

Recent Developments

Acquisition of Osisko

On June 16, 2014, Agnico Eagle and Yamana jointly acquired Osisko pursuant to a court-approved plan of arrangement under the *Canada Business Corporations Ac*t for approximately C$3.9 billion consisting of approximately C$1.0 billion in cash and a combination of common shares of Agnico Eagle, common shares of Yamana and shares of a new company. Under the plan of arrangement, each Osisko share was exchanged for: (i) C$2.09 in cash (C$1.045 per share from each of Agnico Eagle and Yamana); (ii) 0.07264 of a common share of Agnico Eagle; (iii) 0.26471 of a common share of Yamana; and (iv) 0.1 of one common share of Osisko Gold Royalties Ltd ("**New Osisko**"), a newly formed company that has commenced trading on the Toronto Stock Exchange.

In connection with the plan of arrangement, substantially all of the assets relating to Osisko's Canadian Malartic mine in Quebec were transferred to Canadian Malartic GP, a newly formed general partnership in which Agnico Eagle and Yamana each own an indirect 50% interest. Agnico Eagle and Yamana formed a joint management committee to operate the Canadian Malartic mine. On June 17, 2014, Osisko and the acquisition corporation amalgamated to form "Canadian Malartic Corporation" in which Agnico Eagle and Yamana each hold an indirect 50% interest. Canadian Malartic Corporation continues to hold, among other things, Osisko's Kirkland Lake, Hammond Reef, Pandora and Wood-Pandora (50% interest) assets and properties. Agnico Eagle and Yamana will jointly explore and potentially develop the Kirkland Lake assets, and continue exploration at the Hammond Reef project and the Pandora and Wood-Pandora properties.

Agnico Eagle's and Yamana's relationship with respect to the Canadian Malartic mine is governed by a unanimous shareholders agreement with respect to the successor company Canadian Malartic Corporation and a general partnership agreement with respect to Canadian Malartic GP.

Under the plan of arrangement, Osisko transferred to New Osisko the following assets: (i) a 5% net smelter return royalty on all gold, silver and other products produced by the Canadian Malartic mine; (ii) C$157 million in cash; (iii) a 2% net smelter return royalty on the Kirkland Lake assets, the Hammond Reef project and certain other Canadian exploration properties retained by Canadian Malartic Corporation; (iv) all assets and liabilities of Osisko in its Guerrero, Mexico camp; and (v) certain other investments and assets.

Agnico Eagle has accounted for its joint acquisition of Osisko under U.S. GAAP as an equity method investment. Direct transaction costs totalled C$16.7 million. Agnico Eagle's share of Osisko's June 16, 2014 purchase price was comprised of 33,923,212 Agnico Eagle Shares issued to holders of Osisko shares, C$502,059,784.01 in cash, and 871,680 Agnico Eagle Shares issued and held by the depositary in respect of convertible debentures of Osisko that remain convertible following the plan of arrangement. The cash payable by the Company in connection with the plan of arrangement was funded from Agnico Eagle's existing $1.2 billion unsecured revolving bank credit facility. Following Agnico Eagle's transition to IFRS commencing in the third quarter of 2014, Agnico Eagle will account for Canadian Malartic Corporation as a joint operation under IFRS 11 — Joint Arrangements, as opposed to through use of the equity method. In accordance with IFRS 11, Agnico Eagle will recognize directly within its consolidated financial statements its share of the rights and obligations to the assets, liabilities, revenues and expenses relating to Canadian Malartic Corporation. In addition, direct transaction costs as described above will be expensed in the period incurred (as opposed to being included in the equity method investment, as was the treatment under U.S. GAAP). For more information on Agnico Eagle's transition to IFRS see Agnico Eagle's management's discussion and analysis of the Company in respect of the three months ended June 30, 2014 incorporated by reference into this Information Circular under the caption "International Financial Reporting Standards".

Acquisition of Cayden

As more fully described in this Information Circular, on September 8, 2014, Agnico Eagle entered into the Arrangement Agreement with Cayden pursuant to which Agnico Eagle will acquire 100% of the issued and outstanding Cayden Shares, including Cayden Shares issuable under Cayden Options and Cayden Warrants, under the Arrangement for total consideration of approximately $205 million, or approximately C$3.79 per share (in each case, based on Agnico Eagle's volume weighted average price of shares on the TSX for the 30-day period ended September 5, 2014). Under the Arrangement, Cayden Shareholders will be entitled to receive 0.09 of an Agnico Eagle Share and C$0.01 for each Cayden Share. The Arrangement is subject to approval by Cayden Securityholders, court approval and Mexican antitrust and other regulatory approvals. The maximum number of Agnico Eagle Shares issuable by Agnico Eagle under the offer will be approximately 4,877,912 (based on the number of Cayden Shares outstanding on September 19, 2014 on a fully-diluted basis), or approximately 2.2% of Agnico Eagle Shares outstanding (on a fully-diluted basis).

Technical Report Filed in respect of the Canadian Malartic mine

On August 13, 2014, Agnico Eagle filed a new NI 43-101 technical report containing updated mineral reserves and mineral resources estimates for the Canadian Malartic mine operated by Canadian Malartic GP, with an effective date of June 15, 2014. Agnico Eagle's 50% interest in the Canadian Malartic mine's mineral reserves consist of proven mineral reserves of 843,000 ounces of gold (28.8 million tonnes at a grade of 0.91 grams per tonne) and probable mineral reserves of 3.6 million ounces of gold (102.8 million tonnes at a grade of 1.10 grams per tonne). Agnico Eagle's 50% interest in the Canadian Malartic mine's mineral resources consist of measured mineral resources of 28.4 million tonnes at an average grade of 0.98 grams of gold per tonne, indicated mineral resources of 127.5 million tonnes at a grade of 1.09 grams of gold per tonne, stockpiles (classified as measured mineral resources) of 1.2 million tonnes at a grade of 0.51 grams of gold per tonne and inferred mineral resources of 23.2 million tonnes at a grade of 0.77 grams of gold per tonne (at the mine, the mineral reserves are reported as a subset of the mineral resources). The assumptions used for the mineral reserve and mineral resource estimate were a gold price of US$1,300 per ounce, a cut-off grade of between 0.28 and 0.35 grams of gold per tonne (depending on the deposit) and an exchange rate of C$1.10 per US$1.00. Agnico Eagle estimates that a US$100 per ounce decline in the gold price would reduce the reserves by approximately 3.3%.

Operating Updates

On July 30, 2014, Agnico Eagle announced its second quarter 2014 results and increased its 2014 production guidance to approximately 1,350,000 to 1,370,000 million ounces of gold, with total cash costs on a by-product basis in the range of US$650 to US$675 per ounce. During the six months ended June 30, 2014, the LaRonde mine produced 107,846 ounces of gold at total cash costs on a by-product basis of US$642 per ounce; the Goldex mine M and E zones produced 43,359 ounces of gold at total cash costs on a by-product basis of US$678 per ounce; the Lapa mine produced 42,230 ounces of gold at total cash costs on a by-product basis of US$747 per ounce; the Meadowbank mine produced 274,605 ounces of gold at total cash costs on a by-product basis of US$496 per ounce; the Kittila mine produced 70,382 ounces of gold at total cash costs on a by-product basis of US$825 per ounce; the Pinos Altos mine produced 89,195 ounces of gold at total cash costs on a by-product basis of US$465 per ounce; the Creston Mascota mine (at Pinos Altos) produced 21,476 ounces of gold at total cash costs on a by-product basis of US$615 per ounce; and the La India mine, which achieved commercial production on February 1, 2014, produced 31,509 ounces of gold, including 3,492 ounces of gold produced before the commencement of commercial production, at total cash costs on a by-product basis of US$446 per ounce.

Regional exploration drilling conducted in Nunavut during the first half of 2014 has expanded the scope of mineralization at the IVR property, located 50 kilometres northwest of the Meadowbank mine. Expanded capacity for the Creston Mascota agglomerator and overland conveyors was installed in May and commissioned in June. In addition, the Creston Mascota Phase 3 leach pad was completed in June and has been fully commissioned.

Subsequent to the end of Agnico Eagle's 2014 second quarter, in July 2014, a scheduled three week shutdown was carried out at the LaRonde mine to upgrade the production and service hoist drives at the Penna shaft. During the shutdown, additional maintenance activities were also undertaken underground and at the mill. Production resumed in mid-July 2014. Post-2014, the LaRonde mine is expected to increase production over the next several years to an average life of mine production of more than 300,000 ounces of gold per year, reflecting higher gold grades expected from the deeper mine.

Update on Class Actions against Agnico Eagle

In 2012, a Statement of Claim was issued by William Leslie, AFA Livforsakringsaktiebolag and certain other entities against Agnico Eagle and certain of its current and former officers, some of whom also are or were directors of Agnico Eagle alleging that Agnico Eagle's public disclosure concerning water flow issues at its Goldex mine was misleading. The Ontario Claim was issued by the plaintiffs on behalf of all persons and entities who acquired securities of Agnico Eagle during the period March 26, 2010 to October 19, 2011, excluding persons resident or domiciled in the Province of Quebec at the time they purchased or acquired such securities. The plaintiffs seek, among other things, damages of C$250.0 million. On April 17, 2013 an order was granted on consent certifying a class action proceeding and granting leave for the claims under Section 138 of the *Securities Act* (Ontario) to proceed. A similar complaint commenced in 2011 in the U.S. was dismissed by the court in 2013. Agnico Eagle intends to vigorously defend the action on the merits.

Similar proceedings were commenced in Quebec in 2012 on behalf of all persons and entities with fewer than 50 employees resident in Quebec who acquired securities of Agnico Eagle between March 26, 2010 and October 19, 2011. The class action is for damages of C$100.0 million. On October 1, 2013, the Quebec court certified the class action on terms identical to those set out in the consent order granted in Ontario on April 17, 2013. No date has been set for the hearing to argue the class action on the merits. Agnico Eagle intends to vigorously defend the action on the merits.

Consolidated Capitalization

Except as otherwise described herein, there have been no material changes in Agnico Eagle's share and debt capital, on a consolidated basis, since June 30, 2014, the date of Agnico Eagle's most recently filed annual audited consolidated financial statements.

Agnico Eagle had 209,961,249 common shares outstanding as of September 19, 2014. Agnico Eagle expects to issue up to a maximum of 4,877,912 Agnico Eagle Shares pursuant to the Arrangement, based on the Arrangement Consideration for each Cayden Share outstanding on a fully-diluted basis as disclosed by Cayden on September 19, 2014 (being 54,199,020 Cayden Shares).

Description of the Agnico Eagle Shares

Agnico Eagle's authorized capital consists of an unlimited number of Agnico Eagle Shares. All outstanding Agnico Eagle Shares are fully paid and non-assessable.

The holders of Agnico Eagle Shares are entitled to one vote per share at meetings of Agnico Eagle shareholders and to receive dividends if, as and when declared by the directors of Agnico Eagle. Agnico Eagle's current policy is to pay quarterly dividends on its Agnico Eagle Shares. Although Agnico Eagle currently expects to continue paying a cash dividend, future dividends will be at the discretion of the board of directors of Agnico Eagle and will be subject to various factors. In the event of voluntary or involuntary liquidation, dissolution or winding-up of Agnico Eagle, after payment of all outstanding debts, the remaining assets of Agnico Eagle available for distribution would be distributed rateably to the holders of the Agnico Eagle Shares. Holders of the Agnico Eagle Shares have no pre-emptive, redemption, exchange or conversion rights. Agnico Eagle may not create any class or series of shares or make any modification to the provisions attaching to the Agnico Eagle Shares without the affirmative vote of two-thirds of the votes cast by the holders of the Agnico Eagle Shares.

Prior Sales

The following table sets out the number of Agnico Eagle Shares, and securities that are convertible into Agnico Eagle Shares, issued by Agnico Eagle during the 12-month period preceding the date of this Information Circular.

Date of Issuance/ Grant	Number of Securities Issued/ Granted	Type of Securities Issued/ Granted	Issue/ Exercise Price ($)	Reason for Issuance/Grant
September 30, 2013	213,191	Agnico Eagle Shares	$27.31	Shares issued under the Employee Share Purchase Plan
September 30, 2013	7,756	Agnico Eagle Shares	US$26.51	Shares issued under the Employee Share Purchase Plan
December 16, 2013	229,504	Agnico Eagle Shares	US$25.19	Shares issued under the Dividend Reinvestment Plan
December 16, 2013	19	Agnico Eagle Shares	US$26.52	Shares issued under the Dividend Reinvestment Plan
December 16, 2013	561	Agnico Eagle Shares	$27.94	Shares issued under the Dividend Reinvestment Plan
December 31, 2013	209,201	Agnico Eagle Shares	$27.71	Shares issued under the Employee Share Purchase Plan
December 31, 2013	8,887	Agnico Eagle Shares	US$26.31	Shares issued under the Employee Share Purchase Plan
December 31, 2013	2,037	Agnico Eagle Shares	$27.31	Shares issued under the Employee Share Purchase Plan
December 31, 2013	169	Agnico Eagle Shares	US$26.51	Shares issued under the Employee Share Purchase Plan
January 2, 2014 . . .	2,776,500	Options	$28.03	Options granted under the Employee Stock Option Plan
January 2, 2014 . . .	401,000	Options	US$26.38	Options granted under the Employee Stock Option Plan
February 6, 2014 . .	1,500	Agnico Eagle Shares	$28.03	Exercise of Options
February 12, 2014. .	4,750	Agnico Eagle Shares	$28.03	Exercise of Options
February 13, 2014. .	2,000	Agnico Eagle Shares	$28.03	Exercise of Options
February 14, 2014. .	450	Agnico Eagle Shares	$28.03	Exercise of Options
February 19, 2014. .	2,250	Agnico Eagle Shares	$28.03	Exercise of Options
February 20, 2014. .	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
February 25, 2014. .	7,000	Agnico Eagle Shares	$28.03	Exercise of Options
February 26, 2014. .	15,875	Agnico Eagle Shares	$28.03	Exercise of Options
February 27, 2014. .	7,500	Agnico Eagle Shares	$28.03	Exercise of Options
March 6, 2014	5,000	Agnico Eagle Shares	$28.03	Exercise of Options
March 7, 2014	2,500	Options	$36.41	Options granted under the Employee Stock Option Plan
March 11, 2014 . . .	5,250	Agnico Eagle Shares	$28.03	Exercise of Options
March 17, 2014 . . .	7,500	Agnico Eagle Shares	$28.03	Exercise of Options
March 17, 2014 . . .	62,246	Agnico Eagle Shares	US$31.65	Shares issued under the Dividend Reinvestment Plan
March 17, 2014 . . .	30	Agnico Eagle Shares	US$33.32	Shares issued under the Dividend Reinvestment Plan
March 17, 2014 . . .	550	Agnico Eagle Shares	C$36.89	Shares issued under the Dividend Reinvestment Plan
March 18, 2014 . . .	8,250	Agnico Eagle Shares	$28.03	Exercise of Options
March 19, 2014 . . .	9,150	Agnico Eagle Shares	$28.03	Exercise of Options
March 20, 2014 . . .	1,000	Agnico Eagle Shares	$28.03	Exercise of Options

Date of Issuance/ Grant	Number of Securities Issued/ Granted	Type of Securities Issued/ Granted	Issue/ Exercise Price ($)	Reason for Issuance/Grant
March 31, 2014 . . .	121,588	Agnico Eagle Shares	$34.13	Shares issued under the Employee Share Purchase Plan
March 31, 2014 . . .	5,885	Agnico Eagle Shares	US$30.78	Shares issued under the Employee Share Purchase Plan
April 17, 2014	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
May 7, 2014	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
May 9, 2014	12,250	Agnico Eagle Shares	$28.03	Exercise of Options
May 12, 2014	875	Agnico Eagle Shares	$28.03	Exercise of Options
May 15, 2014	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
May 15, 2014	1,000	Agnico Eagle Shares	US$26.38	Exercise of Options
May 20, 2014	13,525	Agnico Eagle Shares	$28.03	Exercise of Options
June 4, 2014	500	Agnico Eagle Shares	US$26.38	Exercise of Options
June 13, 2014	1,250	Agnico Eagle Shares	$28.03	Exercise of Options
June 16, 2014	34,794,892	Agnico Eagle Shares	$36.29	Osisko Plan of Arrangement
June 16, 2014	34,387	Agnico Eagle Shares	US$29.80	Shares issued under the Dividend Reinvestment Plan
June 16, 2014	16	Agnico Eagle Shares	US$31.37	Shares issued under the Dividend Reinvestment Plan
June 16, 2014	846	Agnico Eagle Shares	$34.25	Shares issued under the Dividend Reinvestment Plan
June 17, 2014	1,500	Agnico Eagle Shares	US$26.38	Exercise of Options
June 19, 2014	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
June 20, 2014	28,750	Agnico Eagle Shares	$28.03	Exercise of Options
June 20, 2014	3,000	Agnico Eagle Shares	US$26.38	Exercise of Options
June 23, 2014	2,875	Agnico Eagle Shares	US$26.38	Exercise of Options
June 23, 2014	15,375	Agnico Eagle Shares	$28.03	Exercise of Options
June 23, 2014	3,000	Agnico Eagle Shares	$37.05	Exercise of Options
June 24, 2014	500	Agnico Eagle Shares	US$26.38	Exercise of Options
June 24, 2014	58,525	Agnico Eagle Shares	$28.03	Exercise of Options
June 24, 2014	5,000	Agnico Eagle Shares	$35.27	Exercise of Options
June 24, 2014	58,500	Agnico Eagle Shares	$37.05	Exercise of Options
June 25, 2014	1,000	Agnico Eagle Shares	US$26.38	Exercise of Options
June 25, 2014	22,600	Agnico Eagle Shares	$28.03	Exercise of Options
June 25, 2014	5,000	Agnico Eagle Shares	$37.05	Exercise of Options
June 26, 2014	4,000	Agnico Eagle Shares	US$26.38	Exercise of Options
June 26, 2014	22,750	Agnico Eagle Shares	$28.03	Exercise of Options
June 27, 2014	10,500	Agnico Eagle Shares	$28.03	Exercise of Options
June 27, 2014	2,500	Agnico Eagle Shares	$37.05	Exercise of Options
June 30, 2014	1,250	Agnico Eagle Shares	US$26.38	Exercise of Options
June 30, 2014	13,525	Agnico Eagle Shares	$28.03	Exercise of Options
June 30, 2014	2,500	Agnico Eagle Shares	US$36.32	Exercise of Options
June 30, 2014	2,900	Agnico Eagle Shares	$37.05	Exercise of Options
June 30, 2014	105,207	Agnico Eagle Shares	$40.09	Shares issued under the Employee Share Purchase Plan
June 30, 2014	5,362	Agnico Eagle Shares	US$37.45	Shares issued under the Employee Share Purchase Plan
July 3, 2014	2,000	Agnico Eagle Shares	$28.03	Exercise of Options
July 3, 2014	4,750	Agnico Eagle Shares	$37.05	Exercise of Options
July 4, 2014	3,850	Agnico Eagle Shares	$28.03	Exercise of Options
July 4, 2014	26,000	Agnico Eagle Shares	$37.05	Exercise of Options

Date of Issuance/ Grant	Number of Securities Issued/ Granted	Type of Securities Issued/ Granted	Issue/ Exercise Price ($)	Reason for Issuance/Grant
July 7, 2014	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
July 8, 2014	50	Agnico Eagle Shares	US$26.38	Exercise of Options
July 8, 2014	500	Agnico Eagle Shares	$28.03	Exercise of Options
July 11, 2014	3,000	Agnico Eagle Shares	$37.05	Exercise of Options
July 14, 2014	950	Agnico Eagle Shares	US$26.38	Exercise of Options
July 14, 2014	4,750	Agnico Eagle Shares	$28.03	Exercise of Options
July 14, 2014	20,350	Agnico Eagle Shares	$37.05	Exercise of Options
July 15, 2014	2,000	Agnico Eagle Shares	$28.03	Exercise of Options
July 15, 2014	14,250	Agnico Eagle Shares	$37.05	Exercise of Options
July 16, 2014	2,500	Agnico Eagle Shares	$28.03	Exercise of Options
July 16, 2014	2,000	Agnico Eagle Shares	$37.05	Exercise of Options
July 17, 2014	700	Agnico Eagle Shares	$37.05	Exercise of Options
July 18, 2014	500	Agnico Eagle Shares	US$26.38	Exercise of Options
July 18, 2014	200	Agnico Eagle Shares	$37.05	Exercise of Options
July 22, 2014	375	Agnico Eagle Shares	$28.03	Exercise of Options
July 22, 2014	3,125	Agnico Eagle Shares	$37.05	Exercise of Options
July 23, 2014	8,750	Agnico Eagle Shares	$28.03	Exercise of Options
July 23, 2014	6,750	Agnico Eagle Shares	$37.05	Exercise of Options
July 29, 2014	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
July 30, 2014	1,000	Agnico Eagle Shares	US$26.38	Exercise of Options
July 30, 2014	3,800	Agnico Eagle Shares	$37.05	Exercise of Options
July 31, 2014	2,500	Agnico Eagle Shares	US$36.32	Exercise of Options
July 31, 2014	10,000	Agnico Eagle Shares	$37.05	Exercise of Options
August 1, 2014	1,500	Agnico Eagle Shares	$28.03	Exercise of Options
August 4, 2014	7,500	Options	$41.15	Options granted under the Employee Stock Option Plan
August 5, 2014	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
August 8, 2014	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
August 11, 2014 . . .	3,000	Agnico Eagle Shares	$37.05	Exercise of Options
August 13, 2014 . . .	6,250	Agnico Eagle Shares	$37.05	Exercise of Options
August 15, 2014 . . .	10,000	Agnico Eagle Shares	$28.03	Exercise of Options
August 15, 2014 . . .	1,750	Agnico Eagle Shares	$37.05	Exercise of Options
August 18, 2014 . . .	8,750	Agnico Eagle Shares	$28.03	Exercise of Options
August 18, 2014 . . .	16,600	Agnico Eagle Shares	$37.05	Exercise of Options
August 20, 2014 . . .	1,000	Agnico Eagle Shares	$28.03	Exercise of Options
August 22, 2014 . . .	3,000	Agnico Eagle Shares	$37.05	Exercise of Options
August 25, 2014 . . .	5,000	Agnico Eagle Shares	$28.03	Exercise of Options
September 3, 2014 .	5,000	Agnico Eagle Shares	$28.03	Exercise of Options
September 3, 2014 .	9,000	Agnico Eagle Shares	$37.05	Exercise of Options
September 4, 2014 .	6,000	Agnico Eagle Shares	$37.05	Exercise of Options
September 16, 2014	65,987	Agnico Eagle Shares	US$33.96	Shares issued under the Dividend Reinvestment Plan
September 16, 2014	28	Agnico Eagle Shares	US$35.75	Shares issued under the Dividend Reinvestment Plan
September 16, 2014	137	Agnico Eagle Shares	$39.27	Shares issued under the Dividend Reinvestment Plan

Trading Price and Volume

The Agnico Eagle Shares are listed and traded on the TSX and on the NYSE under the symbol "AEM". On September 19, 2014, the closing price of the Agnico Eagle Shares was $34.22 on the TSX and US$31.07 on the NYSE.

	TSX			NYSE		
	High ($)	Low ($)	Average Daily Volume	High (US$)	Low (US$)	Average Daily Volume
2013						
September	32.16	27.09	1,455,075	30.63	26.28	1,958,625
October	32.77	24.85	1,706,278	31.36	24.05	2,139,988
November	30.74	27.56	1,135,232	29.48	26.20	1,777,286
December	29.10	26.75	1,522,969	27.54	25.13	2,010,690
2014						
January	35.34	28.03	1,724,788	31.62	26.00	2,595,509
February	38.14	34.52	1,828,754	34.30	31.08	2,853,743
March	39.30	33.12	930,935	35.46	29.85	1,950,134
April	35.12	29.27	1,291,089	32.03	26.58	2,388,387
May	36.40	32.25	1,514,275	33.40	29.59	1,957,804
June	40.86	33.21	2,155,837	38.30	30.37	1,905,606
July	45.52	40.53	1,745,562	42.12	37.19	1,849,110
August	43.79	40.05	1,232,808	40.14	36.48	1,463,848
September (to September 19)	40.30	34.22	1,935,537	36.93	31.07	2,395,614

Prior Valuations

There have been no prior valuations (as defined in MI 61-101) of Agnico Eagle or its material assets or liabilities or its securities within the 12 months preceding the date hereof.

Risk Factors

Cayden Securityholders are encouraged to obtain independent legal, tax and investment advice in their jurisdiction of residence with respect to this Information Circular, the consequences of the Arrangement and the holding of Agnico Eagle Shares.

An investment in Agnico Eagle Shares involves certain risks. Before making an investment decision, Cayden Securityholders should carefully consider all of the information in this Information Circular and the documents incorporated by reference herein in evaluating whether to approve the Arrangement Resolution. In addition to the other information and risks set out in this Information Circular, the risk factors described in the Agnico Eagle AIF and the risk factors set out under "*Risk Factors*" below should be given special consideration when evaluating whether to approve the Arrangement Resolution.

RISK FACTORS

In assessing the Arrangement, Cayden Securityholders should carefully consider the risks described in Cayden's annual information form dated April 8, 2014 for the year ended December 31, 2013, Agnico Eagle's annual information form dated March 21, 2014 for the year ended December 31, 2013, together with the risks described and other information contained in, or incorporated by reference in, this Information Circular. Additional risks and uncertainties, including those currently unknown to or considered immaterial by Cayden, may also adversely affect the business of Agnico Eagle going forward. In particular, the Arrangement and the operations of Agnico Eagle are subject to certain risks including the following risks.

Market risks associated with Agnico Eagle Shares.

Cayden Shareholders will receive a fixed number of Agnico Eagle Shares under the Arrangement, rather than Agnico Eagle Shares with a fixed market value. Because this exchange ratio will not be adjusted to reflect any change in the market value of the Agnico Eagle Shares, the market value of Agnico Eagle Shares received under the Arrangement on the Effective Date may vary significantly from the market value at the dates referenced in this Information Circular. For example, during the 12 month period ending on September 19, 2014, the trading price of Agnico Eagle Shares on the TSX varied from a low of $24.85 to a high of $45.52 and, on the day before the announcement of the Arrangement (September 5, 2014), the Agnico Eagle Shares had a closing price on the TSX of $37.94. Variations may occur as a result of changes in, or market perceptions of changes in, the business, operations or prospects of Agnico Eagle, market assessments of the likelihood the Arrangement will be consummated, regulatory considerations, general market and economic conditions, gold and silver price changes, copper and zinc price changes and other factors over which Agnico Eagle has no control. In addition, the market price of the Agnico Eagle Shares issued in connection with the Arrangement may decline following the completion of the Arrangement.

The Arrangement Agreement may be terminated in certain circumstances.

Each of Cayden and Agnico Eagle has the right to terminate the Arrangement Agreement in certain circumstances. Accordingly, there is no certainty, nor can Cayden provide any assurance, that the Arrangement Agreement will not be terminated by either Cayden or Agnico Eagle before the completion of the Arrangement. In addition, the completion of the Arrangement is subject to a number of conditions, certain of which are outside the control of Cayden or Agnico Eagle, including Cayden Securityholders approving the Arrangement Resolution, the Final Order being granted and the Mexican Regulatory Approval being obtained. There is no certainty, nor can Cayden provide any assurance, that these conditions will be satisfied or waived. If for any reason the Arrangement is not completed, the market price of Cayden Shares may be adversely affected. Moreover, if the Arrangement Agreement is terminated, there is no assurance that the Cayden Board will be able to find a party willing to pay an equivalent or a more attractive price for the Cayden Shares than the Arrangement Consideration to be received by Cayden Securityholders pursuant to the terms of the Arrangement.

If the Arrangement is not completed, opportunities that were available to Cayden before termination of the Arrangement Agreement, including potential financing or acquisition transactions, may no longer be available to Cayden on favourable terms or at all. In addition, in certain circumstances where the Arrangement Agreement is terminated, Cayden will be required to make a termination payment of $5.7 million to Agnico Eagle. If the Arrangement is not completed and Cayden cannot obtain the financing it needs to satisfy its obligations and continue its operations, Cayden may not be able to continue as a going concern.

The Completion of the Arrangement is dependent on obtaining Mexican Regulatory Approval.

The completion of the Arrangement is subject to conditions, including Mexican Regulatory Approval being obtained on terms satisfactory to Agnico Eagle. Mexican antitrust rules require that the authorization or the deemed authorization of Cofece be obtained before the Arrangement can be completed. The application to Cofece to obtain Mexican Regulatory Approval was submitted on September 19, 2014. To account for the uncertainty relating to the timing of the receipt of Mexican Regulatory Approval, the Arrangement Agreement provides an outside date for the completion of the Arrangement of six months following the date of the

Arrangement Agreement. However, Cayden is not permitted to terminate the Arrangement Agreement for a further three months after such time if, among other things, Mexican Regulatory Approval has not been obtained and is being actively sought in good faith. Accordingly, the Arrangement may not be completed within a time frame considered typical for plans of arrangement not requiring approval of antitrust or competition regulators.

The Arrangement may have adverse U.S. federal income tax consequences to U.S. Holders.

The status of Cayden as a "passive foreign investment company" (a "**PFIC**") is uncertain under United States federal income tax law. If Cayden was a PFIC at any time during the period in which the a U.S. Holder of Cayden Shares held its Cayden Shares, a U.S. Holder would generally be subject to adverse tax rules in respect of the Arrangement if the U.S. Holder does not have in effect a qualifying electing fund election or a mark-to-market election with respect to its Cayden Shares. These adverse tax rules would include, but are not limited to, (i) the gain resulting from the Arrangement being fully taxable at ordinary income rather than capital gain rates and (ii) an interest charge being imposed on the amount of the gain treated as being deferred under the PFIC rules. U.S. Holders are urged to consult their own tax advisors regarding all aspects of the PFIC rules. For a more detailed discussion of the U.S. federal income tax consequences of the Arrangement, including the consequences under the PFIC rules, please see *"Certain United States Federal Income Tax Considerations"*.

Payments required on certain terminations of the Arrangement Agreement may discourage other parties from attempting to acquire Cayden.

In certain circumstances where the Arrangement Agreement is terminated, Cayden is required to pay a Termination Payment of $5.7 million to Agnico Eagle or reimburse Agnico Eagle's expenses up to $1.5 million. The Termination Payment and expense reimbursement requirements may discourage other parties from attempting to acquire the Cayden Shares, even if those parties would otherwise be willing to offer greater value than that offered under the Arrangement. See *"The Arrangement Agreement — Termination Payment"*.

Directors and officers of Cayden may have interests in the Arrangement that are different from those of Cayden Securityholders generally.

Certain officers and directors of Cayden may have interests in the Arrangement that may be different from, or in addition to, the interests of Cayden Securityholders generally including, but not limited to, those interests set out under the heading *"Securities Laws Considerations — Canadian Securities Laws — Special Transaction Rules"*. The Cayden Board established the Special Committee to evaluate the Arrangement and advise the full Cayden Board on whether the Arrangement is fair to Cayden Securityholders and in the best interests of Cayden. The Special Committee and the Cayden Board each unanimously recommended that Cayden Securityholders vote in favour of the Arrangement. Nevertheless, Cayden Securityholders should consider these interests in connection with their vote on the Arrangement Resolution, including whether these interests may have influenced Cayden's officers and directors to recommend or support the Arrangement.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following is, as of the date hereof, a summary of certain Canadian federal income tax considerations generally applicable under the Tax Act in respect of the Arrangement to a beneficial owner of Cayden Shares who, for the purposes of the Tax Act and at all relevant times (i) deals at arm's length with Cayden and Agnico Eagle, and is not affiliated with Cayden or Agnico Eagle, (ii) holds Cayden Shares and Agnico Eagle Shares to be received under the Arrangement as capital property, and (iii) is not a Tax Exempt Person. A holder who meets all of the foregoing requirements is referred to as a "**Holder**" in this summary, and this summary only addresses such Holders.

This summary is not applicable to a Holder (i) that is a "financial institution" for the purposes of the mark-to-market rules contained in the Tax Act, (ii) that is a "specified financial institution" as defined in the Tax Act, (iii) who has acquired Cayden Shares on the exercise of a stock option, (iv) an interest in which is a "tax shelter investment" as defined under the Tax Act, (v) that reports its Canadian tax results in a currency other than the Canadian currency, or (vi) that has entered or will enter into a "derivative forward agreement", as

defined in the Tax Act, with respect to the Cayden Shares or the Agnico Eagle Shares. All such Holders should consult their own tax advisors.

Additional considerations, not discussed herein, may be applicable to a Holder that is a corporation resident in Canada, and is, or becomes, controlled by a non-resident corporation for purposes of the "foreign affiliate dumping" rules in section 212.3 of the Tax Act. Such Holders should consult their own tax advisors with respect to the consequences of acquiring Agnico Eagle Shares.

This summary is based on the current provisions of the Tax Act in force as of the date hereof and our understanding of the current administrative practices and assessing policies of the CRA. This summary also takes into account all specific proposals to amend the Tax Act (the "**Proposed Amendments**") publicly announced by or on behalf of the Minister of Finance (Canada) before the date hereof and assumes that all Proposed Amendments will be enacted in the form proposed. However, there can be no assurance that the Proposed Amendments will be enacted in the form proposed or at all. Except for the Proposed Amendments, this summary does not take into account or anticipate any changes in law, whether by legislative, governmental or judicial action or decision, nor does it take into account provincial, territorial or foreign income tax considerations, which may differ from the Canadian federal income tax considerations discussed below.

THIS SUMMARY IS OF A GENERAL NATURE ONLY AND IS NOT EXHAUSTIVE OF ALL POSSIBLE CANADIAN FEDERAL INCOME TAX CONSIDERATIONS. THIS SUMMARY IS NOT INTENDED TO BE, NOR SHOULD IT BE CONSTRUED TO BE, LEGAL OR TAX ADVICE TO ANY HOLDER. ACCORDINGLY, HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS FOR ADVICE AS TO THE INCOME TAX CONSEQUENCES TO THEM OF THE ARRANGEMENT HAVING REGARD TO THEIR OWN PARTICULAR CIRCUMSTANCES.

Holders Resident in Canada

The following portion of the summary is generally applicable to a Holder who, at all relevant times, is a resident of Canada or who is deemed to be a resident of Canada for purposes of the Tax Act (a "**Resident Holder**"). Certain Resident Holders who might not otherwise be considered to own Cayden Shares as capital property may be entitled to have them, and all other "Canadian securities", as defined in the Tax Act, treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. A subsection 39(4) election does not apply to a disposition of Agnico Eagle Shares which are acquired in exchange for Cayden Shares if a Section 85 Election, as discussed below, is filed in respect of such exchange. **Resident Holders contemplating making a subsection 39(4) election should consult their own tax advisors for advice as to whether the election is available or advisable in their particular circumstances.**

Exchange of Cayden Shares — No Section 85 Election

A Resident Holder whose Cayden Shares are exchanged for the Arrangement Consideration pursuant to the Arrangement, and who does not make a valid Section 85 Election (see discussion below) jointly with Agnico Eagle with respect to the exchange, will be considered to have disposed of those Cayden Shares for proceeds of disposition equal to the aggregate of the fair market value, as at the time of the exchange, of the Agnico Eagle Shares and the cash received on the exchange. As a result, the Resident Holder will generally realize a capital gain (or capital loss) to the extent that such proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the Resident Holder's Cayden Shares immediately before the exchange. See *"Taxation of Capital Gains and Capital Losses"* below for a general discussion of the treatment of capital gains and capital losses under the Tax Act.

The cost to the Resident Holder of the Agnico Eagle Shares acquired on such an exchange will be equal to the fair market value of those shares at the time of the exchange. If the Resident Holder also owns other Agnico Eagle Shares as capital property at that time, the adjusted cost base of all of the Agnico Eagle Shares owned by the Resident Holder as capital property immediately after the exchange will be determined by averaging the cost of the Agnico Eagle Shares acquired on the exchange with the adjusted cost base of those other Agnico Eagle Shares.

Exchange of Cayden Shares — Section 85 Election by Eligible Holders

The following discussion applies to a Holder who is an Eligible Holder. An Eligible Holder who receives the Arrangement Consideration pursuant to the Arrangement may, in the circumstances described below, generally obtain a full or partial tax deferral in respect of the disposition of Cayden Shares by jointly electing with Agnico Eagle and filing with the CRA (and, where applicable, with a provincial revenue authority) an election (the "**Section 85 Election**") under subsection 85(1) of the Tax Act or, in the case of a partnership and provided all members of the partnership jointly elect, under subsection 85(2) of the Tax Act (and the corresponding provisions of any applicable provincial tax legislation).

The Eligible Holder may generally select an elected amount (the "**Elected Amount**") so as to fully or partially defer realizing a capital gain for the purposes of the Tax Act as a result of the Arrangement. The Elected Amount means the amount selected by the Eligible Holder in the Section 85 Election, subject to the limitations described below, to be treated as the proceeds of disposition of the Cayden Shares. The Elected Amount must be an amount which is not less than the greater of:

(a) the lesser of the adjusted cost base to the Eligible Holder of such Cayden Shares and the fair market value of such Cayden Shares at the time of disposition; and

(b) the amount of cash received as a result of such disposition.

The Elected Amount may not be greater than the fair market value of such Cayden Shares at the time of the disposition.

An Elected Amount which does not comply with these limitations will automatically be adjusted under the Tax Act so that it is in compliance. Agnico Eagle has agreed to make a Section 85 Election with an Eligible Holder, subject to the procedures referenced below, at the amount determined by such Eligible Holder, subject to the limitations set out in subsections 85(1) and 85(2) of the Tax Act (or any applicable provincial tax legislation).

Where a valid Section 85 Election is filed:

(a) Cayden Shares that are the subject of the Section 85 Election will be deemed to be disposed of for proceeds of disposition equal to the Elected Amount. Subject to the limitations set out in subsections 85(1) or 85(2) of the Tax Act regarding the Elected Amount, if the Elected Amount is equal to the aggregate of the adjusted cost base of such Cayden Shares immediately before the disposition and any reasonable costs of disposition, no capital gain or capital loss will be realized by the Eligible Holder. Subject to such limitations, to the extent that the Elected Amount in respect of such Cayden Shares exceeds (or is less than) the aggregate of the adjusted cost base and any reasonable costs of disposition, such holder will realize a capital gain (or a capital loss). See *"Taxation of Capital Gains and Capital Losses"* below.

(b) The aggregate cost to the Eligible Holder of the Agnico Eagle Shares received will be equal to the amount, if any, by which the Elected Amount exceeds the aggregate amount of cash received from Agnico Eagle as a result of the disposition. The adjusted cost base of such Agnico Eagle Shares received will be determined by averaging the adjusted cost base of such Agnico Eagle Shares with the adjusted cost base of any other Agnico Eagle Shares held by the holder at that time as capital property.

Procedure for Making a Section 85 Election

An Eligible Holder who wishes to make a Section 85 Election must obtain the appropriate federal election forms (Form T2057 or, in the event that the Cayden Shares are held by a partnership, Form T2058) from the CRA, and where necessary, appropriate provincial election forms from the appropriate provincial office. **Agnico Eagle intends to provide information with respect to the federal election forms on its website at www.agnicoeagle.com shortly after the Effective Date, but the responsibility for the preparation, contents and filing of the Section 85 Election will be solely that of the Eligible Holder.**

An Eligible Holder who wishes to make the Section 85 Election in respect of the disposition of such Eligible Holder's Cayden Shares (and elect under any similar provision of any provincial tax legislation) must ensure that

two signed copies of Form T2057 or, in the event that the Cayden Shares are held by a partnership, two signed copies of Form T2058 (and where necessary, two signed copies of the appropriate provincial forms), are received by Agnico Eagle at its head office (Attention: Manager Taxation, Agnico Eagle Mines Limited, 145 King Street East, Suite 400, Toronto, ON M5C 2Y7) on or before the day that is 45 days after the Effective Date duly completed with the details of the number of Cayden Shares transferred, the consideration received and the applicable Elected Amounts for the purposes of such elections. Subject to the election forms complying with the provisions of the Tax Act (or applicable provincial income tax law), one copy of the election form (and one copy of any applicable provincial election form) will be returned to the particular Eligible Holder at the address indicated on the election form, signed by Agnico Eagle, for filing by the Eligible Holder with the CRA (and any applicable provincial tax authority). **Any Eligible Holder who does not ensure that the duly completed election forms have been received by Agnico Eagle on or before the day that is 45 days after the Effective Date will not be able to benefit from the rollover provisions in section 85 of the Tax Act (or the corresponding provisions of any applicable provincial tax legislation).** Accordingly, all Eligible Holders who wish to enter into an election with Agnico Eagle should give their immediate attention to this matter.

Where Cayden Shares are held in joint ownership and two or more of the co-owners wish to elect, one of the co-owners designated for such purpose should file one copy of Form T2057 (and, where applicable, the corresponding provincial form(s)) for each co-owner along with a list of all co-owners electing, which list should contain the address and social insurance number or business number of each co-owner. Where the Cayden Shares are held as partnership property, a partner designated by the partnership must file one copy of Form T2058 on behalf of (but not for) each member of the partnership (and, where applicable, the corresponding form(s) with the provincial taxation authority). Such Form T2058 (and provincial form(s), if applicable) must be accompanied by a list containing the name and social insurance number or business number of each partner and must be signed by each partner or accompanied by a copy of the document authorizing the designated partner to complete, execute and file the form on behalf of the other partners.

Compliance with the requirements to ensure a valid election is filed under subsection 85(1) or (2) of the Tax Act (and, where applicable, under the corresponding provisions of any provincial tax legislation) will be the sole responsibility of the Eligible Holder making such election, and such Eligible Holder will be solely responsible for the payment of any late filing penalties. Agnico Eagle agrees only to add the required information regarding Agnico Eagle to any properly completed election form received by Agnico Eagle at its head office (Attention: Manager Taxation, Agnico Eagle Mines Limited, 145 King Street East, Suite 400, Toronto, ON M5C 2Y7) on or before the day that is 45 days after the Effective Date, to execute any such election form and to forward one copy of such election form by mail to the Eligible Holder at the address indicated on the election form within 45 days after the receipt thereof. **Accordingly, Agnico Eagle will not be responsible or liable for taxes, interest, penalties, damages or expenses resulting from the failure by anyone to properly complete any election form or to properly file it within the time prescribed and in the form prescribed under the Tax Act (or the corresponding provisions of any applicable provincial tax legislation).** As well, the Eligible Holder will be solely responsible for the filing of the election forms with the relevant taxation authorities, and, without limiting the generality of the foregoing, Agnico Eagle will have no responsibility whatsoever and will not in any way be obligated to indemnify the Eligible Holder in respect of any loss or damage that is suffered by reason of any incorrectness, inaccuracy or incompleteness of any such forms.

In order for the CRA to accept a tax election without a late filing penalty being paid by an Eligible Holder, the election form must be received by the CRA on or before the day that is the earliest of the days on or before which either Agnico Eagle or the Eligible Holder is required to file an income tax return for the taxation year in which the exchange occurs. Agnico Eagle's 2014 taxation year is scheduled to end on December 31, 2014, although Agnico Eagle's taxation year could end earlier. Eligible Holders are urged to consult their own advisors as soon as possible respecting the deadlines applicable to their own particular circumstances. However, regardless of such deadline, the tax election forms of an Eligible Holder must be received by Agnico Eagle in accordance with the procedures set out herein no later than 45 days after the Effective Date.

If Agnico Eagle does not receive an Eligible Holder's Section 85 Election forms in accordance with the procedures set out in the tax instruction letter within 45 days after the Effective Date, the Eligible Holder may not be able to benefit from the rollover provisions in the Tax Act. Accordingly, all Eligible Holders who wish to

make a Section 85 Election should give immediate attention to this matter and in particular should consult their own tax advisors without delay.

Eligible Holders are referred to CRA Information Circular 76-19R3 and CRA Interpretation Bulletin IT291R3 for further information respecting Section 85 Elections. Eligible Holders wishing to make the election should consult their own tax advisors. An Eligible Holder who does not make a valid Section 85 Election (or corresponding provincial election, if applicable) may realize a taxable capital gain under the Tax Act (or under applicable provincial tax legislation). The comments herein with respect to such elections are provided for general assistance only. The law in this area is complex and contains numerous technical requirements.

Dividends on Agnico Eagle Shares

In the case of a Resident Holder who is an individual, dividends received or deemed to be received on Agnico Eagle Shares will be included in computing the individual's income and will be subject to the gross-up and dividend tax credit rules normally applicable to taxable dividends received from taxable Canadian corporations, including the enhanced dividend tax credit rules applicable to any dividends designated by Agnico Eagle as "eligible dividends", as defined in the Tax Act.

In the case of a Resident Holder that is a corporation, dividends received or deemed to be received on Agnico Eagle Shares will be included in computing the corporation's income and generally will be deductible in computing its taxable income, subject to all applicable restrictions under the Tax Act. A "private corporation" (as defined in the Tax Act), or any other corporation controlled, whether because of a beneficial interest in one or more trusts or otherwise by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts) may be liable to pay a special tax (refundable in certain circumstances) of 33⅓% under Part IV of the Tax Act on dividends received or deemed to be received on Agnico Eagle Shares to the extent such dividends are deductible in computing the corporation's taxable income.

Dispositions of Agnico Eagle Shares

The disposition or deemed disposition of Agnico Eagle Shares by a Resident Holder will generally result in a capital gain (or capital loss) equal to the amount by which the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base to the Resident Holder of those shares immediately before the disposition. See *"Taxation of Capital Gains and Capital Losses"* below for a general description of the treatment of capital gains and capital losses under the Tax Act.

