NOTICE OF SPECIAL MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

FOR THE

SPECIAL MEETING OF SHAREHOLDERS

TO BE HELD AT 11:00 A.M. (Halifax Local Time)

ON FEBRUARY 27, 2014

AT THE ADDRESS OF

DELTA BARRINGTON HOTEL

1875 BARRINGTON STREET

HALIFAX, NOVA SCOTIA

Circular dated January 27, 2014

BRIGUS GOLD CORP.

January 27, 2014

Dear Shareholders:

You are invited to attend a special meeting (the "**Meeting**") of the shareholders (the "**Brigus Shareholders**") of Brigus Gold Corp. ("**Brigus**") to be held at The Delta Barrington Hotel, 1875 Barrington Street, Halifax, Nova Scotia, on February 27, 2014 commencing at 11:00 a.m. (Halifax local time).

At the Meeting you will be asked to consider and vote on a proposed arrangement (the "**Arrangement**") upon completion of which holders of Brigus common shares ("**Brigus Shares**") will receive, for each Brigus Share held, 0.175 of a common share (each whole common share, a "**Primero Share**") in the capital of Primero Mining Corp. ("**Primero**"), cash consideration of $0.000001 per Brigus Share, and 0.1 of a common share (each whole common share a "**Fortune Share**") in the capital of a newly incorporated company, Fortune Bay Corp. ("**Fortune**")(collectively, the "**Consideration**").

Highlights of the Transaction

- **Diversified production base:** The Arrangement transforms two single production asset companies into a single entity with operations in geo-politically stable jurisdictions, industry supportive infrastructure and prospective regional geology;
- **Critical production scale:** Two producing gold mines with 250,000 to 270,000 gold equivalent ounces in 2014 at below industry average cash costs, which could potentially increase to approximately 400,000 ounces in 2017 with the addition of the production from the Cerro del Gallo development project and a further expansion at San Dimas;
- **Enhanced market capitalization:** Expected to appeal to a broader shareholder base, increase analyst coverage and improve share trading liquidity;
- **Leading growth profile:** Expected production growth from 2013 to 2015 placing the combined company amongst the leaders of its peer group;
- **Solid financial position and cash flow:** Sufficient capital to repay all debt and invest in organic growth plus strong operating cash flow of approximately $760 million over the next five years at current consensus commodity pricing;
- **Leverages technical expertise:** Leverages Primero's underground mining technical expertise;
- **Exploration opportunity:** Combines two companies with demonstrated exploration upside, close to existing mine infrastructure (see recent exploration updates by both companies); and
- **Re-valuation opportunity:** With diversified production and cash flow, a strong balance sheet, a superior growth profile and a proven operating team, the combined company creates the potential for a re-rating to a multiple in line with other mid-tier gold producers.

If you have any questions or need assistance completing your proxy or voting instruction form, please call Kingsdale Shareholder Services Inc. at 1-866-228-2532 or email contactus@kingsdaleshareholder.com.

Brigus Shareholders will also be asked to consider and, if deemed appropriate, adopt, a special resolution, to reduce the stated capital account (the "**Stated Capital Reduction**") of the Brigus Shares to CDN$217 million. In order to become effective, among other things, the Stated Capital Reduction must be approved by a special resolution passed by at least a two-thirds majority of the votes cast by Brigus Shareholders at the Meeting and present in person or by proxy.

At the Meeting, if the Arrangement is approved, Brigus Shareholders will also be asked to consider and vote upon a stock option plan (the "**Fortune Stock Option Plan**") for Fortune. The resolution to approve the Fortune Stock Option Plan must be approved by a majority of the votes cast in person or by proxy by the Brigus Shareholders at the Meeting.

Upon completion of the Arrangement, the holders (the "**Brigus Optionholders**") of Brigus options will receive, for each option to acquire a Brigus Share held, 0.175 of an option to acquire a Primero Share. The exercise price of the options will also be adjusted as more particularly set out in the Management Information Circular.

Following completion of the Arrangement, the holders (the "**Brigus Warrantholders**") of Brigus warrants (the "**Brigus Warrants**") will be entitled to purchase, upon exercise of the Brigus Warrants, 0.175 of a Primero Share and 0.1 of a Fortune Share. The exercise price of the warrants will also be adjusted, as more particularly set out in the Management Information Circular.

Upon completion of the Arrangement, Fortune will own certain of Brigus' assets including the Goldfields Project (as defined in the accompanying Management Information Circular) in Saskatchewan, its interests in the Ixhuatan Project, three concessions in the Dominican Republic and its royalty interests in the Huizopa project in Mexico, and is expected to have approximately C$10 million in cash. Brigus Shareholders will hold approximately 27% of the outstanding shares of Primero on a fully-diluted in-the-money basis, and 90.1% of the outstanding common shares of Fortune. Detailed information regarding the Arrangement is contained in the attached Notice of Meeting and Management Information Circular.

In order to become effective, among other things, the Arrangement must be passed by (i) a majority of no less than two-thirds of the votes cast on the Arrangement Resolution by the Brigus Shareholders present in person or by proxy at the Meeting, and (ii) a majority of the votes attached to the Brigus Shares held by Brigus Shareholders present in person or represented by proxy at the Meeting excluding for this purpose votes attached to Brigus Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101. Completion of the Arrangement is also subject to receipt of certain required regulatory approvals, including the approval of the NYSE MKT, the TSX and the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), and other customary closing conditions, all of which are described in more detail in the attached Management Information Circular.

All of the directors and senior officers of Brigus have entered into agreements to vote in favour of the Arrangement, provided that the Arrangement Agreement has not been terminated by either Primero or Brigus in accordance with its terms.

After taking into consideration, among other things, the recommendation of the special committee (the "**Special Committee**") of the board of directors of Brigus (the "**Brigus Board**") and the opinion of Cormark Securities Inc. as to the fairness, from a financial point of view, to

Brigus Shareholders, of the consideration to be received by Brigus Shareholders pursuant to the Arrangement, delivered on December 14, 2013, the Brigus Board has concluded that the Consideration is fair to the Brigus Shareholders and the Arrangement is in the best interest of Brigus and has approved the Arrangement and authorized its submission to the Brigus Shareholders and the Court for approval.

Accordingly, the Brigus Board unanimously recommends that the Brigus Shareholders vote FOR the Arrangement and the Stated Capital Reduction.

Voting

If you are not registered as the holder of your Brigus Shares but hold your shares through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary to vote your Brigus Shares. See the section in the accompanying Management Information Circular entitled "General Proxy Information — Non-Registered Holders" for further information on how to vote your Brigus Shares.

If you are a registered Brigus Shareholder, please vote by completing the enclosed form of proxy. You should specify your choice by marking the box on the enclosed form of proxy and by dating, signing and returning your proxy in the enclosed return envelope addressed to CST Trust Company at 320 Bay Street, 3rd floor, Toronto, Ontario, M5H 4A6, Canada or by toll free North American fax number 1-866-781-3111, or by email at proxy@canstockta.com at least forty-eight hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof. You may also vote online at www.proxypush.ca/bid or by phone at 1 866-250-6192. Please do this as soon as possible. Voting by proxy will not prevent you from voting in person if you attend the Meeting and revoke your proxy, but will ensure that your vote will be counted if you are unable to attend.

Letter of Transmittal

If you hold your Brigus Shares through a broker or other person, please contact that broker or other person for instructions and assistance in receiving Fortune Shares and Primero Shares in respect of your Brigus Shares upon completion of the Arrangement if it is approved.

If you are a registered Brigus Shareholder, please complete and return the enclosed Letter of Transmittal together with the certificate(s) representing your Brigus Shares and any other required documents and instruments, to the depositary, Computershare Investor Services Inc., in the enclosed return envelope in accordance with the instructions set out in the Letter of Transmittal so that if the Arrangement is approved the consideration for your Brigus Shares can be sent to you as soon as possible following the Arrangement becoming effective. The Letter of Transmittal contains other procedural information related to the Arrangement and should be reviewed carefully.

The attached Notice of Meeting and Management Information Circular contain a detailed description of the Arrangement and include certain other information to assist you in considering the matters to be voted upon. You are urged to carefully consider all of the information in the accompanying Management Information Circular including the documents incorporated by reference therein. If you require assistance, you should consult your financial, legal, or other professional advisors.

Your vote is important regardless of the number of Brigus Shares you own.

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While certain matters, such as the timing of the receipt of Court approval, are beyond the control of Brigus, if the resolution approving the Arrangement and the Stated Capital Reduction is passed by the requisite majority of Brigus Shareholders at the Meeting, it is anticipated that the Arrangement will be completed and become effective on or about March 5, 2014.

Sincerely,

"*Wade K. Dawe*"

Chairman & CEO

FREQUENTLY ASKED QUESTIONS ABOUT THE ARRANGEMENT AND THE MEETING

Following are some questions that you, as a Brigus Shareholder, may have relating to the Meeting and answers to those questions. These questions and answers do not provide all of the information relating to the Meeting or the matters to be considered at the Meeting and are qualified in their entirety by the more detailed information contained elsewhere in this Circular. You are urged to read this Circular in its entirety before making a decision related to your Brigus Shares.

Q: What am I voting on?

A: You are being asked to consider and, if deemed advisable, to vote **FOR** the resolution approving the Arrangement between Brigus and Primero (the "**Arrangement Resolution**"), which provides for, among other things, Primero acquiring all of the issued and outstanding Brigus Shares. Through the Arrangement, Brigus Shareholders will receive 0.175 of a Primero Share, cash consideration of $0.000001 per Brigus Share and 0.1 of a Fortune Share in exchange for every one Brigus Share held.

You are also being asked to consider, and, if deemed advisable, to vote **FOR** the resolution reducing the stated capital of Brigus (the "**Stated Capital Resolution**").

Further, provided that the Arrangement Resolution is approved, to consider and, if deemed advisable, to vote **FOR**, with or without variation, an ordinary resolution, the full text of which is set out in the Circular, to approve a stock option plan for Fortune (the "**Fortune Stock Option Plan**").