Taxation of Capital Gains and Capital Losses

One-half of any capital gain (a "**taxable capital gain**") realized by a Resident Holder in a taxation year will be included in the Resident Holder's income for the year. Generally, one-half of any capital loss (an "**allowable capital loss**") realized by the Resident Holder in a year must be deducted against taxable capital gains realized in the year.

Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back up to three taxation years or carried forward indefinitely and deducted against net taxable capital gains in those other years, to the extent and in the circumstances specified in the Tax Act.

If the Resident Holder is a corporation, the amount of any capital loss arising from a disposition or deemed disposition of a Cayden Share or an Agnico Eagle Share may be reduced by the amount of certain dividends received or deemed to be received by the corporation on such share, to the extent and under circumstances specified by the Tax Act. Similar rules may apply where the corporation is a member of a partnership or a beneficiary of a trust that owns such shares, or where a partnership or trust of which the corporation is a member or beneficiary is a member of a partnership or a beneficiary of a trust that owns such shares. Resident Holders to whom these rules may be relevant should consult their own tax advisors.

Dissenting Resident Holders

A Resident Holder who, as a result of the exercise of dissent rights, is entitled to be paid fair market value of its Cayden Shares will be considered to receive proceeds of disposition equal to the amount of the cash

payment (other than any portion of the payment that is interest awarded by a court). The dissenting Resident Holder will realize a capital gain (or capital loss) to the extent that the proceeds of disposition, net of any reasonable costs of disposition, exceed (or are less than) the adjusted cost base of the dissenting Resident Holder's Cayden Shares.

A capital gain or capital loss realized by a dissenting Resident Holder will be treated in the same manner as described above under the heading *"Taxation of Capital Gains and Capital Losses"*. Interest awarded by a court to a dissenting Resident Holder will be included in the Resident Holder's income for purposes of the Tax Act.

Alternative Minimum Tax on Individuals

Capital gains realized by individuals and certain trusts may give rise to the alternative minimum tax under the Tax Act.

Additional Refundable Tax on Canadian-Controlled Private Corporations

A Resident Holder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be liable to pay an additional tax (refundable in certain circumstances) of 6⅔% on certain investment income, including amounts in respect of net taxable capital gains and dividends or deemed dividends not deductible in computing taxable income.

Holders Not Resident in Canada

The following portion of this summary is applicable to a Holder who (i) has not been, is not, and will not be resident or deemed to be resident in Canada for purposes of the Tax Act at any relevant time, and (ii) does not and will not use or hold, and is not and will not be deemed to use or hold, Cayden Shares or Agnico Eagle Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**") at any relevant time. Special rules, which are not discussed in this summary, may apply to a Non-Resident Holder that is an insurer carrying on business in Canada and elsewhere. This summary also does not apply to a Non-Resident Holder that is subject to the proposed "treaty shopping" rule contained in the Canadian federal budget released on February 11, 2014. All such Non-Resident Holders should consult their own tax advisors.

Exchange of Cayden Shares and Subsequent Dispositions of Agnico Eagle Shares

Non-Resident Holders who exchange their Cayden Shares under the Arrangement for the Arrangement Consideration will not be subject to tax under the Tax Act on any capital gain realized on the exchange unless such Cayden Shares are, or are deemed to be, "taxable Canadian property" (as defined in the Tax Act) of the Non-Resident Holder at the time of disposition and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Similarly, any capital gain realized by a Non-Resident Holder on the disposition or deemed disposition of Agnico Eagle Shares acquired pursuant to the Arrangement will not be subject to tax under the Tax Act unless such Agnico Eagle Shares are, or are deemed to be, taxable Canadian property of the Non-Resident Holder at the time of disposition and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Generally, a Cayden Share or Agnico Eagle Share owned by a Non-Resident Holder will not be taxable Canadian property of that Non-Resident Holder at a particular time provided that the share is listed on a "designated stock exchange" (as defined in the Tax Act) (which includes the TSX and the TSX-V) at that time unless, at any time during the 60 month period preceding the disposition, (i) one or any combination of (A) the Non-Resident Holder, (B) persons with whom the Non-Resident Holder does not deal at arm's length, and (C) pursuant to Proposed Amendments, partnerships in which the Non-Resident Holder or a person described in (B) holds a membership interest directly or indirectly through one or more partnerships, has owned 25% or more of the issued shares of any class or series of the capital stock of Cayden or Agnico Eagle, as the case may be AND (ii) more than 50% of the fair market value of such shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties" or "timber resource properties" (each as defined in the Tax Act), or an option in respect of, or interests in, or for civil law rights in, any such properties, whether or not such property exists. Notwithstanding the foregoing, a share could

also be deemed to be taxable Canadian property of the Non-Resident Holder under certain other provisions of the Tax Act. Non-Resident Holders who hold or may hold Cayden Shares or Agnico Eagle Shares as taxable Canadian property should consult their own tax advisors.

If Cayden Shares or Agnico Eagle Shares are taxable Canadian property to a Non-Resident Holder at a particular time, such holder may be exempt from tax on any capital gain realized on the disposition of such Cayden Shares or Agnico Eagle Shares by virtue of an applicable income tax treaty or convention to which Canada is a signatory.

In circumstances where a Cayden Share constitutes taxable Canadian property of the Non-Resident Holder, any capital gain that would be realized on the disposition of the share that is not exempt from tax under the Tax Act pursuant to an applicable income tax treaty generally will be subject to the same Canadian tax consequences as discussed above for a Resident Holder under the headings *"Exchange of Cayden Shares — No Section 85 Election"*. Similarly, with respect to an Agnico Eagle Share owned by a Non-Resident Holder in such circumstances, the tax consequences as discussed above for a Resident Holder under the heading *"Dispositions of Agnico Eagle Shares"* and *"Taxation of Capital Gains and Capital Losses"* will generally apply.

Dividends on Agnico Eagle Shares

Dividends paid, deemed to be paid, or credited on Agnico Eagle Shares to a Non-Resident Holder will be subject to non-resident withholding tax under the Tax Act at a rate of 25% of the gross amount of the dividend unless the rate is reduced by an applicable income tax treaty.

Dissenting Non-Resident Holders

A Non-Resident Holder who, as a result of the exercise of dissent rights, is entitled to be paid fair value of its Cayden Shares will not be subject to income tax under the Tax Act on any capital gain realized on the disposition of its Cayden Shares unless the shares are "taxable Canadian property" and the gain is not exempt from tax pursuant to the terms of an applicable tax treaty.

Interest received by a Non-Resident Holder upon the exercise of the Dissent Rights will generally not be subject to non-resident withholding tax under the Tax Act.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of anticipated certain U.S. federal income tax considerations applicable to a U.S. Holder (as defined below) with respect to the Arrangement and the ownership and disposition of Agnico Eagle Shares and Canadian dollars received pursuant to the Arrangement. This summary is for general information purposes only and does not purport to be a complete analysis or listing of all potential U.S. federal income tax considerations that may apply to a U.S. Holder as a result of the Arrangement or as a result of the ownership and disposition of Agnico Eagle Shares or Canadian dollars. This summary does not take into account the individual facts and circumstances of any particular U.S. Holder that may affect the U.S. federal income tax consequences to such U.S. Holder, including specific tax consequences to a U.S. Holder under an applicable tax treaty. Accordingly, this summary is not intended to be, and should not be construed as, legal or U.S. federal income tax advice with respect to any U.S. Holder. This summary does not address the U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences to U.S. Holders of the Arrangement or the ownership and disposition of Agnico Eagle Shares or Canadian dollars. Except as discussed below, this summary does not discuss reporting requirements. Each U.S. Holder should consult its own tax advisor regarding the U.S. federal alternative minimum, U.S. federal estate and gift, U.S. state and local, and non-U.S. tax consequences of the Arrangement and the ownership and disposition of Agnico Eagle Shares and Canadian dollars.

No legal opinion from U.S. legal counsel or ruling from the Internal Revenue Service ("**IRS**") has been requested, or will be obtained, regarding the U.S. federal income tax consequences of the Arrangement and the ownership and disposition of Agnico Eagle Shares or Canadian dollars. This summary is not binding on the IRS, and the IRS is not precluded from taking a position that is different from, and contrary to, the positions taken in this summary. In addition, because the authorities on which this summary is based are subject to various

interpretations, the IRS and the U.S. courts could disagree with one or more of the positions taken in this summary.

Scope of This Disclosure

Authorities

This summary is based on the U.S. Internal Revenue Code of 1986, as amended (the "**U.S. Tax Code**"), U.S. Treasury Regulations (whether final, temporary, or proposed), published rulings of the IRS, published administrative positions of the IRS, the Convention Between Canada and the United States of America with Respect to Taxes on Income and on Capital, signed September 26, 1980, as amended (the "**U.S. Treaty**"), and U.S. court decisions that are applicable and, in each case, as in effect and available, as of the date of this Information Circular. Any of the authorities on which this summary is based could be changed in a material and adverse manner at any time, and any such change could be applied on a retroactive or prospective basis which could affect the U.S. federal income tax considerations described in this summary. This summary does not discuss the potential effects, whether adverse or beneficial, of any proposed legislation that, if enacted, could be applied on a retroactive or prospective basis.

U.S. Holders

For purposes of this summary, the term "**U.S. Holder**" means a beneficial owner of Cayden Shares (or, after the Arrangement, Agnico Eagle Shares) participating in the Arrangement or exercising Dissent Rights pursuant to the Arrangement that is:

- an individual who is treated as a citizen or resident of the U.S. for U.S. federal income tax purposes;
- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the U.S., any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust that (i) is subject to the primary supervision of a court within the U.S. and the control of one or more persons for all substantial decisions, or (ii) has a valid election in effect under applicable U.S. Treasury Regulations to be treated as a U.S. person.

Non-U.S. Holders

For purposes of this summary, a "non-U.S. Holder" is a beneficial owner of Cayden Shares participating in the Arrangement or exercising Dissent Rights that is neither a U.S. Holder nor a partnership (or entity or arrangement treated as a partnership) for U.S. federal income tax purposes. This summary does not address the U.S. federal income tax consequences applicable to non-U.S. Holders arising from the Arrangement or the ownership and disposition of Agnico Eagle Shares or Canadian dollars received pursuant to the Arrangement. Accordingly, a non-U.S. Holder should consult its own tax advisors regarding the U.S. federal, U.S. state and local, and non-U.S. tax consequences (including the potential application of and operation of any income tax treaties) and other tax consequences relating to the Arrangement and the ownership and disposition of Agnico Eagle Shares and Canadian dollars received pursuant to the Arrangement.

Transactions Not Addressed

This summary does not address the U.S. federal income tax consequences of transactions effected prior or subsequent to, or concurrently with, the Arrangement (whether or not any such transactions are undertaken in connection with the Arrangement), and does not address the following:

- any conversion into Cayden Shares or Agnico Eagle Shares of any notes, debentures or other debt instruments;
- any vesting, conversion, assumption, disposition, exercise, exchange, or other transaction involving any rights to acquire Cayden Shares or Agnico Eagle Shares, including the Cayden Options and Cayden Warrants, and the Agnico Eagle Options and Agnico Eagle Warrants; and

- any transaction, other than the Arrangement, in which Cayden Shares or Agnico Eagle Shares are acquired.

U.S. Holders Subject to Special U.S. Federal Income Tax Rules Not Addressed

This summary does not address the U.S. federal income tax considerations of the Arrangement to U.S. Holders that are subject to special provisions under the U.S. Tax Code, including, but not limited to, U.S. Holders that (i) are tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts, (ii) are financial institutions, underwriters, insurance companies, real estate investment trusts, or regulated investment companies, (iii) are broker-dealers, dealers, or traders in securities or currencies that elect to apply a mark-to-market accounting method, (iv) have a "functional currency" other than the U.S. dollar, (v) own Cayden Shares (or after the Arrangement, Agnico Eagle Shares) as part of a straddle, hedging transaction, conversion transaction, constructive sale, or other arrangement involving more than one position, (vi) acquired Cayden Shares (or after the Arrangement, Agnico Eagle Shares) in connection with the exercise of employee stock options or otherwise as compensation for services, (vii) hold Cayden Shares (or after the Arrangement, Agnico Eagle Shares) other than as a capital asset within the meaning of Section 1221 of the U.S. Tax Code (generally, property held for investment purposes), and (viii) own, directly, indirectly, or by attribution, 5% or more, by voting power or value, of the outstanding Cayden Shares (or after the Arrangement, Agnico Eagle Shares). This summary also does not address the U.S. federal income tax considerations applicable to U.S. Holders who are: (i) U.S. expatriates or former long-term residents of the U.S., (ii) persons that have been, are, or will be a resident or deemed to be a resident in Canada for purposes of the Tax Act, (iii) persons that use or hold, will use or hold, or that are or will be deemed to use or hold Cayden Shares (or after the Arrangement, Agnico Eagle Shares) in connection with carrying on a business in Canada, or (iv) persons that have a permanent establishment in Canada for the purposes of the U.S. Treaty. U.S. Holders that are subject to special provisions under the U.S. Tax Code, including U.S. Holders described immediately above, should consult their own tax advisor regarding the U.S. and non-U.S. tax consequences relating to the Arrangement and the ownership and disposition of Agnico Eagle Shares and Canadian dollars.

If an entity that is classified as a partnership (or "**pass-through**" entity) for U.S. federal income tax purposes holds Cayden Shares (or after the Arrangement, Agnico Eagle Shares and Canadian dollars), the U.S. federal income tax consequences to such partnership and the partners of such partnership of participating in the Arrangement and the ownership and disposition of Agnico Eagle Shares or Canadian dollars generally will depend in part on the activities of the partnership and the status of such partners (or other owners). This summary does not address the tax consequences to any such partner or partnership. Partners of entities that are classified as partnerships for U.S. federal income tax purposes should consult their own tax advisors regarding the U.S. federal income tax consequences of the Arrangement and the ownership and disposition of Agnico Eagle Shares or Canadian dollars.

U.S. Federal Income Tax Consequences of the Arrangement

Exchange of Cayden Shares for the Arrangement Consideration

A U.S. Holder's exchange of Cayden Shares for the Arrangement Consideration pursuant to the Arrangement will be a taxable transaction for U.S. federal income tax purposes.

Subject to the PFIC rules discussed below, assuming that the Arrangement is a taxable transaction as discussed in the preceding paragraph, the exchange of Cayden Shares for the Arrangement Consideration will generally result in the following U.S. federal income tax consequences:

(a) a U.S. Holder of Cayden Shares will recognize gain or loss equal to the difference between (i) the fair market value of Agnico Eagle Shares and Canadian dollars received by such U.S. Holder in the Arrangement — see "*Other Considerations — Receipt of Foreign Currency*", and (ii) the adjusted tax basis of such U.S. Holder in such Cayden Shares exchanged;

(b) the aggregate tax basis of Agnico Eagle Shares and Canadian dollars received by a U.S. Holder of Cayden Shares in the Arrangement will be equal to the aggregate fair market value of Agnico Eagle Shares and Canadian dollars respectively, at the time of their receipt; and

(c) the holding period of Agnico Eagle Shares and Canadian dollars received by a U.S. Holder in the Arrangement will begin on the day after their receipt.

Subject to the PFIC rules discussed below, any gain or loss recognized by the U.S. Holder as a result of the Arrangement will be short-term capital gain or loss, unless such U.S. Holder's holding period for the Cayden Shares exchanged is more than one year at the closing of the Arrangement, in which case any gain or loss recognized will be long-term capital gain or loss. Preferential tax rates for long-term capital gains are generally applicable to a U.S. Holder that is an individual, estate or trust. There are no preferential tax rates for long-term capital gains for a U.S. Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the U.S. Tax Code.

Tax Consequences of the Arrangement Under the Passive Foreign Investment Company Rules

The tax considerations of the Arrangement to a particular U.S. Holder will depend on whether Cayden was a PFIC during any year in which a U.S. Holder owned Cayden Shares. A non-U.S. corporation is a PFIC if, for a tax year, (i) 75% or more of the gross income of the corporation for such tax year is passive income (the "**income test**"), or (ii) 50% or more of the value of the corporation's assets either produce passive income or are held for the production of passive income (the "**asset test**"), based on the quarterly average of the fair market value of such assets. "Gross income" generally includes all sales revenues less the cost of goods sold, plus income from investments and from incidental or outside operations or sources, and "passive income" generally includes, for example, dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. Certain non-U.S. subsidiaries in which Cayden has a direct or indirect interest could also be PFICs ("**Lower-Tier PFICs**") with respect to a U.S. Holder of Cayden, if Cayden itself is a PFIC.

Cayden believes that it currently is a PFIC for U.S. federal income tax purposes. Cayden has not made a determination regarding the PFIC status of any of its non-U.S. subsidiaries, for any taxable year, including the current taxable year. The determination of PFIC status is inherently factual, is subject to a number of uncertainties, and can be determined only annually at the close of the taxable year in question. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. There can be no assurance that Cayden's status will or will not be determined to be a PFIC for the current taxable year or any prior or future taxable year, and no legal opinion of legal counsel or ruling from the IRS concerning the status of Cayden as a PFIC has been obtained or is currently planned to or will be requested. U.S. Holders should consult their own U.S. tax advisors regarding the application of the PFIC rules to the Arrangement.

If, in the Arrangement, a U.S. Holder disposes of Cayden Shares that were held by such U.S. Holder directly or indirectly during any time that Cayden was a PFIC (shares in a PFIC are sometimes referred to herein as "**PFIC Shares**"), and the U.S. Holder has not made either a QEF Election or a Mark-to-Market Election (each as defined below), the gain the U.S. Holder recognizes on the Arrangement with respect to such PFIC Shares will be taxed under the "excess distribution" regime. Under that regime, any gain recognized on the Arrangement will be allocated ratably on a daily basis to each day of the U.S. Holder's holding period with respect to such shares. Gain allocated to any period preceding the first year in the holding period when Cayden was a PFIC, and gain allocated to the year of disposition, will be treated as gain arising in the year of disposition and taxed at ordinary U.S. federal income tax rates in the year of disposition. Gain allocated to each of the other years (the "**Prior PFIC Years**") will be taxed at the highest ordinary U.S. federal income tax rate in effect for each of those years. Interest will be added to the tax determined for each of the Prior PFIC Years at the rate generally applicable to underpayments of tax for such taxable year. The sum of the taxes and interest calculated for all Prior PFIC Years will be in addition to the tax for the year in which the disposition of the PFIC Shares occurs. A U.S. Holder that is not a corporation must treat the interest as non-deductible personal interest.

Under proposed U.S. Treasury Regulations, a U.S. Holder may recognize a greater amount of gain than described above if the U.S. Holder were deemed to dispose of a Lower-Tier PFIC. Under these proposed U.S. Treasury Regulations, unless a QEF Election had been made with respect to a Lower-Tier PFIC, a U.S. Holder would be required to recognize its proportionate share of the gain that the direct shareholder of the Lower-Tier PFIC would have realized on a disposition of the Lower-Tier PFIC for its fair market value. The

U.S. Holder's basis in its Cayden Shares would be increased by the amount of gain recognized by the U.S. Holder with respect to the Lower-Tier PFIC. U.S. Holders should consult their tax advisors with respect to these indirect disposition rules.

If a U.S. Holder holds Cayden Shares in any year in which Cayden is a PFIC, the U.S. Holder generally is required to attach a completed IRS Form 8621 to its U.S. federal income tax return annually containing such information as U.S. Treasury Regulations and other IRS guidelines may require. Additional annual filing requirements for U.S. Holders who are shareholders in a PFIC may also apply. U.S. Holders should consult their own tax advisors concerning annual filing requirements.

QEF Election and Mark-to-Market Election

A U.S. Holder who has made a timely and effective election to treat Cayden as a "qualified electing fund" under the U.S. Tax Code (a "QEF Election") generally would not be subject to the "excess distribution" regime described above. Instead, the electing U.S. Holder would include annually in gross income its pro rata share of the ordinary earnings and net capital gain of the PFIC, whether or not such amounts are actually distributed. Gain recognized on the disposition of PFIC stock by a U.S. Holder that has made a timely and effective QEF Election generally is capital gain. A U.S. Holder's ability to make a QEF Election with respect to its Cayden Shares, however, is contingent upon, among other things, the provision by Cayden of a "PFIC Annual Information Statement" to such U.S. Holder. U.S. Holders should be aware that there can be no assurance that Cayden will satisfy this information statement requirement with respect to its current or prior tax years.

A U.S. Holder of PFIC Shares would also not be subject to the excess distribution regime if the U.S. Holder had made a timely and effective election to mark the PFIC Shares to market (a "**Mark-to-Market Election**"). A Mark-to-Market Election may be made with respect to the stock of a PFIC if such stock is "regularly traded" on a "qualified exchange or other market" (within the meaning of the U.S. Tax Code and the applicable U.S. Treasury Regulations). If the Cayden Shares have been listed and "regularly traded" on such exchange, then, in the case of any U.S. Holder that has timely made an effective Mark-to-Market Election, gain realized by such holder from the sale of PFIC Shares generally would be taxed at ordinary income tax rates. For more information regarding the Mark-to-Market Election, see *"U.S. Federal Income Tax Consequences Related to the Ownership and Disposition of Agnico Eagle Shares — Ownership and Disposition of Agnico Eagle Shares if Agnico Eagle is a PFIC — Mark-to-Market Election"* below.

The rules governing the taxation of the disposition of shares of a PFIC are complex, and U.S. Holders of Cayden Shares should consult their own tax advisors as to the tax considerations applicable to them.

U.S. Holders Exercising Dissent Rights

A U.S. Holder that exercises Dissent Rights in the Arrangement and is paid Canadian dollars in exchange for all of its Cayden Shares generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the fair market value of the Canadian dollars received by such U.S. Holder in exchange for Cayden Shares (other than amounts, if any, that are or are deemed to be interest for U.S. federal income tax purposes, which amounts will be taxed as ordinary income) (see "*Other Considerations — Receipt of Foreign Currency*"), and (ii) the tax basis of such Holder in such Cayden Shares surrendered. Any gain recognized would be subject to the PFIC rules discussed above. Subject to the PFIC rules, any gain or loss recognized by the U.S. Holder with respect to those Cayden Shares would generally be capital gain or loss, which will be long-term capital gain or loss if such Cayden Shares have been held for more than one year. Preferential tax rates apply to long-term capital gains of a Holder that is an individual, estate, or trust. There are no preferential tax rates for long-term capital gain of a Holder that is a corporation. Deductions for capital losses are subject to complex limitations under the U.S. Tax Code.

U.S. Federal Income Tax Consequences Related to the Ownership and Disposition of Agnico Eagle Shares

Potential Treatment of Agnico Eagle as a PFIC

Certain adverse U.S. federal income tax rules may apply to a U.S. Holder that owns or disposes of stock in a non-U.S. corporation that is treated as a PFIC. The determination of PFIC status is inherently factual, is subject

to a number of uncertainties, and can be determined only annually at the close of the taxable year in question. Additionally, the analysis depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations. There can be no assurance that Agnico Eagle will or will not be determined to be a PFIC during the current year or any prior or future year, and no legal opinion of legal counsel or ruling from the IRS concerning the status of Agnico Eagle as a PFIC has been obtained or is currently planned to or will be requested. The U.S. federal income tax consequences if Agnico Eagle is treated as a PFIC are discussed below under *"— Ownership and Disposition of Agnico Eagle Shares if Agnico Eagle is a PFIC"*. The U.S. federal income tax consequences if Agnico Eagle is not treated as a PFIC are discussed below under *"— Ownership and Disposition of Agnico Eagle Shares if Agnico Eagle is not a PFIC"*.

Ownership and Disposition of Agnico Eagle Shares if Agnico Eagle is a PFIC

If Agnico Eagle were to be treated as a PFIC with respect to a U.S. Holder for any taxable year, the U.S. federal income tax consequences discussed below generally will apply to a U.S. Holder of Agnico Eagle Shares.

Distributions

Except as provided herein with respect to Agnico Eagle Shares that are subject to a timely and valid QEF Election or Mark-to-Market Election, distributions made by Agnico Eagle with respect to the Agnico Eagle Shares, to the extent such distributions are treated as "excess distributions" pursuant to section 1291 of the U.S. Tax Code, must be allocated ratably to each day of the U.S. Holder's holding period for such Agnico Eagle Shares. Distributions received in a taxable year (the "**year of receipt**") generally will be treated as excess distributions to the extent that such distributions exceed 125% of the average amount of distributions received for each taxable year during the shorter of (1) the three taxable years preceding the year of receipt and (2) the portion of the U.S. Holder's holding period for its Agnico Eagle Shares before the year of receipt. The amounts allocated to the U.S. Holder's taxable year during which the distribution is made, and to any period during such U.S. Holder's holding period that is before the first taxable year in which Agnico Eagle was treated as a PFIC, are included in such U.S. Holder's gross income as ordinary income for the taxable year of the U.S. Holder in which the distribution is made. The amount allocated to each other taxable year is taxed as ordinary income in the taxable year of the distribution at the highest tax rate in effect for the U.S. Holder in that other taxable year and is subject to an interest charge at the rate applicable to underpayments of tax. A U.S. Holder that is not a corporation must treat such interest as "personal interest," which is not deductible. Any distribution made by Agnico Eagle that does not constitute an excess distribution generally will be treated in the manner described below under *"— Ownership and Disposition of Shares if Agnico Eagle is not a PFIC — Distributions"* except that the reduced tax rate applicable to certain dividends would not apply with respect to the Agnico Eagle Shares if Agnico Eagle is a PFIC.

Dispositions

Except as provided herein with respect to Agnico Eagle Shares that are subject to a timely and valid QEF Election or Mark-to-Market Election, the entire amount of any gain realized upon a U.S. Holder's disposition of its Agnico Eagle Shares generally will be treated as an excess distribution made in the taxable year during which such disposition occurs, with the consequences as described under *"— Ownership and Disposition of Agnico Eagle Shares if Agnico Eagle is a PFIC — Distributions"* above.

Purging the PFIC Taint

Except as described in the next sentence, if a non-U.S. corporation meets the income test or the asset test for any taxable year during which a U.S. Holder holds stock of such non-U.S. corporation, the non-U.S. corporation will be treated as a PFIC with respect to such U.S. Holder for that taxable year and for all subsequent taxable years, regardless of whether the non-U.S. corporation meets the income test or the asset test for such subsequent taxable years. Under applicable U.S. Treasury Regulations, the non-U.S. corporation will cease to be treated as a PFIC with respect to a U.S. Holder that holds stock of such non-U.S. corporation if, on the U.S. Holder's original or amended tax return for the last taxable year of its holding period during which the non-U.S. corporation met either the income test or the asset test, such U.S. Holder elects to recognize any

unrealized gain in its stock as of the last day of such taxable year. Any gain recognized by a U.S. Holder as a result of making the election described in the previous sentence with respect to its stock will be subject to the "excess distribution" regime described above.

Lower-Tier PFIC Rules

If Agnico Eagle is a PFIC, certain adverse U.S. federal income tax rules generally will apply to a U.S. Holder of Agnico Eagle Shares for any taxable year in which Agnico Eagle has a subsidiary that is treated as a Lower-Tier PFIC. In such a case, a disposition (or deemed disposition) of the shares of certain Lower-Tier PFICs, or a distribution received by Agnico Eagle from certain Lower-Tier PFICs, generally will be treated as an indirect disposition by a U.S. Holder or an indirect distribution received by a U.S. Holder, respectively. Any such indirect disposition or indirect distribution generally would be subject to the "excess distribution" regime described above.

Qualified Electing Fund Election

The adverse U.S. federal income tax consequences of owning stock of a PFIC described above generally may be mitigated if a U.S. Holder of the PFIC is able to make, and timely makes, a valid QEF Election with respect to the PFIC. If a U.S. Holder makes a timely and effective QEF election, the U.S. Holder would include annually in gross income its pro rata share of the ordinary earnings and net capital gain of the PFIC, whether or not such amounts are actually distributed. Taxable gains on the disposition of PFIC stock to a U.S. Holder that has made a timely and effective QEF Election are generally capital gains. Agnico Eagle is not expected to provide U.S. Holders with the information necessary to allow U.S. Holders to make a QEF Election. Each U.S. Holder should consult its own tax advisor regarding the desirability of, and procedure for, making a timely QEF Election.

Mark-to-Market Election

In general, the adverse U.S. federal income tax consequences of owning stock of a PFIC described above also may be mitigated if a U.S. Holder of the PFIC makes a valid Mark-to-Market Election with respect to such stock. A Mark-to-Market Election may be made with respect to the stock of a PFIC if such stock is "regularly traded" on a "qualified exchange or other market" (within the meaning of the U.S. Tax Code and the applicable U.S. Treasury Regulations). If the Agnico Eagle Shares are listed and "regularly traded" on either exchange, then a U.S. Holder generally will be eligible to make a Mark-to-Market Election with respect to its Agnico Eagle Shares. However, there is no assurance that the Agnico Eagle Shares will be or remain "regularly traded" (or listed) for this purpose.

A U.S. Holder that makes a timely and effective Mark-to-Market Election with respect to stock of a PFIC generally will not be subject to the PFIC rules under the "excess distribution" regime described above with respect to that stock. Instead, the U.S. Holder generally will be required to recognize as ordinary income each taxable year an amount equal to the excess, if any, of the fair market value of such stock as of the close of such taxable year over the U.S. Holder's adjusted tax basis in such stock as of the close of such taxable year. A U.S. Holder's adjusted tax basis in the stock generally will be increased by the amount of ordinary income recognized with respect to such stock. If the U.S. Holder's adjusted tax basis in the stock as of the close of a taxable year exceeds the fair market value of such stock as of the close of such taxable year, the U.S. Holder generally will recognize an ordinary loss, but only to the extent of net mark-to-market income recognized with respect to such stock for all prior taxable years. A U.S. Holder's adjusted tax basis in its stock generally will be decreased by the amount of ordinary loss recognized with respect to such stock. Any gain recognized upon a disposition of the stock generally will be treated as ordinary income, and any loss recognized upon a disposition generally will be treated as an ordinary loss to the extent of net mark-to-market income recognized for all prior taxable years. Any loss recognized in excess thereof will be taxed as a capital loss.

A U.S. Holder that makes a valid Mark-to-Market Election with respect to stock after the first taxable year of the U.S. Holder during which the non-U.S. corporation is treated as a PFIC with respect to such U.S. Holder generally will be subject to the PFIC "excess distribution" regime described above with respect to mark-to-market income for the taxable year for which the election is made. A Mark-to-Market Election

generally will not be available with respect to stock in a Lower-Tier PFIC unless the stock of such Lower-Tier PFIC is "regularly traded" on a "qualified exchange or other market." Each U.S. Holder should consult its own tax advisor regarding the desirability of, and procedure for, making a timely Mark-to-Market Election.

PFIC Information Reporting

U.S. Holders of stock of a PFIC are generally required to file annual information statements on IRS Form 8621, containing such information as U.S. Treasury Regulations and other IRS guidelines may require. Additional annual filing requirements for U.S. Holders that are shareholders in a PFIC may also apply. U.S. Holders are urged to consult their own tax advisors regarding these requirements as they relate to their ownership of the Agnico Eagle Shares.

Ownership and Disposition of Agnico Eagle Shares if Agnico Eagle is not a PFIC

If Agnico Eagle is not treated as a PFIC with respect to a U.S. Holder, the U.S. federal income tax consequences discussed below generally will apply to a U.S. Holder of Agnico Eagle Shares.

Distributions

Distributions made with respect to the Agnico Eagle Shares (including any Canadian taxes withheld from such distributions) generally will be included in the gross income of a U.S. Holder as dividend income to the extent of Agnico Eagle's current and accumulated earnings and profits, as determined under U.S. federal income tax principles. Because Agnico Eagle is expected to be eligible for the benefits of the U.S. Treaty, dividends paid by Agnico Eagle to non-corporate U.S. Holders generally are expected to be eligible for the reduced rate of U.S. federal income tax available with respect to "qualified dividends." A corporate U.S. Holder generally will not be entitled to a dividends-received deduction that is otherwise available upon the receipt of dividends distributed by U.S. corporations. Distributions in excess of Agnico Eagle's current and accumulated earnings and profits, if made with respect to the Agnico Eagle Shares, will be treated as a return of capital to the extent of the U.S. Holder's adjusted tax basis in such Agnico Eagle Shares, and thereafter as capital gain. If Agnico Eagle does not calculate its earnings and profits under U.S. federal income tax principles, each U.S. Holder may have to assume that all distributions made with respect to the Agnico Eagle Shares will be treated as dividends (as described above).

Dispositions

Upon the sale, exchange or other taxable disposition of Agnico Eagle Shares, a U.S. Holder generally will recognize capital gain or loss equal to the difference between (1) the amount of cash and the fair market value of any other property received upon the sale, exchange or other taxable disposition (subject to the foreign currency rules described below) and (2) the U.S. Holder's adjusted tax basis in such Agnico Eagle Shares. Such capital gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period with respect to the Agnico Eagle Shares disposed of is more than one year at the time of the sale, exchange or other taxable disposition. Deductions for capital losses are subject to complex limitations under the U.S. Tax Code.

Other Considerations

Foreign Tax Credit

A U.S. Holder that pays (whether directly or through withholding) Canadian income tax in connection with the Arrangement or in connection with the ownership or disposition of Agnico Eagle Shares may be entitled, at the election of such U.S. Holder, to receive either a deduction or a credit for such Canadian income tax paid. Generally, a credit will reduce a U.S. Holder's U.S. federal income tax liability on a dollar-for-dollar basis, whereas a deduction will reduce a U.S. Holder's income subject to U.S. federal income tax. This election is made on a year-by-year basis and applies to all creditable foreign taxes paid (whether directly or through withholding) by a U.S. Holder during a tax year.

Complex limitations apply to the foreign tax credit, including the general limitation that the credit cannot exceed the proportionate share of a U.S. Holder's U.S. federal income tax liability that such U.S. Holder's

"foreign source" taxable income bears to such U.S. Holder's worldwide taxable income. In applying this limitation, a U.S. Holder's various items of income and deduction must be classified, under complex rules, as either "foreign source" or "U.S. source." Generally, dividends paid by a non-U.S. corporation should be treated as foreign source for this purpose, and gain recognized on the sale of stock of a non-U.S. corporation by a U.S. Holder should be treated as U.S. source for this purpose, except as otherwise provided in an applicable income tax treaty, and if an election is properly made under the U.S. Tax Code. However, the amount of a distribution with respect to Agnico Eagle Shares that is treated as a "dividend" may be lower for U.S. federal income tax purposes than it is for Canadian federal income tax purposes, resulting in a reduced foreign tax credit allowance to a U.S. Holder. In addition, this limitation is calculated separately with respect to specific categories of income. The foreign tax credit rules are complex, and each U.S. Holder should consult its own tax advisor regarding the foreign tax credit rules.

Foreign income taxes paid with respect to any distribution on shares of a PFIC generally are eligible for the foreign tax credit. However, special rules apply to the amount of foreign tax credit that a U.S. Holder may claim on a distribution from a PFIC. The rules relating to distributions by a PFIC and their eligibility for the foreign tax credit are complicated. A U.S. Holder should consult its own tax advisor regarding their application to the U.S. Holder.

Receipt of Foreign Currency

The U.S. dollar value of any cash payment in Canadian dollars to a U.S. Holder will be translated into U.S. dollars calculated by reference to the exchange rate prevailing on the date of actual or constructive receipt of the Canadian dollars, regardless of whether the Canadian dollars are converted into U.S. dollars at that time. If the Canadian dollars received are not converted into U.S. dollars on the date of receipt, a U.S. Holder will have a basis in the Canadian dollars equal to its U.S. dollar value on the date of receipt. Any U.S. Holder that receives payment in Canadian dollars and engages in a subsequent conversion or other disposition of the Canadian dollars may have a foreign currency exchange gain or loss that would be treated as ordinary income or loss, and generally will be U.S. source income or loss for foreign tax credit purposes. Each U.S. Holder should consult its own U.S. tax advisor regarding the U.S. federal income tax consequences of receiving, owning, and disposing of Canadian dollars.

Additional Tax on Passive Income

Individuals, estates and certain trusts whose income exceeds certain thresholds will be required to pay a 3.8% Medicare surtax on "net investment income" which includes, among other things, dividends and net gain from disposition of property (other than property held in certain trades or businesses). U.S. Holders should consult their own tax advisors regarding the effect, if any, of this tax on the Arrangement and their ownership and disposition of Agnico Eagle Shares and Canadian dollars.

Information Reporting; Backup Withholding Tax

Under U.S. federal income tax law and U.S. Treasury Regulations, certain categories of U.S. Holders must file information returns with respect to their investment in, or involvement in, a non-U.S. corporation. For example, U.S. return disclosure obligations (and related penalties) are imposed on U.S. Holders that hold certain specified foreign financial assets in excess of certain threshold amounts. The definition of specified foreign financial assets includes not only financial accounts maintained in foreign financial institutions, but also, unless held in accounts maintained by certain financial institutions, any stock or security issued by a non-U.S. person, any financial instrument or contract held for investment that has an issuer or counterparty other than a U.S. person and any interest in a foreign entity. U.S. Holders may be subject to these reporting requirements unless their Agnico Eagle Shares are held in an account at certain financial institutions. Penalties for failure to file certain of these information returns are substantial. U.S. Holders should consult their own tax advisors regarding the requirements of filing information returns.

Payments made within the U.S. or by a U.S. payor or U.S. middleman, of (i) distributions on Agnico Eagle Shares, (ii) proceeds arising from the sale or other taxable disposition of Agnico Eagle Shares, or (iii) payments received in connection with the Arrangement (including, but not limited to, U.S. Holders exercising Dissent

Rights under the Arrangement) generally may be subject to information reporting. In addition, backup withholding tax, at the current rate of 28%, may apply to such payments if a U.S. Holder (i) fails to furnish its correct U.S. taxpayer identification number (generally on IRS Form W-9), (ii) furnishes an incorrect U.S. taxpayer identification number, (iii) is notified by the IRS that such U.S. Holder has previously failed to properly report items subject to backup withholding tax, or (iv) fails to certify, under penalty of perjury, that such U.S. Holder has furnished its correct U.S. taxpayer identification number and that the IRS has not notified such U.S. Holder that it is subject to backup withholding tax. Certain exempt persons generally are excluded from these information reporting and backup withholding rules. Backup withholding is not an additional tax. Any amounts withheld under the U.S. backup withholding tax rules will be allowed as a credit against a U.S. Holder's U.S. federal income tax liability, if any, or will be refunded, if such U.S. Holder furnishes required information to the IRS in a timely manner. U.S. Holders should consult their own tax advisors regarding the information reporting and backup withholding rules.

THE ABOVE SUMMARY IS NOT INTENDED TO CONSTITUTE A COMPLETE ANALYSIS OF ALL U.S. TAX CONSIDERATIONS APPLICABLE TO U.S. HOLDERS OF CAYDEN SHARES WITH RESPECT TO THE DISPOSITION OF THOSE SHARES PURSUANT TO THE ARRANGEMENT OR THE OWNERSHIP AND DISPOSITION OF AGNICO EAGLE SHARES OR CANADIAN DOLLARS. U.S. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS AS TO THE TAX CONSIDERATIONS APPLICABLE TO THEM IN THEIR PARTICULAR CIRCUMSTANCES.

ELIGIBILITY FOR INVESTMENT

Based on the current provisions of the Tax Act, the Agnico Eagle Shares will be, at a particular time, "qualified investments" within the meaning of the Tax Act for trusts governed by registered retirement savings plans ("**RRSPs**"), registered education savings plans, registered retirement income funds ("**RRIFs**"), registered disability savings plans, deferred profit sharing plans and tax-free savings accounts ("**TFSAs**"), provided such shares are listed on a "designated stock exchange" as defined in the Tax Act (which currently includes the TSX and the NYSE) at the particular time.

Notwithstanding the foregoing, if an Agnico Eagle Share is a "prohibited investment" under the Tax Act for a RRSP, RRIF or TFSA, the annuitant under the RRSP or RRIF or the holder of the TFSA (as applicable) may be subject to a penalty tax under the Tax Act. An Agnico Eagle Share will generally not be a "prohibited investment" for these purposes unless (i) the annuitant under the RRSP or RRIF or the holder of the TFSA (as applicable) does not deal at arm's length with Agnico Eagle for purposes of the Tax Act, or (ii) the holder or annuitant (as applicable) has a "significant interest" (within the meaning of the Tax Act) in Agnico Eagle. In addition, the Agnico Eagle Shares will generally not be a "prohibited investment" if the Agnico Eagle Shares are "excluded property" within the meaning of the Tax Act. **Holders of a TFSA and annuitants under an RRSP or RRIF should consult their own tax advisors as to whether Agnico Eagle Shares will be prohibited investments in their particular circumstances.**

SECURITIES LAWS CONSIDERATIONS

This summary is of a general nature only and is not intended to be, and should not be construed to be, legal or business advice to any particular Cayden Securityholder. This summary does not include any information regarding securities law considerations for jurisdictions other than Canada and the United States. Cayden Securityholders are urged to obtain independent advice in respect of the consequences to them of the Arrangement having regard to their particular circumstances.

The following is a brief summary of the Canadian Securities Laws considerations applicable to the Arrangement and the transactions contemplated thereby.

Canadian Securities Laws

Cayden is a reporting issuer in each province of Canada (except Quebec). Cayden Shares currently trade on the TSX-V. After the Arrangement, Agnico Eagle intends to delist the Cayden Shares from the TSX-V and the OTCQX and Agnico Eagle will apply to the applicable Canadian Securities Authorities to have Cayden cease to

be a reporting issuer. Agnico Eagle is a reporting issuer in each province of Canada. Agnico Eagle Shares are listed on the TSX and the NYSE.

The issue of Agnico Eagle Shares pursuant to the Arrangement will constitute distributions of securities which are exempt from the prospectus requirements of Canadian Securities Laws. The Agnico Eagle Shares issued in connection with the Plan of Arrangement may be resold without a prospectus in each province of Canada, provided: (i) that Agnico Eagle is a reporting issuer in a jurisdiction of Canada for the four months immediately preceding the trade; (ii) the trade is not a "control distribution" as defined in National Instrument 45-102 — *Resale of Securities*; (iii) no unusual effort is made to prepare the market or create a demand for the securities that are the subject of the trade; (iv) no extraordinary commission or consideration is paid in respect of the trade; and (v) if the selling security holder is an insider or officer of Agnico Eagle (as such terms are defined in Canadian Securities Laws), the selling securityholder has no reasonable grounds to believe that Agnico Eagle is in default of Canadian Securities Laws.

If the Arrangement becomes effective, each Cayden Securityholder who receives Agnico Eagle Shares is urged to consult the holder's professional advisors with respect to restrictions applicable to trades in Agnico Eagle Shares under Canadian Securities Laws.

Special Transaction Rules

The Arrangement is subject to the requirements of MI 61-101. MI 61-101 is intended to regulate certain transactions to ensure that all securityholders are treated in a manner that is fair, generally requiring enhanced disclosure, approval by a majority of securityholders excluding interested or related parties, independent valuations and, in certain instances, approval and oversight of certain transactions by a special committee of independent directors. The protections afforded by MI 61-101 apply to "business combinations" (as such term is defined in MI 61-101).

A transaction such as the Arrangement constitutes a "business combination" for purposes of MI 61-101 if at the time the transaction is agreed to a related party of Cayden, such as a director or senior officer or a 10% shareholder, is entitled to receive, as a consequence of the transaction, a "collateral benefit". A "collateral benefit" is broadly defined for purposes of MI 61-101 and means, subject to certain specified exclusions, any benefit that a related party of the issuer is entitled to receive, directly or indirectly, as a consequence of the transaction, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities or other enhancement in benefits related to past or future services as an employee, director or consultant of the issuer or of another person, regardless of the existence of any offsetting costs to the related party or whether the benefit is provided, or agreed to, by the issuer or another party to the transaction.

As noted above, the definition of "collateral benefit" contains certain exclusions. In that regard, a benefit received by a related party of Cayden is not considered to be a collateral benefit if the benefit is received solely in connection with the related party's services as an employee, director or consultant of Cayden or an affiliated entity and (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the Arrangement, (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the Arrangement in any manner, (c) full particulars of the benefit are disclosed in this Information Circular, and (d) either (i) at the time the Arrangement was agreed to, the related party and its associated entities beneficially own or exercise control or direction over less than 1% of the outstanding Cayden Shares, or (ii) (A) if the transaction is a "business combination", the related party discloses to an independent committee of Cayden the amount of consideration that the related party expects it will be beneficially entitled to receive, under the terms of the Arrangement, in exchange for equity securities beneficially owned by the related party, (B) the independent committee, acting in good faith, determines that the value of the benefit, net of any offsetting costs to the related party, is less than 5% of the value referred to in (A), and (C) the independent committee's determination is disclosed in this Information Circular.

As each of Messrs. Rees, Cook, Jones, and Carrier beneficially owns or exercises control or direction over less than 1% of Cayden Shares, the benefits to which such individuals are or may be entitled do not constitute a collateral benefit for purposes of MI 61-101.

As each of Messrs. Bebek, Starr, Wallace and McCoy beneficially owns or exercises control or direction over greater than 1% of Cayden Shares, the benefits to which such individuals are or may be entitled may constitute a collateral benefit for purposes of MI 61-101.