You are also being asked to approve the transaction of any other business that may properly come before the Meeting or any adjournments or postponements of the Meeting.

Q: Why should I support the Arrangement?

A: The Arrangement has a number of benefits for Brigus Shareholders including:

- Attractive premium for Brigus Shareholders, representing 45% to the closing price and 43% to the 20 trading day VWAP of Brigus Shares both as at December 13, 2013 on the TSX;
- Immediate exposure to financial resources sufficient to repay debt and invest in the Black Fox mine, as well as finance further growth opportunities including the Grey Fox and Cerro del Gallo projects;
- Accretive on a net asset value basis;
- Improves market presence and provides a multiple re-rating opportunity as a mid-tier producer with a proven operating team, a superior growth profile and significant exploration upside;
- Allows continuing shareholder participation in non-Ontario exploration assets of Brigus through 90.1% ownership of Fortune.

For further information regarding the benefits of the Arrangement see "Background to the Arrangement - Reasons for the Arrangement" in this Circular.

Q: When and where is the Meeting?

A: The Meeting will take place on February 27, 2014 at 11:00 a.m. (Halifax local time), at The Delta Barrington Hotel, 1875 Barrington Street, Halifax, Nova Scotia.

Q: Who is soliciting my proxy?

A: Your proxy is being solicited by management of Brigus and Kingsdale on behalf of Brigus and Primero. This Circular is furnished in connection with that solicitation. The solicitation of proxies for the Meeting will be made primarily by mail, and may be supplemented by telephone.

Q: Who can attend and vote at the Meeting and what is the quorum for the Meeting?

A: Only Brigus Shareholders of record as of the close of business on January 27, 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.

The quorum for the transaction of business at the Meeting will be two persons present and each entitled to vote thereat and representing in person or by proxy a minimum of 25% of the eligible votes.

Q: How many Brigus Shares are entitled to vote?

A: As of January 27, 2014, there were 232,559,300 Brigus Shares outstanding and entitled to vote at the Meeting. You are entitled to one vote for each Brigus Share that you own.

Q: What will I receive in the Arrangement?

A: If the Arrangement is completed, Brigus Shareholders will be entitled to receive 0.175 of a Primero Share, cash consideration of $0.000001 and 0.1 of a Fortune Share for every one outstanding Brigus Share held.

Q: What vote is required at the Meeting to approve the Arrangement Resolution?

A: The Arrangement Resolution must be passed by (i) a majority of no less than two-thirds of the votes cast on the Arrangement Resolution by the Brigus Shareholders present in person or by proxy at the Meeting, and (ii) a majority of the votes attached to the Brigus Shares held by Brigus Shareholders present in person or represented by proxy at the Meeting excluding for this purpose votes attached to Brigus Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101.

Q: What vote is required at the Meeting to approve the Stated Capital Resolution?

A: The Stated Capital Resolution must be passed by a majority of no less than two-thirds of the votes cast on the Stated Capital Resolution by the Brigus Shareholders present in person or by proxy at the Meeting.

Q: What vote is required at the Meeting to approve the Fortune Stock Option Plan Resolution?

The resolution to approve the Fortune Stock Option Plan must be approved by a majority of the votes cast in person or by proxy by the Brigus Shareholders at the Meeting.

Q: What if I return my proxy but do not mark it to show how I wish to vote?

A: If your proxy is signed and dated and returned without specifying your choice or is returned specifying both choices, your Brigus Shares will be voted FOR the Arrangement Resolution and the Stated Capital Resolution in accordance with the recommendation of the Brigus Board. **However, under NYSE MKT rules, a broker who has not received specific voting instructions from the beneficial owner may not vote the shares in its discretion on behalf of such beneficial owner on "non-routine" proposals, although such shares will be included in determining the presence of a quorum at the Meeting. Thus, such broker "non-votes" will not be considered votes "cast" for purposes of voting on either the Arrangement Resolution or Stated Capital Resolution.**

Q: When is the cut-off time for delivery of proxies?

A: Proxies must be received not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment thereof. In this case, assuming no adjournment or postponement, the proxy-cut off time is 11:00 a.m. (Halifax local time) February 25, 2014. The Chair of the Meeting may waive the proxy-cut off time without notice.

Q: **How can I vote?**

A: If you are a registered Brigus Shareholder you may vote in the following ways:

- **Mail:** Send your completed proxy to the offices of CST Trust Company at 320 Bay Street, 3rd floor, Toronto, Ontario, M5H 4A6, Canada; or
- **Fax:** Send your completed proxy to the offices of CST Trust Company: toll-free 1-866-781-3111; or
- **Phone:** Call the toll-free number indicated on the proxy form (1 866-250-6192) and follow the instructions; or
- **Online:** Go to the website indicated on the proxy form (www.proxypush.ca/bid) and follow the instructions on the screen; or
- **Email:** Send your completed proxy to the offices of CST Trust Company electronically via email to proxy@canstockta.com; or
- **In Person:** Present yourself to a representative of CST Trust Company at the Meeting.