In evaluating the Arrangement, the Special Committee determined that certain change of control payments could be characterized as a benefit to which Messrs. Bebek, Starr, Wallace and McCoy are or may become entitled as a consequence of the Arrangement, as contemplated by MI 61-101. The completion of the Arrangement will constitute a change of control under the executive employment agreements of Messrs. Bebek, Starr, Wallace and McCoy, the result of which is that, if their employment is terminated without "cause" (as defined in such agreement) by Cayden within a specified period of time following completion of the Arrangement or if they exercise their right to resign within a specified period of time after the completion of the Arrangement, the senior officer may be entitled to receive a severance payment amount, an earned bonus amount, a continuation of health benefits and payment for outplacement services (collectively, the "**COC Benefit**"). The Special Committee considered, but did not assign any value to, the acceleration of vesting of any unvested Cayden Options in connection with the Arrangement held by Messrs. Bebek, Starr, Wallace and McCoy as the options had all, or had nearly all, vested.

The following table sets out the approximate value of the quantum of the COC Benefit to which each of Messrs. Bebek, Starr, Wallace and McCoy is or may become entitled in connection with the Arrangement:

Name	Position	COC Benefit
IVAN BEBEK	Chief Executive Officer, President and Director	$1,063,714
JAMES RUSSELL NELLES STARR	Senior Vice-President and Director	$667,104
DANIEL MCCOY	Chief Geologist and Director	US$562,500(1)
SHAWN WALLACE	Chairman and Director	$333,534

(1) Mr. McCoy's COC Benefit consists of a severance payment amount and a notice period amount.

None of the COC Benefits was conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to such individuals for securities relinquished under the Arrangement and the conferring of such benefits is not, by its terms, conditional on any of such individuals supporting the Arrangement.

The Special Committee met on September 6, 2014 to consider whether the COC Benefits of Messrs. Bebek, Starr, Wallace and McCoy fall within the exception from the definition of "collateral benefit" as provided in MI 61-101.

Each of Messrs. Bebek, Starr, Wallace and McCoy, who each beneficially owns or is deemed to own (assuming the exercise of the Cayden Options held by them), for the purposes of MI 61-101, more than 1% of the outstanding Cayden Shares, disclosed to the Special Committee the amount of consideration that each expects to be beneficially entitled to receive under the Arrangement in exchange for Cayden Shares and Cayden Options that he beneficially owns.

In the case of Mr. Bebek, Mr. Bebek owns 3,312,500 Cayden Shares and is deemed to own 500,000 Cayden Shares that are issuable upon the exercise of his Cayden Options for an aggregate of 3,812,500 Cayden Shares, or approximately 7.03% of the issued and outstanding Cayden Shares (calculated on a fully-diluted basis).

In the case of Mr. Starr, Mr. Starr owns 587,120 Cayden Shares and is deemed to own 500,000 Cayden Shares that are issuable upon the exercise of his Cayden Options for an aggregate of 1,087,120 Cayden Shares, or approximately 2.01% of the issued and outstanding Cayden Shares (calculated on a fully-diluted basis).

In the case of Mr. Wallace, Mr. Wallace owns 3,175,000 Cayden Shares and is deemed to own 500,000 Cayden Shares that are issuable upon the exercise of Cayden Options for an aggregate of 3,675,000 Cayden Shares, or approximately 6.78% of the issued and outstanding Cayden Shares (calculated on a fully-diluted basis).

In the case of Mr. McCoy, Mr. McCoy owns 675,000 Cayden Shares and is deemed to own 375,000 Cayden Shares that are issuable upon the exercise of Cayden Options for an aggregate of 1,050,000 Cayden Shares, or approximately 1.94% of the issued and outstanding Cayden Shares (calculated on a fully-diluted basis).

The Special Committee determined that the value of the benefits to which Mr. Wallace would be entitled would be less than 5% of the amount of consideration he would be entitled to receive under the Arrangement.

The Special Committee determined that the value of the benefits to which each of Messrs. Bebek, Starr and McCoy would be entitled would be more than 5% of the amount of consideration he would be entitled to receive under the Arrangement. As a consequence of this determination, the Arrangement constitutes a "business combination" pursuant to MI 61-101.

Minority Approval

MI 61-101 requires that, in addition to any other required securityholder approval, a business combination must be approved by a simple majority of the votes cast by "minority" securityholders of each class of affected securities (which in the case of Cayden consists only of Cayden Shares), voting separately as a class (often referred to as "minority approval"). In relation to the Arrangement and for purposes of the required approval for the Arrangement, the "minority" securityholders of Cayden are all Cayden Shareholders other than (a) any interested party to the Arrangement within the meaning of MI 61-101, (b) any related party to such interested party within the meaning of MI 61-101 (subject to the exceptions set out therein), and (c) any person that is a joint actor with any of the foregoing for the purposes of MI 61-101.

Accordingly, solely the votes cast in respect of Cayden Shares that are beneficially owned by Messrs. Bebek, Starr, and McCoy, representing in the aggregate 4,574,620 Cayden Shares, or approximately 9.10% of the issued and outstanding Cayden Shares on the record date for the Special Meeting (8.44% on a fully-diluted basis), will be excluded for the purpose of determining if minority approval of the Arrangement Resolution is obtained.

Valuation Requirements

MI 61-101 also requires that an issuer obtain a formal valuation for a transaction that constitutes a business combination if (i) an "interested party" of Cayden (as defined in MI 61-101, and who has to be a related party of Cayden at the time the transaction is agreed to), would, as a consequence of the Arrangement, directly or indirectly acquire Cayden or its business or combine with Cayden or (ii) an "interested party" is a party to any "connected transaction" to the business combination, if the "connected transaction" is a "related party transaction" (as such terms are defined in MI 61-101) for which the issuer is required to obtain a formal valuation under section 5.4 of MI 61-101. As no interested party is acquiring Cayden and no interested party is a party to a connected transaction to the business combination, Cayden is not required to obtain a formal valuation.

To the knowledge of the Board and senior officers of Cayden, after reasonable inquiry, there have been no prior valuations in respect of Cayden (as contemplated in MI 61-101) within the 24-month period preceding the date of this Information Circular and, except as described under the heading *"The Arrangement — Background to the Arrangement*" no *bona fide* prior offer (as contemplated by MI 61-101) that relates to the transactions contemplated by or is otherwise relevant to the Arrangement has been received by Cayden during the 24-month period preceding the execution of the Arrangement Agreement.

U.S. Securities Laws

The following discussion is a general overview of certain requirements of U.S. federal and state securities laws applicable to Cayden Shareholders. All U.S. Shareholders are urged to consult with their own legal advisors to ensure that the resale of Agnico Eagle Shares issued to them under the Arrangement complies with applicable federal and state securities laws. Further information applicable to U.S. Shareholders is disclosed under "*Note to U.S. Securityholders*".

Cayden Shareholders who resell Agnico Eagle Shares must also comply with Canadian Securities Laws, as outlined above.

Status under U.S. Securities Laws

Agnico Eagle is a "foreign private issuer" as defined in Rule 405 under the U.S. Securities Act and Rule 3b-4 under the Exchange Act. Agnico Eagle will apply to have the Agnico Eagle Shares to be issued under the Arrangement listed on the TSX and NYSE.

Exemption Relied Upon from the Registration Requirements of the U.S. Securities Act

The Agnico Eagle Shares to be issued by Agnico Eagle pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or the securities laws of any state of the United States, and will be issued in reliance on the Section 3(a)(10) Exemption and corresponding exemptions under the securities laws of each state of the United States in which U.S. Shareholders are domiciled. Section 3(a)(10) of the U.S. Securities Act exempts from registration the offer and sale of a security which is issued in exchange for outstanding securities and other property where, among other things, the fairness of the terms and conditions of such exchange are approved after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue securities in such exchange have the right to appear by a court or governmental authority expressly authorized by law to grant such approval and to hold such a hearing. Accordingly, the Final Order, if granted by the Court, will constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the Agnico Eagle Shares to be issued in connection with the Arrangement.

Resales of Agnico Eagle Shares within the United States after the Effective Time

The resale rules under the U.S. Securities Act applicable to Cayden Shareholders are summarized below.

Non-Affiliates of Agnico Eagle

Cayden Shareholders who are not "affiliates" of Agnico Eagle at the time of, or within 90 days before, their resale of Agnico Eagle Shares may generally resell Agnico Eagle Shares without restriction under the U.S. Securities Act. An "affiliate" of an issuer is a person that directly or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. "Control" means the possession, direct or indirect, of the power to direct or cause direction of the management and policies of an issuer, whether through the ownership of voting securities, by contract or otherwise. Typically, persons who are executive officers, directors or 10% or greater shareholders of an issuer are considered to be its "affiliates".

Affiliates of Agnico Eagle

Cayden Shareholders who are affiliates of Agnico Eagle at the time of, or within 90 days before, their resale of Agnico Eagle Shares will be subject to restrictions on resale imposed by the U.S. Securities Act with respect to Agnico Eagle Shares. These Cayden Shareholders may not resell their Agnico Eagle Shares unless such securities are registered under the U.S. Securities Act or an exemption from registration is available, such as pursuant to Regulation S or Rule 144, if available, as follows:

- *Resale of Agnico Eagle Shares Pursuant to Regulation S.* In general, under Regulation S, persons who are affiliates of Agnico Eagle at the time of their resale of Agnico Eagle Shares solely by virtue of their status as an officer or director of Agnico Eagle may sell Agnico Eagle Shares outside of the United States in an "offshore transaction" (which would include a sale through the TSX, if applicable) if neither the seller nor any person acting on its behalf engages in "directed selling efforts" in the United States and no selling commission, fee or other remuneration is paid in connection with such sale other than a usual and customary broker's commission. For purposes of Regulation S, "directed selling efforts" means "any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered" in the sale transaction. Certain additional restrictions are applicable to a holder of Agnico Eagle Shares who is an affiliate of Agnico Eagle at the time of their resale of Agnico Eagle Shares other than by virtue of his or her status as an officer or director of Agnico Eagle.

- *Resale of Agnico Eagle Shares Pursuant to Rule 144.* In general, under Rule 144 under the U.S. Securities Act, if available, persons who are affiliates of Agnico Eagle at the time of, or within 90 days before, their resale of Agnico Eagle Shares will be entitled to sell Agnico Eagle Shares in the United States, provided that during any three-month period, the number of such Agnico Eagle Shares sold does not exceed the greater of one percent of the then outstanding securities of such class or, if such securities are listed on a United States securities exchange (including the NYSE), the average weekly trading volume of such securities during the four-week period preceding the date of sale, subject to specified restrictions on manner of sale, notice requirements, aggregation rules and the availability of current public information about Agnico Eagle.

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Information Circular is being furnished in connection with the solicitation of proxies by the management of Cayden for use at the Meeting (or any adjournment or postponement thereof). The solicitation of proxies will be primarily by mail but proxies may also be solicited personally or by telephone by directors, officers or regular employees of the Company, none of whom will receive extra compensation for such activities. The cost of this solicitation will be borne by Cayden. In addition, the Company may retain the services of a proxy solicitation agent, if requested to do so by Agnico Eagle and at Agnico Eagle's expense.

If you are a Registered Shareholder, Optionholder or Warrantholder, you can vote in person at the Meeting or by proxy as explained below. If you are a Beneficial Shareholder, follow the instructions provided by your Intermediary — see the heading "*Beneficial Shareholders*" below.

Record Date

The directors of Cayden have fixed September 19, 2014 as the Record Date for the determination of Cayden Securityholders entitled to receive notice of the Meeting. Cayden Securityholders of record on that date are entitled to vote at the Meeting

Appointment of Proxyholders

Registered Shareholders, Optionholders and Warrantholders may wish to vote by proxy whether or not they are able to attend the Meeting in person.

The individuals named in the accompanying form of proxy (the "**Proxy**") are officers and/or directors of the Company. **If you are a securityholder entitled to vote at the Meeting, you have the right to appoint a person or company other than either of the persons designated in the Proxy, who need not be a shareholder, to attend and act for you and on your behalf at the Meeting. You may do so either by inserting the name of that other person in the blank space provided in the Proxy or by completing and delivering another suitable form of proxy.**

Voting by Proxyholder

The persons named in the Proxy will vote or withhold from voting the Cayden Shares represented thereby in accordance with your instructions on any ballot that may be called for. If you specify a choice with respect to any matter to be acted upon, your Cayden Shares will be voted accordingly. The Proxy confers discretionary authority on the persons named therein with respect to:

(a) each matter or group of matters identified therein for which a choice is not specified,

(b) any amendment to or variation of any matter identified therein; and

(c) any other matter that properly comes before the Meeting.

In respect of a matter for which a choice is not specified in the Proxy, the management appointee acting as a proxyholder will vote in favour of each matter identified on the Proxy, including FOR the approval of the Arrangement Resolution as described in this Information Circular.

Registered Shareholders, Optionholders and Warrantholders

Whether or not they are able to attend the Meeting in person, Registered Shareholders, Optionholders and Warrantholders may wish to vote by proxy by:

(a) MAIL/FACSIMILE: complete, date and sign the enclosed proxy and return it to the Company's registrar and transfer agent, Computershare, by fax within North America at 1-866-249-7775, outside North America at 1-416-263-9524, by mail to 100 University Avenue, 8th Floor, Toronto, Ontario, Canada, M5J 2Y1 (Attention: Proxy Department) or by hand delivery at 2nd Floor, 510 Burrard Street, Vancouver, British Columbia, V6C 3B9;

(b) TELEPHONE: use a touch-tone phone to transmit voting choices to the toll free number given in the enclosed proxy. Registered Shareholders, Optionholders and Warrantholders who choose this option must follow the instructions of the voice response system and refer to the enclosed proxy for the toll free number and the proxy control number; or

(c) INTERNET: use the Internet at Computershare's website, www.investorvote.com. Registered Shareholders, Optionholders and Warrantholders must follow the instructions that appear on the screen and refer to the enclosed proxy for the holder's proxy control number;

in all cases ensuring that the enclosed proxy is received not later than 10:00 am (Pacific Standard Time) on October 23, 2014 or forty-eight hours (excluding Saturdays, Sundays and holidays) prior to the time of any adjournment or postponement thereof at which the enclosed proxy is to be used.

Beneficial Shareholders

The following information is of importance to many shareholders who do not hold Cayden Shares in their own name (referred to as "Beneficial Shareholders"). Beneficial Shareholders should note that the only proxies that can be recognized and acted upon at the Meeting are those deposited by Registered Shareholders (those whose names appear on the records of the Company as the registered holders of Cayden Shares), Cayden Optionholders and Cayden Warrantholders or as set out in the following disclosure.

If Cayden Shares are listed in an account statement provided to a shareholder by a broker, then in almost all cases those Cayden Shares are not registered in the shareholder's name in the records of the Company. Such Cayden Shares will more likely be registered under the names of one of the following:

1. an intermediary such as a bank, trust company, securities dealer or broker and trustee or administrator of self-administered RRSPs, RRIFs, RESPs and similar plans; or

2. a clearing agency (such as The Canadian Depository for Securities Limited in Canada or Cede & Co. in the United States) of which such an intermediary is a participant,

all of which are referred to as "**Intermediaries**" in this Information Circular.

Cayden Shares held for Beneficial Shareholders by Intermediaries can only be voted at the Meeting upon the instructions of the Beneficial Shareholder. Without specific instructions, Intermediaries are prohibited from voting shares held for Beneficial Shareholders. **Therefore, if you are a Beneficial Shareholder, you should ensure that your instructions are communicated to the appropriate person well in advance of the Meeting.**

There are two kinds of Beneficial Shareholders: OBOs, who object to their name being disclosed to the issuers of securities they own; and NOBOs, who do not object to the issuers of the securities they own knowing who they are.

The Company is taking advantage of NI 54-101 provisions permitting it to deliver proxy-related materials directly to its NOBOs. As a result, NOBOs can expect to receive a scannable voting instruction form ("**VIF**") from Computershare. The VIF is to be completed and returned to Computershare as set out in the instructions provided on the VIF. Computershare will tabulate the results of the VIFs received from NOBOs and will provide appropriate instructions at the Meeting with respect to the shares represented by the VIFs they receive.

Beneficial Shareholders who are OBOs should follow the instructions of their Intermediary carefully to ensure their Cayden Shares are voted at the Meeting. Every Intermediary has its own mailing procedures and

provides its own return instructions to clients. Should a Beneficial Shareholder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the Beneficial Shareholder may either complete the appointment section of the VIF, inserting the name of the person whom the Beneficial Shareholders wishes to appoint to attend and vote (which may include the Beneficial Shareholder), or the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will also enable the Beneficial Shareholder or its nominee to attend and vote at the Meeting. **Beneficial Shareholders should carefully follow the instructions set out in the VIF, including those regarding when and where the VIF is to be delivered.**

Most brokers delegate responsibility for obtaining instructions from clients to Broadridge Financial Solutions, Inc. ("**Broadridge**") in Canada and in the United States. The VIF sent to Beneficial Holders by Broadridge will name the same persons set out in the Company's form of proxy to represent the holder's Cayden Shares at the Meeting. The Beneficial Holder has the right to appoint a person (who need not be a Beneficial Shareholder of Cayden), other than any of the persons designated in the VIF, to represent their Cayden Shares at the Meeting and may so appoint the Beneficial Shareholder. To exercise this right, the Beneficial Holder should insert the name of their desired representative (which may be the Beneficial Shareholder) in the blank space provided in the VIF. The completed VIF must then be returned to Broadridge in accordance with Broadridge's instructions. Broadridge then tabulates the results of all instructions received and provides appropriate instructions respecting voting of the Cayden Shares to be represented at the Meeting and the appointment of any shareholder's representative. **If you receive a VIF from Broadridge, the VIF must be completed and returned to Broadridge, in accordance with its instructions, well in advance of the Meeting in order to have your Cayden Shares voted, or to have an alternate representative duly appointed to attend the Meeting and vote your Cayden Shares at the Meeting.**

The Company is not using "notice-and-access" to send its proxy-related materials to its Shareholder, and paper copies of such materials will be sent to Registered Shareholders, Beneficial Shareholders, Cayden Optionholders and Cayden Warrantholders. The Company intends to pay an Intermediary to deliver proxy-related materials to OBOs.

If you are a Beneficial Shareholder, and the Company or Computershare has sent these materials directly to you, your name and address and information about your holdings of Cayden Shares have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding your Cayden Shares. By choosing to send these materials to you directly, the Company (and not the Intermediary holding your Cayden Shares) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Revocation of Proxies

In addition to revocation in any other manner permitted by law, a Registered Shareholder, Cayden Optionholder or Cayden Warrantholder who has given a proxy may revoke it by:

(a) executing a proxy bearing a later date or by executing a valid notice of revocation, either of the foregoing to be executed by the holder or the holder's authorized attorney in writing, or, if the holder is a corporation, under its corporate seal by an officer or attorney duly authorized, and by delivering the proxy bearing a later date to Computershare or at the address of the registered office of the Company at Suite 1500 – 1055 West Georgia Street, Vancouver, British Columbia, V6E 4N7, at any time up to and including the last business day that precedes the day of the Meeting or, if the Meeting is adjourned, the last Business Day that precedes any reconvening thereof, or to the chairman of the Meeting on the day of the Meeting or any reconvening thereof, or in any other manner provided by law; or

(b) personally attending the Meeting and providing a written instrument to the chairman of the Meeting revoking the proxy.

A revocation of a proxy will not affect a matter on which a vote is taken before the revocation.

Only Registered Shareholders, Cayden Optionholders and Cayden Warrantholders have the right to revoke a Proxy. A Beneficial Shareholder who wishes to change its vote must provide instructions in advance of the

cut-off date specified by its Intermediary, so that the Intermediary can change the voting instructions on behalf of the Beneficial Shareholder.

INDEBTEDNESS OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

None of the current or former directors, executive officers or employees of Cayden were indebted to Cayden or any of its subsidiaries as of the date of this Information Circular.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Information Circular, no directors or executive officers of Cayden or its subsidiaries, no person or company who beneficially owns, directly or indirectly, or who exercises control or direction over (or a combination of both) more than 10% of the issued and outstanding Cayden Shares, no person who is an informed person of Cayden (as defined in National Instrument 51-102 — *Continuous Disclosure Obligations*), nor any associate or affiliate of an informed person of Cayden, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any transaction or proposed transaction which has materially affected or would materially affect Cayden or any of its subsidiaries.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as set out in this Information Circular, no person who has been a director or executive officer of Cayden since the beginning of Cayden's last completed financial year, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting except as described below and elsewhere in this Information Circular.

The officers of Cayden, some of whom are members of the Board, may receive benefits under the Arrangement (under their respective executive employment agreements) that may differ from, or be in addition to, those available to Cayden Shareholders generally. See "*Securities Laws Considerations — Canadian Securities Laws — Special Transaction Rules.*" All benefits received, or to be received, by directors or executive officers of Cayden as a result of the Arrangement are, and will be, solely in connection with their services as directors or employees of Cayden. No benefit has been, or will be, conferred for the purpose of increasing the value of consideration payable to any such person for Cayden Shares, nor is it, or will it be, conditional on the person supporting the Arrangement.

INTERESTS OF EXPERTS

Beacon has provided the Beacon Fairness Opinion, stating that the consideration to be received by Cayden Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Cayden shareholders. As of the date hereof, the partners and associates of Beacon as a group beneficially own, directly or indirectly, less than 1% of the outstanding securities of Cayden, Agnico Eagle and their respective associates and affiliates.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The voting securities of Cayden consist of an unlimited number of common shares. As at September 19, 2014, 50,250,961 Cayden Shares, 3,916,250 Cayden Options and 31,809 Cayden Warrants were issued and outstanding, with each Cayden Share, Cayden Option and Cayden Warrant carrying the right to one vote at the Meeting. September 19, 2014 has been fixed by the directors of Cayden as the record date for the purpose of determining those Securityholders entitled to receive notice of and to vote at the Meeting.

To the knowledge of the directors and executive officers of Cayden, as of the date of this Information Circular, no person or company beneficially owns, directly or indirectly, or exercises control or direction over, voting securities carrying 10% or more of the voting rights attached to the voting securities of Cayden.

ADDITIONAL INFORMATION

Additional information relating to Cayden is available under Cayden's profile on SEDAR at www.sedar.com.

Financial information is provided in Cayden's audited consolidated financial statements and MD&A for its most recently completed financial year. Copies of these documents are available from Cayden upon request to the Company's Corporate Secretary, Peter Rees, at 778-729-0600 or email at peter.rees@caydenresources.com.

BY ORDER OF THE BOARD OF DIRECTORS

/s/ IVAN BEBEK

Ivan Bebek
President and Chief Executive Officer

CONSENT OF BEACON

To: The Board of Directors of Cayden Resources Inc.

We have read the management information circular (the "**Information Circular**") of Cayden Resources Inc. (the "**Company**") dated September 26, 2014 relating to the special meeting of securityholders of the Company to approve an arrangement under the *Business Corporations Act* (British Columbia) involving the Company, Agnico Eagle Mines Limited and certain securityholders of the Company.

We consent to the inclusion in the Information Circular of our fairness opinion dated September 8, 2014 and references to our firm name and the summary of our fairness opinion in the Information Circular. In providing our consent, we do not intend that any person other than the board of directors of the Company be entitled to rely upon our opinion.

(signed) "*Beacon Securities Limited*"

Toronto, Ontario
September 26, 2014

(This page has been left blank intentionally.)

SCHEDULE A

THE ARRANGEMENT RESOLUTION

RESOLUTION OF THE SECURITYHOLDERS OF CAYDEN RESOURCES INC. (the "Company")

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

(a) The arrangement (as it may be modified or amended, the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) involving the Company and its securityholders, all as more particularly described and set forth in the plan of arrangement (as it may be modified or amended, the "**Plan of Arrangement**") attached as Appendix A to the Management Information Circular of the Company dated September 26, 2014, is hereby authorized, approved and agreed to.

(b) The Arrangement Agreement dated as of September 8, 2014 among the Company and Agnico Eagle Mines Limited, as it may be amended from time to time (the "**Arrangement Agreement**"), the actions of the directors of the Company in approving the Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and causing the performance by the Company of its obligations thereunder are hereby confirmed, ratified, authorized and approved.

(c) Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by securityholders of the Company or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of the Company are hereby authorized and empowered without further approval of any securityholders of the Company (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or Plan of Arrangement and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

(d) Any one director or officer of the Company is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

(This page has been left blank intentionally.)

SCHEDULE B

PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER DIVISION 5 OF PART 9 OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, capitalized terms used but not defined shall have the meanings ascribed thereto in the Arrangement Agreement and terms with the initial letter or letters thereof capitalized shall have the meanings ascribed to them below:

"**2010 Option Plan**" means the stock option plan of the Company, first approved by Shareholders on September 29, 2010;

"**2011 Option Plan**" means the stock option plan of the Company dated as of September 27, 2011, as ratified, confirmed and approved by the Shareholders of the Company on June 17, 2014;

"**Acquiror**" means Agnico Eagle Mines Limited;

"**Acquiror Shares**" means common shares of the Acquiror;

"**Arrangement**" means the arrangement proposed by the Company under the provisions of Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out herein, subject to any amendments or variations thereto made in accordance with Section 10.1 of the Arrangement Agreement or Article 5 of this Plan of Arrangement or made at the direction of the Court in the Final Order (provided that any such amendment or variation is acceptable to both the Acquiror and the Company, each acting reasonably);

"**Arrangement Agreement**" means the arrangement agreement, including all schedules annexed thereto, dated as of September 8, 2014 between the Acquiror and the Company, as amended, supplemented or otherwise modified from time to time in accordance with its terms;

"**Arrangement Resolution**" means the special resolution of the Securityholders of the Company approving the Arrangement to be considered at the Meeting;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Business Day**" means any day, other than a Saturday or a Sunday, on which commercial banks located in Toronto, Ontario and Vancouver, British Columbia are open for the conduct of business;

"**Circular**" means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto and enclosures therewith, to be sent to the Securityholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time;

"**Common Shares**" means the common shares of the Company;

"**Company**" means Cayden Resources Inc.;

"**Court**" means the Supreme Court of British Columbia;

"**Depositary**" means Computershare Trust Company of Canada, as depositary at its offices as set out in the Letter of Transmittal;

"**Disclosure Letter**" means the disclosure letter delivered by the Company to the Acquiror contemporaneously with the execution and delivery of the Arrangement Agreement;

"**Dissent Rights**" has the meaning set out in Section 3.1;

"**Dissenting Shareholder**" means a registered holder of Common Shares who has validly exercised his, her or its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Common Shares in respect of which Dissent Rights are validly exercised by such holder;

"**Effective Date**" means the date the Acquiror and the Company agree upon, acting reasonably, as the effective date of the Arrangement after all of the conditions precedent to the completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived, including that the Final Order has been granted by the Court;

"**Effective Time**" means 12:01 a.m. (Vancouver time), on the Effective Date, or such other time as Acquiror and the Company agree to in writing before the Effective Date;

"**Encumbrance**" includes any mortgage, pledge, assignment, charge, lien, claim, security interest, adverse interest, adverse claim, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

"**Exercised Option**" means an Option for which an Optionholder has executed an applicable exercise form and in respect of which the Optionholder has, prior to the Effective Time, paid to the Company the aggregate of the exercise price of such Option and applicable Taxes in respect of such exercise;

"**Exercised Warrant**" means a Warrant for which a Warrantholder has executed an applicable exercise form and in respect of which the Warrantholder has, prior to the Effective Time, paid to the Company the aggregate of the exercise price of such Warrant;

"**Final Order**" means the order of the Court approving the Arrangement under section 291 of the BCBCA, in a form acceptable to the Company and the Acquiror, each acting reasonably, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both the Company and the Acquiror, each acting reasonably) at any time prior to the Effective Date or, if appealed, as affirmed or amended (provided that any such amendment is acceptable to both the Company and the Acquiror, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied;

"**Final Proscription Date**" has the meaning set out in Section 4.3;

"**Interim Order**" means the interim order of the Court contemplated by Section 2.2 of the Arrangement Agreement, in a form acceptable to the Company and the Acquiror, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as the same may be amended, modified, supplemented or varied by the Court;

"**Letter of Transmittal**" means the letter of transmittal for use by the Securityholders with respect to the Arrangement in the form accompanying the Circular;

"**Meeting**" means the special meeting of the Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order for the purpose of considering and, if thought fit, approving the Arrangement Resolution and all other matters requiring approval pursuant to the terms and conditions of the Arrangement Agreement or the Interim Order;

"**Option Plans**" means, collectively, the 2010 Option Plan and the 2011 Option Plan;

"**Optionholder**s" means holders of the Options;

"**Options**" means the options issued pursuant to the Option Plans;

"**Plan of Arrangement**" means this plan of arrangement as it may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

"**Regulatory Authority**" means:

(a) Any multinational or supranational body or organization, nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission, instrumentality, court or tribunal or any political subdivision thereof,

or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing;

(b) any self-regulatory organization or stock exchange, including the TSXV;

(c) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government; and

(d) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of such entities or other bodies pursuant to the foregoing;

"**Securityholders**" means, collectively, Shareholders, Optionholders and Warrantholders;

"**Shareholders**" means the holders of Common Shares of the Company;

"**Tax Act**" means the *Income Tax Act* (Canada), as amended;

"**Transaction Consideration**" means 0.09 of an Acquiror Share plus $0.01 in cash per Common Share;

"**Warrants**" means the share purchase warrants issued in connection with a financing completed on April 1, 2014 and expiring on April 1, 2016 with an exercise price of $1.70 per Common Share; and

"**Warrantholders**" means holders of the Warrants.

1.2 Construction

Except as may be otherwise specifically provided in this Plan of Arrangement and unless the context otherwise requires, in this Plan of Arrangement:

(a) the terms "Plan of Arrangement", "this Plan of Arrangement", "the Plan of Arrangement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Plan of Arrangement in its entirety and not to any particular provision hereof;

(b) references to an "Article", "Section", or "Schedule" followed by a number or letter refer to the specified Article or Section of or Schedule to this Plan of Arrangement;

(c) the division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) references to any agreement or document shall be to such agreement or document (together with the schedules and exhibits attached thereto) as it may have been or may hereafter be amended, modified, supplemented, waived or restated from time to time;

(f) if the date on which any action is required to be taken hereunder by the Company or the Acquiror is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day;

(g) references to any legislation or to any provision of any legislation shall include any modification or re-enactment thereof, any legislation provision substituted therefor and all regulations, rules and interpretations issued thereunder or pursuant thereto; and

(h) wherever the term "includes" or "including" is used, it shall be deemed to mean "includes, without limitation" or "including, without limitation", respectively.

1.3 Currency

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada and "$" refers to Canadian dollars.

1.4 Time

Time shall be of the essence in every matter or action contemplated hereunder. All times expressed herein are local time (Vancouver, British Columbia) unless otherwise stipulated herein.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to the Arrangement Agreement and forms a part of the Arrangement Agreement. If there is any conflict or inconsistency between the provisions of the Plan of Arrangement and the provisions of the Arrangement Agreement regarding the Arrangement, the provisions of the Plan of Arrangement shall govern.

2.2 Binding Effect

This Plan of Arrangement will become effective at the Effective Time and shall be binding upon the Acquiror, the Company and the Securityholders (including the Dissenting Shareholders).

2.3 Arrangement

Commencing at the Effective Time, the following shall occur and shall be deemed to occur in the following sequence, except where noted, without any further act or formality of or by the Company, the Acquiror or any other person:

(a) each of the Exercised Options shall be, and shall be deemed to be, exercised and the Company shall, and shall be deemed to, issue to the holder of such Exercised Options that number of Common Shares issuable pursuant to the terms of such Exercised Options, and the name of each such holder shall be added to the securities register maintained by or on behalf of the Company in respect of Common Shares showing such holder as the legal and beneficial owner of the Common Shares acquired pursuant to the terms of such Exercised Options;

(b) all Options shall be terminated without payment or compensation therefor, and neither the Company nor Acquiror shall have any further liabilities or obligations to the Optionholders thereof with respect thereto;

(c) each of the Exercised Warrants shall be, and shall be deemed to be, exercised and the Company shall, and shall be deemed to, issue to the holder of such Exercised Warrant that number of Common Shares issuable pursuant to the terms of such Exercised Warrant, and the name of each such holder shall be added to the securities register maintained by or on behalf of the Company in respect of Common Shares showing such holder as the legal and beneficial owner of the Common Shares acquired pursuant to the terms of such Exercised Warrant;

(d) all Warrants shall be terminated without payment or compensation therefor, and neither the Company nor Acquiror shall have any further liabilities or obligations to the Warrantholders thereof with respect thereto;

(e) each Common Share held by a Dissenting Shareholder shall be irrevocably transferred to the Acquiror (free and clear of all Encumbrances) without any further act or formality and:

  (i) such Dissenting Shareholder shall cease to be the holder of such Common Shares so transferred and to have any rights as holder of such Common Shares other than the right to be paid fair value for such Common Shares by the Acquiror as set out in Section 3.1;

  (ii) such Dissenting Shareholder's name shall be removed as the holder of such Common Shares from the central securities register of holders of Common Shares maintained by or on behalf of the Company; and

(iii) the Acquiror shall become the sole legal and beneficial holder of such Common Shares so transferred (free and clear of all Encumbrances) and shall be entered in the central securities register of holders of Common Shares maintained by or on behalf of the Company; and

(f) concurrently with the step described in Section 2.3(e), each Common Share (other than those held by Dissenting Shareholders or the Acquiror) shall be irrevocably transferred to the Acquiror (free and clear of all Encumbrances), and the holder thereof shall be entitled to receive from the Acquiror the Transaction Consideration for such Common Share and upon the transfer of each such Common Share from such holder to the Acquiror pursuant to this Section 2.3(f):

(i) each such holder shall cease to be a holder of the Common Shares so transferred and cease to have any rights as a holder of such Common Shares other than the right to be paid the Transaction Consideration for such Common Shares and the name of such holder shall be removed as the holder of such Common Shares from the central securities register of holders of Common Shares maintained by or on behalf of the Company; and

(ii) the Acquiror shall become the sole legal and beneficial holder of the Common Shares so transferred (free and clear of all Encumbrances) and shall be entered in the central securities register of holders of Common Shares maintained by or on behalf of the Company.

Each holder of each Common Share, with respect to each step set out above applicable to such holder, shall be deemed, at the time such step occurs, to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer such Common Share in accordance with such step.

2.4 No Fractional Shares

Following the Effective Time, if the aggregate number of Acquiror Shares to which a former holder of Common Shares would otherwise be entitled would include a fractional share, then the number of Acquiror Shares that such former holder of Common Shares is entitled to receive shall be rounded down to the nearest whole number.

2.5 Obligation to Issue Common Shares after Effective Date

From the Effective Time, where the Company is required to issue Common Shares to any person under any agreement set out in Section 4(b) of the Disclosure Letter (and such issuance of Common Shares is not otherwise specifically addressed in this Plan of Arrangement) immediately on such issuance the issued Common Shares will be deemed to be cancelled and in full satisfaction thereof the person that is the registered owner of such shares shall be paid a combination of Acquiror Shares and cash in an amount equal to the Transaction Consideration that would have been received by such person under the Arrangement if such person had held such Common Shares immediately prior to the Effective Time, and any such person will be bound by the terms of this Plan of Arrangement to accept such Transaction Consideration provided such Person has been provided notice in accordance with the Interim Order.

ARTICLE 3
RIGHTS OF DISSENT

3.1 Rights of Dissent

Each registered Shareholder may exercise rights of dissent ("**Dissent Rights**") pursuant to and in the manner set forth under Division 2 of Part 8 of the BCBCA, the Interim Order and this Section 3.1 in connection with the Arrangement, provided that the written objection to the Arrangement Resolution contemplated by Section 242 of the BCBCA must be sent to and received by the Company at least two days before the Meeting. Shareholders who duly exercise such Dissent Rights and who:

(a) are ultimately determined to be entitled to be paid fair value by the Acquiror for the Common Shares in respect of which they have validly exercised Dissent Rights will be deemed to have irrevocably transferred such Common Shares to the Acquiror (free and clear of all Encumbrances) pursuant to Section 2.3(e); or

(b) are ultimately not entitled, for any reason, to be paid fair value by the Acquiror for the Common Shares in respect of which they have exercised Dissent Rights, will be deemed to have participated in the Arrangement on the same basis as a holder of Common Shares to which Section 2.3(f) applies;

but in no case will the Company, the Acquiror or any other person, including the Depositary, be required to recognize any Dissenting Shareholder as a holder of Common Shares after the completion of the steps set out in Section 2.3(e) and each Dissenting Shareholder will cease to be entitled to the rights of a Shareholder in respect of the Common Shares in relation to which such Dissenting Shareholder has exercised Dissent Rights and the names of each Dissenting Shareholder will be removed from the central securities register of the Company as at such time. For greater certainty, and in addition to any other restriction under Section 242 of the BCBCA, neither:

(i) Optionholders; nor

(ii) Warrantholders; nor

(iii) Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Arrangement Resolution; nor

(iv) persons identified in Section 2.5;

shall be entitled to exercise Dissent Rights.

ARTICLE 4
CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

(a) At or before the Effective Time, the Acquiror will deposit or cause to be deposited with the Depositary cash and Acquiror Shares in the aggregate amount sufficient to satisfy the payment obligations contemplated by Section 2.3(f) for all Shareholders (calculated without reference to whether any Shareholders have exercised Dissent Rights). Such amount will be held for the purpose of satisfying such obligations. The cash so deposited shall be held in a corporate interest bearing account and any interest earned on such funds will be for the account of the Acquiror or its successors.

(b) As soon as practicable following the later of the Effective Time and the delivery to the Depositary by or on behalf of a former holder of Common Shares of a duly completed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require including a certificate which immediately prior to the Effective Time represented the outstanding Common Shares that were transferred under Section 2.3(f) and such other documents and instruments as would have been required to effect such transfer under the Securities Transfer Act (British Columbia), the BCBCA and the articles of the Company after giving effect to Sections 2.3(f), the former holder of such Common Shares will be entitled to receive the Transaction Consideration which such former holder is entitled to receive pursuant to Section 2.3(f), less any amounts withheld pursuant to Section 4.5.

(c) From and after the Effective Time, each certificate which immediately prior to the Effective Time represented Common Shares will be deemed after the time described in Section 2.3(f) to represent only the right to receive from the Depositary upon such surrender the applicable Transaction Consideration in lieu of such certificate as contemplated in Section 4.1(b), or in the case of Dissenting Shareholders who are ultimately determined to be entitled to be paid fair value by the Acquiror for the Common Shares in respect of which they have validly exercised Dissent Rights, the fair value of their Common Shares, less, in each case, any amounts withheld pursuant to Section 4.5.

(d) Subject to Section 4.3, the Company and the Acquiror will cause the Depositary, as soon as practicable following the later of the Effective Time and the date of deposit by any former holder of Common Shares of the documentation required pursuant to Section 4.1(b), to:

(i) deliver or cause to be delivered to such former holder of Common Shares at the address specified in the Letter of Transmittal;

(ii) if requested by such former holder of Common Shares in the Letter of Transmittal, make available at the offices of the Depositary specified in the Letter of Transmittal for pick-up by such former holder of Common Shares; or

(iii) if the Letter of Transmittal neither specifies an address as described in Section 4.1(d)(i) nor contains a request as described in Section 4.1(d)(ii), deliver or cause to be delivered to such former holder of Common Shares at the address of such former holder as shown on the securities register of the Company maintained by or on behalf of the Company immediately prior to the Effective Time;

a certificate representing the Acquiror Shares and a cheque in the amount equal to the net cash payment to which such former holder of Common Shares is entitled to in accordance with the provisions hereof, less any amounts withheld pursuant to Section 4.5.

4.2 Lost Certificates

In the event any certificate, which immediately prior to the Effective Time represented any outstanding Common Shares that were acquired by the Acquiror or the Company pursuant to Section 2.3, has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the former holder of such Common Shares claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Transaction Consideration to which such holder is entitled pursuant to Section 2.3. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the former holder of such Common Shares will, as a condition precedent to the delivery thereof, give a bond satisfactory to the Depositary, the Acquiror and the Company in such sum as the Acquiror may direct or otherwise indemnify the Acquiror and the Company in a manner satisfactory to the Acquiror and the Company against any claim that may be made against the Acquiror or the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Extinction of Rights

If any former holder of Common Shares fails to deliver to the Depositary the certificates, documents or instruments required to be delivered to the Depositary under Section 4.1 or Section 4.2 in order for such former holder to receive the Transaction Consideration which such former holder is entitled to receive pursuant to Section 2.3 on or before the date which is six years after the Effective Date (the "**Final Proscription Date**"), then:

(a) such former holder's interest in the cash consideration which such former holder was entitled to receive shall be terminated as of the Final Proscription Date and such cash consideration shall be deemed to be owned by the Acquiror;

(b) the Acquiror Shares which such former holder was entitled to receive shall be automatically transferred to the Acquiror and the certificates representing such Acquiror Shares shall be delivered to Acquiror by the Depositary for cancellation, and the interest of the former holder in such Acquiror Shares to which it was entitled shall be terminated as of the Final Proscription Date; and

(c) any certificate representing Common Shares formerly held by such former holder will cease to represent a claim of any nature whatsoever and will be deemed to have been surrendered to the Acquiror and will be cancelled. Neither the Company nor the Acquiror, or any of their respective successors, will be liable to any person in respect of any cash or Acquiror Shares (including any cash or Acquiror Shares previously held by the Depositary in trust for any such former holder) which is forfeited to the Acquiror or delivered to any public official pursuant to any applicable abandoned property, escheat or similar law.

4.4 Dividends or Other Distributions

No dividends or distributions declared or made after the Effective Date with respect to Acquiror Shares with a record date after the Effective Date will be payable or paid to the holder of any unsurrendered certificate or certificates which, immediately prior to the Effective Date, represented outstanding Common Shares unless

and until the holder of such certificate shall have complied with the provisions of this Article 4. Subject to applicable Law and to Article 4 hereof, at the time of such compliance, there shall, in addition to the delivery of a certificate representing the Acquiror Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Date theretofore paid with respect to such Acquiror Shares.

4.5 Withholding Rights

The Acquiror, the Company and the Depositary shall be entitled to deduct and withhold from any consideration, dividend or other distribution otherwise payable to any person hereunder or under the Arrangement Agreement such amounts as the Acquiror, the Company or the Depositary determines, acting reasonably, are required or permitted to be deducted and withheld with respect to such payment under Canadian or United States tax laws or any other applicable Law. To the extent that the withheld amount may be reduced, the Acquiror, the Company and the Depositary, as the case may be, acting reasonably, shall withhold on such lower amount. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes under this Agreement or the Arrangement Agreement as having been paid to the person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate Regulatory Authority.

ARTICLE 5
AMENDMENTS AND TERMINATION

5.1 Amendments to Plan of Arrangement

(a) The Company reserves the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) approved by the Acquiror, (iii) filed with the Court and, if made following the Meeting, approved by the Court, and (iv) communicated to the Securityholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company at any time prior to the Meeting (provided that the Acquiror shall have consented thereto) with or without any other prior notice or communication and, if so proposed and accepted by the persons voting at the Meeting (subject to the requirements of the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if such amendment, modification or supplement (i) is consented to by each of the Company and the Acquiror, and (ii) if required by the Court, is consented to by the Securityholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Acquiror, provided that it concerns a matter which, in the reasonable opinion of the Acquiror, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interests of any former Securityholders.

5.2 Termination

This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 6
FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out herein.

SCHEDULE C

ARRANGEMENT AGREEMENT

AGNICO EAGLE MINES LIMITED

— and —

CAYDEN RESOURCES INC.

September 8, 2014

TABLE OF CONTENTS

ARRANGEMENT AGREEMENT

THIS AGREEMENT made the 8th day of September, 2014,

BETWEEN:

AGNICO EAGLE MINES LIMITED,
a corporation existing under the laws of the
Province of Ontario,
(hereinafter referred to as the "**Acquiror**"),

– and –

CAYDEN RESOURCES INC.,
a company existing under the laws of the
Province of British Columbia,
(hereinafter referred to as the "**Company**").

WHEREAS the Acquiror desires to acquire all of the issued and outstanding common shares of the Company including all common shares issuable on exercise of Options and Warrants (as such terms are defined herein);

AND WHEREAS the parties are prepared and intend to carry out the transactions contemplated herein by way of plan of arrangement pursuant to Division 5 of Part 9 of the BCBCA (as defined herein);

AND WHEREAS the Board has unanimously determined, after receiving financial and legal advice and following the receipt of the Fairness Opinion and a unanimous recommendation from the Special Committee, that the Arrangement is fair to the Securityholders and that the Arrangement is in the best interests of the Company and has unanimously resolved, subject to the terms of this Agreement, to recommend that the Securityholders vote in favour of the Arrangement Resolution (as such terms are defined herein);

AND WHEREAS contemporaneously herewith, the Acquiror has entered into Support Agreements with each of the Locked-Up Securityholders (as defined herein) who hold, in aggregate 8,100,620 Common Shares and 2,585,000 Options, pursuant to which, among other things, each such Securityholder has agreed to vote in favour of the Arrangement Resolution, all securities of the Company now held or hereafter acquired by them that are entitled to vote on the matter, on the terms and subject to the conditions set forth in such agreements;

NOW THEREFORE THIS AGREEMENT WITNESSES that, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each party, the parties hereby covenant and agree as follows:

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith, the following terms shall have the respective meanings set out below and grammatical variations shall have the corresponding meanings:

"**2010 Option Plan**" means the stock option plan of the Company, first approved by Shareholders on September 29, 2010;

"**2011 Option Plan**" means the stock option plan of the Company dated as of September 27, 2011, as ratified, confirmed and approved by the Shareholders of the Company on June 17, 2014;

"**Acquiror**" means Agnico Eagle Mines Limited;

"**Acquiror Public Documents**" has the meaning set out in Section 5 of Schedule D;

"**Acquiror Shares**" means the common shares of the Acquiror;

"**Acquisition Proposal**" means:

(a) any take-over bid, issuer bid, amalgamation, plan of arrangement, business combination, merger, tender offer, exchange offer, consolidation, recapitalization, reorganization, liquidation, dissolution or winding-up in respect of the Company or any of the Company Subsidiaries;

(b) any sale of assets (or any lease, long-term supply arrangement, licence or other arrangement having the same economic effect as a sale) of the Company or the Company Subsidiaries representing 20% or more of the consolidated assets, revenues or earnings of the Company;

(c) any sale or issuance of shares or other equity interests (or securities convertible into or exercisable for such shares or interests) in the Company or any of the Company Subsidiaries representing 20% or more of the issued and outstanding equity or voting interests of the Company or any of the Company Subsidiaries;

(d) any similar transaction or series of transactions involving the Company or any of the Company Subsidiaries;

(e) any arrangement whereby effective operating control of the Company is granted to another party; or

(f) any inquiry, proposal, offer or public announcement of an intention to do any of the foregoing;

"**Affiliate**" has the meaning given to it in the Securities Act;

"**Agreement**" means this arrangement agreement, including all Schedules annexed hereto, as the same may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

"**Alternative Transaction**" has the meaning set out in Section 8.9;

"**Arrangement**" means an arrangement of the Company under the provisions of Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations thereto made in accordance with Section 10.1 hereof or the Plan of Arrangement or made at the direction of the Court in the Final Order (provided that any such amendment or variation is acceptable to both the Acquiror and the Company, each acting reasonably);

"**Arrangement Resolution**" means the special resolution of the Securityholders of the Company approving the Arrangement to be considered at the Meeting substantially in the form of Schedule B;

"**Associate**" has the meaning given to it in the Securities Act;

"**Barqueno I Property**" means, collectively, the El Barqueno Fraccion II, El Barqueno Fraccion III, San Gabriel, Pilarica, Pilarica 2 and La Verdosilla concessions;

"**Barqueno II Property**" means the La Luz III Fracc II concession;

"**Barqueno Technical Report**" means the technical report relating to the El Barqueno property filed on SEDAR with an effective date of September 18, 2013;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Benefit Plan**" has the meaning set out in Section 17(a) of Schedule C;

"**Board**" means the board of directors of the Company;

"**Board Approval**" has the meaning set out in Section 2.8(b);

"**Budgeted Capital Expenditures**" means the capital expenditures that have been budgeted for by the Company in its current work programs, which total approximately **[Redacted — budgeted amount]** for the period from the date hereof to December 31, 2015 and **[Redacted — budgeted amount]** from January 1, 2015 to May 31, 2015, a copy of which is attached as Appendix A to the Disclosure Letter;

"**Business Day**" means a day, other than a Saturday or a Sunday, on which the principal commercial banks located in Toronto, Ontario and Vancouver, British Columbia are open for the conduct of business;

"**Canadian Income Tax Legislation**" has the meaning set out in Section 8.10;

"**Cayden LCM**" means L.C. Mines, S.A. de C.V.;

"**Cayden MC**" means Minas Chaparral, S.A. de C.V.;

"**Cayden Mexico Share Transfer Agreement**" means the Share Transfer Agreement dated the date hereof between Peter Rees and the Acquiror;

"**Cayden USA**" means Cayden Resources (USA) Inc.;

"**Circular**" means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto and enclosures therewith, to be sent to the Securityholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time;

"**Code**" means the United States Internal Revenue Code of 1986, as amended;

"**Cofece**" means the Comision Federal de Competencia Económica (Mexico);

"**Common Shares**" means the common shares of the Company;

"**Company**" means Cayden Resources Inc.;

"**Company Governing Documents**" has the meaning set out in Section 1 of Schedule C;

"**Company Public Documents**" has the meaning set out in Section 9(b) of Schedule C;

"**Company Properties**" means those concessions listed in Schedule E;

"**Company Subsidiaries**" means, collectively, Cayden LCM, Cayden MC and Cayden USA, and "**Company Subsidiary**" means any one of them;

"**Competition Act**" means the *Competition Act* (Canada);

"**Confidentiality Agreement**" means the confidentiality agreement dated July 9, 2014 between the Company and the Acquiror;

"**Contract**" means any contract, license, franchise, grant, permit, lease, arrangement, commitment, understanding, joint venture, partnership, note, bond, mortgage, indenture, instrument, deed of trust or other agreement or obligation (whether written or oral) to which the Company or any Company Subsidiary is a party or by which the Company or any Company Subsidiary is bound or affected or to which any of their respective properties or assets is subject;

"**Court**" means the Supreme Court of British Columbia;

"**Depositary**" means Computershare Trust Company of Canada;

"**Disclosure Letter**" means the disclosure letter delivered by the Company to the Acquiror contemporaneously with the execution and delivery of this Agreement;

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement;

"**Earn-In Agreements**" means, collectively, the El Barqueno option agreement between Cayden LCM and Industrial Minera Mexico, S.A. de C.V., dated April 17, 2012 with respect to the Barqueno I Property; and the option agreement between Cayden MC and Compania Minera de Atengo, S. de R.L. de C.V., dated May 15, 2014 with respect to the Barqueno II Property;

"**Effective Date**" means the date the Acquiror and the Company agree upon, acting reasonably, as the effective date of the Arrangement after all of the conditions precedent to the completion of the Arrangement as set out in this Agreement have been satisfied or waived, including that the Final Order has been granted by the Court;

"**Effective Time**" means 12:01 a.m. (Vancouver time) on the Effective Date, or such other time as the parties agree to in writing before the Effective Date;

"**Employees**" has the meaning set out in Section 16(e) of Schedule C;

"**Encumbrance**" includes any mortgage, pledge, assignment, charge, lien, claim, security interest, adverse interest, adverse claim, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

"**Environmental Laws**" has the meaning set out in Section 19 of Schedule C;

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

"**Expense Reimbursement Amount**" has the meaning set out in Section 9.3(b);

"**Fairness Advisor**" means Beacon Securities Limited;

"**Fairness Opinion**" has the meaning set out in Section 2.8(a);

"**Final Order**" means the order of the Court approving the Arrangement under section 291 of the BCBCA, in a form acceptable to the Company and the Acquiror, each acting reasonably, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both the Company and the Acquiror, each acting reasonably) at any time prior to the Effective Date or, if appealed, as affirmed or amended (provided that any such amendment is acceptable to both the Company and the Acquiror, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied;

"**fully-diluted basis**" means, with respect to the number of outstanding Common Shares at any time, the number of Common Shares that would be outstanding if all rights to acquire Common Shares were exercised, including, for the purposes of this calculation, all Common Shares issuable upon the exercise of Options, whether vested or unvested, and Warrants, whether or not such securities are exercisable by the holder;

"**IFRS**" means International Financial Reporting Standards;

"**Interim Order**" means the interim order of the Court contemplated by Section 2.2, in a form acceptable to the Company and the Acquiror, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as the same may be amended, modified, supplemented or varied by the Court;

"**Landowners**" means Industrial Minera Mexico, S.A. de C.V. in respect of the Barqueno I Property and Compania Minera de Atengo, S. de R.L. de C.V. in respect of the Barqueno II Property, and "**Landowner**" means any one of them;

"**Law**" means any applicable laws, including international, national, provincial, state, municipal and local laws, treaties, statutes, ordinances, judgments, decrees, injunctions, writs, certificates and orders, by-laws, rules, regulations, ordinances, or other requirements of any Regulatory Authority having the force of law;

"**Letter of Intent**" means the letter agreement dated July 9, 2014 between the Company and the Acquiror;

"**Locked-Up Securityholders**" means each of the directors and officers of the Company;

"**Match Period**" has the meaning set out in Section 7.3(b)(iv);

"**Material Adverse Effect**" means, in respect of a person, any effect that is, or could reasonably be expected to be, material and adverse to the business, condition (financial or otherwise), properties, assets (tangible or intangible), prospects, liabilities (whether absolute, accrued, conditional or otherwise), operations or results of operations of such person and its subsidiaries taken as a whole, other than any effect:

(a) relating to the Canadian or Mexican economy, political conditions or securities markets in general;

(b) affecting the gold mining industry in general;

(c) relating to a change in the market trading price of shares of that person, either:

    (i) related to this Agreement and the Arrangement or the announcement thereof, or

(ii) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from this definition of Material Adverse Effect referred to in clause (a), (b) or (d); or

(d) relating to any generally applicable change in applicable Law (other than orders, judgments or decrees against such person, or any of its subsidiaries) or in accounting principles or standards applicable to that person;

provided, however, that the effect referred to in clause (a), (b) or (d) above does not primarily relate only to (or have the effect of primarily relating only to) such person and its subsidiaries, taken as a whole, or disproportionately adversely affect such person and its subsidiaries taken as a whole, compared to other companies of similar size operating in the industry in which it and its subsidiaries operate;

"**material fact**" and "**material change**" have the meaning set out in the Securities Act;

"**Meeting**" means the special meeting of the Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order for the purpose of considering and, if thought fit, approving the Arrangement Resolution and all other matters requiring approval pursuant to the terms and conditions of this Agreement or the Interim Order;

"**Mexican Regulatory Approval**" means the issuance of an authorization by Cofece to the Acquiror to consummate, on terms satisfactory to the Acquiror, the transactions contemplated hereby, or the expiry of the relevant statutory term (and any extension thereof) prescribed by the Federal Economic Competition Law (Mexico) (*Ley Federal de Competencia Económica*) without a decision by Cofece, and the deemed authorization of the Acquiror to consummate the transactions contemplated hereby;

"**MI 61-101**" means Multilateral Instrument 61-101 — *Protection of Minority Security Holders in Special Transactions*;

"**Misrepresentation**" means an untrue statement of a material fact or an omission to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made;

"**Morelos Sur Technical Report**" means the technical report relating to the Morelos Sur property filed on SEDAR with an effective date of September 18, 2013;

"**NI 43-101**" means National Instrument 43-101 — *Standards of Disclosure for Mineral Projects*;

"**Non-U.S. Company Subsidiary**" means Cayden LCM, Cayden MC and any other Company Subsidiary that is not a United States person within the meaning of Section 7701(a)(30) of the Code;

"**NYSE**" means the New York Stock Exchange;

"**Option Plans**" means, collectively, the 2010 Option Plan and the 2011 Option Plan;

"**Optionholders**" means holders of the Options;

"**Options**" means the options issued pursuant to the Option Plans;

"**Outside Date**" means March 8, 2015, or such later date as the parties may agree in writing;

"**party**" means a party to this Agreement;

"**person**" means an individual, general partnership, limited partnership, corporation, company, limited liability company, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;

"**Plan of Arrangement**" means the plan of arrangement of the Company, substantially in the form of Schedule A, and any amendments or variations thereto made in accordance with Section 10.1 and the Plan of Arrangement or upon the direction of the Court in the Final Order with the consent of Acquiror and the Company, each acting reasonably;

"**Pre-Acquisition Reorganization**" has the meaning set out in Section 5.5(a);

"**Regulatory Approvals**" means those sanctions, rulings, consents, authorizations, orders, clearances, exemptions, permits, waivers, decisions, decrees, rules, regulations and other approvals (including the waiver or lapse, without objection, of a prescribed time under a statute or regulation that states that a transaction may be implemented if a prescribed time lapses following the giving of notice without an objection being made) of a Regulatory Authority, that are required to be obtained in connection with the transactions contemplated by this Agreement, and includes the Mexican Regulatory Approval;

"**Regulatory Authority**" means:

(a) any multinational or supranational body or organization, nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission, instrumentality, court or tribunal or any political subdivision thereof, or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing;

(b) any self-regulatory organization or stock exchange, including the TSXV;

(c) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government; and

(d) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of such entities or other bodies pursuant to the foregoing;

"**Related Party**" in respect of a person means any "related party" of such person, or any "associated entity" of a "related party" of such person, as those terms are defined in MI 61-101;

"**Representative**" means, in respect of a person, its subsidiaries and its Affiliates and its and their directors, officers, employees, agents and representatives (including any financial, legal or other advisors);

"**Securities Act**" means the *Securities Act* (Ontario);

"**Securities Laws**" means the Securities Act, together with all other applicable provincial securities Laws, rules and regulations and published policies thereunder;

"**Securityholder Approval**" has the meaning set out in Section 2.2(d);

"**Securityholders**" means, collectively, Shareholders, Optionholders and holders of Warrants;

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval;

"**Shareholders**" means the holders of Common Shares;

"**Special Committee**" means the committee of the Board comprised of Steven Cook, David Jones and Rene Carrier;

"**subsidiary**" means, with respect to a person, any body corporate of which more than 50% of the outstanding shares ordinarily entitled to elect a majority of the board of directors thereof (whether or not shares of any other class shall or might be entitled to vote upon the happening of any event or contingency) are at the time owned directly or indirectly by such person and shall include any body corporate, partnership, joint venture or other entity over which it exercises direction or control or which is in a like relation to a subsidiary;

"**Superior Proposal**" means a *bona fide* Acquisition Proposal that:

(a) is made in writing after the date hereof;

(b) was not solicited after the date hereof in contravention of Section 7.1(a) and did not result from the breach of either Section 3 of the Letter of Intent or Article 7 by the Company or its Representatives;

(c) is made for all or substantially all of the consolidated assets of the Company or all of the Common Shares not owned by the person making such Acquisition Proposal;

(d) in the good faith determination of the Board and in the proper discharge of its fiduciary duties, after consultation with its legal counsel and financial advisors:

(i) would, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction more favourable to the Shareholders from a financial point of view than the Arrangement taking into account the form and amount of consideration, the likelihood and timing of completion and the other terms thereof (after due consideration of the legal, financial, regulatory and other aspects of such proposal and other factors deemed relevant by the Board);

(ii) complies with applicable Law;

(iii) is not subject to a due diligence condition;

(iv) offers the same consideration on a per share basis to all Shareholders (but for greater certainty, does not restrict the provision of payments described in paragraphs (b) or (c) of the definition of collateral benefits in MI 61-101;

(v) is reasonably capable of being completed in accordance with its terms without undue delay or uncertainty, taking into account all legal, financial, regulatory and other aspects of such proposal and the party making such proposal and taking into account that shareholder approval might be required; and

(vi) in respect of which the financing is then committed or confirmation is provided from the sources of financing to be used to complete the transaction contemplated by such Acquisition Proposal that such financing is available subject to customary conditions; and

(e) that the taking of action in respect of such Acquisition Proposal is necessary for the Board in the discharge of its duties under applicable Law;

"**Superior Proposal Notice**" has the meaning set out in Section 7.3(b)(iii);

"**Support Agreements**" means, collectively, the support agreements dated September 8, 2014 between the Acquiror and each of the Locked-Up Securityholders;

"**Tax**" or "**Taxes**" means all income taxes (including any tax on or based upon net income, gross income, income as specially defined, earnings, profits or selected items of income, earnings or profits) and all capital taxes, gross receipts taxes, environmental taxes, sales taxes, use taxes, ad valorem taxes, value added taxes, transfer taxes, franchise taxes, licence taxes, withholding taxes, payroll taxes, employment taxes, Canada Pension Plan or Québec Pension Plan premiums, excise, severance, social security, workers' compensation, unemployment insurance or compensation, stamp taxes, occupation taxes, premium taxes, property taxes, windfall profits taxes, alternative or add-on minimum taxes, goods and services tax, customs duties or other taxes, fees, imposts, assessments or charges of any kind whatsoever, together with any interest and any penalties or additional amounts imposed by any taxing authority (domestic or foreign) on such entity, and any interest, penalties, additional taxes and additions to tax imposed with respect to the foregoing;

"**Tax Act**" means the *Income Tax Act* (Canada), as amended;

"**Tax Returns**" means all returns, declarations, reports, elections, information returns, statements and other documents filed or required to be filed with any taxing authority relating to Taxes;

"**Technical Reports**" means, collectively, the Barqueno Technical Report and the Morelos Sur Technical Report;

"**Termination Payment**" has the meaning set out in Section 9.3(a);

"**Termination Payment Event**" has the meaning set out in Section 9.3(a);

"**Transaction Consideration**" means 0.09 of an Acquiror Share plus $0.01 in cash per Common Share;

"**Treasury Regulations**" means Regulations of the United States Department of the Treasury and/or the United States Internal Revenue Service promulgated under or in respect of the Code;

"**TSX**" means the Toronto Stock Exchange;

"**TSXV**" means the TSX Venture Exchange;

"**U.S. GAAP**" means generally accepted accounting principles of the United States;

"**U.S. Securities Act**" means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

"**U.S. Securities Laws**" means all applicable securities laws in the United States, including the U.S. Securities Act, the Exchange Act and any applicable state securities laws; and

"**Warrants**" means the share purchase warrants issued in connection with a financing completed on April 1, 2014 and expiring on April 1, 2016 with an exercise price of $1.70 per Common Share.

1.2 Construction

In this Agreement, unless otherwise expressly stated or the context otherwise requires:

(a) references to "Agreement", "this Agreement", "hereto", "herein", "hereby", "hereunder", "hereof" and similar expressions are references to this Agreement and not to any particular Section of or Schedule to this Agreement;

(b) references to an "Article", "Section" or "Schedule" followed by a number or letter refer to the specified Article or Section of or Schedule to this Agreement;

(c) words importing the singular shall include the plural and vice versa, and words importing gender shall include the masculine, feminine and neuter genders;

(d) the use of headings is for convenience of reference only and shall not affect the construction or interpretation hereof;

(e) if the date on which any action is required to be taken hereunder by any of the parties is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day;

(f) a period of Business Days is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. (Toronto time) on the last day of the period if the period is a Business Day or at 4:30 p.m. (Toronto time) on the next Business Day if the last day of the period does not fall on a Business Day;

(g) the terms "material" and "materially" shall, when used in this Agreement, be construed, measured or assessed on the basis of whether the matter would materially affect a party and its subsidiaries, taken as a whole;

(h) references to any legislation or to any provision of any legislation shall include any modification or re-enactment thereof, any legislation provision substituted therefor and all regulations, rules and interpretations issued thereunder or pursuant thereto;

(i) references to any agreement or document shall be to such agreement or document (together with the schedules and exhibits attached thereto), as it may have been or may hereafter be amended, modified, supplemented, waived or restated from time to time; and

(j) wherever the term "includes" or "including" is used, it shall be deemed to mean "includes, without limitation" or "including, without limitation", respectively.

1.3 Currency

Unless otherwise indicated, all dollar amounts referred to in this Agreement are expressed in Canadian dollars.

1.4 Knowledge

References to the "knowledge of the Company" means the actual knowledge, after due inquiry, of Ivan Bebek, President and Chief Executive Officer of the Company, Peter Rees, Chief Financial Officer and Corporate Secretary of the Company, James Russell Nelles Starr, Senior Vice President Corporate Finance of the Company, Shawn Wallace, Chairman of the Company or Daniel McCoy, Chief Exploration Geologist of the Company. References to the "knowledge of the Acquiror" means the actual knowledge, after due inquiry, of the senior officers of the Acquiror.

1.5 Disclosure Letter

Any reference to a matter being disclosed or set out in the Disclosure Letter shall mean disclosure in such section of the Disclosure Letter that is referred to in the relevant section of this Agreement and disclosure in any section of the Disclosure Letter shall not be disclosure for the purposes of any other section of the Disclosure Letter.

1.6 Schedules

The Schedules to this Agreement, as listed below, are an integral part of this Agreement:

Schedule	Description
Schedule A	Plan of Arrangement
Schedule B	Arrangement Resolution
Schedule C	Representations and Warranties of the Company
Schedule D	Representations and Warranties of the Acquiror
Schedule E	Company Properties and Landowners

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement

The Company and the Acquiror agree that the Arrangement shall be implemented in accordance with and subject to the terms and conditions contained in this Agreement and the Plan of Arrangement.

2.2 Interim Order

The Company agrees that as soon as reasonably practicable after the date hereof, but in any event no later than September 29, 2014, or such other date as the Acquiror and the Company may agree, the Company, in a manner reasonably acceptable to the Acquiror, shall apply for the Interim Order pursuant to Division 5 of Part 9 of the BCBCA and, in co-operation with the Acquiror, prepare, file and diligently pursue an application for the Interim Order, which shall provide, among other things:

(a) for the class of persons to whom notice is to be provided in respect of the Arrangement and the Meeting and for the manner in which notice is to be provided;

(b) that the securities of the Company for which holders shall be entitled to vote on the Arrangement Resolution shall be Common Shares, Options and Warrants, voting together as a single class;

(c) that Securityholders shall be entitled to vote on the Arrangement Resolution, with each Securityholder being entitled to one vote for each Common Share, and one vote for each Common Share underlying the Options and Warrants held by such Securityholder, as applicable;

(d) that the requisite approval for the Arrangement Resolution shall be: (i) at least 66⅔% of the votes cast by the Securityholders, present in person or represented by proxy at a Meeting, voting as a single class; and (ii) if required, a simple majority of the votes cast on the Arrangement Resolution by Securityholders present or in person or represented by proxy at the Meeting (excluding any votes cast

by certain "related parties" and "interested parties" (as such terms are defined in MI 61-101) in accordance with the requirements of MI 61-101) (collectively the "**Securityholder Approval**");

(e) that, in all other respects, the terms, restrictions and conditions of the Company Governing Documents, including quorum requirements and all other matters, shall apply in respect of the Meeting;

(f) that the Acquiror intends to rely upon the exemption from registration provided by section 3(a)(10) of the U.S. Securities Act in connection with the issuance of Acquiror Shares to be issued in exchange for securities as contemplated by the Arrangement, subject to and conditioned upon the Court's determination following a hearing that the Arrangement is fair and reasonable to the Securityholders;

(g) for the grant of Dissent Rights as contemplated in the Plan of Arrangement;

(h) for the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(i) that the Meeting may be adjourned or postponed from time to time by the Company subject to the terms of this Agreement without the need for additional approval of the Court;

(j) that the record date for the Securityholders entitled to notice of, and to vote at, the Meeting shall not change in respect of any adjournment(s) or postponement(s) of the Meeting; and

(k) for such other matters as the Acquiror may reasonably require, subject to obtaining the prior consent of the Company, such consent not to be unreasonably withheld or delayed.

2.3 Circular and Meeting

(a) As soon as is practicable after the date hereof, the Company shall prepare, in consultation with the Acquiror, the Circular which, together with any other documents required by applicable Law in connection with the Meeting, shall be prepared in accordance with applicable Law. The Circular shall, subject to Article 7, reflect the Board Approval, a statement that each director and officer of the Company has agreed to vote all of the Common Shares, Options and Warrants held by such persons, in favour of the Arrangement Resolution, subject to the terms of the applicable Support Agreements, and include a written copy of the Fairness Opinion dated the date of the Circular, which shall be in a form satisfactory to the Acquiror, acting reasonably. The Circular shall also include any disclosure required to be made to qualify any benefits to be received by related parties of the Company for the exceptions to the definition of collateral benefit under MI 61-101.

(b) Prior to the printing of the Circular and during the course of its preparation, the Company shall provide the Acquiror with timely opportunity to review and comment on it, and the Company shall in good faith consider incorporating therein all reasonable comments made by the Acquiror and shall consult in good faith with the Acquiror regarding any comments it proposes not to incorporate. The Company shall have the Circular printed by a printer selected by the Acquiror at the expense of the Acquiror.

(c) The Company shall ensure that the Circular complies in all material respects with all applicable Law (including by preparing a version in the French language if required by applicable Law) and, without limiting the generality of the foregoing, that the Circular does not contain any Misrepresentation (other than with respect to any information relating to and provided by the Acquiror). The Company shall ensure that the Circular complies in all material respects with National Instrument 51-102 — *Continuous Disclosure Requirements* and Form 51-102F5 thereunder adopted by the Canadian Securities Administrators.

(d) The Acquiror shall provide to the Company for inclusion in the Circular such information regarding the Acquiror as is required by applicable Law to be included in the Circular. The Acquiror represents, warrants and covenants that any information it provides to the Company for inclusion in the Circular shall be accurate and complete in all material respects as of the relevant date of such information and shall not contain any Misrepresentation. The Acquiror shall indemnify and save harmless the Company and its directors and officers from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgments and penalties suffered or incurred by any of them in connection with or as a result of any Misrepresentation contained in any information that was provided by the Acquiror to the Company for inclusion in the Circular.

(e) As soon as practicable after the issuance of the Interim Order, the Company shall cause the Circular, together with other documents required by applicable Law in connection with the Meeting, to be sent to the Securityholders and filed as required by the Interim Order and applicable Law, and the Company shall call and hold the Meeting in accordance with the Interim Order, the Company Governing Documents and applicable Law.

(f) The Company shall (with the Acquiror) diligently do all such reasonable acts and things as may be necessary to comply in all material respects with National Instrument 54-101 — *Communication with Beneficial Owners of Securities of a Reporting Issuer* in connection with the Meeting and, without limiting the generality of the foregoing, use all reasonable efforts to call and hold the Meeting as soon as practicable under the accelerated timing contemplated by such instrument and in any event by no later than October 27, 2014.

(g) Subject to Article 7, the Company shall use its commercially reasonable efforts to secure the approval of the Arrangement Resolution by Securityholders and solicit proxies for the approval of the Arrangement Resolution in accordance with applicable Law. If requested by the Acquiror, the Company shall employ, at the Acquiror's cost, the services of dealers and proxy solicitation agents selected by the Acquiror. The Company shall instruct any such proxy solicitation agents: (i) to report to the Acquiror and its designated Representatives concurrently with their reports to the Company and to advise the Acquiror as the Acquiror may reasonably request, and on a daily basis on each of the last seven Business Days prior to the Meeting, as to the aggregate tally of the proxies received by the Company in respect of the Arrangement Resolution and any other matters to be considered at the Meeting; and (ii) to cooperate with the Acquiror and any solicitation agents or other Representative of the Acquiror hired by the Acquiror to assist in the solicitation of proxies in respect of the Meeting.

(h) The Company shall provide the Acquiror with a copy of any purported exercise of Dissent Rights and written communications with any Shareholder purportedly exercising such Dissent Rights and shall not, except as required by the BCBCA, settle or compromise any action brought by any present, former or purported holder of any of its securities in connection with the Arrangement or the other transactions contemplated by this Agreement, without the prior consent of the Acquiror, acting reasonably.

(i) The Meeting shall be held in Vancouver, British Columbia on a Business Day to be agreed upon by the parties, acting reasonably. Subject to Article 7, the Company shall not adjourn, postpone or cancel (or propose to adjourn, postpone or cancel) the Meeting, except with the Acquiror's prior written consent or as required by applicable Law or the Company Governing Documents. The Company shall provide notice to the Acquiror of the Meeting and allow the Acquiror's Representatives to attend the Meeting.

(j) The Company and the Acquiror shall each promptly notify the other party if at any time before the Meeting it becomes aware (in the case of the Company only with respect to the Company and in the case of the Acquiror only with respect to the Acquiror) that the Circular contains a Misrepresentation, or otherwise requires an amendment or supplement to the Circular, and the parties shall co-operate in the preparation of any amendment or supplement to the Circular, as required or appropriate, and the Company shall promptly mail or otherwise publicly disseminate any amendment or supplement to the Circular as required by the Court or applicable Law.

(k) As soon as practicable after the date hereof and, in any event, prior to the date on which the Company applies for the Interim Order, the Company shall use its best efforts to amend the agreements listed in Section 4(b) of the Disclosure Letter to provide that the Company's obligation thereunder to issue or sell Common Shares on or after the Effective Time shall be satisfied in full by the delivery of the Transaction Consideration to which the other party would have been entitled had such party held Common Shares at the Effective Time under the Arrangement. If, despite the Company's best efforts, it fails to amend any such agreement prior to the date stipulated in Section 2.2 hereof, the Company at the request of the Acquiror shall forthwith amend the Plan of Arrangement to provide that such agreement be specifically amended as a step within the Plan of Arrangement to provide for payment of Transaction Consideration as aforesaid, and the Final Order shall give effect to the Plan of Arrangement and such specific amendment on terms acceptable to the Acquiror and the Interim Order shall set out the manner in which notice is to be provided to any counterparty to such agreement.

2.4 U.S. Securities Law Matters

The parties agree that the issuance of the Acquiror Shares on completion of the Arrangement to the Shareholders shall be issued in reliance on the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof. In order to ensure the availability of the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act, the parties agree that the Arrangement shall be carried out on the following basis:

(a) prior to the issuance of the Interim Order, the Court shall be advised of the intention of the parties to rely on the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act with respect to the issuance of the Acquiror Shares pursuant to the Arrangement, based on the Court's approval of the Arrangement;

(b) the Court shall be required to satisfy itself that the Arrangement is fair and reasonable;

(c) the Company shall ensure that each Shareholder entitled to receive Acquiror Shares under the Arrangement shall be given adequate notice advising them of their right to attend the hearing of the Court to give approval of the Arrangement and providing them with sufficient information necessary for them to exercise that right;

(d) the Shareholders shall be advised that the Acquiror Shares, to be issued in the Arrangement, have not been registered under the U.S. Securities Act and shall be issued in reliance on the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act;

(e) the Interim Order shall specify that each Securityholder shall have the right to appear before the Court at the hearing so long as it enters an appearance within a reasonable time; and

(f) the Final Order shall expressly state that the Arrangement is approved by the Court as being fair and reasonable to Securityholders.

2.5 Final Order

If the Interim Order is obtained and the Arrangement Resolution is passed at the Meeting as provided for in the Interim Order and as required by applicable Law, subject to the terms of this Agreement, the Company shall as soon as reasonably practicable thereafter, and in any event within three Business Days thereafter, take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Division 5 of Part 9 of the BCBCA.

2.6 Court Proceedings

The Company shall provide the Acquiror with reasonable opportunity to review and comment upon drafts of all material to be filed with the Court in connection with the Arrangement, and shall give reasonable consideration to all such comments. The Company shall provide to the Acquiror, on a timely basis, copies of any notice of appearance or other Court documents served on the Company in respect of the application for the Interim Order or the Final Order or any appeal therefrom and of any notice, whether written or oral, received by the Company indicating any intention to oppose the granting of the Interim Order or the Final Order or to appeal the Interim Order or the Final Order. Subject to applicable Law, the Company shall not file any material with the Court in connection with the Arrangement or serve any such material, and shall not agree to modify or amend materials so filed or served, except as contemplated hereby or with the Acquiror's prior written consent, such consent not to be unreasonably withheld or delayed, provided that nothing herein shall require the Acquiror to agree or consent to any increased purchase price or other consideration or other modification or amendment to such filed or served materials that expands or increases the Acquiror's obligations set forth in any such filed or served materials or under this Agreement. The Company shall ensure that all materials filed with the Court in connection with the Arrangement are consistent in all material respects with the terms of this Agreement and the Plan of Arrangement. The Company shall not object to legal counsel to the Acquiror making submissions on the hearing of the motion for the Interim Order and the application for the Final Order. The Company shall oppose any proposal from any party that the Final Order contain any provision inconsistent with this Agreement, and, if at any time after the issuance of the Final Order and prior to the Effective Date, the

Company is required by the terms of the Final Order or by Law to return to Court with respect to the Final Order, it shall do so after notice to, and in consultation and co-operation with, the Acquiror.

2.7 Effective Date

The Arrangement shall become effective at the Effective Time on the Effective Date. Upon issuance of the Final Order and subject to the satisfaction or, where not prohibited, the waiver of the conditions (excluding conditions that, by their terms, cannot be satisfied until the Effective Date, but subject to the satisfaction or, where not prohibited, the waiver of those conditions as of the Effective Date) set forth in Article 6, unless another date is agreed to in writing by the parties, each of the parties on or before the Effective Date shall proceed to file any documents as required pursuant to Section 292 of the BCBCA, and such other documents as may be required to give effect to the Arrangement pursuant to Division 5 of Part 9 of the BCBCA, whereupon at the Effective Time on the Effective Date, the transactions comprising the Arrangement shall be deemed to occur in the order set out in the Plan of Arrangement without any further act or formality. From and after the Effective Time, the Plan of Arrangement shall have all of the effects provided by applicable Law, including the BCBCA. The Company agrees to negotiate in good faith with the Acquiror to amend the Plan of Arrangement at any time prior to the Effective Time in accordance with Section 10.1 of this Agreement to include such other terms determined to be necessary or desirable by the Acquiror, acting reasonably, provided that the Plan of Arrangement shall not be amended in any manner which is inconsistent with the provisions of this Agreement, which would reasonably be expected to delay, impair or impede the satisfaction of any condition set forth in Article 6 or which has the effect of reducing the Transaction Consideration or which is otherwise prejudicial to the Shareholders or other parties to be bound by the Plan of Arrangement.

2.8 Company Board Approval

The Company represents and warrants to and in favour of the Acquiror, and acknowledges that the Acquiror is relying upon such representations and warranties in entering into this Agreement, that, as of the date hereof:

(a) the Fairness Advisor has delivered an opinion (orally or in writing) to the Special Committee and the Board to the effect that the consideration to be received under the Arrangement is fair from a financial point of view of the Shareholders (the "**Fairness Opinion**");

(b) the Board, after consultation with its financial advisors and legal counsel and following receipt of a unanimous recommendation of the Special Committee, has unanimously determined that the Arrangement is fair to the Securityholders and is in the best interests of the Company, and accordingly has unanimously approved the entering into of this Agreement and the making of a recommendation that Securityholders vote in favour of the Arrangement Resolution (collectively, the "**Board Approval**"); and

(c) each director and officer has advised the Company that he or she intends to vote all Common Shares, Warrants and Options held by such director and officer in favour of the Arrangement Resolution.

2.9 Payment of Consideration

The Acquiror shall, following receipt of the Final Order and the Regulatory Approvals, and prior to the Effective Time, deliver or cause to be delivered sufficient Acquiror Shares and cash to the Depositary to pay in full the aggregate Transaction Consideration payable to the Shareholders (other than Shareholders exercising Dissent Rights and who have not withdrawn their notice of objection) pursuant to the Plan of Arrangement. If, in connection with the Arrangement, the aggregate number of Acquiror Shares to be issued to a Shareholder would result in a fraction of an Acquiror Share being issuable, the number of Acquiror Shares to be received by such Shareholder shall be rounded down to the nearest whole number.

2.10 Announcement and Shareholder Communications

The Company shall publicly announce the transactions contemplated hereby promptly following the execution of this Agreement, the text and timing of such announcement to be approved in writing by the

Acquiror in advance, acting reasonably. The Acquiror and the Company agree to co-operate in the preparation of presentations, if any, to Securityholders or other securityholders regarding the transactions contemplated by this Agreement and this Arrangement and the Company agrees to consult with the Acquiror in connection with any communications or meeting with Securityholders or other securityholders that it may have, and neither party shall (a) issue any press release or otherwise make public announcements with respect to this Agreement or the Plan of Arrangement without the prior written consent of the other party (which consent shall not be unreasonably withheld or delayed), except as permitted by Article 7, or (b) subject to Sections 8.6 and 8.8, make any filing with any Regulatory Authority with respect thereto without the prior written consent of the other party; provided, however, that the foregoing shall be subject to each party's overriding obligation to make any disclosure or filing required under applicable Law or stock exchange rules, and the party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other party and reasonable opportunity to review or comment on the disclosure or filing, and if such prior notice is not possible, to give such notice immediately following the making of such disclosure or filing.

2.11 Adjustment to Consideration Regarding Distributions

If on or after the date hereof, the Company declares, sets aside or pays any dividend or other distribution to the Shareholders of record as of a time prior to the Effective Time, the Acquiror shall make such adjustments to the Transaction Consideration as it determines acting in good faith to be necessary to restore the original agreement of the parties in the circumstances. For greater certainty, if the Company takes any of the actions referred to above, the aggregate consideration to be paid by the Acquiror shall be decreased by an equivalent amount.

2.12 List of Securityholders

At the reasonable request of the Acquiror from time to time, the Company shall provide the Acquiror with a list (in both written and electronic form) of the registered Shareholders, together with their addresses and respective holdings of Common Shares, with a list of the names together with their addresses and respective holdings of all persons holding securities or other rights to acquire Common Shares (including holders of Options and Warrants) and a list of non-objecting beneficial owners of Common Shares, together with their addresses and respective holdings.

2.13 Closing

The closing of the Arrangement shall take place at the offices of McMillan LLP, Royal Centre, 1055 West Georgia Street, Suite 1500, Vancouver, British Columbia at 10:00 a.m. (Vancouver time) on the Effective Date, or at such other time and place as may be agreed to by the parties.

ARTICLE 3
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

3.1 Representations and Warranties

The Company hereby makes to the Acquiror the representations and warranties set out in Schedule C and acknowledges that the Acquiror is relying upon these representations and warranties in connection with the entering into of this Agreement.

3.2 Investigation

Any investigation by the Acquiror or its Representatives shall not mitigate, diminish or affect the representations and warranties of the Company pursuant to this Agreement.

3.3 Survival of Representations and Warranties

The representations and warranties of the Company contained in this Agreement shall survive the execution and delivery of this Agreement and shall expire and be terminated and extinguished at the Effective Time.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF THE ACQUIROR

4.1 Representations and Warranties

The Acquiror hereby makes to the Company the representations and warranties set out in Schedule D, and acknowledges that the Company is relying upon these representations and warranties in connection with the entering into of this Agreement.

4.2 Investigation

Any investigation by the Company or its Representatives shall not mitigate, diminish or affect the representations and warranties of the Acquiror pursuant to this Agreement.

4.3 Survival of Representations and Warranties

The representations and warranties of the Acquiror contained in this Agreement shall survive the execution and delivery of this Agreement and shall expire and be terminated and extinguished at the Effective Time.

ARTICLE 5
COVENANTS

5.1 Covenants of the Company Regarding the Conduct of Business

The Company agrees that, prior to the Effective Time, unless the Acquiror shall otherwise agree in writing, such agreement not to be unreasonably withheld, delayed or conditioned, or as otherwise expressly contemplated or permitted by this Agreement or as set out in Section 5.1 of the Disclosure Letter, the Company shall, and shall cause each Company Subsidiary to:

(a) conduct its businesses only in, not take any action except in, and maintain its facilities in, the usual, ordinary and regular course of business consistent with past practice and use commercially reasonable efforts to: (i) preserve intact its present business organization, assets (including intellectual property) and goodwill; (ii) maintain its real property interests (including title to, and leasehold interests in respect of, any real property) in good standing; (iii) keep available the services of its officers and employees as a group; and (iv) preserve the current relationships with suppliers, distributors, employees, consultants, customers and others having business relationships with it;

(b) (i) consult with the Acquiror (A) with respect to decisions and expenditures in respect of the exploration, development and maintenance of all of the properties and assets owned and controlled by the Company or the Company Subsidiaries, and (B) prior to making any payments or incurring any expenses that are not Budgeted Capital Expenditures, and (ii) make available to the Acquiror on a weekly basis (at a time designated by the Acquiror, acting reasonably) members of senior management of the Company and each of the Company Subsidiaries designated by the Acquiror to discuss the business, affairs, finances and operations of the Company and each of the Company Subsidiaries;

(c) maintain the Earn-In Agreements in good standing and pay all amounts due and perform all obligations thereunder as required to keep its rights thereunder in good standing;

(d) except for transactions involving only the Company and one or more Company Subsidiaries, the Company shall not, and shall cause each of the Company Subsidiaries not to:

(i) issue, sell, pledge, lease, dispose of, encumber or agree to issue, sell, pledge, lease, dispose of or encumber: (A) any additional shares of, or any options, warrants, calls, conversion privileges or rights of any kind to acquire any shares or other securities of, the Company or any Company Subsidiary (other than the issuance of Common Shares pursuant to the exercise in accordance with their terms of Options or Warrants currently outstanding); or (B) except in the ordinary course of business, any assets of the Company or any Company Subsidiary in excess of $50,000 in the aggregate;

(ii) amend or agree to amend any of the terms of any of the Options or the Warrants, or amend, extend, terminate or otherwise alter (or agree to do any of the foregoing in respect of) any other contractual arrangement of the Company or any Company Subsidiary;

(iii) amend or propose to amend the notice of articles, articles, by-laws or other constating documents of the Company or any Company Subsidiary;

(iv) split, combine or reclassify any outstanding Common Shares, or cause any Company Subsidiary to declare, set aside or pay any dividend or other distribution payable in cash, stock, property or otherwise with respect to the shares of a Company Subsidiary;

(v) redeem, purchase or offer to purchase (or permit any Company Subsidiary to redeem, purchase or offer to purchase) any Common Shares or other securities of the Company or any shares or other securities of any Company Subsidiary;

(vi) reorganize, amalgamate or merge by plan of arrangement or otherwise the Company or any Company Subsidiary with any other person, company, partnership or other business organization whatsoever or incorporate any subsidiaries other than in connection with a Pre-Acquisition Reorganization;

(vii) reduce the stated capital of the Company or of any Company Subsidiary;

(viii) acquire or agree to acquire (by merger, amalgamation, plan of arrangement, acquisition of shares or assets or otherwise) any company, partnership or other business organization or division, or incorporate or form any company, partnership or other business organization or make any investment either by purchase of shares or securities, contributions of capital (other than to a Company Subsidiary), property transfer or purchase of any property or assets of any other person, company, partnership or other business organization which individually or in the aggregate are in excess of $50,000;

(ix) enter into or agree to the terms of any joint venture or similar agreement, arrangement or relationship;

(x) sell, transfer or assign (or permit any Company Subsidiary to sell, transfer or assign) the Earn-In Agreements or any interest in any of the Company Properties;

(xi) incur or commit to incur any indebtedness for borrowed money, capital expenditures other than Budgeted Capital Expenditures, or any other material liability, contractual commitment or obligation or issue any debt securities (for greater certainty, regardless of whether such indebtedness, capital expenditure, liability, commitment, obligation or issuance is contemplated in the Company's existing business plan or any feasibility study but is not set out in the Budgeted Capital Expenditures) involving amounts which, individually or in the aggregate, exceed $50,000;

(xii) enter into any agreement with, or make any payments to, any Related Party of the Company or any Company Subsidiary involving amounts which, individually or in the aggregate, exceed $25,000;

(xiii) endorse, or otherwise as an accommodation become responsible for, the obligations of any other person, company, partnership or other business organization, or make any loans or advances;

(xiv) adopt a plan of liquidation or resolutions providing for the liquidation or dissolution of the Company or a Company Subsidiary other than in connection with a Pre-Acquisition Reorganization;

(xv) take any action or enter into any transaction that would preclude the Acquiror from obtaining the tax "bump", determined under paragraph 88(1)(d) of the Tax Act, in respect of the non-depreciable capital property of the Company upon a wind-up, or amalgamation with, the Company;

(xvi) pay, discharge or satisfy any material claims, liabilities or obligations other than the payment, discharge or satisfaction, in the ordinary course of business consistent with past practice, of

liabilities reflected or reserved against in the Company's financial statements or incurred in the ordinary course of business consistent with past practice;

(xvii) authorize, recommend, propose or agree to any release or relinquishment of any material contractual right or other material right under any licence or permit or material contract (which shall, for greater certainty, include the Earn-In Agreements);

(xviii) abandon or fail to diligently pursue any application for any material licence, permit, order, authorization, consent, approval or registration which is currently pending or contemplated to be sought or required;

(xix) waive, release, grant or transfer any rights of value or modify or change in any material respect any existing licence, lease, permit, material contract (which shall, for greater certainty, include the Earn-In Agreements) or other material document, other than in the ordinary course of business consistent with past practice; or

(xx) in respect of the Company Properties, enter into new commitments of a capital expenditure nature or incur any new contingent liabilities;

(e) not enter into or modify any employment, consulting, severance, change of control or similar agreements or arrangements with, or grant any bonuses, salary or fee increases, severance or termination pay to, any officers or directors or, in the case of employees or consultants who are not officers or directors, take any action other than in the ordinary, regular and usual course of business and consistent with past practice (none of which actions shall be unreasonable or unusual) with respect to the grant of any bonuses, salary or fee increases, severance or termination pay or with respect to any increase of benefits payable in effect on the date hereof and shall not pay or agree to pay any bonuses, salary or fee increases, severance or termination pay to any director, officer, employee or consultant in connection with the transactions contemplated by this Agreement;

(f) not adopt or amend any bonus, profit sharing, incentive, compensation, stock option, pension, retirement, deferred compensation, employment or other employee benefit plan, agreement, trust, fund or arrangement for the benefit or welfare of any employee;

(g) use commercially reasonable efforts to cause its current insurance (or re-insurance) policies not to be cancelled or terminated or any of the coverage thereunder to lapse unless, simultaneously with such cancellation, termination or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the cancelled, terminated or lapsed policies for substantially similar premiums are in full force and effect;

(h) not take any action, which would render, or which reasonably may be expected to render, any representation or warranty made by it in this Agreement untrue in any material respect at any time prior to the Effective Time if then made, and promptly notify the Acquiror first immediately orally and then promptly in writing of the occurrence of any event or condition that has, or is reasonably likely to have, a Material Adverse Effect in respect of the Company in the course of its or any Company Subsidiary's businesses or in the operation of its or any Company Subsidiary's properties and of any material governmental or third party complaints, investigations or hearings (or communications indicating that the same may be contemplated);

(i) not authorize or propose or enter into or modify any contract, agreement, commitment or arrangement to do any of the matters prohibited by the other paragraphs of this Section 5.1;

(j) not enter into or adopt any shareholder rights plan or similar agreement or arrangement;

(k) (i) duly and timely file all Tax Returns required to be filed by it on or after the date hereof and all such Tax Returns shall be true, complete and correct in all material respects, (ii) timely pay all Taxes which are due and payable, (iii) not make or rescind any material express or deemed election relating to Taxes, (iv) not make a request for a Tax ruling or enter into a closing agreement with any taxing authorities, (v) not settle or compromise any claim, action, suit, litigation, proceeding, arbitration,

investigation, audit or controversy relating to Taxes, and (vi) not change in any material respect any of its methods of reporting losses, deductions or accounting for income tax purposes from those employed in the preparation of its Tax Return for the taxation year ending December 31, 2013, except as may be required by applicable Law;

(l) not engage in any business, enterprise or other activity different from that carried on by it at the date of this Agreement that would reasonably be expected to have a Material Adverse Effect on the Company; and

(m) make or cooperate as necessary in the making of all necessary filings and applications under all applicable Law required in connection with the transactions contemplated herein and take all reasonable action necessary to be in compliance with such Laws.