If you hold your Brigus Shares through a broker or other person, please contact that broker or other person for instructions and assistance voting your Brigus Shares.

Q: Can I change my vote after I submitted a signed proxy?

A: Yes. If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the Meeting and voting in person if you were a Registered Brigus Shareholder at the Record Date; (b) signing a proxy

bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Registered Office of Brigus at 1969 Upper Water Street, Suite 2001, Purdy's Wharf Water Tower II, Halifax, Nova Scotia, B3J 3R7, or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 4:00 p.m. (Toronto time) on the last Business Day before the day of the Meeting, or delivered to the person presiding at the Meeting before it commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares, but to do so you must attend the Meeting in person.

Q: What are the recommendations of the Directors?

A: After taking into consideration, among other things, the recommendation of the Special Committee and the Fairness Opinion of Cormark Securities Inc., the directors have concluded that the Arrangement is in the best interests of Brigus and fair to the Brigus Securityholders and recommend that Brigus Shareholders vote **FOR** the Arrangement Resolution to approve the Arrangement, the Stated Capital Resolution to approve the Stated Capital Reduction and the Fortune Stock Option Plan Resolution to approve the Fortune Stock Option Plan.

Q: Why are the Directors making this recommendation?

A: In reaching their conclusion that the Arrangement is fair to Brigus Securityholders and that the Arrangement is in the best interests of Brigus, the directors considered and relied upon a number of factors, including those described under the headings "The Meeting – The Arrangement — Reasons for the Arrangement" and "The Meeting – The Arrangement — Fairness Opinion" in this Circular.

Q: In addition to the approval of Brigus Shareholders, are there any other approvals required for the Arrangement?

A: Yes, the Arrangement requires the approval of the Court and also is subject to the receipt of certain regulatory approvals, including the approval of the NYSE MKT and the TSX. See "The Meeting – The Arrangement — Court Approval of the Arrangement" and "The Meeting – The Arrangement – Regulatory Approvals" in this Circular.

Q: Are Primero Shareholders required to approve the Arrangement?

A: No, Primero Shareholders will only be required to approve the issuance of the Primero Shares.

Q: Do any Directors or executive officers of Brigus have any interests in the Arrangement that are different from, or in addition to, those of the Brigus Shareholders?

A: In considering the recommendation of the Brigus Board to vote in favour of the matters discussed in this Circular, Brigus Shareholders should be aware that some of the directors and executive officers of Brigus have interests in the Arrangement that are different from, or in addition to, the interests of Brigus Shareholders generally. See "The

Meeting – The Arrangement – Interests of Certain Persons in the Arrangement" in this Circular.

All of the Brigus Shares, Brigus Warrants and Brigus Options held by the directors will be treated in the same fashion under the Arrangement as Brigus Shares, Brigus Warrants and Brigus Options held by every other Brigus Shareholder, Brigus Warrantholder and Brigus Optionholder, respectively.

Q: Will the Brigus Shares continue to be listed on the TSX or the NYSE MKT after the Arrangement?

A: No. Brigus will be de-listed from the TSX and NYSE MKT when the Arrangement is completed and Brigus will become a wholly-owned subsidiary of Primero. When the Arrangement is completed, former Brigus Shareholders will hold Primero Shares, which are listed on the TSX and the NYSE, and Fortune Shares. It is intended that an application to list the Fortune Shares will be made.

Q: Should I send my Brigus Share certificates now?

A: You are not required to send your certificates representing Brigus Shares to validly cast your vote in respect of the Arrangement Resolution. We encourage Registered Brigus Shareholders to complete, sign, date and return the enclosed Letter of Transmittal, together with their Brigus Share certificate(s), at least two Business days prior to the effective date which will assist in arranging for the prompt exchange of their Brigus Shares if the Arrangement is completed.

Q: When can I expect to receive consideration for my Brigus Shares?

A: Assuming completion of the Arrangement, if you hold your Brigus Shares through an intermediary, then you are not required to take any action and the Primero Shares and Fortune Shares will be delivered to your intermediary through the procedures in place for such purposes between CDS & Co. or similar entities and such intermediaries. If you hold your Brigus Shares through an intermediary, you should contact your intermediary if you have questions regarding this process.

In the case of registered Brigus Shareholders, as soon as practicable after the Effective Date, assuming due delivery of the required documentation, including the applicable Brigus Share certificates and a duly and properly completed Letter of Transmittal, Primero and Fortune will cause the Depositary to forward certificates representing the Primero Shares and Fortune Shares to which the Registered Brigus Shareholder is entitled by first class mail to the address of the Brigus Shareholder as shown on the register maintained by CST Trust Company, unless the Brigus Shareholder indicates in the Letter of Transmittal that it wishes to pick up the certificate representing the Primero Shares and Fortune Shares. The Depositary will make available for pick up at its offices during normal business hours the requisite cash consideration that such holder is entitled to receive.

Brigus Shareholders who do not deliver their Brigus Share certificates and all other required documents to the Depositary on or before the date which is six years after the Effective Date will lose their right to receive Primero Shares, Fortune Shares and cash consideration.

See "The Meeting – The Arrangement – Procedure for Exchange of Brigus Shares" in this Circular.

Q: How will the votes be counted?

A: CIBC Mellon Trust Company, Brigus' transfer agent, through its administrative agent, CST Trust Company, counts and tabulates the proxies. Proxies are counted and tabulated by the transfer agent in such a manner as to preserve the confidentiality of the voting instructions of Registered Brigus Shareholders, subject to a limited number of exceptions.

Q: How will I know when the Arrangement will be implemented?

A: The Effective Date will occur upon satisfaction or waiver of all of the conditions to the completion of the Arrangement. If the requisite level of approval is obtained at the Meeting, the Effective Date is expected to occur on or about March 5, 2014. On the Effective Date, Brigus and Primero will publicly announce that the conditions are satisfied or waived and that the Arrangement has been implemented.

Q: Are there risks I should consider in deciding whether to vote for the Arrangement Resolution?

A: Yes. Brigus Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (i) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Brigus Material Adverse Effect; (ii) there can be no certainty that all conditions precedent to the Arrangement will be satisfied; (iii) Brigus will incur costs even if the Arrangement is not completed, and also may be required to pay the Termination Payment to Primero; (iv) Brigus Shareholders will receive a fixed number of Primero Shares based on a fixed exchange ratio that was determined more than two months before the date of the Meeting and due to share price movement since then, the price of Primero Shares relative to Brigus Shares may have changed from the time when the exchange ratio was agreed; (v) directors and executive officers of Brigus may have interests in the Arrangement that are different from those of the Brigus Shareholders; (vi) the market price for Brigus Shares and Primero Shares and Fortune Shares (if Fortune Shares are listed) may decline; Any such sales may negatively impact the trading price of the Fortune Shares (if listed); (vii) the Fortune Shares will not be listed on any United States stock exchange and there is no guarantee that the Fortune Shares will be listed on any Canadian stock exchange or that a market for such shares will develop; (viii) Fortune Shares may not be qualified investments under the Tax Act for a Registered Plan; (ix) although the Arrangement is expected to be a tax-deferred reorganization for U.S. federal income tax purposes, there is a possibility that it will be treated as a taxable exchange for such purposes, resulting in tax liabilities for some U.S. Holders; and (x) the issue of Primero Shares and Fortune Shares under the Arrangement and their subsequent sale may cause the market price, respectively of Primero Shares and Fortune Shares, to decline from current or anticipated levels.

See "The Meeting – The Arrangement – Risks Associated with the Arrangement" in this Circular.

Q: What are the Canadian income tax consequences of the Arrangement?

A: For a summary of certain material Canadian income tax consequences of the Arrangement, see "Certain Canadian Federal Income Tax Considerations". Such summary is not intended to be legal or tax advice to any particular Brigus Shareholder. Brigus Shareholders should consult their own tax and investment advisors with respect to their particular circumstances.

Q: What are the U.S. Federal income tax consequences of the Arrangement?

A: For a summary of certain material U.S. federal income tax consequences of the Arrangement, see "Certain United States Federal Income Tax Considerations". Such summary is not intended to be legal or tax advice to any particular Brigus Shareholders that are U.S. Holders. U.S. Holders should consult their own tax advisors with respect to their particular circumstances.

Q: Am I entitled to Dissent Rights?

A: The Interim Order provides the Registered Brigus Shareholders with Dissent Rights in connection with the Arrangement that will be available if the Arrangement Resolution is approved by the Brigus Shareholders. Registered Brigus Shareholders considering exercising Dissent Rights should seek the advice of their own legal counsel and tax and investment advisors and should carefully review the description of such rights set forth in this Circular and the Interim Order, and comply with the provisions of the Dissent Rights as described in the Interim Order attached as Appendix "D" to this Circular. See "The Meeting – The Arrangement – Dissent Rights" in this Circular.

Q: What will happen to the Brigus Shares that I currently own after completion of the Arrangement?

A: Upon completion of the Arrangement, certificates representing Brigus Shares will represent only the right of the Registered Brigus Shareholder to receive consideration of 0.175 of a Primero Share, 0.1 of a Fortune Share and a cash payment of $0.000001 for every one Brigus Share held. Trading in Brigus Shares on the TSX and NYSE MKT will cease and Brigus will apply to terminate its status as a reporting issuer under Canadian and United States securities laws and will thereafter cease to be required to file reports with the applicable Canadian Securities Administrators or the SEC. Primero will continue to be listed on the TSX and NYSE. It is intended that an application to list the Fortune Shares will be made.

NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that a special meeting (the "**Meeting**") of the holders of common shares ("**Brigus Shareholders**") of Brigus Gold Corp. ("**Brigus**") will be held at The Delta Barrington Hotel, 1875 Barrington Street, Halifax, Nova Scotia, on February 27, 2014 at 11:00 a.m. (Halifax local time) for the following purposes:

1. to consider pursuant to an interim order of the Ontario Superior Court of Justice (Commercial List) dated January 24, 2014 (the "**Interim Order**") and, if thought advisable, to pass, with or without amendment, a special resolution (the "**Arrangement Resolution**") approving an arrangement (the "**Arrangement**") under section 192 of the *Canada Business Corporations Act*, the full text of which resolution is set forth in Appendix "A" to the accompanying Management Information Circular (the "**Circular**");

2. to consider, and if deemed advisable, to pass, with or without variation, a special resolution (the "**Stated Capital Resolution**") to approve a reduction in the stated capital account for the common shares of Brigus to take effect immediately prior to the application for final approval of the Arrangement, as more particularly described in the Circular;

3. provided that the Arrangement Resolution is approved, to consider and, if deemed advisable, to pass, with or without variation, an ordinary resolution, the full text of which is set out in the Circular, to approve a stock option plan for Fortune (the "**Fortune Stock Option Plan"); ** and

4. to transact such further or other business as may properly come before the Meeting or any adjournments thereof.

The Circular provides additional information relating to the matters to be addressed at the Meeting, including the Arrangement, and is deemed to form part of this Notice.

Registered Brigus Shareholders are entitled to vote at the Meeting either in person or by proxy. Registered Brigus Shareholders who are unable to attend the Meeting in person are encouraged to read, complete, sign, date and return the enclosed form of proxy in accordance with the instructions set out in the proxy and in the Circular. In order to be valid for use at the Meeting, proxies must be received by CST Trust Company at 320 Bay Street, 3rd floor, Toronto, Ontario, M5H 4A6, Canada, or by toll free North American fax number 1-866-781-3111 or by email at proxy@canstockta.com at least 48 hours (excluding Saturdays, Sundays and holidays) prior to the time of the Meeting or any adjournment thereof. In this case, assuming no adjournment, the proxy-cut off time is 11:00 a.m. (Halifax local time) February 25, 2014. You may also vote online at www.proxypush.ca/bid or by toll-free phone at 1 866-250-6192 up until the proxy cut-off. The Chair of the Meeting may waive the proxy-cut off time without notice. Please advise Brigus of any change in your mailing address.

If you are a non-registered shareholder, please refer to the section in the Circular entitled "General Proxy Information — Non-Registered Holders" for information on how to vote your Brigus Shares.

Take notice that, pursuant to the Interim Order, each registered Brigus Shareholder, has been granted the right to dissent in respect of the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of the common shares of Brigus in respect of which

such registered Brigus Shareholder dissents by Primero Mining Corp., the acquiror under the Arrangement, in accordance with the dissent procedures contained in the Interim Order. To exercise such right, (a) a written notice of dissent with respect to the Arrangement Resolution from the registered Brigus Shareholder must be received by Brigus at its address for such purpose, 1969 Upper Water Street, Suite 2001, Purdy's Wharf Tower II, Halifax, Nova Scotia, B3J 3R7, by not later than 4:00 p.m. (Halifax time) on February 26, 2014, or one Business Day prior to any adjournment of the Meeting, and (b) the registered Brigus Shareholder must have otherwise complied with the dissent procedures in the Interim Order. The right to dissent is described in the Circular and the text of the Interim Order is set forth in Appendix "D" to the Circular.

Failure to strictly comply with the requirements set forth in the Interim Order may result in the loss of any right of dissent.

DATED at Halifax, Nova Scotia this 27th day of January, 2014.

BY ORDER OF THE BOARD OF DIRECTORS OF BRIGUS GOLD CORP.

"*Wade K. Dawe*"
Chairman and Chief Executive Officer

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INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The information contained in this Circular, unless otherwise indicated, is given as of January 27, 2014.

No person has been authorized to give any information or to make any representation in connection with the matters being considered herein other than those contained in this Circular and, if given or made, such information or representation should be considered or relied upon as not having been authorized. This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such an offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such an offer of proxy solicitation. Neither the delivery of this Circular nor any distribution of securities referred to herein shall, under any circumstances, create any implication that there has been no change in the information set forth herein since the date of this Circular.

Information contained in this Circular should not be construed as legal, tax or financial advice and Brigus Shareholders are urged to consult their own professional advisors in connection with the matters considered in this Circular.

The Arrangement has not been approved or disapproved by any securities regulatory authority, nor has any securities regulatory authority passed upon the fairness or merits of the Arrangement or upon the accuracy or adequacy of the information contained in this Circular and any representation to the contrary is unlawful.

Information Contained in this Circular regarding Primero

The information concerning Primero, its affiliates and the Primero Shares contained in this Circular and all Primero documents filed by Primero with a securities commission or similar authority in Canada that are incorporated by reference herein have been provided by Primero for inclusion in this Circular. In the Arrangement Agreement, Primero provided a covenant to Brigus that it would ensure it would provide to Brigus all information regarding Primero, its affiliates and the Primero Shares, including any pro forma financial statements prepared in accordance with IFRS and applicable Laws as required by the Interim Order and applicable Laws for inclusion in this Circular or in any amendments or supplements to this Circular. Primero also provided a covenant that it would also use commercially reasonable efforts to obtain any necessary consents from any of its auditors and any other advisors to the use of any financial, technical or other expert information required to be included in the Circular and to the identification in the Circular of each such advisor. Primero shall ensure that such information represents full, true and plain disclosure of all material facts concerning the Primero Shares and does not include any misrepresentation concerning Primero. Although Brigus has no knowledge that would indicate any statements contained herein relating to Primero, its affiliates or the Primero Shares taken from or based upon such information provided by Primero are untrue or incomplete, neither Brigus nor any of its officers or directors assumes any responsibility for the accuracy or completeness of the information relating to Primero, its affiliates or the Primero Shares, or for any failure by Primero to disclose facts or events that may have occurred or may affect the significance or accuracy of any such information but which are unknown to Brigus.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND RISKS