5.2 Covenants of the Acquiror Regarding the Conduct of Business

The Acquiror covenants and agrees that, except as contemplated in this Agreement, until the Effective Time or the day upon which this Agreement is terminated, whichever is earlier:

(a) the Acquiror shall use commercially reasonable efforts to preserve intact its business organizations; and

(b) except for the distribution of securities of the Acquiror under a prospectus or private placement from time to time, the Acquiror shall not, directly or indirectly, do or permit to occur any of the following without the prior consent of the Company, such consent not to be unreasonably withheld or delayed:

(i) amend its articles or by-laws or the terms of its shares in a manner that could have a material adverse effect on the market price or value of the Acquiror Shares to be issued pursuant to the Arrangement;

(ii) split, consolidate or reclassify any of its shares nor undertake any other capital reorganization;

(iii) reduce capital in respect of its shares; or

(iv) take any action that could reasonably be expected to interfere with or be inconsistent with the consummation of the Arrangement or the transactions contemplated in this Agreement.

5.3 Covenants of the Company Relating to the Arrangement

The Company shall and shall cause each Company Subsidiary to use commercially reasonable efforts to perform all obligations required to be performed by the Company or any of the Company Subsidiaries under this Agreement, co-operate with the Acquiror in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective as soon as reasonably practicable, the transactions contemplated by this Agreement and, without limiting the generality of the foregoing, the Company shall and, where appropriate, shall cause each Company Subsidiary to:

(a) use commercially reasonable efforts to obtain as soon as practicable following execution of this Agreement all third party consents, approvals and notices required under any material Contract;

(b) use commercially reasonable efforts to defend all lawsuits or other legal, regulatory or other proceedings against the Company or any Company Subsidiary challenging or affecting this Agreement or the consummation of the transactions contemplated hereby and use commercially reasonable efforts to have lifted or rescinded any injunction or restraining order or other order relating to the Company or any Company Subsidiary which may materially adversely affect the ability of the parties to consummate the Arrangement; and

(c) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement and take all steps set forth in the Interim Order and Final Order applicable to it and comply promptly with all requirements which applicable Law may impose on the Company or any Company Subsidiary with respect to the transactions contemplated by this Agreement.

5.4 Covenants of the Acquiror Relating to the Arrangement

The Acquiror shall use commercially reasonable efforts to perform all obligations required to be performed by the Acquiror under this Agreement, co-operate with the Company in connection therewith, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective as soon as reasonably practicable, the transactions contemplated by this Agreement and, without limiting the generality of the foregoing, the Acquiror shall:

(a) use commercially reasonable efforts to defend all lawsuits or other legal, regulatory or other proceedings against the Acquiror challenging or affecting this Agreement or the consummation of the transactions contemplated hereby and use commercially reasonable efforts to have lifted or rescinded any injunction or restraining order or other order relating to the Acquiror which may materially adversely affect the ability of the parties to consummate the Arrangement;

(b) use commercially reasonable efforts to satisfy all conditions precedent in this Agreement and take all steps set forth in the Interim Order and Final Order applicable to it and comply promptly with all requirements which applicable Law may impose on the Acquiror with respect to the transactions contemplated by this Agreement; and

(c) prepare and file with the applicable Regulatory Authorities, including the NYSE and the TSX, all necessary applications and forms required in order to permit the valid issue and listing of Acquiror Shares on such exchanges issued pursuant to the Arrangement.

5.5 Pre-Acquisition Reorganization

(a) Upon request by the Acquiror, the Company shall, at the expense of the Acquiror: (i) effect such corporate, tax and legal reorganizations of its business, operations and assets or such other transactions as the Acquiror may request (each a "**Pre-Acquisition Reorganization**"); and (ii) co-operate with the Acquiror and its advisors in order to determine the nature of the Pre-Acquisition Reorganizations that might be undertaken and the manner in which they might most effectively be undertaken, provided, however that:

(i) the Company need not effect any Pre-Acquisition Reorganization which, in the opinion of the Company, acting reasonably, would prejudice Shareholders or the Company in any material respect;

(ii) the Acquiror shall indemnify and save harmless the Company and the Company Subsidiaries from and against any and all liabilities, losses, damages, claims, costs, expenses, interest awards, judgments and penalties suffered or incurred by any of them in connection with or as a result of any Pre-Acquisition Reorganization and no director, officer, employee, agent or trustee of the Company or the Company Subsidiaries shall be required to take any action in any capacity other than as a director, officer, employee, agent or trustee, as the case may be;

(iii) any Pre-Acquisition Reorganization shall not become effective unless the Acquiror shall have waived or confirmed in writing the satisfaction of all conditions in its favour in this Agreement and shall have confirmed in writing that it is prepared to promptly, and without condition, proceed to effect the Arrangement;

(iv) any Pre-Acquisition Reorganization shall not unreasonably interfere in material operations of the Company or the Company Subsidiaries prior to the Effective Time;

(v) unless the parties otherwise agree, any Pre-Acquisition Reorganization shall not require any filings with, notifications to or approvals of any Regulatory Authority or third party (other than such Tax rulings, and filing such Tax elections or notifications and pre-filings or pre-clearances with corporations branches or similar Regulatory Authorities, as are necessary or advisable in the circumstances);

(vi) any Pre-Acquisition Reorganization shall not require the Company or the Company Subsidiaries to contravene any applicable Laws, their respective constating documents or any material contract; and

(vii) neither the Company nor the Company Subsidiaries shall be obligated to take any action that could result in any Taxes being imposed on, or any adverse Tax or other consequences to, any securityholder of the Company incrementally greater than the Taxes or other consequences to such party in connection with the Arrangement in the absence of any Pre-Acquisition Reorganization.

(b) The Acquiror shall provide written notice to the Company of any proposed Pre-Acquisition Reorganization at least 10 Business Days prior to the Effective Date (or more, if reasonably required to complete the reorganization before the Expiry Time). Upon receipt of such notice, the Acquiror and the Company shall co-operate and use commercially reasonable efforts to prepare prior to the Effective Time all documentation necessary and do all such other acts and things as are necessary to give effect to such Pre-Acquisition Reorganization, prior to the Effective Time. The Acquiror agrees to waive any breach of a representation, warranty or covenant of this Agreement by the Company where such breach is a result of an action taken by the Company in good faith pursuant to a request by the Acquiror in accordance with this Section 5.5.

(c) If, at the request of the Acquiror, the Company effects any Pre-Acquisition Reorganization before the Effective Date and the Arrangement is not completed, the Acquiror shall forthwith reimburse the Company for all reasonable fees and expenses (including any professional fees and expenses) incurred by the Company and the Company Subsidiaries in consideration of a Pre-Acquisition Reorganization and shall be responsible for any reasonable direct costs, fees, expenses, damages or other amounts that are or may become payable by the Company and the Company Subsidiaries in connection with or as a result of reversing or unwinding any Pre-Acquisition Reorganization that was effected or undertaken prior to termination of this Agreement at the Acquiror's request.

5.6 Options

Subject to applicable Law, the Company and the Board shall accelerate the time at which the Options may first be exercised, make any required amendments to the Option Plans or the Options outstanding thereunder and take any further action necessary to ensure that all Options may be exercised immediately prior to the Effective Time and that any unexercised Option shall terminate and be cancelled at the Effective Time in accordance with the Plan of Arrangement.

5.7 Warrants

Any unexercised Warrant shall terminate and be cancelled at the Effective Time in accordance with the Plan of Arrangement.

5.8 Financing

After the later of December 15, 2014 and the grant by the Court of the Final Order, the Company may provide written notice to the Acquiror that it requires financing in an amount of up to $10.0 million to fund the Company's operations. Such notice shall include a current statement of the financial condition of the Company (including currently held cash and cash equivalents) and a breakdown of expected use of funds. The Acquiror shall, within three Business Days of receipt of such notice, deliver to the Company a written proposal regarding arranging such financing (or advise the Company that it does not intend to offer to arrange any financing). If the Acquiror elects to make a financing proposal the parties shall in good faith negotiate the terms and conditions of such financing. If the parties are unable to agree to terms and conditions of a financing within three Business Days or if the Acquiror does not offer to arrange a financing, then the Company may, during the following five Business Days, make a written financing proposal to the Acquiror, which the Acquiror will have three Business Days to accept. If the Acquiror does not accept such proposal, the Company shall be permitted to offer such terms to a third party within the following 30 days and to complete such financing on terms no less favourable to

such third party than those offered to the Acquiror, for a period of up to 45 days from the date it first made such offer to a third party.

ARTICLE 6
CONDITIONS

6.1 Mutual Conditions Precedent

The obligations of the parties to complete the Arrangement are subject to the fulfillment of each of the following conditions precedent on or before the Effective Date, each of which may only be waived in whole or in part with the mutual consent of the parties:

(a) the Arrangement Resolution shall have been approved and adopted by the Securityholders at the Meeting in accordance with the Interim Order;

(b) the Interim Order and the Final Order shall each have been obtained on terms consistent with this Agreement and shall not have been set aside or modified in a manner unacceptable to the Company or the Acquiror, acting reasonably, on appeal or otherwise;

(c) no Regulatory Authority shall have enacted, issued, promulgated, enforced or entered any Law which is then in effect and has the effect of making the Arrangement illegal or otherwise preventing or prohibiting consummation of the Arrangement;

(d) the Regulatory Approvals shall have been obtained on terms satisfactory to the Acquiror and there shall be no appeal, stop-order, stay or revocation or proceeding seeking an appeal, stop-order, stay or revocation of the Regulatory Approvals;

(e) the issuance of Acquiror Shares issuable pursuant to the Arrangement shall be exempt from registration requirements under the U.S. Securities Act pursuant to section 3(a)(10) thereof and the registration and qualification requirements of all applicable state securities laws; and

(f) this Agreement shall not have been terminated in accordance with its terms.

6.2 Conditions Precedent to the Obligations of the Acquiror

The obligation of the Acquiror to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent on or before the Effective Date:

(a) the representations and warranties made by the Company in this Agreement that are qualified by Material Adverse Effect shall be true and correct in all respects and the representations and warranties that are made by the Company in this Agreement that are not so qualified shall be true and correct in all material respects, in each case as of the Effective Date as if made on and as of such date (except to the extent that any such representation or warranty speaks as of an earlier date or except as affected by transactions contemplated or permitted by this Agreement), except where any failures or breaches of representations and warranties would not, either individually or in the aggregate, have a Material Adverse Effect on the Company or prevent, or materially delay the consummation of the Arrangement and the Company shall have provided to the Acquiror a certificate of two senior officers of the Company certifying such accuracy on the Effective Date;

(b) subject to Section 6.4, the Company shall have complied in all material respects with its covenants herein and provided to the Acquiror a certificate of two senior officers of the Company certifying that it has so complied with its covenants herein;

(c) from June 30, 2014 and up to and including the Effective Date, there shall have been no change, effect, event, circumstance, fact or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on the Company and the Company shall have provided to the Acquiror a certificate of two senior officers of the Company to such effect;

(d) Shareholders holding no more than 5% of the outstanding Common Shares shall have validly exercised their Dissent Rights (and not withdrawn such exercise) and the Acquiror shall have received a

certificate dated the day immediately preceding the Effective Date of two officers of the Company to such effect;

(e) the Support Agreements shall not have been terminated;

(f) each of the individuals entitled to a severance payment and identified in Section 16(a) of the Disclosure Letter shall have executed and delivered, in favour of the Company, a release, in form and substance satisfactory to the Acquiror;

(g) the Board shall (i) have adopted all necessary resolutions, and all other necessary corporate action shall have been taken by the Company, to permit the consummation of the Arrangement, and (ii) the Board shall not have withdrawn any recommendation made by it that Securityholders vote in favour of the Arrangement Resolution or changed any such recommendation in a manner that has substantially the same effect or issued a recommendation that Securityholders not vote in favour of the Arrangement Resolution;

(h) there shall not be threatened in writing or pending any suit, action or proceeding by any Regulatory Authority challenging this Agreement or the transactions contemplated hereby, that would reasonably be expected to result in a judgment, order or decree delaying, restraining or prohibiting the Arrangement (or the Acquiror's direct or indirect ownership of the Company on or following the Effective Date) or compelling the Acquiror to dispose of or hold separate any material portion of the business or assets of the Company (or any equity interest in the Company);

(i) there shall not be threatened in writing or pending any suit, action or proceeding by any person, including any Regulatory Authority, challenging the validity of the Earn-In Agreements or the Company's (or a Company Subsidiary's, as the case may be) rights thereunder;

(j) as of the Effective Date, the Company shall have on a consolidated basis obligations or liabilities, including obligations and liabilities due or to become due for transaction expenses and severance costs, of not more than $9,000,000, all as reflected in a final statement delivered to the Acquiror by the Company two Business Days before the Effective Date setting forth the calculation of such amounts estimated as of the Effective Date;

(k) the Acquiror shall not have become aware of any Misrepresentation (after giving effect to all subsequent filings in relation to all matters covered in earlier filings) in any document filed or released by or on behalf of the Company with any securities regulatory authority in Canada or elsewhere, including any annual report, financial statements, material change report, press release or management information circular, that the Acquiror shall have determined, acting reasonably, constitutes a Material Adverse Effect in respect of the Company;

(l) the Mexican Regulatory Approval has been obtained and is in force and has not been modified; and

(m) the Cayden Mexico Share Transfer Agreement shall not have been terminated.

The foregoing conditions are for the exclusive benefit of the Acquiror and may be waived, in whole or in part, by the Acquiror in writing at any time. The Acquiror may not rely on the failure to satisfy any of the conditions in this Section 6.2 if the condition was not satisfied solely as a result of a material default by the Acquiror in complying with its obligations under this Agreement.

6.3 Conditions Precedent to the Obligations of the Company

The obligation of the Company to complete the Arrangement is subject to the fulfillment of each of the following conditions precedent on or before the Effective Date:

(a) the representations and warranties made by the Acquiror in this Agreement that are qualified by Material Adverse Effect shall be true and correct in all respects and the representations and warranties that are made by the Acquiror in this Agreement that are not so qualified shall be true and correct in all material respects, in each case as of the Effective Date as if made on and as of such date (except to the extent that any such representation or warranty speaks as of an earlier date or except as affected by transactions contemplated or permitted by this Agreement), except where any failures or breaches of

representations and warranties would not, either individually or in the aggregate, have a Material Adverse Effect on the Acquiror or prevent, or materially delay the consummation of the Arrangement and the Acquiror shall have provided to the Company a certificate of two senior officers of the Acquiror certifying such accuracy on the Effective Date;

(b) subject to Section 6.4, the Acquiror shall have complied in all material respects with its covenants herein, except those in Section 2.9, in which case it shall have complied in all respects, and the Acquiror shall have provided to the Company a certificate of two senior officers of the Acquiror certifying that the Acquiror has so complied with its covenants herein; and

(c) from the date hereof and up to and including the Effective Date, there shall have been no change, effect, event, circumstance, fact or occurrence that, individually or in the aggregate, has had or would reasonably be expected to have a Material Adverse Effect on the Acquiror and the Acquiror shall have provided to the Company a certificate of two senior officers of the Acquiror to such effect.

The foregoing conditions precedent are for the exclusive benefit of the Company and may be waived, in whole or in part, by the Company in writing at any time. The Company may not rely on the failure to satisfy any of the conditions in this Section 6.3 if the condition was not satisfied solely as a result of a material default by the Company in complying with its obligations under this Agreement.

6.4 Notice and Cure Provisions

Each party shall give prompt notice to the other party of the occurrence, or failure to occur, at any time from the date hereof until the Effective Date, of any event or state of facts which occurrence of failure would, or would reasonably be likely to:

(a) cause any of the representations or warranties of either party contained herein to be untrue or inaccurate in any material respect on the date hereof or at the Effective Date;

(b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by either party prior to or at the Effective Date; or

(c) result in the failure to satisfy any of the conditions precedent in its favour contained in Sections 6.1, 6.2 or 6.3, as the case may be.

Except as herein provided, a party may elect not to complete the transactions contemplated hereby pursuant to the conditions contained in Sections 6.1, 6.2 and 6.3 or exercise any termination right arising therefrom; provided, however, that (i) promptly, and in any event prior to the Effective Time, the party intending to rely thereon has delivered a written notice to the other party specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the party delivering such notice is asserting as the basis for the non-fulfillment of the applicable condition precedent or termination right, as the case may be, and (ii) if any such notice is delivered, and a party is proceeding diligently to cure such matter, if such matter is susceptible to being cured, the other party may not terminate this Agreement (except pursuant to Section 9.2(c)) unless the default or breach shall not have been cured at the earlier of the Effective Date and the expiration of a period of 15 days from the date of such notice.

6.5 Satisfaction of Conditions

The conditions precedent set out in Sections 6.1, 6.2 or 6.3 shall be conclusively deemed to have been satisfied, waived or released at the Effective Time.

ARTICLE 7
COVENANTS RELATING TO ACQUISITION PROPOSALS

7.1 Non-Solicitation

(a) Except as otherwise provided in this Agreement, the Company and any Company Subsidiary shall not, directly or indirectly through any Representative of the Company:

(i) solicit, assist, initiate, encourage or facilitate (including by way of discussion, negotiation, furnishing information, permitting any visit to any facilities or properties of the Company or any Company Subsidiary or entering into any form of written or oral agreement, arrangement or understanding) any inquiries, proposals or offers regarding, or that may reasonably be expected to lead to, any Acquisition Proposal;

(ii) engage or participate in any discussions or negotiations regarding, or provide any information with respect to or otherwise cooperate in any way with any person (other than the Acquiror and its Representatives) regarding, any Acquisition Proposal or potential Acquisition Proposal;

(iii) withdraw, modify or qualify, or propose publicly to withdraw, modify or qualify, in any manner adverse to the Acquiror, the approval or recommendation of this Agreement or the Arrangement by the Board or any of its committees;

(iv) approve or recommend, or remain neutral with respect to, or propose publicly to approve or recommend, any Acquisition Proposal, provided that remaining neutral with respect to an Acquisition Proposal and/or failing to reaffirm its recommendation of this Agreement and the Offer until the earlier of (i) five calendar days following the public announcement of such Acquisition Proposal, and (ii) three Business Days prior to the Meeting, shall not constitute a breach of this Section 7.1(a)(iv);

(v) accept or enter into, or publicly propose to accept or enter into, any letter of intent, agreement in principle, agreement, arrangement or undertaking related to any Acquisition Proposal; or

(vi) release any person from or waive or otherwise forebear in the enforcement of any confidentiality or standstill agreement or any other agreement with such person that would facilitate the making or implementation of any Acquisition Proposal (it being acknowledged and agreed that the automatic termination or automatic release of any standstill provisions of any such agreement described in Section 7.1(a)(vi) of the Disclosure Letter as the result of the entering into or announcement of this Agreement pursuant to the terms of any such agreement shall not be a breach of this Section 7.1(a)(vi)).

(b) The Company shall immediately cease and cause to be terminated any existing solicitation, discussion, negotiation, encouragement or activity with any person (other than the Acquiror or any of its Representatives) by the Company or any of its Representatives with respect to any Acquisition Proposal or any potential Acquisition Proposal. The Company shall immediately cease to provide any person (other than the Acquiror or any of its Representatives) with access to information concerning the Company or any Company Subsidiary in respect of any Acquisition Proposal or any potential Acquisition Proposal, and shall request the return or destruction of all confidential information provided to any person (other than the Acquiror or any of its Representatives) that has entered into a confidentiality agreement with the Company relating to any Acquisition Proposal or potential Acquisition Proposal to the extent provided for in such confidentiality agreement and shall use all commercially reasonable efforts to ensure that such requests are honoured.

(c) The Company shall ensure that its Representatives are aware of the prohibitions in this Section 7.1 and the Company shall be responsible for any breach of this Section 7.1 by its Representatives.

7.2 Notification of Acquisition Proposals

The Company shall promptly (and in any event within 24 hours) notify the Acquiror, at first orally and then in writing, of any proposal, inquiry, offer or request received by the Company or its Representatives: (i) relating to an Acquisition Proposal or potential Acquisition Proposal or inquiry that could reasonably lead or be

expected to lead to an Acquisition Proposal; (ii) for discussions or negotiations in respect of an Acquisition Proposal or potential Acquisition Proposal; (iii) for non-public information relating to the Company or any Company Subsidiary, access to properties, books, records or a list of Shareholders, Securityholders or a list of shareholders of any Company Subsidiary; (iv) for representation on the Board; or (v) for any material amendments to the foregoing. Such notice shall include the identity of the person making such proposal, inquiry, offer or request, a description of the terms and conditions of such proposal, inquiry, offer or request, copies of all written communications in respect of such proposal, inquiry, offer, or request, including any term sheet, summary or letter of intent or similar document (including drafts thereof) relating to such Acquisition Proposal or potential Acquisition Proposal and such other details of the proposal, inquiry, offer or request that the Acquiror may reasonably request. The Company shall keep the Acquiror promptly and fully informed of the status, including any change to the material terms, of such proposal, inquiry, offer or request and shall respond promptly to all inquiries by the Acquiror with respect thereto.

7.3 Responding to Acquisition Proposals and Superior Proposals

(a) Notwithstanding Section 7.1(a) or any other provision of this Agreement, if at any time following the date of this Agreement and prior to the Meeting the Company receives a *bona fide* written Acquisition Proposal (that was not solicited, assisted, initiated, encouraged or facilitated in contravention of Section 3 of the Letter of Intent or, after the date hereof, in contravention of Section 7.1(a)), the Company and its Representatives may:

(i) contact the person making such Acquisition Proposal and its Representatives solely for the purpose of clarifying the terms and conditions of such Acquisition Proposal and the likelihood of its consummation so as to determine whether such Acquisition Proposal is, or is reasonably likely to lead to, a Superior Proposal; and

(ii) if the Board determines, after consultation with its legal counsel and financial advisors, that such Acquisition Proposal is, or is reasonably likely to lead to, a Superior Proposal and that the failure to take the relevant action would be inconsistent with its fiduciary duties:

(A) furnish information with respect to the Company and the Company Subsidiaries to the person making such Acquisition Proposal and its Representatives only if such person has entered into a confidentiality and standstill agreement that contains provisions that are not less favourable to the Company than those contained in the Confidentiality Agreement (except that it shall permit the disclosure to the Acquiror required by this Section 7.3(a)(ii)(A)), provided that the Company sends a copy of such confidentiality and standstill agreement to the Acquiror promptly following its execution and the Acquiror is promptly provided with a list of, and access to (to the extent not previously provided to the Acquiror), the information provided to such person; and

(B) engage in discussions and negotiations with the person making such Acquisition Proposal and its Representatives, provided that all such discussions and negotiations shall cease during the Match Period.

(b) Notwithstanding Section 7.1(a) or any other provision of this Agreement, the Company may at any time prior to the Meeting (x) enter into an agreement (other than a confidentiality and standstill agreement contemplated by Section 7.3(a)(ii)(A)) with respect to an Acquisition Proposal that is a Superior Proposal and/or (y) withdraw, modify or qualify its approval or recommendation of the Arrangement and recommend or approve an Acquisition Proposal that is a Superior Proposal, provided:

(i) the Company shall have complied with its obligations under this Article 7;

(ii) the Board has determined, after consultation with its legal counsel and financial advisors, that such Acquisition Proposal is a Superior Proposal and that the failure to take the relevant action would be inconsistent with its fiduciary duties;

(iii) the Company has delivered written notice to the Acquiror (A) of the determination of the Board that the Acquisition Proposal is a Superior Proposal, (B) of the intention of the Board to approve or recommend such Superior Proposal and/or of the Company to enter into an agreement with

respect to such Superior Proposal, together with a copy of such agreement executed by the person making such Superior Proposal that is capable of acceptance by the Company, and (C) providing a summary of the valuation analysis attributed by the Board in good faith to any non-cash consideration included in such Acquisition Proposal after consultation with its financial advisors (the "**Superior Proposal Notice**");

(iv) at least five Business Days have elapsed since the date the Superior Proposal Notice was received by the Acquiror, which five Business Day period is referred to as the "**Match Period**" (for greater certainty, the Match Period shall expire at 5:00 p.m. (Toronto time) on the fifth Business Day following day that the Superior Proposal Notice was delivered to the Acquiror);

(v) if the Acquiror has offered to amend the terms of the Arrangement and this Agreement during the Match Period pursuant to Section 7.3(c), such Acquisition Proposal continues to be a Superior Proposal compared to the amendment to the terms of the Arrangement and this Agreement offered by the Acquiror at the termination of the Match Period; and

(vi) the Company terminates this Agreement pursuant to Section 9.2(h) and the Company has previously paid or, concurrently with termination pays, the Termination Payment to the Acquiror.

(c) During the Match Period, the Acquiror shall have the opportunity, but not the obligation, to offer to amend the terms of the Arrangement and this Agreement and the Company shall cooperate with the Acquiror with respect thereto, including negotiating in good faith with the Acquiror to enable the Acquiror to make such amendments to the Arrangement and this Agreement as the Acquiror deems appropriate as would enable the Acquiror to proceed with the Arrangement on such adjusted provisions. The Board shall review any such offer by the Acquiror to amend the terms of the Arrangement and this Agreement in order to determine, in the good faith exercise of its fiduciary duties, whether the Acquiror's offer to amend the Arrangement and this Agreement, upon its acceptance, would result in the Acquisition Proposal ceasing to be a Superior Proposal compared to the amendment to the terms of the Arrangement and this Agreement offered by the Acquiror. If the Board determines that the Acquisition Proposal would cease to be a Superior Proposal, the Acquiror shall amend the Arrangement and the Company and the Acquiror shall enter into an amendment to this Agreement reflecting the offer by the Acquiror to amend the terms of the Arrangement and this Agreement.

(d) The Board shall promptly reaffirm its recommendation of the Arrangement by press release after: (i) any Acquisition Proposal (which is determined not to be a Superior Proposal) is publicly announced or made; (ii) the Board determines that a proposed amendment to the terms of the Arrangement and this Agreement would result in the Acquisition Proposal not being a Superior Proposal, and the Acquiror has so amended the terms of the Arrangement; or (iii) the written request of the Acquiror. The Acquiror shall be given a reasonable opportunity to review and comment on the form and content of any such press release and the Company shall consider in good faith any comments made by the Acquiror.

(e) Nothing in this Agreement shall prevent the Board from: (i) responding through a directors' circular or otherwise as required by applicable Law to an Acquisition Proposal that it determines is not a Superior Proposal; (ii) complying with any requirement to hold a meeting of shareholders of the Company requisitioned under the BCBCA; or (iii) taking all actions as may be mandated by a court or Regulatory Authority having jurisdiction. The Acquiror shall be given a reasonable opportunity to review and comment on the form and content of any such response prior to its printing, publication or announcement and the Company shall in good faith consider incorporating therein all reasonable comments made by the Acquiror.

(f) Each successive material modification of any Acquisition Proposal shall constitute a new Acquisition Proposal for purposes of Section 7.3(b).

ARTICLE 8
OTHER COVENANTS

8.1 Further Assurances

Subject to the terms and conditions of this Agreement, each party agrees to use reasonable best efforts to take, or cause to be taken, all action and to do, or cause to be done, all things necessary, proper or advisable

(a) to satisfy (or cause the satisfaction of) the conditions set out in Article 6 to the extent the same is within its control and to consummate and make effective as promptly as is practicable the transactions contemplated herein, and (b) for the discharge by each party of its respective obligations under this Agreement and the Arrangement, including its obligations under applicable Law, in each case including the execution and delivery of such documents as the other party hereto may reasonably require. Each of the parties, where appropriate, shall reasonably cooperate with the other party in taking such actions.

8.2 Access

Upon reasonable notice and subject to the Confidentiality Agreement, the Company agrees to continue to provide the Acquiror and its Representatives with reasonable and immediate access (without disruption to the conduct of the Company's business) to all books, records, information and files in its possession and control and access to its personnel on an as reasonably requested basis as well as reasonable and immediate access to the properties of the Company and the Company Subsidiaries in order to allow the Acquiror to continue to conduct such investigations as the Acquiror may consider necessary or advisable, and further agrees to assist the Acquiror in all reasonable ways in any investigations which the Acquiror may wish to conduct. Any investigation by a party or its Representatives shall not mitigate, diminish or affect the representations and warranties of the other party contained in this Agreement or any document or certificate given pursuant hereto.

8.3 Shareholder Claims

The Company shall notify the Acquiror of any claim brought by any present, former or purported holder of any securities of the Company in connection with the transactions contemplated by this Agreement prior to the Effective Time and the Company shall not settle or compromise any such claim without prior written consent of the Acquiror which shall not be unreasonably withheld.

8.4 Public Statements

The Company and the Acquiror shall issue a joint press release with respect to this Agreement and the Arrangement as soon as practicable, in a form acceptable to each party. Each party shall consult with the other party prior to issuing any other press releases or otherwise making public statements or public filings with respect to the Arrangement or this Agreement and shall provide the other party with a reasonable period of time to review and comment on all such press releases, statements or filings prior to the release thereof.

8.5 Directors' and Officers' Insurance and Indemnification

(a) From and after the Effective Time, the Company (or its successor) shall maintain, and the Acquiror shall cause the Company (or its successor) to maintain, for the period from the Effective Time until six years thereafter on a "trailing" or "run-off" basis, a directors' and officers' insurance policy for all present and former directors and officers of the Company and the Company Subsidiaries, covering claims in respect of acts or omissions in their capacity as directors or officers of the Company occurring prior to the Effective Time made prior to or within six years after the Effective Time, on terms and conditions comparable to those applicable to the current directors and officers of the Company and the Company Subsidiaries, provided that in no event shall the Company be required to expend more than an amount per year equal to 300% of the current annual premiums paid by the Company for such insurance.

(b) From and after the Effective Time, the Company shall ensure that articles, by-laws and/or other constating documents of the Company and the Company Subsidiaries (or their successors) shall contain the provisions with respect to indemnification set forth in the Company's or the applicable Company Subsidiary's current articles and/or by-laws, which provisions shall not, except to the extent required by applicable Law, be amended, repealed or otherwise modified for a period of six years from the Effective Time in any manner that would adversely affect the rights thereunder of individuals who, immediately prior to the Effective Time, were directors or officers of the Company or any Company Subsidiary, and the Acquiror and the Company shall ensure that the obligations of the Company or any Company Subsidiary under any indemnification agreements listed in Section 8.5(b) of the Disclosure Letter between the Company or any Company Subsidiary and its

directors and officers continue in place or are assumed by, if applicable, any successor to the Company or any Company Subsidiary.

(c) The Acquiror shall ensure that all amounts payable under all employment and other agreements in respect of or upon a change of control of the Company set out in Section 16(a) of the Disclosure Letter are paid in accordance with the provisions of such agreements.

(d) This Section 8.5 shall survive the termination of this Agreement if such termination occurs following the Effective Time.

8.6 Regulatory Filings and Approvals

(a) As soon as reasonably practicable after the date hereof, each party shall make all necessary filings, applications and submissions with Regulatory Authorities under all applicable Law in respect of the transactions contemplated herein.

(b) Each party shall use its reasonable best efforts to obtain all Regulatory Approvals.

8.7 Co-operation Regarding Regulatory Filings and Approvals

(a) Subject to applicable Law, each party shall provide the other party (or its legal counsel in respect of competitively-sensitive, privileged or confidential matters) with reasonable opportunity to review and comment on all filings, applications and submissions with Regulatory Authorities to be made by it and the other party shall use its commercially reasonable efforts to cooperate with and assist such party in the preparation and making of all such filings, applications and submissions and the obtaining of all Regulatory Approvals required to be obtained by such party (including participating and appearing in any proceedings before Regulatory Authorities).

(b) Each party shall promptly notify the other party of any material communication to such party from any Regulatory Authority in respect of the transactions contemplated herein (and provide a copy thereof if such communication is in writing) and, subject to applicable Law, provide the other party (or its legal counsel in respect of competitively-sensitive, privileged or confidential matters) with reasonable opportunity to review and comment on any proposed written material communication to any such Regulatory Authority. Each party shall consult with the other party (or its legal counsel in respect of competitively-sensitive, privileged or confidential matters) prior to participating in any substantive meeting or discussion with any Regulatory Authority in respect of the transactions contemplated herein and give the other party (or its legal counsel in respect of competitively-sensitive, privileged or confidential matters) the opportunity to attend and participate thereat.

8.8 Mexican Regulatory Approval

(a) The Acquiror and the Company shall cooperate to obtain Mexican Regulatory Approval as soon as possible.

(b) The Acquiror shall file an application for Mexican Regulatory Approval as soon as practicable after the date of this Agreement. The Company shall provide the Acquiror with all information and other assistance required to prepare and file this application.

(c) The Acquiror and the Company shall use commercially reasonable efforts to obtain Mexican Regulatory Approval as soon as practicable. If Cofece asserts objections to the transactions contemplated herein, the Acquiror and the Company shall work diligently in good faith to resolve such objections so as to permit the consummation of the transactions contemplated herein as soon as practicable.

(d) The Acquiror shall pay all government fees in connection with the filings, applications and submissions referred to in this Section 8.8 (including any fees under the Federal Economic Competition Law (Mexico) (*Ley Federal de Competencia Económica*)).

(e) In connection with the foregoing, each party: (i) shall provide such additional information and make or cause to be made such additional filings or submissions reasonably required by Cofece to obtain Mexican Regulatory Approval; (ii) subject to applicable Law, shall permit the other party to review in advance and

provide comments on any drafts of any proposed filing, application, submission or other written communication to Cofece and provide the other parties with a copy of any such filing, application, submission or written communication, or written summary of any oral communication to Cofece; and (iii) shall promptly notify the other parties of any written or oral communication received from Cofece and, subject to applicable Law, provide the other parties with a copy of any written communication or written summary of oral communication.

(f) The parties understand and agree that the Acquiror and their legal counsel shall have the right to generally direct and control the overall strategy, methods and terms in connection with responding to any review of, or any litigation by, or negotiations with, Cofece relating to the transactions contemplated hereby but shall consult with the Company. The Acquiror shall lead in all meetings, discussions and communications with Cofece relating to obtaining Mexican Regulatory Approval (unless the communications are in response to a request by Cofece directed to the Company, in which case the Company or their legal counsel may respond to such request after consulting, to the extent permitted by applicable Law, with the Acquiror or their legal counsel first). Unless otherwise required by applicable Law, the Company shall not participate in any substantive meeting or discussion with Cofece concerning the transactions contemplated hereby unless it consults with the other parties in advance and, to the extent permitted by Cofece, allows a representative of the other party the opportunity to participate. No party shall enter into any discussions with Cofece regarding a proposed remedy that would change the terms of the transactions contemplated hereby without the express written consent and participation in those discussions of the other party.

8.9 Alternative Transaction

(a) In the event that the Acquiror concludes that it is necessary or desirable to proceed with another form of transaction (such as a take-over bid or amalgamation) whereby the Acquiror or its Affiliates would effectively acquire all of the Common Shares or the assets of the Company within approximately the same time periods and on economic terms and other terms and conditions (including tax treatment) and having consequences to the Company and its Shareholders that are equivalent to or better than those contemplated by this Agreement (an "**Alternative Transaction**"), the Company agrees to support the completion of such Alternative Transaction in the same manner as the Arrangement and shall otherwise fulfill its covenants contained in this Agreement in respect of such Alternative Transaction.

(b) In the event of any proposed Alternative Transaction, any reference in this Agreement to the Arrangement shall refer to the Alternative Transaction to the extent applicable, all terms, covenants, representations and warranties of this Agreement shall be and shall be deemed to have been made in the context of the Alternative Transaction and all references to time periods regarding the Arrangement, including the Effective Time, herein shall refer to the date of closing of the transactions contemplated by the Alternative Transaction (as such date may be extended from time to time).

8.10 Tax Election

The Acquiror agrees to execute and jointly file with each Shareholder who so requests an election pursuant to section 85 of the Tax Act (and the corresponding provisions of applicable provincial income tax legislation) ("**Canadian Income Tax Legislation**") in which election such Shareholder shall be entitled to elect the amount which shall be such Shareholder's proceeds of disposition and the Acquiror's cost of the Common Shares sold to the Acquiror for purposes of the Canadian Income Tax Legislation, provided such amount is within the limits prescribed by the Canadian Income Tax Legislation and provided that such Shareholder shall be responsible for preparing the appropriate tax election form and providing the Acquiror with a letter representing to the Acquiror that such Shareholder either is (i) a resident of Canada for purposes of the Canadian Income Tax Legislation and is not exempt from tax under section 149 of the Tax Act, or (ii) a partnership if one or more of the members of such partnership satisfy the criteria specified in clause (i) above. The Acquiror shall execute any completed election form received and return such form by mail to the Shareholder within 45 days of receipt thereof; provided that the Acquiror shall not be obligated to execute any election form received after 45 days from the Effective Date. Such Shareholder shall be solely responsible for filing the form with the appropriate tax authorities and shall contemporaneously provide a copy of such form to the Acquiror and the Shareholder shall be solely responsible for any interest or penalties arising in respect of any late filed election made pursuant to this paragraph unless the Acquiror has not complied with all of the terms of this Section 8.10.

8.11 Title Opinion

Prior to the Effective Date, the Company shall deliver to the Acquiror a title opinion of the Company's Mexican legal counsel addressed to the Acquiror covering each of the Company Properties, which title opinion shall be (i) substantially in the form of the opinion referred to in Section 34 of Schedule C, and (ii) based on research conducted by the Company's Mexican legal counsel within the two weeks prior to the Effective Date.

ARTICLE 9
TERM, TERMINATION, AMENDMENT AND WAIVER

9.1 Term

This Agreement shall be effective from the date hereof until the earlier of the Effective Date and the termination of this Agreement in accordance with its terms (except to the extent any terms are specifically noted herein as surviving the termination of this Agreement).

9.2 Termination

This Agreement may be terminated at any time prior to the Effective Date:

(a) by mutual written agreement of the Acquiror and the Company;

(b) by the Acquiror, if the Securityholders do not approve the Arrangement Resolution at the Meeting in the manner required by the Interim Order;

(c) by the Acquiror or the Company, if the Effective Date has not occurred on or prior to the Outside Date, other than as a result of the breach by such party of any covenant or obligation under this Agreement or as a result of any representation or warranty of such party in this Agreement being untrue or incorrect; provided, however, that if the Effective Date is delayed by (i) an injunction or order made by a Regulatory Authority of competent jurisdiction, or (ii) the Acquiror not having obtained the Mexican Regulatory Approval or any regulatory waiver, consent or approval which is necessary to permit the Effective Date to occur, then, provided that such injunction or order is being contested or appealed in good faith or such regulatory waiver, consent or approval is being actively sought in good faith, as applicable, this Agreement shall not be terminated by the Company pursuant to this Section 9.2 until the fifth Business Day following the earlier of the date on which such injunction or order ceases to be in effect or such waiver, consent or approval is obtained, as applicable, and June 8, 2015;

(d) by either the Company or the Acquiror, if any Regulatory Authority shall have enacted any law or issued an order, decree or ruling permanently restraining or enjoining or otherwise prohibiting any of the transactions contemplated herein (unless such law, order, decree or ruling has been withdrawn, reversed or otherwise made inapplicable) which order, decree or ruling is final and non-appealable;

(e) by either the Company or the Acquiror, subject to Section 6.4, if:

  (i) any representation or warranty of the other party under this Agreement is untrue or incorrect or shall have become untrue or incorrect such that the condition contained in Section 6.2(a) or 6.3(a), as applicable, would be incapable of satisfaction; or

  (ii) the other party is in default of a material covenant or obligation hereunder such that the condition contained in Section 6.2(b) or 6.3(b), as applicable, would be incapable of satisfaction;

(f) by the Acquiror, if:

  (i) the Board or the Special Committee withdraws, modifies, changes or qualifies its approval or recommendation of this Agreement or the Arrangement Resolution in any manner adverse to the Acquiror;

(ii) the Board fails to reaffirm its recommendation of the Arrangement within three Business Days of any written request to do so by the Acquiror;

(iii) the Board or the Special Committee recommends or approves an Acquisition Proposal;

(iv) the Board or Special Committee has resolved to do either (i) or (iii) above; or

(v) the Company is in material default of any covenant or obligation under Article 7;

(g) by the Acquiror, if the Meeting has not been held by October 27, 2014;

(h) by the Company, if the Company proposes to enter into a definitive agreement with respect to a Superior Proposal in compliance with the provisions of Section 7.3, provided the Company has paid to the Acquiror the applicable Termination Payment in compliance with Section 9.3 and provided the Company is not in breach of any of its covenants or obligations under this Agreement; or

(i) by the Acquiror or the Company, if the Acquiror elects not to match a Superior Proposal in accordance with the terms of Section 7.3(b), provided the Company has paid to the Acquiror the applicable Termination Payment in compliance with Section 9.3.

9.3 Termination Payment

(a) The Acquiror shall be entitled to a payment of $5.7 million (the "**Termination Payment**") upon the occurrence of any of the following events (each a "**Termination Payment Event**") which shall be paid by the Company within the time specified in respect of such Termination Payment Event:

(i) this Agreement is terminated by the Acquiror pursuant to Section 9.2(f), in which case the Termination Payment shall be paid to the Acquiror by 1:00 p.m. (Toronto time) on the first Business Day following termination;

(ii) this Agreement is terminated pursuant to Section 9.2(e)(ii), in which case the Termination Payment shall be paid to the Acquiror by 1:00 p.m. (Toronto time) on the first Business Day following termination;

(iii) this Agreement is terminated by the Acquiror pursuant to either Section 9.2(h) or Section 9.2(i), in which case the Termination Payment shall be paid to the Acquiror prior to or concurrently with such termination; and

(iv) this Agreement is terminated pursuant to Section 9.2(b), Section 9.2(c) or Section 9.2(g) if on or after the date hereof and prior to the Meeting, an Acquisition Proposal is publicly announced by any person (other than the Acquiror or any of its Affiliates) and not publicly withdrawn or abandoned more than five Business Days prior to the Meeting, and within 12 months following the termination of this Agreement any Acquisition Proposal is consummated or a binding agreement in entered into by the Company with respect thereto, in which case the Termination Payment shall be paid on the date such Acquisition Proposal is consummated. For the purposes of this Section 9.3(a)(iv), all references to 20% in the definition of "Acquisition Proposal" shall be read as 50% and a transaction contemplated by subsection (c) of such definition shall not be considered an "Acquisition Proposal" unless it is an issue of 50% or more of the issued and outstanding shares or voting securities of the Company or a Company Subsidiary to a person or group of persons acting jointly and in concert, other than an underwriter in connection with a distribution.

(b) If the Agreement is terminated by the Acquiror pursuant to Section 9.2(e)(i), the Company shall pay such amount (the "**Expense Reimbursement Amount**") as is required to reimburse the Acquiror for all reasonable costs and expenses incurred by it in connection with the Arrangement, including all reasonable fees, costs and expenses of its legal, financial, auditing, professional and other advisors and all other reasonable costs and expenses whatsoever or howsoever incurred, in connection with the Arrangement, up to a maximum of $1.5 million to the Acquiror by 1:00 p.m. (Toronto time) on the first Business Day following termination.

(c) The Termination Payment or Expense Reimbursement Amount shall be paid by the Company to the Acquiror by wire transfer in immediately available funds to an account specified by the Acquiror.

9.4 Effect of Termination

Where a Termination Payment Event occurs or where the Expense Reimbursement Amount becomes payable, such payment of the Termination Payment or the Expense Reimbursement Amount, as the case may be, to be received pursuant to Section 9.3 in consideration for the disposition by the Acquiror of its rights under this Agreement is the sole remedy in compensation or damages of the Company and its Affiliates with respect to the event or events giving rise to the termination of this Agreement and the resulting Termination Payment Event or requirement to pay the Expense Reimbursement Amount; provided, however, that nothing contained in this Section 9.4, and no payment of any Termination Payment or Expense Reimbursement Amount, shall relieve or have the effect of relieving any party in any way from liability for damages incurred or suffered by a party as a result of an intentional or wilful breach of this Agreement. In the event of termination of this Agreement pursuant to Section 9.2, this Agreement shall be of no further force and effect, except that Section 9.3, this Section 9.4 and Article 10 shall survive the termination of this Agreement.

9.5 Remedies

Subject to Section 9.4, the parties acknowledge and agree that an award of money damages would be inadequate for any breach of this Agreement by any party or its Representatives and any such breach would cause the non-breaching party irreparable harm. Accordingly, the parties agree that, in the event of any breach or threatened breach of this Agreement by one of the parties, the non-breaching Party shall also be entitled, without the requirement of posting a bond or other security, to equitable relief, including injunctive relief and specific performance and the parties shall not object to the granting of injunctive or other equitable relief on the basis that there exists an adequate remedy at Law. Such remedies shall not be the exclusive remedies for any breach of this Agreement but shall be in addition to all other remedies available at Law or equity to each of the parties.