This Circular and the documents incorporated into this Circular by reference, contain "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 and "forward-looking information" within the meaning of the applicable Canadian securities legislation (forward-looking information and forward-looking statements being collectively herein after referred to as "forward-looking statements") that are based on expectations, estimates and projections as at the date of this Circular or the dates of the documents incorporated herein by reference, as applicable. These forward-looking statements include but are not limited to statements and information concerning: the Arrangement; covenants of Brigus, Fortune and Primero; the timing for the implementation of the Arrangement and the potential benefits of the Arrangement; the likelihood of the Arrangement being completed; principal steps of the Arrangement; statements made in, and based upon, the Fairness Opinion; statements relating to the business and future activities of, and developments related, to Brigus, Fortune and Primero after the date of this Circular and prior to the Effective Time and to and of Primero and Fortune after the Effective Time; Brigus Shareholder Approval and Court approval of the Arrangement; regulatory approval of the Arrangement; listing of the Fortune Shares; market position, and future financial or operating performance of Primero, Brigus, or Fortune; participation of Brigus Shareholders in the Fortune Exploration Properties; participation by Brigus Shareholders in certain properties through Primero; liquidity of Primero Shares and Fortune Shares following the Effective Time; statements based on the unaudited pro forma financial statements attached as Appendix "G" to this Circular; continuity in developing the Black Fox Project; ability of Primero to develop the Black Fox Project; ability of Fortune to develop the Goldfields Project and the Ixhuatan Project; anticipated developments in operations; the future price of metals; the timing and amount of estimated future production; costs of production and capital expenditures; mine life of mineral projects, the timing and amount of estimated capital expenditure; costs and timing of exploration and development and capital expenditures related thereto; operating expenditures; success of exploration activities, estimated exploration budgets; currency fluctuations; requirements for additional capital; government regulation of mining operations; environmental risks; unanticipated reclamation expenses; title disputes or claims; limitations on insurance coverage; the timing and possible outcome of pending litigation in future periods; the timing and possible outcome of regulatory and permitted matters; goals; strategies; future growth; planned exploration activities and planned future acquisitions; the adequacy of financial resources; and other events or conditions that may occur in the future.

Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might", or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements and are intended to identify forward-looking statements, which include statements relating to, among other things, the ability of Brigus, Fortune or Primero to continue to successfully compete in the market.

These forward-looking statements are based on the beliefs of Brigus' and Primero's management, as the case may be, as well as on assumptions, which such management believes to be reasonable based on information currently available at the time such statements were made. However, there can be no assurance that the forward-looking statements will prove to be accurate. Such assumptions and factors include, among other things, the satisfaction of

the terms and conditions of the Arrangement, including the approval of the Arrangement and its fairness by the Court, and the receipt of the required governmental and regulatory approvals and consents.

By their nature, forward-looking statements are based on assumptions and involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Brigus, Primero or Fortune to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements are subject to a variety of risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation: the Arrangement Agreement may be terminated in certain circumstances; general business, economic, competitive, political, regulatory and social uncertainties; gold and silver price volatility; uncertainty related to mineral exploration properties; risks related to the ability to finance the continued development and exploration of mineral properties; risks related to Fortune not having any proven or probable mineral reserves; risks related to factors beyond the control of Brigus, Primero or Fortune; limited business history of Fortune; risks and uncertainties associated with exploration and mining operations; risks related to the ability to obtain adequate financing for planned development activities; lack of infrastructure at mineral exploration properties; risks and uncertainties relating to the interpretation of drill results and the geology, grade and continuity of mineral deposits; uncertainties related to title to mineral properties and the acquisition of surface rights; risks related to governmental regulations, including environmental laws and regulations and liability and obtaining permits and licences; future changes to environmental laws and regulations; unknown environmental risks for past activities; commodity price fluctuations; risks related to reclamation activities on mineral properties; risks related to political instability and unexpected regulatory change; currency fluctuations and risks associated with a fixed exchange ratio; influence of third party stakeholders; conflicts of interest; risks related to dependence on key individuals; risks related to the involvement of some of the directors and officers of Brigus, Primero and Fortune with other natural resource companies; enforceability of claims; the ability to maintain adequate control over financial reporting; risks related to the common shares of Brigus, Primero and Fortune, including price volatility due to events that may or may not be within such parties' control; disruptions or changes in the credit or security markets; risks related to international operations; risks related to joint venture operations; actual results of current exploration activities; reserve and resource estimate risk; actual results of current reclamation activities; conclusions of economic evaluations; changes in project parameters as plans continue to be refined; changes in labour costs or other costs of production; labour disputes and other risks of the mining industry; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; the ability to renew existing licenses or permits or obtain required licenses and permits; increased infrastructure and/or operating costs; risks of not meeting production and cost forecasts; discrepancies between actual and estimated production; mineral reserves and resources and metallurgical recoveries; mining operational and development risk; litigation risks; risks of sovereign investment and operating in foreign countries; foreign countries' regulatory requirements; speculative nature of exploration; risks related to directors and officers of Brigus possibly having interests in the Arrangement that are different from other Brigus Shareholders; risks relating to the possibility that more than 5% of Brigus Shareholders may exercise their dissent rights; risks related to instability in the global economic climate; dilutive effects to Brigus Shareholders; risks related to the ability to complete acquisitions; risks related to the ability of Primero and Fortune to find appropriate joint venture partners; environmental risks; community and non-governmental actions and regulatory risks.