ARTICLE 10
GENERAL PROVISIONS

10.1 Amendment

(a) Subject to the provisions of the Interim Order, the Plan of Arrangement and applicable Law, this Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Date, be amended by mutual written agreement of the parties, without further notice to or authorization on the part of the Securityholders, and any such amendment may without limitation:

(i) change the time for performance of any of the obligations or acts of the parties;

(ii) waive any inaccuracies or modify any representation or warranty contained herein or in any document delivered pursuant hereto;

(iii) waive compliance with or modify any of the covenants herein contained and waive or modify performance of any of the obligations of the parties; and

(iv) waive compliance with or modify any conditions precedent herein contained.

(b) Notwithstanding the foregoing, the Plan of Arrangement may only be supplemented or amended in accordance with the provisions thereof.

10.2 Waiver

Any party may (a) extend the time for the performance of any of the obligations or acts of the other party, (b) waive compliance, except as provided herein, with any of the other party's agreements or the fulfilment of any conditions to its own obligations contained herein, or (c) waive inaccuracies in any of the other party's

representations or warranties contained herein or in any document delivered by the other party; provided, however, that any such extension or waiver shall be valid only if set forth in an instrument in writing signed on behalf of such party and, unless otherwise provided in the written waiver, shall be limited to the specific breach or condition waived and shall not extend to any other matter or occurrence. No failure or delay in exercising any right, power or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any other or further exercise or the exercise of any right, power or privilege under this Agreement.

10.3 Expenses; Advisors

(a) The parties agree that all costs and expenses of the parties relating to the transactions contemplated herein, including legal fees, accounting fees, financial advisory fees (including those of the Fairness Advisor), regulatory filing fees, stock exchange fees, all disbursements of advisors and printing and mailing costs, shall be paid by the party incurring such expenses.

(b) The Company represents and warrants to the Acquiror that, with the exception of the Fairness Advisor, Haywood Securities Inc. and Minvisory Corp., for whose fees and expenses the Company shall be solely liable and are set out in Section 10.3(b) of the Disclosure Letter, no securityholder, director, officer, employee, consultant, broker, finder or investment banker is entitled to any brokerage, finder's or other fee or commission, or to the reimbursement of any of its expenses, in connection with the transactions contemplated herein based upon arrangements made by or on behalf of the Company.

10.4 Notices

Any notice, consent, waiver, direction or other communication required or permitted to be given under this Agreement by a party shall be in writing and may be given by delivering same or sending same by facsimile transmission or by delivery addressed to the party to which the notice is to be given at its address for service herein. Any notice, consent, waiver, direction or other communication aforesaid shall, if delivered, be deemed to have been given and received on the date on which it was delivered to the address provided herein (if a Business Day, if not, the next succeeding Business Day) and if sent by facsimile transmission be deemed to have been given and received at the time of receipt (if a Business Day, if not the next succeeding Business Day) unless actually received after 4:30 p.m. (Toronto time) at the point of delivery in which case it shall be deemed to have been given and received on the next Business Day.

The address for service for each of the parties hereto shall be as follows:

(a) if to the Company:

Cayden Resources Inc.
1199 West Hastings Street, Suite 600
Vancouver, BC V6E 3T5

Attention: Ivan Bebek, Chief Executive Officer
Fax: (778) 729-0650

with a copy to:

McMillan LLP
Royal Centre
1055 West Georgia Street
Suite 1500, PO Box 11117
Vancouver, BC V6E 4N7

Attention: Bernhard J. Zinkhofer
Fax: (604) 685-7084

(b) if to the Acquiror:

Agnico Eagle Mines Limited
145 King Street East, Suite 400
Toronto, ON M5C 2Y7

Attention: Donald G. Allan, Senior Vice President, Corporate Development
Fax: (416) 367-4681

with a copy to:

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Patricia L. Olasker
Fax: (416) 863-0871

10.5 Severability

If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, such term, provision, covenant or restriction shall be deemed severed herefrom and the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated and the parties shall thereupon promptly and in good faith negotiate to modify this Agreement to the extent practicable with replacement provisions which are lawfully effective and which will preserve to the maximum extent each party's benefits under the severed term, provision, covenant or restriction.

10.6 Entire Agreement

This Agreement and the Confidentiality Agreement (together with all other documents and instruments referred to herein) constitute the entire agreement and supersede all other prior agreements and undertakings, both written and oral, among the parties with respect to the subject matter hereof.

10.7 Assignment

(a) This Agreement shall enure to the benefit of and be binding upon the parties and their respective successors and permitted assigns. This Agreement may not be assigned by either party without the prior written consent of the other party.

(b) The Company acknowledges that the Acquiror may wish to have a direct or indirect wholly-owned subsidiary of the Acquiror acquire all of the Common Shares of the Company as contemplated by the Plan of Arrangement. The Company agrees that the Acquiror may assign all or any part of its rights under this Agreement to, and its obligations under this Agreement may be assumed by, a wholly-owned direct or indirect subsidiary of the Acquiror, provided that the Acquiror shall continue to be jointly and severally liable with such subsidiary for all obligations hereunder.

10.8 Governing Law

This Agreement shall be governed in all respects, including validity, interpretation and effect, by the Laws of the Province of Ontario and the federal Laws of Canada applicable therein, without giving effect to any principles of conflict of Laws thereof which would result in the application of the Laws of any other jurisdiction, and all actions and proceedings arising out of or relating to this Agreement shall be heard and determined exclusively in the courts of the Province of Ontario.

10.9 *Contra Proferentem*

The parties waive the application of any rule of Law which otherwise would be applicable in connection with the construction of this Agreement that ambiguous or conflicting terms or provisions should be construed against the party who (or whose legal counsel) prepared the executed agreement or any earlier draft of the same.

10.10 No Third Party Beneficiaries

This Agreement is not intended to confer to any person other than the parties any rights or remedies.

10.11 Time of Essence

Time shall be of the essence in this Agreement.

10.12 Counterparts

This Agreement may be executed in one or more counterparts, each of which shall be deemed to be an original but all of which together shall constitute one and the same instrument, and it shall not be necessary in making proof of this Agreement to produce more than one counterpart.

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, this Agreement has been executed and delivered as of the date first above written, by the duly authorized representatives of the parties hereto.

CAYDEN RESOURCES INC.

by "*Ivan Bebek*"
Ivan Bebek
President and Chief Executive Officer

"*Peter Rees*"
Peter Rees
Chief Financial Officer and Corporate Secretary

AGNICO EAGLE MINES LIMITED

by "*Donald G. Allan*"
Donald G. Allan
Senior Vice President, Corporate Development

SCHEDULE A

PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER DIVISION 5 OF PART 9 OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless the context otherwise requires, capitalized terms used but not defined shall have the meanings ascribed thereto in the Arrangement Agreement and terms with the initial letter or letters thereof capitalized shall have the meanings ascribed to them below:

"**2010 Option Plan**" means the stock option plan of the Company, first approved by Shareholders on September 29, 2010;

"**2011 Option Plan**" means the stock option plan of the Company dated as of September 27, 2011, as ratified, confirmed and approved by the Shareholders of the Company on June 17, 2014;

"**Acquiror**" means Agnico Eagle Mines Limited;

"**Acquiror Shares**" means common shares of the Acquiror;

"**Arrangement**" means the arrangement proposed by the Company under the provisions of Division 5 of Part 9 of the BCBCA on the terms and subject to the conditions set out herein, subject to any amendments or variations thereto made in accordance with Section 10.1 of the Arrangement Agreement or Article 5 of this Plan of Arrangement or made at the direction of the Court in the Final Order (provided that any such amendment or variation is acceptable to both the Acquiror and the Company, each acting reasonably);

"**Arrangement Agreement**" means the arrangement agreement, including all schedules annexed thereto, dated as of September 8, 2014 between the Acquiror and the Company, as amended, supplemented or otherwise modified from time to time in accordance with its terms;

"**Arrangement Resolution**" means the special resolution of the Securityholders of the Company approving the Arrangement to be considered at the Meeting;

"**BCBCA**" means the *Business Corporations Act* (British Columbia);

"**Business Day**" means any day, other than a Saturday or a Sunday, on which commercial banks located in Toronto, Ontario and Vancouver, British Columbia are open for the conduct of business;

"**Circular**" means the notice of the Meeting and accompanying management information circular, including all schedules, appendices and exhibits thereto and enclosures therewith, to be sent to the Securityholders in connection with the Meeting, as amended, supplemented or otherwise modified from time to time;

"**Common Shares**" means the common shares of the Company;

"**Company**" means Cayden Resources Inc.;

"**Court**" means the Supreme Court of British Columbia;

"**Depositary**" means Computershare Trust Company of Canada, as depositary at its offices as set out in the Letter of Transmittal;

"**Disclosure Letter**" means the disclosure letter delivered by the Company to the Acquiror contemporaneously with the execution and delivery of the Arrangement Agreement;

"**Dissent Rights**" has the meaning set out in Section 3.1;

"**Dissenting Shareholder**" means a registered holder of Common Shares who has validly exercised his, her or its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Common Shares in respect of which Dissent Rights are validly exercised by such holder;

"**Effective Date**" means the date the Acquiror and the Company agree upon, acting reasonably, as the effective date of the Arrangement after all of the conditions precedent to the completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived, including that the Final Order has been granted by the Court;

"**Effective Time**" means 12:01 a.m. (Vancouver time), on the Effective Date, or such other time as Acquiror and the Company agree to in writing before the Effective Date;

"**Encumbrance**" includes any mortgage, pledge, assignment, charge, lien, claim, security interest, adverse interest, adverse claim, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by Law, contract or otherwise) capable of becoming any of the foregoing;

"**Exercised Option**" means an Option for which an Optionholder has executed an applicable exercise form and in respect of which the Optionholder has, prior to the Effective Time, paid to the Company the aggregate of the exercise price of such Option and applicable Taxes in respect of such exercise;

"**Exercised Warrant**" means a Warrant for which a Warrantholder has executed an applicable exercise form and in respect of which the Warrantholder has, prior to the Effective Time, paid to the Company the aggregate of the exercise price of such Warrant;

"**Final Order**" means the order of the Court approving the Arrangement under section 291 of the BCBCA, in a form acceptable to the Company and the Acquiror, each acting reasonably, as such order may be affirmed, amended, modified, supplemented or varied by the Court (with the consent of both the Company and the Acquiror, each acting reasonably) at any time prior to the Effective Date or, if appealed, as affirmed or amended (provided that any such amendment is acceptable to both the Company and the Acquiror, each acting reasonably) on appeal unless such appeal is withdrawn, abandoned or denied;

"**Final Proscription Date**" has the meaning set out in Section 4.3;

"**Interim Order**" means the interim order of the Court contemplated by Section 2.2 of the Arrangement Agreement, in a form acceptable to the Company and the Acquiror, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as the same may be amended, modified, supplemented or varied by the Court;

"**Letter of Transmittal**" means the letter of transmittal for use by the Securityholders with respect to the Arrangement in the form accompanying the Circular;

"**Meeting**" means the special meeting of the Securityholders, including any adjournment or postponement thereof, to be called and held in accordance with the Interim Order for the purpose of considering and, if thought fit, approving the Arrangement Resolution and all other matters requiring approval pursuant to the terms and conditions of the Arrangement Agreement or the Interim Order;

"**Option Plans**" means, collectively, the 2010 Option Plan and the 2011 Option Plan;

"**Optionholder**s" means holders of the Options;

"**Options**" means the options issued pursuant to the Option Plans;

"**Plan of Arrangement**" means this plan of arrangement as it may be amended, supplemented or otherwise modified from time to time in accordance with the terms hereof;

"**Regulatory Authority**" means:

(a) Any multinational or supranational body or organization, nation, government, state, province, country, territory, municipality, quasi-government, administrative, judicial or regulatory authority, agency, board, body, bureau, commission, instrumentality, court or tribunal or any political subdivision thereof,

or any central bank (or similar monetary or regulatory authority) thereof, any taxing authority, any ministry or department or agency of any of the foregoing;

(b) any self-regulatory organization or stock exchange, including the TSXV;

(c) any entity exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government; and

(d) any corporation or other entity owned or controlled, through stock or capital ownership or otherwise, by any of such entities or other bodies pursuant to the foregoing;

"**Securityholders**" means, collectively, Shareholders, Optionholders and Warrantholders;

"**Shareholders**" means the holders of Common Shares of the Company;

"**Tax Act**" means the *Income Tax Act* (Canada), as amended;

"**Transaction Consideration**" means 0.09 of an Acquiror Share plus $0.01 in cash per Common Share;

"**Warrants**" means the share purchase warrants issued in connection with a financing completed on April 1, 2014 and expiring on April 1, 2016 with an exercise price of $1.70 per Common Share; and

"**Warrantholders**" means holders of the Warrants.

1.2 Construction

Except as may be otherwise specifically provided in this Plan of Arrangement and unless the context otherwise requires, in this Plan of Arrangement:

(a) the terms "Plan of Arrangement", "this Plan of Arrangement", "the Plan of Arrangement", "hereto", "hereof", "herein", "hereby", "hereunder" and similar expressions refer to this Plan of Arrangement in its entirety and not to any particular provision hereof;

(b) references to an "Article", "Section", or "Schedule" followed by a number or letter refer to the specified Article or Section of or Schedule to this Plan of Arrangement;

(c) the division of this Plan of Arrangement into articles and sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Plan of Arrangement;

(d) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;

(e) references to any agreement or document shall be to such agreement or document (together with the schedules and exhibits attached thereto) as it may have been or may hereafter be amended, modified, supplemented, waived or restated from time to time;

(f) if the date on which any action is required to be taken hereunder by the Company or the Acquiror is not a Business Day, such action shall be required to be taken on the next succeeding day that is a Business Day;

(g) references to any legislation or to any provision of any legislation shall include any modification or re-enactment thereof, any legislation provision substituted therefor and all regulations, rules and interpretations issued thereunder or pursuant thereto; and

(h) wherever the term "includes" or "including" is used, it shall be deemed to mean "includes, without limitation" or "including, without limitation", respectively.

1.3 Currency

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada and "$" refers to Canadian dollars.

1.4 Time

Time shall be of the essence in every matter or action contemplated hereunder. All times expressed herein are local time (Vancouver, British Columbia) unless otherwise stipulated herein.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to the Arrangement Agreement and forms a part of the Arrangement Agreement. If there is any conflict or inconsistency between the provisions of the Plan of Arrangement and the provisions of the Arrangement Agreement regarding the Arrangement, the provisions of the Plan of Arrangement shall govern.

2.2 Binding Effect

This Plan of Arrangement will become effective at the Effective Time and shall be binding upon the Acquiror, the Company and the Securityholders (including the Dissenting Shareholders).

2.3 Arrangement

Commencing at the Effective Time, the following shall occur and shall be deemed to occur in the following sequence, except where noted, without any further act or formality of or by the Company, the Acquiror or any other person:

(a) each of the Exercised Options shall be, and shall be deemed to be, exercised and the Company shall, and shall be deemed to, issue to the holder of such Exercised Options that number of Common Shares issuable pursuant to the terms of such Exercised Options, and the name of each such holder shall be added to the securities register maintained by or on behalf of the Company in respect of Common Shares showing such holder as the legal and beneficial owner of the Common Shares acquired pursuant to the terms of such Exercised Options;

(b) all Options shall be terminated without payment or compensation therefor, and neither the Company nor Acquiror shall have any further liabilities or obligations to the Optionholders thereof with respect thereto;

(c) each of the Exercised Warrants shall be, and shall be deemed to be, exercised and the Company shall, and shall be deemed to, issue to the holder of such Exercised Warrant that number of Common Shares issuable pursuant to the terms of such Exercised Warrant, and the name of each such holder shall be added to the securities register maintained by or on behalf of the Company in respect of Common Shares showing such holder as the legal and beneficial owner of the Common Shares acquired pursuant to the terms of such Exercised Warrant;

(d) all Warrants shall be terminated without payment or compensation therefor, and neither the Company nor Acquiror shall have any further liabilities or obligations to the Warrantholders thereof with respect thereto;

(e) each Common Share held by a Dissenting Shareholder shall be irrevocably transferred to the Acquiror (free and clear of all Encumbrances) without any further act or formality and:

(i) such Dissenting Shareholder shall cease to be the holder of such Common Shares so transferred and to have any rights as holder of such Common Shares other than the right to be paid fair value for such Common Shares by the Acquiror as set out in Section 3.1;

(ii) such Dissenting Shareholder's name shall be removed as the holder of such Common Shares from the central securities register of holders of Common Shares maintained by or on behalf of the Company; and

(iii) the Acquiror shall become the sole legal and beneficial holder of such Common Shares so transferred (free and clear of all Encumbrances) and shall be entered in the central securities register of holders of Common Shares maintained by or on behalf of the Company; and

(f) concurrently with the step described in Section 2.3(e), each Common Share (other than those held by Dissenting Shareholders or the Acquiror) shall be irrevocably transferred to the Acquiror (free and clear of all Encumbrances), and the holder thereof shall be entitled to receive from the Acquiror the Transaction Consideration for such Common Share and upon the transfer of each such Common Share from such holder to the Acquiror pursuant to this Section 2.3(f):

(i) each such holder shall cease to be a holder of the Common Shares so transferred and cease to have any rights as a holder of such Common Shares other than the right to be paid the Transaction Consideration for such Common Shares and the name of such holder shall be removed as the holder of such Common Shares from the central securities register of holders of Common Shares maintained by or on behalf of the Company; and

(ii) the Acquiror shall become the sole legal and beneficial holder of the Common Shares so transferred (free and clear of all Encumbrances) and shall be entered in the central securities register of holders of Common Shares maintained by or on behalf of the Company.

Each holder of each Common Share, with respect to each step set out above applicable to such holder, shall be deemed, at the time such step occurs, to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer such Common Share in accordance with such step.

2.4 No Fractional Shares

Following the Effective Time, if the aggregate number of Acquiror Shares to which a former holder of Common Shares would otherwise be entitled would include a fractional share, then the number of Acquiror Shares that such former holder of Common Shares is entitled to receive shall be rounded down to the nearest whole number.

2.5 Obligation to Issue Common Shares after Effective Date

From the Effective Time, where the Company is required to issue Common Shares to any person under any agreement set out in Section 4(b) of the Disclosure Letter (and such issuance of Common Shares is not otherwise specifically addressed in this Plan of Arrangement) immediately on such issuance the issued Common Shares will be deemed to be cancelled and in full satisfaction thereof the person that is the registered owner of such shares shall be paid a combination of Acquiror Shares and cash in an amount equal to the Transaction Consideration that would have been received by such person under the Arrangement if such person had held such Common Shares immediately prior to the Effective Time, and any such person will be bound by the terms of this Plan of Arrangement to accept such Transaction Consideration provided such Person has been provided notice in accordance with the Interim Order.

ARTICLE 3
RIGHTS OF DISSENT

3.1 Rights of Dissent

Each registered Shareholder may exercise rights of dissent ("**Dissent Rights**") pursuant to and in the manner set forth under Division 2 of Part 8 of the BCBCA, the Interim Order and this Section 3.1 in connection with the Arrangement, provided that the written objection to the Arrangement Resolution contemplated by Section 242 of the BCBCA must be sent to and received by the Company at least two days before the Meeting. Shareholders who duly exercise such Dissent Rights and who:

(a) are ultimately determined to be entitled to be paid fair value by the Acquiror for the Common Shares in respect of which they have validly exercised Dissent Rights will be deemed to have irrevocably transferred such Common Shares to the Acquiror (free and clear of all Encumbrances) pursuant to Section 2.3(e); or

(b) are ultimately not entitled, for any reason, to be paid fair value by the Acquiror for the Common Shares in respect of which they have exercised Dissent Rights, will be deemed to have participated in the Arrangement on the same basis as a holder of Common Shares to which Section 2.3(f) applies;

but in no case will the Company, the Acquiror or any other person, including the Depositary, be required to recognize any Dissenting Shareholder as a holder of Common Shares after the completion of the steps set out in Section 2.3(e) and each Dissenting Shareholder will cease to be entitled to the rights of a Shareholder in respect of the Common Shares in relation to which such Dissenting Shareholder has exercised Dissent Rights and the names of each Dissenting Shareholder will be removed from the central securities register of the Company as at such time. For greater certainty, and in addition to any other restriction under Section 242 of the BCBCA, neither:

(i) Optionholders; nor

(ii) Warrantholders; nor

(iii) Shareholders who vote, or who have instructed a proxyholder to vote, in favour of the Arrangement Resolution; nor

(iv) persons identified in Section 2.5;

shall be entitled to exercise Dissent Rights.

ARTICLE 4
CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

(a) At or before the Effective Time, the Acquiror will deposit or cause to be deposited with the Depositary cash and Acquiror Shares in the aggregate amount sufficient to satisfy the payment obligations contemplated by Section 2.3(f) for all Shareholders (calculated without reference to whether any Shareholders have exercised Dissent Rights). Such amount will be held for the purpose of satisfying such obligations. The cash so deposited shall be held in a corporate interest bearing account and any interest earned on such funds will be for the account of the Acquiror or its successors.

(b) As soon as practicable following the later of the Effective Time and the delivery to the Depositary by or on behalf of a former holder of Common Shares of a duly completed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require including a certificate which immediately prior to the Effective Time represented the outstanding Common Shares that were transferred under Section 2.3(f) and such other documents and instruments as would have been required to effect such transfer under the Securities Transfer Act (British Columbia), the BCBCA and the articles of the Company after giving effect to Sections 2.3(f), the former holder of such Common Shares will be entitled to receive the Transaction Consideration which such former holder is entitled to receive pursuant to Section 2.3(f), less any amounts withheld pursuant to Section 4.5.

(c) From and after the Effective Time, each certificate which immediately prior to the Effective Time represented Common Shares will be deemed after the time described in Section 2.3(f) to represent only the right to receive from the Depositary upon such surrender the applicable Transaction Consideration in lieu of such certificate as contemplated in Section 4.1(b), or in the case of Dissenting Shareholders who are ultimately determined to be entitled to be paid fair value by the Acquiror for the Common Shares in respect of which they have validly exercised Dissent Rights, the fair value of their Common Shares, less, in each case, any amounts withheld pursuant to Section 4.5.

(d) Subject to Section 4.3, the Company and the Acquiror will cause the Depositary, as soon as practicable following the later of the Effective Time and the date of deposit by any former holder of Common Shares of the documentation required pursuant to Section 4.1(b), to:

(i) deliver or cause to be delivered to such former holder of Common Shares at the address specified in the Letter of Transmittal;

(ii) if requested by such former holder of Common Shares in the Letter of Transmittal, make available at the offices of the Depositary specified in the Letter of Transmittal for pick-up by such former holder of Common Shares; or

(iii) if the Letter of Transmittal neither specifies an address as described in Section 4.1(d)(i) nor contains a request as described in Section 4.1(d)(ii), deliver or cause to be delivered to such former holder of Common Shares at the address of such former holder as shown on the securities register of the Company maintained by or on behalf of the Company immediately prior to the Effective Time;

a certificate representing the Acquiror Shares and a cheque in the amount equal to the net cash payment to which such former holder of Common Shares is entitled to in accordance with the provisions hereof, less any amounts withheld pursuant to Section 4.5.

4.2 Lost Certificates

In the event any certificate, which immediately prior to the Effective Time represented any outstanding Common Shares that were acquired by the Acquiror or the Company pursuant to Section 2.3, has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the former holder of such Common Shares claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, the Transaction Consideration to which such holder is entitled pursuant to Section 2.3. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the former holder of such Common Shares will, as a condition precedent to the delivery thereof, give a bond satisfactory to the Depositary, the Acquiror and the Company in such sum as the Acquiror may direct or otherwise indemnify the Acquiror and the Company in a manner satisfactory to the Acquiror and the Company against any claim that may be made against the Acquiror or the Company with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Extinction of Rights

If any former holder of Common Shares fails to deliver to the Depositary the certificates, documents or instruments required to be delivered to the Depositary under Section 4.1 or Section 4.2 in order for such former holder to receive the Transaction Consideration which such former holder is entitled to receive pursuant to Section 2.3 on or before the date which is six years after the Effective Date (the "**Final Proscription Date**"), then:

(a) such former holder's interest in the cash consideration which such former holder was entitled to receive shall be terminated as of the Final Proscription Date and such cash consideration shall be deemed to be owned by the Acquiror;

(b) the Acquiror Shares which such former holder was entitled to receive shall be automatically transferred to the Acquiror and the certificates representing such Acquiror Shares shall be delivered to Acquiror by the Depositary for cancellation, and the interest of the former holder in such Acquiror Shares to which it was entitled shall be terminated as of the Final Proscription Date; and

(c) any certificate representing Common Shares formerly held by such former holder will cease to represent a claim of any nature whatsoever and will be deemed to have been surrendered to the Acquiror and will be cancelled. Neither the Company nor the Acquiror, or any of their respective successors, will be liable to any person in respect of any cash or Acquiror Shares (including any cash or Acquiror Shares previously held by the Depositary in trust for any such former holder) which is forfeited to the Acquiror or delivered to any public official pursuant to any applicable abandoned property, escheat or similar law.

4.4 Dividends or Other Distributions

No dividends or distributions declared or made after the Effective Date with respect to Acquiror Shares with a record date after the Effective Date will be payable or paid to the holder of any unsurrendered certificate or certificates which, immediately prior to the Effective Date, represented outstanding Common Shares unless

and until the holder of such certificate shall have complied with the provisions of this Article 4. Subject to applicable Law and to Article 4 hereof, at the time of such compliance, there shall, in addition to the delivery of a certificate representing the Acquiror Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Date theretofore paid with respect to such Acquiror Shares.

4.5 Withholding Rights

The Acquiror, the Company and the Depositary shall be entitled to deduct and withhold from any consideration, dividend or other distribution otherwise payable to any person hereunder or under the Arrangement Agreement such amounts as the Acquiror, the Company or the Depositary determines, acting reasonably, are required or permitted to be deducted and withheld with respect to such payment under Canadian or United States tax laws or any other applicable Law. To the extent that the withheld amount may be reduced, the Acquiror, the Company and the Depositary, as the case may be, acting reasonably, shall withhold on such lower amount. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes under this Agreement or the Arrangement Agreement as having been paid to the person in respect of which such deduction and withholding was made, provided that such withheld amounts are actually remitted to the appropriate Regulatory Authority.

ARTICLE 5
AMENDMENTS AND TERMINATION

5.1 Amendments to Plan of Arrangement

(a) The Company reserves the right to amend, modify or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification or supplement must be (i) set out in writing, (ii) approved by the Acquiror, (iii) filed with the Court and, if made following the Meeting, approved by the Court, and (iv) communicated to the Securityholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company at any time prior to the Meeting (provided that the Acquiror shall have consented thereto) with or without any other prior notice or communication and, if so proposed and accepted by the persons voting at the Meeting (subject to the requirements of the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if such amendment, modification or supplement (i) is consented to by each of the Company and the Acquiror, and (ii) if required by the Court, is consented to by the Securityholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Acquiror, provided that it concerns a matter which, in the reasonable opinion of the Acquiror, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interests of any former Securityholders.

5.2 Termination

This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 6
FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out herein shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the parties to the Arrangement Agreement shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out herein.

SCHEDULE B

ARRANGEMENT RESOLUTION

RESOLUTION OF THE SECURITYHOLDERS OF CAYDEN RESOURCES INC. (the "Company")

BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

(a) The arrangement (as it may be modified or amended, the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) involving the Company and its securityholders, all as more particularly described and set forth in the plan of arrangement (as it may be modified or amended, the "**Plan of Arrangement**") attached as Appendix A to the Management Information Circular of the Company dated ● , 2014, is hereby authorized, approved and agreed to.

(b) The Arrangement Agreement dated as of September 8, 2014 among the Company and Agnico Eagle Mines Limited, as it may be amended from time to time (the "**Arrangement Agreement**"), the actions of the directors of the Company in approving the Arrangement and the Arrangement Agreement and the actions of the directors and officers of the Company in executing and delivering the Arrangement Agreement and causing the performance by the Company of its obligations thereunder are hereby confirmed, ratified, authorized and approved.

(c) Notwithstanding that this resolution has been passed (and the Arrangement approved and agreed to) by securityholders of the Company or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of the Company are hereby authorized and empowered without further approval of any securityholders of the Company (i) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or Plan of Arrangement and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

(d) Any one director or officer of the Company is hereby authorized, empowered and instructed, acting for, in the name and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or to cause to be delivered, all such other documents and to do or to cause to be done all such other acts and things as in such person's opinion may be necessary or desirable in order to carry out the intent of the foregoing paragraphs of these resolutions and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or the doing of such act or thing.

SCHEDULE C

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

1. Organization and Qualification

The Company is validly existing as a corporation under the Law of the Province of British Columbia and has the requisite corporate power and authority to own its assets and conduct its business as now owned and conducted. The Company is duly qualified to carry on business, and is in good standing, in each jurisdiction in which the character of its properties, owned or leased, or the nature of its activities makes such qualification necessary. Copies of the amended Articles of the Company dated June 26, 2013 and the Notice of Articles of the Company dated October 22, 2013 (collectively, the "**Company Governing Documents**") heretofore delivered to the Acquiror are accurate and complete as of the date hereof and have not been amended or superseded, and the Company has not taken any action to amend or supersede such documents.

2. Subsidiaries and Joint Ventures

Except for the Company Subsidiaries, the Company does not have any material interest in any person, company, partnership, joint venture or other business organization. Each of the Company Subsidiaries is duly organized and validly existing under the Law of its jurisdiction of incorporation, has the corporate power and authority to own its assets and conduct its business as currently owned and conducted by it and is qualified to carry on business in each jurisdiction in which the character of its properties or the nature of its activities makes such qualification necessary. The Company's ownership interest in each of the Company Subsidiaries is set out in Section 2 of the Disclosure Letter, including the authorized, issued and outstanding capital and the ownership of all securities of each Company Subsidiary. All of the outstanding shares of each of the Company Subsidiaries are validly issued, fully-paid and non-assessable and all such shares or interests, as the case may be, are owned free and clear of all liens, claims or Encumbrances. The Company has no interest in any entity that may be characterized as a joint venture.

3. Compliance with Law and Licences

Each of the Company and each Company Subsidiary has complied with and is in compliance with all Law applicable to the operation of their respective businesses and, except where failure to so comply would not, individually or in the aggregate, have a Material Adverse Effect in respect of the Company, each of them has all concessions, licences, permits, orders or approvals of, and has made all required registrations with, any governmental or regulatory body that is required in connection with the ownership of their respective assets or the conduct of their respective operations and each of the Company and each Company Subsidiary has fully complied with and is in compliance with all such concessions, licences, permits, orders, approvals and registrations, except where failure to so comply would not, individually or in the aggregate, have a Material Adverse Effect in respect of the Company. None of the Company nor any Company Subsidiary has received any notice, whether written or oral, of revocation or non-renewal of any such concessions, licences, permits, orders, approvals or registrations, or of any intention of any government or Regulatory Authority to revoke or refuse to renew any of such concessions, licences, permits, orders, approvals or registrations, and to the best of the knowledge of the Company and each Company Subsidiary, all such concessions, licences, permits, orders, approvals and registrations shall continue to be effective and any required renewals thereof shall be available in order for the Company and each Company Subsidiary to continue to conduct their respective businesses as they are currently being conducted and in accordance with the existing plans of the Company and each Company Subsidiary. None of the Company nor any Company Subsidiary is in conflict with, or in default (including cross defaults) under or in violation of, (a) its articles or by-laws or equivalent organizational documents, or (b) any agreement or understanding to which it or by which any of its properties is bound or affected, except for any conflict, default or breach, which would not, individually or in the aggregate, have a Material Adverse Effect in respect of the Company.

4. Capitalization

(a) The authorized equity capital of the Company consists of an unlimited number of Common Shares. As at the date hereof, 49,791,850 Common Shares (and no other shares) are issued and outstanding and all such shares are fully-paid and non-assessable shares. In addition, as of the date hereof, there are outstanding 4,098,125 Options and 159,045 Warrants providing for the issuance of an aggregate of 4,257,170 Common Shares upon the exercise thereof, the details of which are set out in Section 4(a) of the Disclosure Letter (all of such Warrants have an exercise price of $1.70, and all of such Options have exercise prices that are less than $2.86 and are governed by the Option Plans).

(b) Except as described in Section 4(a) of this Schedule C or in Section 4(b) of the Disclosure Letter, there are no options, warrants, conversion privileges, calls or other rights, agreements, arrangements, commitments or obligations of the Company or any Company Subsidiary to issue or sell any shares of any capital stock of the Company or any Company Subsidiary or securities or obligations of any kind convertible into or exchangeable for any shares or other securities of the Company or any Company Subsidiary or any other person, nor are there outstanding any stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments based upon the book value, income or any other attribute of the Company or any Company Subsidiary. The holders of outstanding Common Shares are not entitled to pre-emptive or other similar rights.

5. Authority Relative to this Agreement

The Company has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by the Company and the consummation by the Company of the transactions contemplated by this Agreement have been duly authorized by the Board and no other corporate proceedings on the part of the Company are necessary to authorize this Agreement and the Arrangement, other than the approval by the Securityholders of the Arrangement Resolution, the TSXV and, with respect to the Circular and other matters related thereto, the approval of the Board. This Agreement has been duly executed and delivered by the Company and constitutes a legal, valid and binding obligation of the Company, enforceable by the Acquiror against the Company in accordance with its terms, subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought. The execution and delivery by the Company of this Agreement and performance by it of its obligations hereunder and the completion of the Arrangement and the consummation of the transactions contemplated hereby shall not:

(a) result (with or without notice or the passage of time) in a violation, conflict or breach of, or constitute a default under, in respect of or require any consent to be obtained under or give rise to any third party right of termination, amendment, first refusal, shot-gun, cancellation, acceleration, penalty or payment obligation or right of purchase or sale under any provision of:

  (i) the Company Governing Documents or the constating documents or by-laws of any Company Subsidiary;

  (ii) any applicable Law to which the Company or any Company Subsidiary is subject or by which the Company or any Company Subsidiary is bound; or

  (iii) any Contract;

(b) give rise to any right of termination, amendment, acceleration or cancellation of indebtedness of the Company or any Company Subsidiary, or cause any such indebtedness to come due before its stated maturity, under any Contract or cause any available credit to cease to be available;

(c) give rise to any rights of first refusal or change in control payment or similar obligation or any restriction or limitation under any such Contract or result in the imposition of any encumbrance, charge or lien upon (i) any of the Company's assets or the assets of any Company Subsidiary, or (ii) the Company Properties; or

(d) result in any payment (including severance, unemployment compensation, "golden parachute", bonus or otherwise) becoming due to any Related Party of the Company or any Company Subsidiary, other than the payments set out in Section 16(a) of the Disclosure Letter.

No authorization, licence, permit, certificate, registration, consent or approval of, or filing with, or notification to, any Regulatory Authority is required to be obtained or made by or with respect to the Company or any Company Subsidiary for the execution and delivery of this Agreement or, the performance by the Company of its obligations hereunder, the completion by the Company of the Arrangement or the ability of the Acquiror to conduct operations at the Company Properties as currently conducted or, as contemplated to be conducted at the Effective Time, other than:

(a) the Interim Order and any filings required in order to obtain, and approvals required under, the Interim Order;

(b) the Final Order, and any filings required in order to obtain the Final Order;

(c) such filings and other actions required under applicable Securities Laws and the rules and policies of the TSXV as are contemplated by this Agreement; and

(d) the Mexican Regulatory Approval.

6. Operational Matters

All rent, royalties, overriding royalty interest, production payments, net profits, interest burdens, contract commitments, payments and obligations (including applicable mining concessions and fees for not yet titled mining claims) due and payable, or performable, as the case may be, under, with respect to, or on account of any direct or indirect assets of the Company or any Company Subsidiary (including, for greater certainty, the Company Properties) have been duly paid or duly performed in all material respects. All costs, expenses, liabilities payable, and obligations under the terms of any Contracts to which the Company or any Company Subsidiary is directly or indirectly bound have been properly and timely paid or performed in all material respects.

7. Material Agreements

(a) All Contracts material to the business or assets or the equity value of the Company and the Company Subsidiaries are set out in Section 7(a) of the Disclosure Letter, which, for greater certainty shall include the Earn-In Agreements, and the Company has made available to the Acquiror for inspection true and complete copies of all such Contracts.

(b) All such Contracts are in full force and effect, and each of the Company and any Company Subsidiary that is party thereto is entitled to all rights and benefits thereunder in accordance with the terms thereof. The Company and each Company Subsidiary has complied in all material respects with all terms of such Contracts, have paid all amounts due thereunder, have not waived any material rights thereunder and no material default or breach exists in respect thereof on the part of the Company or any Company Subsidiary. The Company or the applicable Company Subsidiary has made all earn-in payments required to be made to the date hereof pursuant to the terms of each Earn-In Agreement and Section 7(b) of the Disclosure Letter sets out all earn-in payments made to date and the date of such payments under each Earn-In Agreement, together with the earn-in payments that remain outstanding thereunder and the date the payment is due. All earn-in payments that have been required to have been made to preserve the Company's right to obtain a 100% interest in each of the Barqueno I Property and Barqueno II Property have been made by the Company (or Company Subsidiary, as the case may be) at the time required by such Earn-In Agreement. All of the earn-in payments required to be made pursuant to the terms of the Earn-In Agreements after the date of this Agreement can be made in Common Shares or cash at the election of the Company.

(c) Except as disclosed in Section 7(c) of the Disclosure Letter, no Contract is subject to any termination fees, cancellation costs or other similar penalties that would be or become payable by the Company or any Company Subsidiary upon termination of such Contract or agreement following a change of control of the Company or upon completion of the transactions contemplated by this Agreement.

(d) Except as disclosed in Section 7(d) of the Disclosure Letter, no approval or consent of any person is needed in order that such Contracts continue in full force and effect following consummation of the transactions contemplated hereby and neither the Company nor any Company Subsidiary is a party to any such Contract that

contains any non-competition obligation or otherwise restricts in any material way the business of the Company or any Company Subsidiary.

(e) The Company is in compliance with the terms of the Letter of Intent.

8. Shareholder and Similar Agreements

Neither the Company nor any Company Subsidiary is party to or aware of any (a) shareholder, pooling, voting trust or other agreements relating to the issued and outstanding shares of the Company or any Company Subsidiary and neither the Company nor any Company Subsidiary is aware of any such shareholder, pooling, voting trust or other agreements, or (b) contracts, agreements or understandings relating to any securities of the Company or any Company Subsidiary with any director or, officer of, or consultant to, the Company or any Company Subsidiary.

9. Filings

(a) The Company is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (and in no other jurisdiction in Canada). The Company is not subject to reporting requirements under the Exchange Act or of any jurisdiction outside Canada and the United States. The Company is not in default in the performance any of any of its obligations under legislation of such provinces and is in compliance with the applicable rules and regulations of the TSXV.

(b) Documents or information filed by the Company under applicable Law, including: (i) the Company's annual information form dated April 8, 2014 for the year ended December 31, 2013; (ii) the Company's management information circular dated May 2, 2014 in respect of the annual and special meeting of shareholders held June 17, 2014; (iii) the Company's audited consolidated financial statements for the years ended December 31, 2013 and 2012 and the related management discussion and analysis; (iv) the Company's interim unaudited consolidated financial statements for the three and six months ended June 30, 2014 and 2013 and the related management discussion and analysis; (v) any material change reports that have been filed by the Company between December 31, 2012 and the date hereof; (vi) the Morelos Sur Technical Report; (vii) the Barqueno Technical Report; (viii) all press releases filed by the Company on SEDAR after December 31, 2012; and (ix) any such documents or information filed by the Company after the date hereof and before the Effective Time (collectively items (i) through (ix) above, the "**Company Public Documents**"), are or shall be, as of their respective dates, in compliance in all material respects with applicable Law and do not contain any Misrepresentation as of the respective dates.

(c) There is no material change which has occurred with respect to which the requisite material change report has not been filed by the Company with the securities regulatory authorities in the applicable provinces of Canada. The Company has not filed any confidential material change reports that remain confidential. All material agreements required to be filed by the Company with the securities regulatory authorities, in the applicable provinces of Canada have been filed.

(d) The Company has filed all technical reports as required under NI 43-101. As at the date hereof, the Company has not made any disclosure of scientific or technical information that is not supported by a technical report that the Company has filed under NI 41-103 or requires the filing of a technical report under NI 41-103.

(e) The Technical Reports complied in all material respects with the requirements of NI 43-101 at the time of filing thereof and the Company believes that the Technical Reports reasonably presented the quantity of mineral resources attributable to the applicable mineral properties as at the date stated therein based upon information available at the time the Technical Reports were prepared.

(f) The Company made available to the authors of the Technical Reports, prior to the issuance thereof, for the purpose of preparing such reports, all information requested by them, which information, to the knowledge of the Company, did not contain any material misrepresentation at the time such information was so provided.

(g) The Company is in compliance with the provisions of NI 43-101 in all material respects.

10. Books and Records

The books, records and accounts of the Company and each Company Subsidiary: (i) have been maintained in accordance with good business practices on a basis consistent with prior years; (ii) are stated in reasonable detail and accurately and fairly reflect the transactions and dispositions of the assets of the Company and each Company Subsidiary; and (iii) accurately and fairly reflect the basis for the consolidated financial statements of the Company, in each case, in all material respects. The Company has devised and maintains a system of internal accounting controls sufficient to provide reasonable assurances that: (i) transactions are executed in accordance with management's general or specific authorization; and (ii) transactions are recorded as necessary (A) to permit preparation of financial statements in conformity with IFRS and (B) to maintain accountability for assets and liabilities. The Company's minute books have been maintained in compliance with applicable Law and are complete and accurate in all material respects.

11. Financial Statements

(a) The audited consolidated balance sheets and related consolidated statements of loss and comprehensive loss and deficit and consolidated statements of cash flows of the Company as at and for the financial years ended December 31, 2013 and 2012 and the unaudited consolidated balance sheet and related consolidated statements of loss and comprehensive loss and deficit and consolidated statements of cash flows of the Company as at and for the three and six months ended June 30, 2014 and 2013 contained in the Company Public Documents were prepared in accordance with IFRS. Such statements present fairly, in all material respects, the consolidated financial condition and results of operations of the Company as of the respective dates thereof and for the respective periods covered thereby applied on a basis consistent with the immediately prior period and throughout the periods indicated (except as may be indicated expressly in the notes thereto). Such financial statements reflect appropriate and adequate reserves in respect of contingent liabilities, if any, of the Company and the Company Subsidiaries on a consolidated basis. Since December 31, 2012, the Company has not effected any change in its accounting methods, principles or practices, except as otherwise set out in the Company's financial statements, including the notes thereto.

(b) The Company has (A) designed such disclosure controls and procedures, or caused them to be designed under the supervision of the Chief Executive Officer and Chief Financial Officer of the Company, to provide reasonable assurance that material information relating to the Company and the Company Subsidiaries, is made known to the Chief Executive Officer and Chief Financial Officer, particularly during the period in which the annual or interim filings are being prepared, and (B) designed such internal control over financial reporting, or caused it to be designed under such Chief Executive Officer's and Chief Financial Officer's supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Canadian GAAP and IFRS, as the case may be. The Company has not failed to disclose in the Company Public Documents or to the Acquiror in writing prior to the date of this Agreement, any information regarding any event, circumstance or action taken or failed to be taken since December 31, 2012 within the knowledge of the Company and not within the knowledge of the Acquiror as at the date of this Agreement having an effect which could constitute a Material Adverse Effect. From December 31, 2012 to the date of this Agreement, the Company has received no material complaints from any source regarding accounting, internal accounting controls or auditing matters or expressions of concern from employees, consultants and/or independent contractor of the Company regarding questionable accounting or auditing matters.

(c) As at the date hereof, the obligations or liabilities of the Company (on a consolidated basis), including obligations and liabilities due or to become due for transaction expenses and severance costs are not more than $9,000,000.

12. Undisclosed Liabilities

None of the Company or any Company Subsidiary has any liabilities or obligations of any nature required to be set forth in a consolidated balance sheet or in the notes to the consolidated financial statements of the Company and the Company Subsidiaries under IFRS whether or not accrued, absolute, contingent, determined, determinable or otherwise, that are not so set forth and there is no existing condition, situation or set of

circumstances that could be expected to result in such a liability or obligation, except (a) liabilities or obligations disclosed in the balance sheet forming part of the Company's audited consolidated financial statements for the year ended December 31, 2013, and (b) other liabilities and obligations of similar character incurred since the date of such financial statements in the ordinary course of business. All of the liabilities and obligations (including accounts payable), as defined under IFRS, of the Company and any Company Subsidiary as at June 30, 2014 that are individually, or in the aggregate, material to the Company and its Subsidiaries, taken as a whole, are set out in Section 12 of the Disclosure Letter.

13. Interest in Properties

(a) Each of the Company and the Company Subsidiaries owns, exclusively possesses or has obtained, and is in compliance with, all concessions, licences, permits, certificates, orders, grants and other authorizations of or from any Regulatory Authority necessary to conduct its respective businesses relating to its properties (including the Company Properties) as they are currently being conducted and as they are presently contemplated. Each of the Company and the Company Subsidiaries has a good and marketable right, title and interest, free and clear of any title defect or material Encumbrance: (i) to its permits, concessions, claims, leases, licences or other rights to explore for, exploit, develop, mine or produce minerals on the Company Properties, all of which have been accurately and completely set out in Section 13(a) of the Disclosure Letter, subject to such permits, concessions, claims, leases, licences or other rights being renewed and updated on an ongoing basis in accordance with their terms and, in each case, as are necessary to perform the operation of their respective businesses as they are currently being conducted and as they are presently contemplated; (ii) to its real property interests, free and clear of any title defect or material Encumbrance, including fee simple title to owned real property, a valid leasehold interest in leased real property, licences (from landowners and authorities permitting the use of land by the Company or any Company Subsidiary, as the case may be), rights of way, occupancy rights, surface rights, easements or other real property interests, all of which have been set out in Section 13(a) of the Disclosure Letter, and, in each case, as are necessary to perform the operation of their respective businesses as they are currently being conducted and as they are presently contemplated; and (iii) to all of its properties and assets (real and personal, tangible and intangible, including leasehold interests) including all the properties and assets reflected in the balance sheet forming part of the Company's audited consolidated financial statements for the year ended December 31, 2013, except as set out in Section 13(a) of the Disclosure Letter, and such properties and assets are not subject to any Encumbrance or title defect of any kind except as is set out in Section 13(a) of the Disclosure Letter, except where the failure to have such title, or the existence of such Encumbrance or title defects, individually or in the aggregate, does not constitute a Material Adverse Effect in respect of the Company.

(b) To the best of the knowledge of the Company and the Company Subsidiaries, each Landowner, has a good and marketable right, title and interest, free and clear of any title defect or material Encumbrance: (i) to its permits, concessions, claims, leases, licences or other rights to explore for exploit, develop, mine or produce minerals on its respective property, all of which have been accurately and completely set out in Section 13(a) of the Disclosure Letter, subject to such permits, concessions, claims, leases, licenses or other rights being renewed and updated on an ongoing basis in accordance with their terms and, in each case, as are necessary to perform the operation of their respective businesses as they are currently being conducted and as they are presently contemplated; (ii) to its real property interests, free and clear of any title defect or material Encumbrance, including fee simple title to owned real property, a valid leasehold interest in leased real property, licences (from landowners and authorities permitting the use of land by the respective Landowner), rights of way, occupancy rights, surface rights, easements or other real property interests, all of which have been identified in Section 13(a) of the Disclosure Letter, and, in each case, are necessary to perform the operation of their respective businesses as they are currently being conducted and as they are presently contemplated; and (iii) to all of its properties and assets (real and personal, tangible and intangible, including leasehold interests), and such properties and assets are not subject to any Encumbrance or title defect in title of any kind except as set out in Section 13(a) of the Disclosure Letter.

(c) Except as set out in Section 13(a) of the Disclosure Letter: (i) the Company Properties (A) are accurately and completely described in Schedule E, and (B) have been properly located and recorded in compliance with applicable Law and are comprised of valid and subsisting mineral concessions; (ii) there are no

mineral concessions or other property rights of the Company or the Company Subsidiaries other than those set out in Schedule E; (iii) the Company or a Company Subsidiary has the exclusive right to deal with the Company Properties; (iv) except for the interest of the respective Landowners in the Barqueno I Property and Barqueno II Property, no person other than the Company or a Company Subsidiary has any material interest in the Company Properties or any right to acquire any such interest; (v) there are no earn-in rights, rights of first refusal, royalty rights or similar provisions which would materially affect the Company's or a Company Subsidiary's interests in the Company Properties; (vi) neither the Company nor any Company Subsidiary or, to the Company's knowledge, none of the Landowners of the Company Properties has received any notice, whether written or oral, from any Regulatory Authority or any person with jurisdiction or applicable authority of any revocation or intention to revoke its interest in the Company Properties; and (vii) the Company Properties are in good standing under applicable Law and are adequate and suitable for the purposes for which they are currently being used and all work required to be performed has been performed and all taxes, fees, expenditures and other payments in respect thereof have been paid and all filings in respect thereof have been made.

(d) The Company and the Company Subsidiaries have all necessary surface rights, access rights and other rights and interests relating to the areas of the properties on which the Company and the Company Subsidiaries conduct business granting the Company and the Company Subsidiaries the right and ability to explore for minerals, ore and metals for development purposes as are appropriate in view of the rights and interest therein of the Company and the Company Subsidiaries, with only such exceptions as do not materially interfere with the use made by the Company and the Company Subsidiaries of the rights or interests so held and each of the proprietary interests or rights and each of the documents, agreements and instruments and obligations relating thereto referred to above is currently in good standing in the name of the Company or a Company Subsidiary, as applicable.

(e) There are no adverse claims, actions, suits or proceedings that have been commenced or, to the knowledge of the Company, that are pending or threatened, affecting or which could affect the title to or right to explore or develop any of the Company Properties, including the title to or ownership by the Company or a Company Subsidiary of any of the foregoing, which might involve the possibility of any judgement or liability affecting the Company Properties.

(f) Neither the Company nor any Company Subsidiary, or any predecessor, subsidiary or Affiliate thereof, has any liability or obligation, or to the knowledge of the Company, potential liability or obligation (pursuant to indemnification obligations or pursuant to any guarantee or otherwise) in respect of or relating to any assets, rights or interests (including any interests in mineral properties) which were previously held or used by the Company or any Company Subsidiary and which were sold, assigned or otherwise transferred to any other person or abandoned prior to the date hereof.

(g) None of the directors or officers of the Company or of any Company Subsidiary holds any interest in, nor has taken any action to obtain, directly or indirectly, any permit, concession, claim, lease, licence or other rights to explore for, exploit, develop, mine or produce minerals and any other properties located within 50 kilometres of any of the Company Properties.

(h) Neither the Company nor any Company Subsidiary is subject to an agreement (including, for greater certainty, Earn-In Agreements), arrangement or understanding, whether written or oral, that provides for an area of influence in respect of any of the Company Properties.

14. Absence of Certain Changes or Events

Except as set out in the Company Public Documents, since December 31, 2013: (a) the Company and each of the Company Subsidiaries have conducted their respective businesses only in the usual, ordinary and regular course and consistent with past practice; (b) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) that has had or is reasonably likely to have a Material Adverse Effect in respect of the Company, has been incurred; (c) there has not been any acquisition or sale by the Company or any Company Subsidiary of any interest in any material property or assets; (d) the Company has not declared or paid any dividends or made any other distributions on any of the Common Shares; (e) the Company has not effected or passed any resolution to approve a split, consolidation or reclassification of any of the outstanding Common Shares; (f) there has not been any increase or modification of the compensation payable to or to become payable

by the Company or any Company Subsidiary to any of their respective directors, officers, employees or consultants or any grant to any such director, officer, employee or consultant of any increase in severance or termination pay or any increase or modification of any bonus, pension, insurance or benefit arrangement (including, without limitation, the granting of Options) to, for or with any of such directors, officers employees or consultants, other than in the ordinary and regular course of business consistent with past practice; (g) none of the Company or any Company Subsidiary has adopted any, or materially amended any, collective bargaining agreement, bonus, pension profit sharing, stock purchase, stock option or other benefit plan; and (h) there has not been any event which has had or is reasonably likely to have a Material Adverse Effect in respect of the Company.

15. No Defaults

None of the Company or any Company Subsidiary is in default under, and there exists no event, condition or occurrence which, after notice or lapse of time or both, would constitute such a default, any Contract to which it is a party which would, if terminated due to such default, individually or in the aggregate, have a Material Adverse Effect in respect of the Company.

16. Severance and Employment Agreements

(a) Except as set out in Section 16(a) of the Disclosure Letter, none of the Company or any Company Subsidiary has entered into any written or oral agreement or understanding providing for severance, termination or other payments to any director, officer, employee or consultant in connection with the termination of his or her position or his or her employment following a change in control of the Company or on a change in control of the Company. The details of all such payment requirements, including the amounts and a description of the circumstances in which they must be paid, have been previously provided to the Acquiror and such amounts do not and shall not exceed $3,265,965 in the aggregate.

(b) None of the Company or any Company Subsidiary is a party to any collective bargaining agreement or subject to any application for certification or threatened or apparent union organizing campaigns for employees not covered under a collective bargaining agreement nor are there any current pending or threatened strikes, lock-outs or work slowdowns or stoppages at the Company or any Company Subsidiary and there has not been any such strike, lock-out or work slowdown or stoppage in the last five years.

(c) None of the Company or any Company Subsidiary is subject to any claim for wrongful dismissal, constructive dismissal or any other tort claim, actual or, to the knowledge of the Company, threatened, or any litigation, actual or, to the knowledge of the Company, threatened, relating to employment or termination of employment of employees, consultants or independent contractors.

(d) Each of the Company and each Company Subsidiary has operated in accordance, in all material respects, with all applicable Law with respect to employment and labour, including, but not limited to, employment and labour standards, occupational health and safety, employment equity, pay equity, workers' compensation, human rights and labour relations and there are no current, pending or, to the knowledge of the Company, threatened proceedings before any board or tribunal with respect to any of the areas listed herein.

(e) Section 16(e) of the Disclosure Letter sets out a complete and accurate list of the names of all individuals who are full-time or part-time employees or individuals engaged on contract to provide employment services or sales or other agents or representatives of the Company or any Company Subsidiary ("**Employees**") and the position, length of service, location of employment and compensation and benefits of each Employee. Such list includes all Employees as at the date hereof including any on lay-off or leave of absence, who have been absent continually from work for a period in excess of one month.

(f) All independent contractor or consulting Contracts (i) have been summarized in Section 16(f) of the Disclosure Letter, and (ii) are terminable upon 30 days' prior written notice without the provision of severance, termination pay or any other payment obligation following such termination. All independent contractors or consultants of the Company or any Company Subsidiary have been properly characterized as such in accordance with applicable Law.

(g) None of the Company or any Company Subsidiary has made any commitment to provide, or any representation in respect of, any general increase in the compensation of any Employees (including any increase pursuant to a Benefit Plan) or any increase in any such compensation or bonus payable to any Employee, or to make any loan to, or to engage in any transaction with, any Employee, except in the usual, ordinary and regular course of business and consistent with past practice.

(h) All accruals for unpaid vacation pay, premiums for employment insurance, health premiums, Canadian Pension Plan premiums, workers' compensation insurance premiums, accrued wages, salaries and commissions, severance pay and employee benefit plan payments have been reflected in the books and records of the Company. None of the Company or any Company Subsidiary has any material liabilities or any obligations whatsoever in respect of any retired or former Employee.

(i) All current assessments under the *Workers Compensation Act* (British Columbia) or comparable legislation of any jurisdiction in which the Company or any Company Subsidiary carries on business have been paid and neither the Company nor any Company Subsidiary has been subject to any special or penalty assessment under such legislation.

17. Pension and Employee Benefits

(a) Each of the Company and each Company Subsidiary has complied in all material respects with all the terms of, and all applicable Law in respect of, employee compensation and benefit obligations of the Company or the Company Subsidiary, as the case may be. Other than the Option Plans, none of the Company or any Company Subsidiary has any pension or retirement income plans or other employee compensation or benefit plans, agreements, policies, programs, arrangements or practices, whether written or oral, ("**Benefit Plan**") which are maintained by or binding upon the Company or any Company Subsidiary. The Company is in compliance with the terms of the Option Plans and all applicable Law related thereto.

(b) None of the Company or any Company Subsidiary has any stock option plan or similar arrangement other than the Option Plans. Section 4(a) of the Disclosure Letter sets forth a complete, up-to-date and accurate list of all Optionholders under each of the Option Plans, together with the number of Options granted, the exercise price, vesting provisions and the expiry date thereof.

18. Litigation, etc.

There is no claim, action, proceeding or investigation pending or, threatened against or relating to the Company or any Company Subsidiary or affecting any of their respective properties or assets, including any of the Company Properties, before or by any court, governmental or regulatory authority or body (including a Regulatory Authority) which, if adversely determined, would, individually or in the aggregate reasonably be expected to result in liability to the Company or such Company Subsidiary in excess of $25,000 or prevent or materially delay consummation of the transactions contemplated by this Agreement, nor is the Company aware of any basis for any such claim, action, proceeding or investigation. None of the Company or any Company Subsidiary is subject to any outstanding order, writ, injunction, decree or settlement in relation to any action or claim.

19. Environmental

The Company and each Company Subsidiary has disclosed to the Acquiror all material documents (including claims, notices, orders, judgments, reports, audits, assessments, results, licences, permits, orders, authorizations, approvals and registrations) relating to environmental, health and safety matters affecting the Company and any Company Subsidiary and their respective operations, or any properties currently or formerly owned, occupied or used by the Company or any Company Subsidiaries, including the Company Properties, and any activities carried out thereon. All operations, or any properties currently or formerly owned, occupied or used by the Company or any Company Subsidiaries, including the Company Properties, and any activities carried out thereon, have been, and are now, in compliance with all applicable Law relating to the protection of the environment or health and safety, closure or other reclamation obligations or the use, storage, handling, release, disposal, remediation, treatment or transportation of any substance, including pollutants, contaminants, waste, or hazardous or toxic materials (collectively, "**Environmental Laws**"), and no liability under Environmental

Laws exists or is reasonably anticipated in relation to such operations, properties or activities, except where the failure to be in compliance or the liability under Environmental Laws would not, individually or in the aggregate, have a Material Adverse Effect in respect of the Company. The Company and any Company Subsidiaries have all permits, consents, authorizations and registrations required under Environmental Laws. None of the Company or any Company Subsidiary is aware of, or is subject to:

(a) any investigation, proceeding, application, order or directive which relates to environmental, health or safety or closure or other reclamation matters, and which may require any material work, repairs, construction, reclamation, remediation or expenditures; or

(b) any claim, demand or notice, with respect to the breach of or liability under any Environmental Laws, including any regulations respecting the use, storage, handling, release, disposal, remediation, treatment or transportation of any substance (including pollutants, contaminant, waste of any nature, hazardous material, toxic substance, dangerous substance or dangerous good as defined in any applicable Environmental Laws),

which would, individually or in the aggregate, have a Material Adverse Effect in respect of the Company.

20. Taxes

(a) The Company and each Company Subsidiary have timely filed, or caused to be filed, all Tax Returns required to be filed by them (all of which returns were correct and complete in all material respects) and have paid, collected, withheld or remitted, or caused to be paid, collected, withheld or remitted, all Taxes that are due and payable (including all instalments on account of Taxes for the current year, that are due and payable by the Company or any Company Subsidiary whether or not assessed (or reassessed) by the appropriate governmental entity), and the Company has provided adequate accruals in accordance with IFRS in its most recently published consolidated financial statements for any Taxes for the period covered by such financial statements that have not been paid, whether or not shown as being due on any Tax Returns. Since the publication date of such financial statements, no material Tax liability not reflected in such statements or otherwise provided for has been assessed, proposed to be assessed, incurred or accrued other than in the ordinary course of business.

(b) There are no proceedings, investigations, audits or claims now pending or threatened against the Company or any Company Subsidiary in respect of any Taxes and there are no matters under discussion, audit or appeal with any governmental entity relating to Taxes.

(c) There are no material proposed (but unassessed) additional Taxes and none has been asserted in writing by the Canada Revenue Agency or any other taxing authority, including any sales tax authority, in connection with any of the Tax Returns referred to above. No Tax liens have been filed in respect of any of the assets or properties of the Company or any of the Company Subsidiaries.

(d) Neither the Company nor any of the Company Subsidiaries is or has been a member of any consolidated group for Tax purposes. Neither the Company nor any of the Company Subsidiaries is a party to or bound by any tax allocation or sharing agreement, tax indemnity obligation or similar agreement, arrangement or practice with respect to Taxes, other than any agreement or arrangement solely between the Company and any Company Subsidiary.

(e) Neither the Company nor any of the Company Subsidiaries has requested, or entered into any agreement or other arrangement, or executed any waiver providing for, any extension of time within which:

(i) to file any Tax Return (which has not since been filed) in respect of any Taxes for which any of the Company or the Company Subsidiaries is or may be liable;

(ii) to file any elections, designations or similar filings relating to Taxes (which have not since been filed) for which any of the Company or the Company Subsidiaries is or may be liable;

(iii) any of the Company or the Company Subsidiaries is required to pay or remit any Taxes or amounts on account of Taxes (which have not since been paid or remitted); or

(iv) any governmental authority may assess or collect Taxes for which any of the Company or the Company Subsidiaries is liable.

(f) Neither the Company nor any of the Company Subsidiaries will be required to include any item of income in, or exclude any item of deduction from, taxable income for any taxable period (or portion thereof) ending after the Effective Date as a result of any:

(i) change in method of accounting for a taxable period ending on or prior to the Effective Date;

(ii) "closing agreement" as described in Code Section 7121 executed on or prior to the Effective Date;

(iii) intercompany transactions or excess loss account described in Treasury Regulations under Code Section 1502;

(iv) instalment sale or open transaction disposition made on or prior to the Effective Date; or

(v) prepaid amount received on or prior to the Effective Date.

(g) Each of the Company and the Company Subsidiaries has duly and timely deducted, collected or withheld from any amount paid or credited by it to or for the account or benefit of any person and has duly and timely remitted the same (or is properly holding for such remittance) to the appropriate governmental authority all income taxes, employment insurance premiums, pension plan contributions, employer health tax remittances, sales taxes, use taxes, goods and services taxes, non-resident withholding taxes and other Taxes and amounts it is required by applicable Law to so deduct, or collect or withhold and remit.

(h) Neither the Company nor any of the Company Subsidiaries has acquired property or services from, or disposed of property or provided services to, any person with whom it does not deal at arm's length for an amount that is other than the fair market value of such property or services.

(i) The Company and the Company Subsidiaries have complied in all material respects with the intercompany transfer pricing provisions of each applicable Law relating to Taxes, including the contemporaneous documentation and disclosure requirements thereunder.

(j) No circumstances exist or could reasonably be expected to arise as a result of matters existing before the Effective Date that may result in the Company or any of the Company Subsidiaries being subject to the application of Section 159 or 160 of the Tax Act or comparable provisions of any other legislation or otherwise cause the Company or any of the Company Subsidiaries to be liable for Taxes of any other person.

(k) The balance in the "low rate income pool" (as defined in Subsection 89(1) of the Tax Act) of the Company for the purposes of the Tax Act is, and will be as of the Effective Date, nil.

(l) No facts, circumstances or events exist or have existed that have resulted or may result in the application to the Company or the Company Subsidiaries of any debt forgiveness, debt parking or property seizure provisions under any applicable Tax Law.

(m) No claim has ever been made by any governmental authority in a jurisdiction where the Company or any of the Company Subsidiaries do not file Tax Returns that the Company or the Company Subsidiaries is or may be subject to Taxes or is required to file Tax Returns in that jurisdiction.

(n) Cayden LCM and Cayden MC have at all times since their incorporation been "non-residents" for the purposes of the Tax Act and residents of Mexico for the purposes of the *Canada-Mexico Income Tax Convention*.

(o) Cayden USA has at all times since its incorporation been a "non-resident" for the purposes of the Tax Act and a resident of the United States for the purposes of the *Canada-United States Income Tax Convention 1980*.

(p) No Company Subsidiary has made a loan to the Company that could be subject to taxation under Mexican tax law or administrative practice as a dividend.

(q) The Company is not resident in Mexico and is not otherwise subject to Mexican income tax or flat tax except for any Mexican withholding taxes which are applicable to payments made to it by Company Subsidiaries which are resident in Mexico.

(r) Any corporate reorganizations of the Company or any of the Company Subsidiaries have been completed in accordance with applicable Tax requirements, including the filing of all necessary documents, and no Tax liabilities are pending in relation to any such corporate reorganizations.

(s) There are no rulings or closing agreements relating to the Company or any of the Company Subsidiaries which could affect the Company's or any Company Subsidiary's liability for Taxes for any taxable period after the Effective Date. Neither the Company nor any Company Subsidiary has requested a private letter ruling from the United States Internal Revenue Service or comparable rulings from other taxing authorities.

(t) Neither the Company nor any Company Subsidiary has any contractual liability for Taxes of any person other than the Company and the Company Subsidiaries under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local or foreign Law), as a successor or transferee or otherwise.

(u) Neither the Company nor any Company Subsidiary has participated in a "listed transaction" within the meaning of Treasury Regulations Section 1.6011-4(b)(2) or in any other "reportable transaction" within the meaning of U.S. Treasury Regulation Section 1.6011-4(b)(1).

(v) During the last three years, neither the Company nor any of the Company Subsidiaries has been a party to any transaction (other than a transaction described in Section 355(e)(2)(C) of the Code) treated by the parties thereto as one to which Section 355 of the Code (or any similar provision of state, local, or foreign Law) applied.

(w) There are no Tax credits, grants or similar amounts that are or will be subject to "clawback" or recapture as a result of the transactions contemplated by this Agreement or an act (or failure to act) by the Company or any of the Company Subsidiaries to satisfy any requirement on which the credit, grant or similar amount is or was conditioned.

(x) None of the assets of the Company or the Company Subsidiaries is "tax-exempt use property" within the meaning of Section 168(h) of the Code and none of the property of the Company or any Company Subsidiary is properly treated as owned by persons other than the Company or the Company Subsidiaries for Tax purposes.

(y) The Company and each Company Subsidiary is not, and all times during the five-year period ending at the Effective Date was not, a "United States real property holding corporation," as such term is defined in Section 897(c) of the Code.

(z) As a direct or indirect result of the transactions contemplated by this Agreement, no payment made, or other benefit provided, by any Company Subsidiary that is a United States Person within the meaning of Section 7701(a)(30) of the Code (a "**U.S. Subsidiary**"), and no acceleration of the vesting of any options issued by, payments or other benefits provided or to be provided by any U.S. Subsidiary, either (i) will be an "excess parachute payment" to a "disqualified individual" as those terms are defined in Section 280G of the Code and Treasury Regulations thereunder, or (ii) will be (or under Section 280G of the Code and the Treasury Regulations thereunder be presumed to be) a "parachute payment" to a "disqualified individual" as those terms are defined in such provisions of the Code and regulations, without regard to whether such payment or acceleration is reasonable compensation for personal services performed or to be performed in the future.

(aa) No U.S. Subsidiary has made or is obligated to make any payment that would not be deductible pursuant to Section 162(m) of the Code.

(bb) Each arrangement or plan relating to any employee or service provider of any U.S. Subsidiary that is subject to Section 409A of the Code has been operated in good faith compliance, in all material respects, with Section 409A of the Code.

(cc) None of the Company or any of the Company Subsidiaries has taken a reporting position on a Tax Return, which reporting position (i) if not sustained would be reasonably likely to give rise to a penalty for substantial understatement of U.S. federal income tax under Section 6662 of the Code (or any similar provision of state, provincial, local or foreign tax law), and (ii) has not adequately been disclosed on such Tax Return in accordance with Section 6662(d)(2)(B) of the Code (or any similar provision of state, provincial, local or foreign tax law).

(dd) Neither the Company nor any of the Non-U.S. Company Subsidiaries has ever engaged in a "trade or business" in the United States as that term is defined in Section 864 of the Code through a permanent establishment in the United States, and neither has conducted any activity in a state or local taxing jurisdiction in the United States that would result in the imposition of any state or local Tax on the Company or such Non-U.S. Company Subsidiary.

21. No Insolvency

No act or proceeding has been taken by or against the Company or any Company Subsidiary in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of the Company or any Company Subsidiary, or the appointment of a trustee, receiver, manager or other administrator of the Company or any Company Subsidiary or any of their respective properties or assets nor, to the knowledge of the Company, is any threatened. To the knowledge of the Company, no proceeding has been taken by or against any Landowner in connection with the dissolution, liquidation, winding up, bankruptcy or reorganization of any Landowner. Neither the Company nor any Company Subsidiary nor, to the knowledge of the Company and the Company Subsidiaries, any Landowner has sought protection under the *Bankruptcy and Insolvency Act* (Canada) or the *Company Creditors Arrangement Act* (Canada) or similar legislation in other Canadian or foreign jurisdictions. Neither the Company nor any Company Subsidiary nor, to the knowledge of the Company and the Company Subsidiaries, any Landowner nor any of their respective properties or assets is subject to any outstanding judgment, order, writ, injunction or decree that involves or may involve, or restricts or may restrict, the right or ability of the Company or any Company Subsidiary to conduct its business in all material respects as it has been carried on prior to the date hereof, or that would or could materially impede the completion of the Arrangement or other transactions contemplated by this Agreement, except to the extent any such matter would not have a Material Adverse Effect in respect of the Company or the value of its assets.

22. Fairness Opinions

The Company has received an oral opinion from the Fairness Advisor that the Arrangement is fair from a financial point of view to the Securityholders and the Fairness Advisor shall provide its written Fairness Opinion, in form and substance satisfactory to the Acquiror, acting reasonably, for inclusion in the Circular.

23. Intellectual Property

None of the Company or any Company Subsidiary owns or possesses any intellectual property rights including any patents, copyrights, trade secrets, trademarks, service marks or trade names.

24. Insurance

Policies of insurance in force as of the date hereof naming the Company or any Company Subsidiary as an insured adequately cover all risks reasonably and prudently foreseeable in the operation and conduct of the business of the Company and the Company Subsidiaries for which, having regard to the nature of such risk and the relative cost of obtaining insurance, it is in the opinion of the Company, acting reasonably, prudent to seek such insurance rather than provide for self-insurance. All such policies of insurance shall remain in full force and effect and shall not be cancelled or otherwise terminated as a result of the Arrangement.

25. Guarantees

None of the Company or any Company Subsidiary has given or agreed to give, nor is it a party to or bound by, any guarantee of indebtedness, indemnity or suretyship of other obligations of any person (collectively, "**Guarantees**"), nor are any of them contingently responsible for any such indemnity or suretyship or obligations other than any Guarantees which, if enforced in accordance with their terms, would not individually or in the aggregate, have a Material Adverse Effect in respect of the Company. No claims have been made, and, to the knowledge of the Company or any Company Subsidiary, are threatened, under or in respect of any Guarantee of, or delivered by, the Company or any Company Subsidiary.

26. Business

The business of the Company and each Company Subsidiary consists solely of mineral exploration and all activities related thereto and none of the Company or any Company Subsidiary are engaged in any other business. There is no agreement, judgment, injunction, order or decree binding upon the Company or any Company Subsidiary that has, or could reasonably be expected to have, the effect of materially prohibiting, restricting or impairing any business practice of the Company or any Company Subsidiary, as the case may be, any acquisition of property by the Company or any Company Subsidiary, as the case may be, or the conduct of business by the Company or any Company Subsidiary, as the case may be, as currently conducted.

27. Full Disclosure

All information provided to the Acquiror and its Representatives in relation to its and their due diligence requests was accurate in all material respects as at its respective date as stated therein or, if any such information is undated, the date it was delivered to the Acquiror or its Representatives, and no material facts have been omitted from such information which would make such information misleading, except to the extent, in each such case, subsequent information has been provided to the Acquiror prior to the date of this Agreement, which has corrected any inaccuracy contained in the original information. There is no matter, thing, information, fact, data, circumstance or interpretation thereof relative to the Company, the Company Subsidiaries, the business or any of their property and assets which could reasonably be expected to be material which has not been disclosed to the Acquiror or its Representatives.

28. Change of Control

Except as set out in Section 28 of the Disclosure Letter, none of the Company or any Company Subsidiary is a party to any contract, agreement or understanding or any series of contracts, agreements or understandings and which contain a "change of control" or similar provision.

29. Assets and Sales

(a) The aggregate value of the Company's assets in Canada and the annual gross revenues from sales in or from Canada generated by those assets, all as determined as of the time and in the manner that are prescribed in Part IX of the *Competition Act* and the Notifiable Transactions Regulations thereunder, do not exceed the amount determined under Subsection 110(8) of the *Competition Act*.

(b) The principal offices of the Company are not located in the United States. The Company, including all entities "controlled" by the Company for purposes of the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, does not hold assets located in the United States with a fair market value in excess of U.S. $75.9 million in the aggregate and, during the 12 month period ended December 31, 2013, did not make sales in or into the United States in excess of U.S. $75.9 million in the aggregate.

30. United States Securities Laws

(a) The Company is a "foreign private issuer" within the meaning of Rule 3b-4 under the Exchange Act.

(b) No securities of the Company are registered or required to be registered under Section 12 of the Exchange Act, and the Company is not required to file reports under Section 13 or Section 15(d) of the Exchange Act.

(c) The Company is not registered, and is not required to be registered, as an "investment company" under the United States Investment Company Act of 1940, as amended.

31. Mineral Resources

The most recent estimated measured, indicated and inferred mineral resources disclosed in the Company Public Documents have been prepared and disclosed in all material respects in accordance with accepted engineering practices and applicable Law. There has been no material reduction in the aggregate amount of estimated mineral resources or mineralized material of the Company or any Company Subsidiary, taken as a whole, from the amounts disclosed in the Company Public Documents.

32. Related Party Transactions; Collateral Benefits

(a) Neither the Company nor any Company Subsidiary is indebted to any director, officer, employee or agent of, or independent contractor to, the Company or any Company Subsidiary or any of their respective Affiliates or Associates (except for amounts due as normal salaries and bonuses and in reimbursement of ordinary expenses). Except as disclosed in the Company Public Documents, on or before the date hereof, no director, officer, employee or agent of the Company or any Company Subsidiary or any of their respective Affiliates or Associates is a party to any loan, contract, arrangement or understanding or other transactions with the Company or any Company Subsidiary required to be disclosed pursuant to applicable securities Law. Except as set out in Section 32(a) of the Disclosure Letter, there are no contracts or other transactions between the Company or any Company Subsidiary, on the one hand, and any (i) officer or director of the Company or any Company Subsidiary, (ii) any holder of record or beneficial owner of 2% or more of any class of the voting or non-voting equity securities of the Company, or (iii) any Affiliate or Associate of any such officer, director or beneficial owner, on the other hand.

(b) The only related parties of the Company that have or shall receive a collateral benefit (as such term is defined for purposes of MI 61-101) as a consequence of the transactions contemplated hereby and who own one per cent or more of the Common Shares on a fully-diluted basis are Ivan Bebek, James Russell Nelles Starr and Daniel McCoy who hold 3,312,500, 587,120 and 675,000 Common Shares, respectively, and 500,000, 500,000 and 375,000 Options, respectively, and, in each case, no Warrants and the Special Committee, acting in good faith, has determined the value of the benefit received by each such person as a consequence of the transactions contemplated hereby (which benefit consists of change of control payments and, in the case of James Russell Nelles Starr, an accelerated vesting of Options and that shall be received by such person solely in connection with his respective services as an employee or a director of the Company) net of any offsetting costs to such person, is 5% or more of the amount of consideration such person expects to be beneficially entitled to receive under the terms of such transactions for the equity securities of the Company beneficially owned by him.

(c) The Special Committee, acting in good faith, has determined the value of the benefit received by Shawn Wallace as a consequence of the transactions contemplated hereby (which benefit consists of change of control payments and that shall be received by Mr. Wallace solely in connection his services as a director of the Company) net of any offsetting costs to him, is less than 5% of the amount of consideration he expects to be beneficially entitled to receive under the terms of such transactions for the equity securities of the Company beneficially owned by him.

33. Finder's Fees

Except for Minvisory Corp. there is no investment bank, broker, finder or other intermediary that has been retained by or is authorized to act on behalf of the Company or any Company Subsidiary who is entitled to any fee or commission from the Company or any Company Subsidiary in connection with the Arrangement. The Company has provided to the Offeror correct and complete copies of the agreements under which Minvisory has agreed to provide services to the Company.

34. Opinion

The Company has delivered to the Acquiror a title opinion of the Company's Mexican legal counsel dated the date hereof and addressed to the Acquiror covering each of the Company Properties and the Company is unaware of any misstatement of fact or assumption that is incorrect set out in such opinion.

35. Foreign Corrupt Practices Act

None of the Company, any Company Subsidiary or, to the knowledge of the Company, any director, officer, agent, employee, affiliate or other person acting on behalf of the Company or a Company Subsidiary is aware of or has taken any action, directly or indirectly, that would result in a violation by such persons of the Foreign Corrupt Practices Act of 1977, as amended, and the rules and regulations thereunder (the "**FCPA**") or the *Corruption of Foreign Public Officials Act* (Canada), as amended (the "**CFPOA**") and the Company and each of the Company Subsidiaries have conducted their businesses in compliance with the FCPA or the CFPOA and have instituted and maintain policies and procedures designed to ensure continued compliance therewith.

36. Money Laundering Laws

(a) The operations of the Company and each Company Subsidiary are, and have been conducted at all times in compliance with the financial record-keeping and reporting requirements of anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental entity to which the Company or any Company Subsidiary is subject, the *Proceeds of Crime* (Money Laundering) and *Terrorist Financing Act* (Canada) (collectively, the "**Money Laundering Laws**"), and no action, suit or proceeding by or before any governmental entity or body or arbitrator involving the Company or any Company Subsidiary with respect to the Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

(b) There are no proceedings under any corruption Laws pending against the Company or any Company Subsidiary or, to the knowledge of the Company, threatened against or affecting the Company or any Company Subsidiary.

37. OFAC

Neither the Company nor any Company Subsidiary has had and, to the knowledge of the Company, no director, officer, agent, employee or affiliate of the Company or any Company Subsidiary has had any sanctions administered by the Office of Foreign Assets Control of the U.S. Treasury Department ("**OFAC**") imposed upon such person; and neither the Company nor any Company Subsidiary is in violation of any of the economic sanctions of the United States administered by OFAC or any Law or executive order relating thereto (the "**U.S. Economic Sanctions**") or conducting business with any person subject to any U.S. Economic Sanctions.

38. Patriot Act

(a) Neither the Company nor any Company Subsidiary, nor to the Company's knowledge, any of their respective affiliates, is in violation of Executive Order No. 13224 on Terrorist Financing, effective September 24, 2001 and relating to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism (the "**Executive Order**") and/or to the Company's knowledge, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "**Patriot Act**").

(b) Neither the Company nor any Company Subsidiary, nor to the Company's knowledge, any of their respective affiliates, is a "**Prohibited Person**" which is defined as follows: (i) a person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (ii) a person or entity owned or controlled by, or acting for or on behalf of, any person or entity that is listed in the Annex to, or is otherwise subject to the provisions of, the Executive Order; (iii) a person or entity with whom the Acquiror or its successor or assignee is prohibited from dealing or otherwise engaging in any transaction by the Executive Order or the Patriot Act; (iv) a person or entity who commits, threatens or conspires to commit or supports "terrorism" as defined in the Executive Order; (v) a person or entity that is named as a "specially designated national and blocked person" on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website, http:/www.treas.gov/ofac/tllsdn.pdf, or at any replacement website or other replacement official publication of such list; and (vi) a person or entity who is affiliated with a person or entity listed above.

(c) Neither the Company nor any Company Subsidiary nor, to the Company's knowledge, any of their respective affiliates, has: (i) conducted any business or engaged in any transaction or dealing with any Prohibited Person, including the making or receiving of any contribution of funds, goods or services to or for the benefit of any Prohibited Person; (ii) dealt in or otherwise engaged in any transaction relating to, any property or interests in property blocked pursuant to the Executive Order; or (iii) engaged in or conspired to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in the Executive Order or the Patriot Act.

SCHEDULE D

REPRESENTATIONS AND WARRANTIES OF THE ACQUIROR

1. Organization and Qualification

The Acquiror is validly existing as a corporation under the Laws of the Province of Ontario and has the requisite corporate power and authority to own its assets and conduct its businesses as they are now being conducted.

2. Capitalization

The authorized capital of the Acquiror consists of an unlimited number of common shares. As at the date hereof there are: (i) 209,895,097 Acquiror Shares issued and outstanding; and (ii) an aggregate of 11,914,210 Acquiror Shares reserved for issuance pursuant to outstanding options, warrants, convertible securities and other rights to acquire Acquiror Shares. All outstanding Acquiror Shares have been authorized and are validly issued and outstanding as fully paid and non-assessable shares, free of pre-emptive rights.

3. Authority Relative to this Agreement

The Acquiror has the requisite corporate power, authority and capacity to enter into this Agreement and to perform its obligations hereunder. The execution and delivery of this Agreement by the Acquiror and the consummation by the Acquiror of the transactions contemplated by this Agreement have been duly authorized by its board of directors and no other corporate proceedings on its part are necessary to authorize this Agreement and the Arrangement or the completion by the Acquiror of the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Acquiror and constitutes a legal, valid and binding obligation of the Acquiror, enforceable against it in accordance with its terms, subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought.

The authorization of this Agreement, the execution and delivery by the Acquiror of this Agreement and the performance by it of its obligations under this Agreement and the Arrangement shall not result (with or without notice or the passage of time) in a violation, conflict or breach of, or constitute a default under, in respect of or require any consent to be obtained under or give rise to any third party right of termination, amendment, first refusal, shot-gun, cancellation, acceleration, penalty or payment obligation or right of purchase or sale under any provision of:

(a) the articles or by-laws of the Acquiror;

(b) any applicable Law to which the Acquiror is subject or by which the Acquiror is bound; or

(c) any agreement, contract, indenture, deed of trust, mortgage, bond, note, instrument, licence, franchise, grant or permit to which the Acquiror is a party or by which it is bound,

which would, individually or in the aggregate, have a Material Adverse Effect in respect of the Acquiror or materially impede the completion of the transactions contemplated by this Agreement.

4. Ownership of Common Shares

As at the date hereof, the Acquiror owns, directly or indirectly, no Common Shares.

5. Filings

Documents or information filed by the Acquiror under applicable Law since and including December 31, 2013, including the Acquiror's (a) annual information form dated March 21, 2014, (b) audited consolidated financial statements as at and for the year ended December 31, 2013 and related management discussion and analysis, (c) unaudited consolidated financial statements as at and for the six months ended June 30, 2014 and related management discussion and analysis, (d) management information circular dated March 11, 2014 in

respect of the Acquiror's annual and special meeting of shareholders held May 2, 2014, (e) the Business Acquisition Report dated August 22, 2014, and (f) any material change reports that have been filed by the Acquiror between December 31, 2013 and the date hereof are, and any such documents or information filed by the Acquiror after the date hereof and before the Arrangement is completed (collectively, the "**Acquiror Public Documents**") shall be, as of their respective dates, in compliance in all material respects with applicable Law and do not contain any Misrepresentation as of their respective dates. The Acquiror has not filed any confidential material change reports that remain confidential.

6. Financial Statements

(a) The audited consolidated balance sheets and related consolidated statements of earnings and shareholders' equity and cash flows of the Acquiror as at and for the financial year ended December 31, 2013 and the unaudited consolidated balance sheet and consolidated statements of earnings and shareholders' equity and cash flows of the Acquiror as at and for the period ended June 30, 2014 contained in the Acquiror Public Documents were prepared in accordance with U.S. GAAP.

(b) Such statements present fairly, in all material respects, the consolidated financial condition and results of operations of the Acquiror as of the respective dates thereof and for the respective periods covered thereby applied on a basis consistent with the immediately prior period and throughout the periods indicated (except as may be indicated expressly in the notes thereto). Such statements reflect appropriate and adequate reserves in respect of contingent liabilities, if any, of the Acquiror on a consolidated basis. Since December 31, 2013, the Acquiror has not effected any change in its accounting methods, principles or practices, except as otherwise set out in the Acquiror's financial statements, including the notes thereto; however, as discussed further in the Acquiror's management discussion and analysis for the six months ended June 30, 2014 and for the year ended December 31, 2013, the Acquiror has proposed to adopt IFRS for its financial statements for periods that begin July 1, 2014 and later.

7. Litigation

There are no claims, actions, suits, proceedings or investigations pending or, to the knowledge of the Acquiror, threatened against or relating to the Acquiror or affecting any of its properties or assets before or by any court or governmental or regulatory authority or body which involve the possibility of any judgment or liability which could reasonably be expected to have a Material Adverse Effect in respect of the Acquiror.

8. No Insolvency

The Acquiror is not insolvent within the meaning of applicable bankruptcy, insolvency or fraudulent conveyance laws. No act or proceeding has been taken by or against the Acquiror in connection with the dissolution, liquidation, winding-up, bankruptcy or reorganization of the Acquiror or the appointment of a trustee, receiver, manager or other administrator of the Acquiror or any of its properties or assets.

9. Compliance with Law

The Acquiror has complied with all applicable Law other than any non-compliance which would, individually or in the aggregate, not have a Material Adverse Effect in respect of the Acquiror.

10. Shareholder Approval

No vote or approval of the holders of Acquiror Shares or the holder of any other securities of the Acquiror is necessary to approve this Agreement, the Arrangement or the other transactions contemplated herein.

11. Reporting Issuer Status

The Acquiror (i) is a reporting issuer not in default or the equivalent thereof under the securities Law of each of the Provinces of Canada and the Acquiror Shares are registered under Section 12 of the Exchange Act, (ii) is not subject to any cease trade order or stop order under applicable securities Law, and (iii) is current with

all material filings required to be made under applicable securities Law. The outstanding Acquiror Shares are listed on the TSX and NYSE.

12. Issuance of Acquiror Shares under the Arrangement

The Acquiror Shares to be issued pursuant to the Arrangement shall be duly and validly issued and fully paid and non-assessable shares of the Acquiror.

13. United States Securities Law Matters

The Acquiror: (i) is a "foreign private issuer" as defined in Rule 405 under the U.S. Securities Act; and (ii) is not registered or required to register as an investment company under the United States Investment Company Act of 1940, as amended.

14. Support Agreements

The Acquiror has entered into Support Agreements with each of the Locked-Up Securityholders and, except as disclosed to the Company, has not entered into any other agreements with such holders or other Shareholders in respect of the Arrangement.

15. Investment Canada

The Acquiror is a Canadian within the meaning of the *Investment Canada Act* (Canada).

SCHEDULE E

COMPANY PROPERTIES AND LANDOWNERS

Concession Name	Title Number	Landowner
El Barqueno Fraccion II	236561	Industrial Minera Mexico, S.A. de C.V.
El Barqueno Fraccion III	235679	Industrial Minera Mexico, S.A. de C.V.
San Gabriel	213385	Industrial Minera Mexico, S.A. de C.V.
Pilarica	213387	Industrial Minera Mexico, S.A. de C.V.
Pilarica 2	220653	Industrial Minera Mexico, S.A. de C.V.
La Verdosilla	213657	Industrial Minera Mexico, S.A. de C.V.
La Luz II Frac II	233542	Compania Minera de Atengo, S. de R.L. de C.V.
Cayden I Fraccion I	Pending	Cayden MC
Cayden I Fraccion II	Pending	Cayden MC
Cayden II	Pending	Cayden MC
Shangri-la	231482	Cayden MC
Shamba-la	231483	Cayden MC
Tenantla	229665	Cayden LCM
Las Calles	242453	Cayden LCM
Magnetita	242456	Cayden LCM

SCHEDULE D

BEACON FAIRNESS OPINION

66 Wellington St W
Suite 4050
Toronto, ON
M5K 1H1
beaconsecurities.ca

September 8, 2014

The Board of Directors of
Cayden Resources Inc. (the "Board")
1199 West Hastings Street, Suite 600
Vancouver, British Columbia V6E 3T5

To the Board:

Beacon Securities Limited ("**Beacon**") understands that Cayden Resources Inc. ("**Cayden**") intends to enter into an agreement (the "**Arrangement Agreement**") with Agnico Eagle Mines Limited ("**Agnico**"), providing, among other things, for the acquisition by Agnico of all of the issued and outstanding common shares of Cayden, including all common shares of Cayden issuable on exercise of convertible securities of Cayden, for consideration per common share of Cayden of 0.09 of a common share of Agnico plus C$0.01 in cash, pursuant to and in accordance with the terms and conditions of an arrangement (the "**Arrangement**") carried out under the provisions of Division 5 of Part 9 of the *Business Corporations Act* (British Columbia).

Cayden has retained Beacon to assist it in evaluating the Arrangement and to prepare and deliver an opinion (the "**Opinion**") to the Board as to the fairness, from a financial point of view, of the consideration payable to the shareholders of Cayden under to the Arrangement.

Beacon Engagement and Background

Beacon was first contacted regarding the Arrangement on July 18, 2014. Beacon was formally engaged to act as financial advisor to Cayden and the Board pursuant to an agreement dated July 21, 2014 (the "**Engagement Agreement**"). Under the terms of the Engagement Agreement, Beacon has agreed to prepare and deliver the Opinion to the Board. The terms of the Engagement Agreement provide that Beacon is to be paid a fixed fee for its service, part of which was paid upon execution of the Engagement Agreement, and the remainder of which will be paid upon submission of the Opinion, together with all reimbursable out of pocket expenses incurred by Beacon in connection with its engagement under the Engagement Agreement. In addition, Cayden has agreed to indemnify Beacon, its affiliates, and their respective present and former directors, officers, employees, agents and controlling persons, against certain losses, claims, damages and liabilities arising from the Engagement Agreement. The fee payable to Beacon is not contingent upon the completion of the Arrangement. No understandings or agreements exist between Beacon and Cayden with respect to future financial advisory or investment banking business.

Subject to the terms of the Engagement Agreement, Beacon consents to the inclusion of the Opinion in its entirety, together with a summary thereof in a form acceptable to Beacon, acting reasonably, in the notice of meeting and management information circular of Cayden, which will be mailed to holders of the common shares of Cayden in connection with seeking their approval of the Arrangement (the "**Circular**"), and, documents filed with the securities commissions or similar regulatory authorities in each relevant province of Canada.

Credentials and Independence of Beacon

Beacon is a Canadian independent investment banking firm with a sales, trading, research and corporate finance focus providing services for both institutional investors and corporations. Beacon was founded in 1988 and is a member of the Toronto Stock Exchange, the TSX Venture Exchange and Investment Industry Regulatory Organization of Canada ("**IIROC**"). Beacon has participated in many transactions involving both public and private companies.

The Opinion expressed herein represents the opinion of Beacon and the form and content thereof have been approved for release by a committee of directors and other professionals of Beacon, each of whom is experienced in mergers, business combinations, divestitures, valuation and fairness opinion matters.

None of Beacon, its associates or affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (British Columbia)) of Cayden or Agnico or holds any securities of Agnico, or any of its respective associates or affiliates. As at the date hereof, Beacon and/or its officers, directors and/or employees own, directly or indirectly, common shares and compensation options which in aggregate represent less than 1% of the issued and outstanding common shares in the capital of Cayden on a fully-diluted basis.

In addition, during the 24 months prior to the date of the Engagement Agreement, Beacon:

(i) has not been engaged as an advisor to any person or company other than to each of the Board and Cayden with respect to the Arrangement;

(ii) has not provided any financial advisory services to Cayden or Agnico, or any of their respective associates or affiliates for which it has received compensation; and

(iii) has participated in a financing by Cayden in which Beacon acted as the lead and for which Beacon received a customary underwriting commission.

Beacon may, in the ordinary course of its business, provide financial advisory or investment banking services to Cayden, Agnico or any of their respective affiliates. In addition, during the ordinary course of business, Beacon may actively trade common shares and other securities of Cayden or Agnico for its own account and for the accounts of Beacon's clients and, accordingly, may at any time hold a long or short position in such securities. As an investment dealer, Beacon conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including those related to any of Cayden, Agnico, or the Arrangement, in compliance with applicable laws, regulations, policies and rules.

Alistair Maxwell is a consultant to Cayden and is Chairman & Chief Executive Officer of Beacon. Consequently, Cayden may be considered a *"connected issuer"* of Beacon within the meaning of applicable securities legislation.

Scope of the Review

In connection with this Opinion, Beacon has reviewed and relied upon and in some cases carried out, among other things, the following:

a) The final draft execution copy of the Arrangement Agreement dated September 8, 2014;

b) The final draft execution copy of Cayden's disclosure letter dated September 8, 2014, to be delivered by Cayden to Agnico contemporaneously with the execution and delivery of the Arrangement Agreement;

c) The final draft execution copy of the support agreements dated September 8, 2014, to be delivered by Cayden to Agnico contemporaneously with the execution and delivery of the Arrangement Agreement;

d) Cayden's annual information form for the fiscal year ended December 31, 2013, dated April 8, 2014;

e) Cayden's notice of meeting and management information circulars dated May 2, 2014 and May 15, 2013, respectively;

f) Cayden's audited consolidated financial statements and management's discussion and analysis for the fiscal year ended December 31, 2013 and the comparative period ended December 31, 2012;

g) Cayden's unaudited quarterly consolidated interim financial statements and management's discussion and analysis as at and for the periods ended June 30, 2014, March 31, 2014 and September 30, 2013 and the comparative periods ended June 30, 2013, March 31, 2013 and September 30, 2012, respectively;

h) National Instrument 43-101 *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") Technical Report on the El Barqueño Project, Jalisco, Mexico, dated September 18, 2013, prepared for Cayden, by David Hladky, P.Geol;

i) NI 43-101 Technical Report on the Morelos Sur Property, Guerrero, Mexico, dated September 18, 2013, prepared for Cayden, by David Hladky, P.Geol;

j) Cayden's press releases and other public documents filed by Cayden on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") for the one year period ending September 5, 2014;

k) Cayden's corporate presentation as posted on Cayden's corporate website dated August 2014;

l) Certain internal financial, operational, corporate and other information prepared or provided by the management of Cayden or third party advisors relating to the business, operations and financial condition of Cayden;

m) Certain internal management forecasts, projections, estimates (including internal estimates of mineral resources) and budgets prepared or provided by or on behalf of management of Cayden;

n) Agnico's annual information form for the fiscal year ended December 31, 2013, dated March 21, 2014;

o) Agnico's notice of meeting and management information circulars dated March 11, 2014 and March 11, 2013;

p) Agnico's audited annual consolidated financial statements and management's discussion and analysis for the fiscal year ended December 31, 2013, and the comparative period ended December 31, 2012;

q) Agnico's unaudited quarterly consolidated interim financial statements and management's discussion and analysis as at and for the periods ended June 30, 2014, March 31, 2014 and September 30, 2013 and the comparative periods ended June 30, 2013, March 31, 2013 and September 30, 2012, respectively;

r) Arrangement Agreement between Agnico, Yamana Gold Inc. and Osisko Mining Corporation, dated April 16, 2014;

s) NI 43-101 Technical Report on Mineral Resource and Reserve Estimates for the Canadian Malartic Property, dated August 13, 2014, prepared for Agnico and Yamana Gold Inc. by Donald Gervais, Christian Roy, Alain Thibault, Carl Pednault and Daniel Doucet;

t) NI 43-101 Technical Report on Production of the M and E Zones at Goldex Mine, dated October 14, 2012, prepared for Agnico by Richard Genest, P.Geo., Jean-François Lagueux, François Robichaud and Sylvain Boily;

u) NI 43-101 Technical Report on the La India Gold Project, Sonora Mexico, dated August 31, 2012, prepared for Agnico by Daniel Doucet, Tim Haldene, P.Eng., Michel Julien, P.Eng.;

v) Agnico's press releases and other public documents filed by Agnico on SEDAR for the one year period ending September 5, 2014;

w) Agnico's corporate update presentation dated March 19-20, 2014;

x) Oral representations obtained from senior representatives of Cayden as to matters of fact considered by Beacon to be relevant;

y) Selected public market trading statistics and relevant business and financial information of Cayden, Agnico and other comparable publicly traded entities;

z) Historical commodity prices and the impact of various commodity pricing assumptions on the business, prospects and financial forecasts of the Company;

aa) Various reports published by equity research analysts and industry sources deemed relevant by Beacon;

bb) Relevant financial information and selected financial metrics with respect to precedent transactions deemed relevant by Beacon;

cc) Such other corporate, industry and financial market information, investigations and analyses as Beacon considered necessary or appropriate in the circumstances; and

dd) Representations contained in a certificate addressed to Beacon and dated the date hereof, from senior officers of Cayden as to the completeness and accuracy of the information upon which the Opinion is based and certain other matters.

In addition, Beacon has participated in discussions with members of Cayden's senior management regarding Cayden's past and current business operations and Cayden's financial condition and prospects. Beacon has not, to the best of its knowledge, been denied access by Cayden to any information requested. Beacon did not meet with the auditors of Cayden or Agnico and has assumed the accuracy and fair presentation of the audited consolidated financial statements of Cayden and Agnico and the reports of the auditors thereon.

The Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of IIROC but IIROC has not been involved in the preparation or review of the Opinion.

Assumptions and Limitations

The Opinion is subject to the assumptions, explanations and limitations set forth below.

Beacon has not prepared a formal valuation or appraisal of Cayden or Agnico or any of their respective securities or assets and the Opinion should not be construed as such. Beacon has, however, conducted such analyses as it considered necessary in the circumstances. In addition, the Opinion is not, and should not be construed as, advice as to the price at which any securities of Cayden or Agnico may trade at any future date. We are not legal, tax or accounting experts, have not been engaged to review any legal, tax or accounting aspects of the Arrangement and express no opinion concerning any legal, tax or accounting matters concerning the Arrangement. Without limiting the generality of the foregoing, Beacon has not reviewed and is not opining upon the tax treatment under the Arrangement to the shareholders of Cayden. We have relied upon, without independent verification, the assessment by Cayden and its legal and tax advisors with respect to such matters.

With the approval of the Board and, as provided in the Engagement Agreement, Beacon has relied, without independent verification, upon all financial and other information, data, advice, opinions and representations that were obtained from public sources or that were provided to Beacon by Cayden and its respective affiliates, associates, advisors or otherwise. Beacon has assumed that such information, data, advice, opinions and representations were complete, accurate and fairly presented as of the date thereof and did not omit to state any material fact or any fact necessary to be stated to make such information, data, advice, opinions and representations not misleading. This Opinion is conditional upon such completeness, accuracy and fair presentation. In accordance with the terms of our engagement, but subject to the exercise of Beacon's professional judgment, Beacon has not conducted any independent investigation to verify the completeness, accuracy or fair presentation of such information, data, advice, opinions or representations. With respect to the financial forecasts and budgets provided to us and used in our analysis, Beacon has assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments of the management of Cayden as to the matters covered thereby.

Senior officers of Cayden have represented to Beacon, in a certificate dated September 8, 2014, among other things, that the information, data, advice, opinions, representations and other materials, whether in written, electronic or oral form (the "**Information**") provided to Beacon by, or on behalf of, Cayden are complete, true and correct in all material respects as of the date of the Information, that the Information did not contain any untrue statement of a material fact or omit to state a material fact in respect of Cayden, its associates, affiliates or subsidiaries (as such terms are defined in the *Securities Act* (British Columbia)) necessary to make the Information or any statement contained therein not misleading in light of the circumstances under which the Information was provided or any statement was made and since the date of the Information, except as

publicly disclosed, there has been no change in any material fact which is of a nature as to render the Information untrue or misleading in any material respect except to the extent disclosed in subsequent Information and that since the dates on which the Information was provided to Beacon, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of Cayden or any of its subsidiaries and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion.

This Opinion is based on the securities markets, economic, general business and financial conditions prevailing as of the date of the Opinion and the conditions and prospects, financial and otherwise, of Cayden as they were reflected in the Information reviewed by us. In the analysis and in preparing the Opinion, Beacon has made a number of assumptions with respect to industry performance, general business and economic conditions, and other matters, many of which are beyond the control of Beacon, Cayden, Agnico and any other party involved in connection with the Arrangement.

Beacon has not been requested to identify, solicit, consider or develop any potential alternatives to the Arrangement.

Finally, Beacon has assumed that (i) the final executed form of the Arrangement Agreement will not differ in any material respect from the draft that Beacon reviewed; (ii) Cayden and Agnico will comply with all of the material terms of the Arrangement Agreement; (iii) the Arrangement will be consummated in accordance with the terms of the Arrangement Agreement without any adverse waiver or amendment of any material term or condition thereof; and (iv) the approval by the shareholders of Cayden of the Arrangement and all material governmental, regulatory or other required consents and approvals necessary for the consummation of the Arrangement will be obtained without any meaningful adverse effect on Cayden, Agnico or the contemplated benefits of the Arrangement.

The Opinion has been provided for the use of the Board and, if required, for inclusion in the Circular (or a summary thereof in a form acceptable to Beacon) and may not be used by any other person or relied upon by any other person without the express consent of Beacon, except as explicitly provided by law. The Opinion is given as of the date hereof and, although Beacon reserves the right to change or withdraw the Opinion, Beacon disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to Beacon's attention after the date hereof or to update the Opinion after such date. The Opinion is limited to Beacon's understanding of the Arrangement as of the date hereof and Beacon assumes no obligation to update the Opinion to take into account any changes regarding the Arrangement after the date hereof.

In preparing the Opinion, Beacon performed a variety of financial and comparative analyses. The preparation of a fairness opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analyses and the application of those methods to the particular circumstances and, therefore, a fairness opinion is not readily susceptible to partial analysis or summary description. In arriving at the Opinion, Beacon made qualitative judgments as to the significance and relevance of each analysis and factor that it considered. Accordingly, Beacon believes that its analyses must be considered as a whole and that selecting portions of its analyses and factors, without considering all analyses and factors or the narrative description of the analyses could create a misleading or incomplete view of the processes underlying its analyses and the Opinion. The Opinion is not to be construed as a recommendation to any holder of Cayden shares as to whether to approve the Arrangement by voting such shares in favour of the Arrangement. Beacon expresses no opinion as to whether the Arrangement is consistent with the best interest of shareholders of Cayden.

In its analyses, Beacon considered industry performance, general business, economic, market, political and financial conditions and other matters, many of which are beyond the control of Cayden and Agnico. No company, transaction or business used in Beacon's analyses as a comparison is identical to Cayden, Agnico or the Arrangement, and an evaluation of the results of those analyses is not entirely mathematical. Rather, the

analyses involve complex considerations and judgments concerning financial and operating characteristics and other factors that could affect the business combination, public trading or other values of the companies, business segments or transactions being analysed. The estimates contained in Beacon's analyses and the ranges of valuations resulting from any particular analysis are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favourable than those suggested by the analyses. In addition, analyses relating to the value of businesses or securities do not purport to be appraisals or to reflect the prices at which businesses or securities actually may be sold. Accordingly, Beacon's analyses and estimates are inherently subject to substantial uncertainty. The Opinion should be read in its entirety. The Opinion is conditional upon the correctness of all of the assumptions indicated herein.

Cayden Overview

Founded in 2008, Cayden is a Canadian-headquartered mining company with assets in Mexico. Cayden's common shares are listed and posted for trading on the TSX Venture Exchange under the symbol "CYD".

Cayden's principal assets comprise:

- the option to earn a 100% interest in the El Barqueño project in Jalisco, Mexico; and
- a 100% interest in the Morelos Sur Gold project near Mexico City, Mexico.

The El Barqueño project is made up of three groups of mining concessions. Cayden acquired the option to earn 100% interest in El Barqueño I in April 2012 and the option to earn a 100% interest in the El Barqueño II and staked the El Barqueño III concessions in July 2013.

The Morelos Sur Gold project is made up of three exploration-stage concessions. Cayden recently sold an additional concession, the Morelos East concession, to a subsidiary of Goldcorp Inc.

Agnico Overview

Headquartered in Toronto, Agnico was incorporated in 1972 and engages in the exploration, development and production of gold mineral properties. Agnico's common shares are listed and posted for trading on the Toronto Stock Exchange and the New York Stock Exchange, both under the symbol "AEM". Agnico has mining operations in Northwestern Québec, northern Mexico, northern Finland and Nunavut and exploration activities in Canada, Europe, Latin America and the United States.

Fairness Methodology

In connection with this Opinion, Beacon has performed a variety of financial and comparative analyses, including those described below. In arriving at this Opinion, we have weighted each of these analyses based on our experience and judgement.

In assessing the fairness of the consideration payable under the Arrangement, from a financial point of view, we considered, among other factors, the following items and methodologies:

a. Comparable multiple analysis;

b. Precedent transactions analysis;

c. Historical share price trading analysis;

d. Balance sheet analysis;

e. Investment dealer analysis and share price targets; and

f. Other

Comparable Multiple Analysis

Beacon reviewed selected comparable public company trading ranges for Cayden and Agnico in regard to the consideration payable under the Arrangement in price to net asset value, price to cash flow, price to earnings and enterprise value to earnings before interest, taxes, depreciation and amortization metrics. Beacon used both the current price and the recent volume weighted average prices ("**VWAPs**") in the analysis.

Precedent Transactions Analysis

Beacon reviewed publicly available information on selected merger and acquisition transactions in the mining and precious metal sectors, and compared these to the consideration payable under the Arrangement. Precedent transaction analysis included 34 transactions announced since January 1, 2012 with a transaction value between US$25M and US$5B.

Historical Share Price Trading Analysis

Beacon reviewed the historical stock prices of Cayden and Agnico's common shares. Beacon specifically reviewed the 1-day, 5-day, 10-day, 20-day, 30-day, 45-day and 60-day VWAPs prior to the date of the Opinion.

Balance Sheet Analysis

Beacon reviewed the most recent audited and unaudited financial statements for Cayden and Agnico. Beacon analyzed the book value and price to book value for Cayden and Agnico.

Investment Dealer Analyses and Share Price Targets

Beacon reviewed the most recent available investment dealer and analyst research on Cayden and Agnico. Beacon reviewed analyst forecasts, analyst target prices and analyst net asset value estimates.

Other

Beacon considered other qualitative factors with respect to the Arrangement, including, but not limited to the strategic fit of Cayden's assets within Agnico's asset portfolio and any potential synergies that may result. Beacon also considered the different risks Cayden is currently exposed to which include but are not limited to exploration, development and financing risks.

Conclusion

Based upon and subject to the foregoing and such other factors as Beacon considered relevant, Beacon is of the opinion that, as of the date hereof, the consideration payable to the shareholders of Cayden under the Arrangement is fair, from a financial point of view, to the shareholders of Cayden.

Yours very truly,

Beacon Securities Limited

BEACON SECURITIES LIMITED

SCHEDULE E

DISSENT PROVISIONS OF THE BUSINESS CORPORATIONS ACT (BRITISH COLUMBIA)

Division 2 — Dissent Proceedings

Definitions and application

237 (1) In this Division:

"dissenter" means a shareholder who, being entitled to do so, sends written notice of dissent when and as required by section 242;

"notice shares" means, in relation to a notice of dissent, the shares in respect of which dissent is being exercised under the notice of dissent; and

"payout value" means, (a) in the case of a dissent in respect of a resolution, the fair value that the notice shares had immediately before the passing of the resolution, (b) in the case of a dissent in respect of an arrangement approved by a court order made under section 291 (2) (c) that permits dissent, the fair value that the notice shares had immediately before the passing of the resolution adopting the arrangement, or (c) in the case of a dissent in respect of a matter approved or authorized by any other court order that permits dissent, the fair value that the notice shares had at the time specified by the court order, excluding any appreciation or depreciation in anticipation of the corporate action approved or authorized by the resolution or court order unless exclusion would be inequitable.

(2) This Division applies to any right of dissent exercisable by a shareholder except to the extent that (a) the court orders otherwise, or (b) in the case of a right of dissent authorized by a resolution referred to in section 238 (1) (g), the court orders otherwise or the resolution provides otherwise.

Right to dissent

238 (1) A shareholder of a company, whether or not the shareholder's shares carry the right to vote, is entitled to dissent as follows:

(a) under section 260, in respect of a resolution to alter the articles to alter restrictions on the powers of the company or on the business it is permitted to carry on;

(b) under section 272, in respect of a resolution to adopt an amalgamation agreement;

(c) under section 287, in respect of a resolution to approve an amalgamation under Division 4 of Part 9;

(d) in respect of a resolution to approve an arrangement, the terms of which arrangement permit dissent;

(e) under section 301 (5), in respect of a resolution to authorize or ratify the sale, lease or other disposition of all or substantially all of the company's undertaking;

(f) under section 309, in respect of a resolution to authorize the continuation of the company into a jurisdiction other than British Columbia;

(g) in respect of any other resolution, if dissent is authorized by the resolution; or

(h) in respect of any court order that permits dissent.

(2) A shareholder wishing to dissent must:

(a) prepare a separate notice of dissent under section 242 for (i) the shareholder, if the shareholder is dissenting on the shareholder's own behalf, and (ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is dissenting;

(b) identify in each notice of dissent, in accordance with section 242 (4), the person on whose behalf dissent is being exercised in that notice of dissent; and

(c) dissent with respect to all of the shares, registered in the shareholder's name, of which the person identified under paragraph (b) of this subsection is the beneficial owner.

(3) Without limiting subsection (2), a person who wishes to have dissent exercised with respect to shares of which the person is the beneficial owner must

(a) dissent with respect to all of the shares, if any, of which the person is both the registered owner and the beneficial owner, and

(b) cause each shareholder who is a registered owner of any other shares of which the person is the beneficial owner to dissent with respect to all of those shares.

Waiver of right to dissent

239 (1) A shareholder may not waive generally a right to dissent but may, in writing, waive the right to dissent with respect to a particular corporate action.

(2) A shareholder wishing to waive a right of dissent with respect to a particular corporate action must

(a) provide to the company a separate waiver for

(i) the shareholder, if the shareholder is providing a waiver on the shareholder's own behalf, and

(ii) each other person who beneficially owns shares registered in the shareholder's name and on whose behalf the shareholder is providing a waiver; and

(b) identify in each waiver the person on whose behalf the waiver is made.

(3) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on the shareholder's own behalf, the shareholder's right to dissent with respect to the particular corporate action terminates in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and this Division ceases to apply to

(a) the shareholder in respect of the shares of which the shareholder is both the registered owner and the beneficial owner, and

(b) any other shareholders, who are registered owners of shares beneficially owned by the first mentioned shareholder, in respect of the shares that are beneficially owned by the first mentioned shareholder.

(4) If a shareholder waives a right of dissent with respect to a particular corporate action and indicates in the waiver that the right to dissent is being waived on behalf of a specified person who beneficially owns shares registered in the name of the shareholder, the right of shareholders who are registered owners of shares beneficially owned by that specified person to dissent on behalf of that specified person with respect to the particular corporate action terminates and this Division ceases to apply to those shareholders in respect of the shares that are beneficially owned by that specified person.

Notice of resolution

240 (1) If a resolution in respect of which a shareholder is entitled to dissent is to be considered at a meeting of shareholders, the company must, at least the prescribed number of days before the date of the proposed meeting, send to each of its shareholders, whether or not their shares carry the right to vote:

(a) a copy of the proposed resolution; and

(b) a notice of the meeting that specifies the date of the meeting, and contains a statement advising of the right to send a notice of dissent.

(2) If a resolution in respect of which a shareholder is entitled to dissent is to be passed as a consent resolution of shareholders or as a resolution of directors and the earliest date on which that resolution can be passed is specified in the resolution or in the statement referred to in paragraph (b), the company may, at least 21 days before that specified date, send to each of its shareholders, whether or not their shares carry the right to vote:

(a) a copy of the proposed resolution; and

(b) a statement advising of the right to send a notice of dissent.

(3) If a resolution in respect of which a shareholder is entitled to dissent was or is to be passed as a resolution of shareholders without the company complying with subsection (1) or (2), or was or is to be passed as a directors' resolution without the company complying with subsection (2), the company must, before or within 14 days after the passing of the resolution, send to each of its shareholders who has not, on behalf of every person who beneficially owns shares registered in the name of the shareholder, consented to the resolution or voted in favour of the resolution, whether or not their shares carry the right to vote:

(a) a copy of the resolution;

(b) a statement advising of the right to send a notice of dissent, and

(c) if the resolution has passed, notification of that fact and the date on which it was passed.

(4) Nothing in subsection (1), (2) or (3) gives a shareholder a right to vote in a meeting at which, or on a resolution on which, the shareholder would not otherwise be entitled to vote.

Notice of court orders

241 If a court order provides for a right of dissent, the company must, not later than 14 days after the date on which the company receives a copy of the entered order, send to each shareholder who is entitled to exercise that right of dissent:

(a) a copy of the entered order; and

(b) a statement advising of the right to send a notice of dissent.

Notice of dissent

242 (1) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (a), (b), (c), (d), (e) or (f) must:

(a) if the company has complied with section 240 (1) or (2), send written notice of dissent to the company at least 2 days before the date on which the resolution is to be passed or can be passed, as the case may be;

(b) if the company has complied with section 240 (3), send written notice of dissent to the company not more than 14 days after receiving the records referred to in that section; or

(c) if the company has not complied with section 240 (1), (2) or (3), send written notice of dissent to the company not more than 14 days after the later of

(i) the date on which the shareholder learns that the resolution was passed, and

(ii) the date on which the shareholder learns that the shareholder is entitled to dissent.

(2) A shareholder intending to dissent in respect of a resolution referred to in section 238 (1) (g) must send written notice of dissent to the company

(a) on or before the date specified by the resolution or in the statement referred to in section 240(2)(b) or (3)(b) as the last date by which notice of dissent must be sent, or

(b) if the resolution or statement does not specify a date, in accordance with subsection (1) of this section.

(3) A shareholder intending to dissent under section 238 (1) (h) in respect of a court order that permits dissent must send written notice of dissent to the company

(a) within the number of days, specified by the court order, after the shareholder receives the records referred to in section 241, or

(b) if the court order does not specify the number of days referred to in paragraph (a) of this subsection, within 14 days after the shareholder receives the records referred to in section 241.

(4) A notice of dissent sent under this section must set out the number, and the class and series, if applicable, of the notice shares, and must set out whichever of the following is applicable:

(a) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner and the shareholder owns no other shares of the company as beneficial owner, a statement to that effect;

(b) if the notice shares constitute all of the shares of which the shareholder is both the registered owner and beneficial owner but the shareholder owns other shares of the company as beneficial owner, a statement to that effect and:

(i) the names of the registered owners of those other shares;

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners; and

(iii) a statement that notices of dissent are being, or have been, sent in respect of all of those other shares;

(c) if dissent is being exercised by the shareholder on behalf of a beneficial owner who is not the dissenting shareholder, a statement to that effect and:

(i) the name and address of the beneficial owner; and

(ii) a statement that the shareholder is dissenting in relation to all of the shares beneficially owned by the beneficial owner that are registered in the shareholder's name.

(5) The right of a shareholder to dissent on behalf of a beneficial owner of shares, including the shareholder, terminates and this Division ceases to apply to the shareholder in respect of that beneficial owner if subsections (1) to (4) of this section, as those subsections pertain to that beneficial owner, are not complied with.

Notice of intention to proceed

243 (1) A company that receives a notice of dissent under section 242 from a dissenter must,

(a) if the company intends to act on the authority of the resolution or court order in respect of which the notice of dissent was sent, send a notice to the dissenter promptly after the later of

(i) the date on which the company forms the intention to proceed, and

(ii) the date on which the notice of dissent was received, or

(b) if the company has acted on the authority of that resolution or court order, promptly send a notice to the dissenter.

(2) A notice sent under subsection (1) (a) or (b) of this section must

(a) be dated not earlier than the date on which the notice is sent,

(b) state that the company intends to act, or has acted, as the case may be, on the authority of the resolution or court order, and

(c) advise the dissenter of the manner in which dissent is to be completed under section 244.

Completion of dissent

244 (1) A dissenter who receives a notice under section 243 must, if the dissenter wishes to proceed with the dissent, send to the company or its transfer agent for the notice shares, within one month after the date of the notice,

(a) a written statement that the dissenter requires the company to purchase all of the notice shares,

(b) the certificates, if any, representing the notice shares, and

(c) if section 242 (4) (c) applies, a written statement that complies with subsection (2) of this section.

(2) The written statement referred to in subsection (1)(c) must

(a) be signed by the beneficial owner on whose behalf dissent is being exercised, and

(b) set out whether or not the beneficial owner is the beneficial owner of other shares of the company and, if so, set out

(i) the names of the registered owners of those other shares,

(ii) the number, and the class and series, if applicable, of those other shares that are held by each of those registered owners, and

(iii) that dissent is being exercised in respect of all of those other shares.

(3) After the dissenter has complied with subsection (1),

(a) the dissenter is deemed to have sold to the company the notice shares, and

(b) the company is deemed to have purchased those shares, and must comply with section 245, whether or not it is authorized to do so by, and despite any restriction in, its memorandum or articles.

(4) Unless the court orders otherwise, if the dissenter fails to comply with subsection (1) of this section in relation to notice shares, the right of the dissenter to dissent with respect to those notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares.

(5) Unless the court orders otherwise, if a person on whose behalf dissent is being exercised in relation to a particular corporate action fails to ensure that every shareholder who is a registered owner of any of the shares beneficially owned by that person complies with subsection (1) of this section, the right of shareholders who are registered owners of shares beneficially owned by that person to dissent on behalf of that person with respect to that corporate action terminates and this Division, other than section 247, ceases to apply to those shareholders in respect of the shares that are beneficially owned by that person.

(6) A dissenter who has complied with subsection (1) of this section may not vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, other than under this Division.

Payment for notice shares

245 (1) A company and a dissenter who has complied with section 244 (1) may agree on the amount of the payout value of the notice shares and, in that event, the company must

(a) promptly pay that amount to the dissenter, or

(b) if subsection (5) of this section applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(2) A dissenter who has not entered into an agreement with the company under subsection (1) or the company may apply to the court and the court may

(a) determine the payout value of the notice shares of those dissenters who have not entered into an agreement with the company under subsection (1), or order that the payout value of those notice shares be established by arbitration or by reference to the registrar, or a referee, of the court,

(b) join in the application each dissenter, other than a dissenter who has entered into an agreement with the company under subsection (1), who has complied with section 244 (1), and

(c) make consequential orders and give directions it considers appropriate.

(3) Promptly after a determination of the payout value for notice shares has been made under subsection (2) (a) of this section, the company must

(a) pay to each dissenter who has complied with section 244 (1) in relation to those notice shares, other than a dissenter who has entered into an agreement with the company under subsection (1) of this section, the payout value applicable to that dissenter's notice shares, or

(b) if subsection (5) applies, promptly send a notice to the dissenter that the company is unable lawfully to pay dissenters for their shares.

(4) If a dissenter receives a notice under subsection (1) (b) or (3) (b),

(a) the dissenter may, within 30 days after receipt, withdraw the dissenter's notice of dissent, in which case the company is deemed to consent to the withdrawal and this Division, other than section 247, ceases to apply to the dissenter with respect to the notice shares, or

(b) if the dissenter does not withdraw the notice of dissent in accordance with paragraph (a) of this subsection, the dissenter retains a status as a claimant against the company, to be paid as soon as the company is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the company but in priority to its shareholders.

(5) A company must not make a payment to a dissenter under this section if there are reasonable grounds for believing that

(a) the company is insolvent, or

(b) the payment would render the company insolvent.

Loss of right to dissent

246 The right of a dissenter to dissent with respect to notice shares terminates and this Division, other than section 247, ceases to apply to the dissenter with respect to those notice shares, if, before payment is made to the dissenter of the full amount of money to which the dissenter is entitled under section 245 in relation to those notice shares, any of the following events occur:

(a) the corporate action approved or authorized, or to be approved or authorized, by the resolution or court order in respect of which the notice of dissent was sent is abandoned;

(b) the resolution in respect of which the notice of dissent was sent does not pass;

(c) the resolution in respect of which the notice of dissent was sent is revoked before the corporate action approved or authorized by that resolution is taken;

(d) the notice of dissent was sent in respect of a resolution adopting an amalgamation agreement and the amalgamation is abandoned or, by the terms of the agreement, will not proceed;

(e) the arrangement in respect of which the notice of dissent was sent is abandoned or by its terms will not proceed;

(f) a court permanently enjoins or sets aside the corporate action approved or authorized by the resolution or court order in respect of which the notice of dissent was sent;

(g) with respect to the notice shares, the dissenter consents to, or votes in favour of, the resolution in respect of which the notice of dissent was sent;

(h) the notice of dissent is withdrawn with the written consent of the company; or

(i) the court determines that the dissenter is not entitled to dissent under this Division or that the dissenter is not entitled to dissent with respect to the notice shares under this Division.

Shareholders entitled to return of shares and rights

247 If, under section 244 (4) or (5), 245 (4) (a) or 246, this Division, other than this section, ceases to apply to a dissenter with respect to notice shares,

(a) the company must return to the dissenter each of the applicable share certificates, if any, sent under section 244 (1) (b) or, if those share certificates are unavailable, replacements for those share certificates,

(b) the dissenter regains any ability lost under section 244 (6) to vote, or exercise or assert any rights of a shareholder, in respect of the notice shares, and (c) the dissenter must return any money that the company paid to the dissenter in respect of the notice shares under, or in purported compliance with, this Division.

SCHEDULE F
INTERIM ORDER

See attached.

No. S147352
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF PART 9, DIVISION 5, SECTION 291 OF THE *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT AMONG CAYDEN RESOURCES INC., ITS SHAREHOLDERS AND OPTIONHOLDERS, AND AGNICO EAGLE MINES LIMITED.

CAYDEN RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION
(INTERIM ORDER)

BEFORE MASTER Scarth) THURSDAY THE 25TH
) DAY OF SEPTEMBER, 2014
)
)

ON THE APPLICATION of the Petitioner, Cayden Resources Inc. ("Cayden") for an Interim Order pursuant to its Application filed on September 23, 2014, without notice and coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on September 25, 2014 and on hearing Karen L.M. Carteri, counsel for the Petitioner and upon reading the Application herein and Affidavit #1 of Peter Rees, sworn September 23, 2014, and filed herein.

THIS COURT ORDERS THAT:

THE MEETING

1. The Petitioner, Cayden, is authorized and directed to call, hold and conduct a special meeting (the "Meeting") of the holders as at the Record Date (as defined below) of common shares ("Common Shares" and holders of Common Shares referred to herein as the "Shareholders"), options (the "Optionholders") and warrants (the "Warrantholders") of Cayden (collectively, the "Securityholders") to be held at Suite 1500 – 1055 West

Georgia Street, Vancouver, British Columbia on October 27, 2014 at 10:00 a.m. (Vancouver time) or at such other time and location in Vancouver, British Columbia to be determined by Cayden provided that the Securityholders have due notice of same in accordance with paragraph 13 below.

2. At the Meeting, the Securityholders will, *inter alia*, consider, and if deemed advisable, approve one or more special resolutions (the "Arrangement Resolution"), in the form attached as Schedule A to the management information circular of Cayden prepared in connection with the Meeting (the "Information Circular"), a copy of which is attached as Exhibit "B" to the Affidavit #1 of Peter Rees sworn on September 23, 2014 and filed herein, adopting, with or without amendment, the arrangement (the "Arrangement") involving Cayden, the Securityholders and Agnico Eagle Mines Limited ("Agnico") as set forth in the plan of arrangement (the "Plan of Arrangement"), a copy of which is attached as Exhibit "A" to the Affidavit #1 of Peter Rees sworn on September 23, 2014 and filed herein.

3. At the Meeting, Cayden may also transact such further and other business as is contemplated by the Information Circular or as otherwise may be properly brought before the Meeting.

4. The Meeting will be called, held and conducted in accordance with the Notice of Special Meeting of Securityholders (the "Notice") to be delivered in substantially the form attached to and forming part of the Information Circular, and in accordance with the applicable provisions of the BCA, applicable securities laws, the terms of this Interim Order (the "Interim Order") and any further Order of this Court, the rulings and directions of the chairman of the Meeting, and, in accordance with the terms, restriction and conditions of the articles of Cayden, including quorum requirements and all other matters. To the extent of any inconsistency or discrepancy between this Interim Order and the terms of any of the foregoing, this Interim Order will govern.

RECORD DATE FOR NOTICE

5. The record date for determining the Securityholders entitled to receive the Notice, the Information Circular, this Interim Order, and a form of proxy or voting instruction form (together, the "Meeting Materials") is the close of business on September 19, 2014 (the "Record Date"), a notice of which was previously filed with the applicable regulatory authorities by the Petitioner, or such other date as the directors of Cayden may determine in accordance with the articles of Cayden and the BCA and disclosed in the Meeting Materials.

NOTICE OF MEETING

6. The Meeting Materials, with such amendments or additional documents as counsel for Cayden may advise are necessary or desirable, and that are not inconsistent with the terms of this Interim Order, will be sent at least 21 clear days before the date of the Meeting, excluding the date of mailing or delivery, to the Securityholders who are registered Securityholders on the Record Date and to beneficial Shareholders as of the Record Date, where applicable, by providing in accordance with National Instrument 54-101, the requisite number of copies of the Meeting Materials to intermediaries and registered nominees.

7. The Meeting Materials will be sent by prepaid ordinary mail addressed to each registered Securityholder at his or her address appearing in the records of Cayden, or by delivery of same by personal delivery courier service or by electronic transmission to any such Securityholder who identifies himself or herself to the satisfaction of Cayden and who requests or accepts such electronic transmission.

8. The Meeting Materials will be sent by prepaid ordinary mail addressed to each Cayden director and to Cayden's auditor at his, her or its address as it appears on the records of Cayden or by delivery of same by personal delivery courier service or by electronic transmission to any such director or auditor who identifies himself, herself or itself to the satisfaction of Cayden and who requests or accepts such electronic transmission.

9. Substantial compliance with paragraphs 6 to 8 will constitute good and sufficient notice of the Meeting and delivery of the Meeting Materials.

10. The accidental failure or omission by Cayden to give notice of the Meeting or non-receipt of such notice shall not constitute a breach of the Interim Order or a defect in the calling of the Meeting and shall not invalidate any resolution passed or taken at the Meeting provided that the Meeting meets Cayden's quorum requirements, being at least one person who is, or who represents by proxy, one or more Shareholders who in the aggregate hold at least 33 1/3% of the issued shares of Cayden entitled to attend and vote at the Meeting.

11. The Meeting Materials are hereby deemed to represent sufficient and adequate disclosure including for the purposes of section 290 of the BCA, and Cayden shall not be required to send to the Securityholders any other or additional information pursuant to section 290 of the BCA or otherwise.

DEEMED RECEIPT OF MEETING MATERIALS

12. The Meeting Materials and any amendments, modifications, updates or supplements thereto will be deemed, for the purposes of this Interim Order, to have been received:

    (a) in the case of mailing, at the time specified at section 6 of the BCA;

    (b) in the case of courier delivery, two days after acceptance by the courier service;

    (c) in the case of a beneficial Shareholder two days after delivery thereof to intermediaries or registered nominees and

    (d) in the case of delivery by electronic transmission directly, the business day after such delivery or transmission of same.

13. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time prior to the meeting, to the Securityholders by press release, news release, newspaper advertisement, in which case such notice will be deemed to have been received at the

time of publication, or by notice sent by any of the means set forth in paragraph 13, as determined to be the most appropriate method of communication by the Petitioner.

PERMITTED ATTENDEES

14. The persons entitled to attend the Meeting will be the registered Securityholders, the officers, directors, and advisors of Cayden, the officers, directors and advisors of Agnico and such other persons who receive the consent of the Chairman of the Meeting.

VOTING AT THE MEETING

15. The only persons permitted to vote at the Meeting will be registered Securityholders appearing on the records of Cayden as of the close of business on the Record Date and their valid proxy holders as described in the Information Circular and as determined by the Chairman of the Meeting upon consultation with the Scrutineer (as hereinafter defined) and legal counsel to Cayden.

16. The required level of approval (the "Required Securityholder Approval") on the Arrangement Resolution taken at the Meeting will be (a) at least two-thirds ($66^2/_3\%$) of the votes cast by the Securityholders, voting as a single class, present in person or represented by proxy and entitled to vote at the Meeting, and (b) a simple majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting (after excluding votes cast in respect of Common Shares held by certain related parties pursuant to MI 61-101 – *Protection of Minority Securityholders in Special Transactions*). Each Securityholder will be entitled to one vote for each Cayden Share and one vote for each Cayden Share underlying the Cayden options and warrants.

17. In all other respects, the terms, restrictions and conditions of the articles of Cayden, including quorum requirements and other matters, will apply in respect of the Meeting.

ADJOURNMENT OF MEETING

18. Subject to the terms of the Arrangement Agreement, if Cayden deems advisable and notwithstanding the provisions of the BCA or the articles of Cayden, Cayden is specifically authorized to adjourn or postpone the Meeting on one or more occasions

without the necessity of first convening the Meeting or first obtaining any vote of the Securityholders respecting the adjournment or postponement and without the need for approval of the Court, provided that the Securityholders have due notice given by press release prior to the time called for the start of the Meeting.

19. The Record Date for Securityholders entitled to notice of and to vote at the Meeting will not change in respect of adjournments or postponements of the Meeting.

AMENDMENTS

20. Cayden is authorized to make such amendments, revisions or supplements to the Plan of Arrangement as it may determine, provided it has obtained any required consents under the Arrangement Agreement or otherwise, and the Plan of Arrangement as so amended, revised or supplemented will be the Plan of Arrangement which is submitted to the Meeting and which will thereby become the subject of the Arrangement Resolution.

SCRUTINEER

21. A representative of Computershare Investor Services Inc. or such other person as may be designated by Cayden, will be authorized to act as scrutineer for the Meeting (the "Scrutineer").

PROXY SOLICITATION

22. Cayden is authorized to permit the Securityholders to vote by proxy using a form or forms of proxy that comply with the articles of Cayden and the provisions of the BCA relating to the form and content of proxies, and Cayden may in its discretion waive generally the time limits for deposit of proxies by the Securityholders if Cayden deems it reasonable to do so.

23. The procedures for the use of proxies at the Meeting shall be as set out in the Meeting Materials.

DISSENT RIGHTS

24. Registered Shareholders will, as set out in the Plan of Arrangement, be permitted to dissent from the Arrangement Resolution in accordance with the dissent procedures set forth in Part 8 – Division 2 of the BCA, as modified by the terms of this Interim Order and the Plan of Arrangement, provided that the written notice (the "Dissent Notice") setting forth the objection of such registered Shareholder to the Arrangement and exercise of Dissent Rights must be received by Cayden not later than 10:00am (Vancouver time) on October 23, 2014, or two business days immediately preceding any date to which the Meeting may be postponed or adjourned at the following address: Cayden Resources Inc., 1199 West Hastings Street, Suite 609, Vancouver, BC, V6E 3T5, Attention: Peter Rees, Chief Financial Officer, Facsimile: (778) 729-0650.

25. Notice to the Shareholders of their right of dissent with respect to the Arrangement Resolution and to receive, subject to the provisions of the BCA and the Plan of Arrangement, the fair value of their Common Shares, shall be given by including information with respect to this right in the Information Circular to be sent to Shareholders in accordance with this Order.

26. Neither Cayden nor Agnico, nor any other person, will be required to recognize a Shareholder who has validly dissented as a registered or beneficial shareholder of Common Shares at or after the Effective Time, and at the Effective Time, the names of such registered Shareholders will be deleted from the central securities register of Cayden.

DELIVERY OF COURT MATERIALS

27. Cayden will include in the Meeting Materials a copy of this Interim Order and the Notice of Hearing of Petition for Final Order (the "Court Materials") and will make available to any Securityholders requesting same, a copy of each of the Application herein and the accompanying Affidavit #1 of Peter Rees.

28. Delivery of the Court Materials with the Meeting Materials in accordance with this Interim Order will constitute good and sufficient service or delivery of such Court

Materials upon all persons who are entitled to receive the Court Materials pursuant to this Interim Order and no other form of service or delivery need be made and no other material need to be served on or delivered to such persons in respect of these proceedings.

FINAL APPROVAL HEARING

29. Upon the approval of the Securityholders of the Plan of Arrangement in the manner set forth in this Interim Order, Cayden may apply for an order of this Court (i) approving the Plan of Arrangement pursuant to section 291(4)(a) of the BCA and (ii) determining that the Arrangement is fair and reasonable to the Securityholders pursuant to section 291(4)(c) of the BCA (collectively, the "Final Order") at 9:45 a.m. on October 29, 2014 or such later date as counsel for Cayden may determine or be heard.

30. Any Securityholder, the Petitioner, Agnico or any other person has the right to appear (either in person or by counsel) and make submissions at the hearing of the application for the Final Order provided that such person or entity (other than Agnico) shall file a Response, in the form prescribed by the British Columbia *Supreme Court Civil Rules*, with this Court and deliver a copy of the filed Response together with a copy of all materials on which such person or entity intends to rely at the application for the Final Order, including an outline of such person's or entity's proposed submissions to the solicitors for the Petitioner at McMillan LLP, Barristers & Solicitors, 1500 – 1055 W. Georgia Street, Vancouver, British Columbia, V6E 4N7, Attention: Karen L.M. Carteri, at or before 4:30 p.m. (Vancouver time) on October 27, 2014.

31. If the application for the Final Order is adjourned, only those persons who have filed and delivered a Response, in accordance with the preceding paragraph of this Interim Order, need to be served with notice of the adjourned date.

32. The Petitioner shall not be required to comply with Rules 8-1 and 16-1 of the *Supreme Court Civil Rules* in relation to the hearing for the Final Order approving the Plan of Arrangement, and any materials to be filed by Cayden in support of the application for

the Final Order may be filed up to two business days prior to the hearing of the application for the Final Order without further order of this Court.

VARIANCE

33. Cayden is at liberty to apply to this Honourable Court to vary the Interim Order or to seek advice and direction with respect to the Plan of Arrangement or any of the matters related to the Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of lawyer for the Petitioner
Karen L.M. Carteri

By the Court

Registrar

No.
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF PART 9, DIVISION 5, SECTION 291 OF THE *BUSINESS CORPORATIONS ACT,* S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT AMONG CAYDEN RESOURCES INC., ITS SHAREHOLDERS AND OPTIONHOLDERS, AND AGNICO EAGLE MINES LIMITED.

CAYDEN RESOURCES INC.

PETITIONER

ORDER MADE AFTER APPLICATION
(INTERIM ORDER)

Karen L.M. Carteri
McMillan LLP
1500 – 1055 W. Georgia Street, Box 11117
Vancouver, B.C. V6E 4N7
(604) 689-9111
File No. 62191V-230155

SCHEDULE G

NOTICE OF APPLICATION

See attached.

No. VLC-S-S-147352
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF PART 9, DIVISION 5, SECTION 291 OF THE *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, c. 57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED PLAN OF ARRANGEMENT AMONG CAYDEN RESOURCES INC., ITS SHAREHOLDERS, OPTIONHOLDERS AND WARRANTHOLDERS, AND AGNICO EAGLE MINES LIMITED

CAYDEN RESOURCES INC.

PETITIONER

NOTICE OF HEARING OF PETITION
(FOR FINAL ORDER)

TAKE NOTICE that the Petition of Cayden Resources Inc. dated September 23, 2014 for the Final Order will be heard in chambers at the courthouse at 800 Smithe Street, Vancouver, British Columbia, on Wednesday, the 29th day of October, 2014 at 9:45 a.m.

The Petitioner estimates that the hearing will take 15 minutes.

This matter is not within the jurisdiction of a Master because a final order is sought.

Dated: September 23, 2014

Counsel for Petitioner
Karen L.M. Carteri

This Notice of Hearing is filed and delivered by Karen L.M. Carteri of the firm of McMillan LLP, solicitor for the Petitioner, whose place of business and address for delivery is 1500 – 1055 West Georgia Street, Vancouver, B.C., V6E 4N7, Tel: (604) 689-9111; Fax: (604) 685-7084


Cayden
RESOURCES