This list is not exhaustive of the factors that may affect any of forward-looking statements of Brigus, Primero and Fortune. Forward-looking statements are statements about the future and are inherently uncertain. Actual results could differ materially from those projected in the forward-looking statements as a result of the matters set out or incorporated by reference in this Circular generally and certain economic and business factors, some of which may be beyond the control of Brigus, Primero and Fortune. Some of the important risks and uncertainties that could affect forward-looking statements are described further under the heading "The Meeting – The Arrangement – Risks Associated with the Arrangement" and in Appendices "E" and "F" to this Circular under the respective headings "Information Concerning Primero and the Combined Company — Risk Factors" and "Information Concerning Fortune — Risk Factors" and in other documents incorporated by reference in this Circular. Brigus, Primero and Fortune do not intend, and do not assume any obligation, to update any forward-looking statements, other than as required by applicable law. For all of these reasons, Brigus Shareholders should not place undue reliance on forward-looking statements.

NOTE TO UNITED STATES SECURITYHOLDERS

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

The Primero Shares, Brigus Class A Shares and Fortune Shares to be received by Brigus Shareholders in exchange for their Brigus Shares pursuant to the Arrangement and the Replacement Primero Options to be received by Brigus Optionholders in exchange for their Brigus Options pursuant to the Arrangement have not been registered under the U.S. Securities Act or applicable state securities laws, and are being issued in reliance on the exemption from the registration requirements of the U.S. Securities Act set forth in Section 3(a)(10) thereof on the basis of the approval of the Court, and similar exemptions from registration under applicable state securities laws. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. The Court issued the Interim Order on January 24, 2014 and, subject to the approval of the Arrangement by the Brigus Shareholders, a hearing on the Arrangement will be held March 3, 2014 at 10:00 a.m. (Toronto Time) at the Courthouse, at 330 University Avenue, Toronto, Ontario, Canada. All Brigus Shareholders and Brigus Optionholders are entitled to appear and be heard at this hearing. The Final Order will constitute a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the Primero Shares, the Brigus Class A Common Shares and the Fortune Shares to be received by Brigus Shareholders in exchange for their Brigus Shares pursuant to the Arrangement and with respect to the Replacement Primero Options to be

received by Brigus Optionholders in exchange for their Brigus Options pursuant to the Arrangement. Prior to the hearing on the Final Order, the Court will be informed of this effect of the Final Order. See "The Meeting – The Arrangement – Regulatory Law Matters and Securities Law Matters".

The solicitation of proxies made pursuant to this Circular is not subject to the requirements of Section 14(a) of the Exchange Act. Accordingly, this Circular has been prepared in accordance with disclosure requirements applicable in Canada, and the solicitations and transactions contemplated in this Circular are made in the United States for securities of a Canadian issuer in accordance with Canadian corporate and securities laws. Brigus Shareholders in the United States should be aware that such requirements are different from those of the United States applicable to registration statements under the U.S. Securities Act and to proxy statements under the Exchange Act.

Without limiting the foregoing, information concerning the mineral properties of Brigus, Primero and Fortune has been prepared in accordance with the requirements of Canadian securities laws, which differ in material respects from the requirements of securities laws of the United States applicable to U.S. companies subject to the reporting and disclosure requirements of the SEC. Under SEC standards, 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 of the reserve determination, and the SEC does not recognize the reporting of mineral deposits which do not meet the SEC Industry Guide 7 definition of "reserve". In accordance with NI 43-101, the terms "mineral reserve", "proven mineral reserve", "probable mineral reserve", "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" used in this Circular or in the documents incorporated by reference in this Circular are defined in the Canadian Institute of Mining, Metallurgy and Petroleum (the "**CIM**") Definition Standards for Mineral Resources and Mineral Reserves adopted by the CIM Council, as amended. While the terms "mineral resource", "measured mineral resource", "indicated mineral resource" and "inferred mineral resource" are recognized and required by NI 43-101, the SEC does not recognize them. Brigus U.S. Securityholders are cautioned that, except for that portion of the mineral resources classified as mineral reserves, mineral resources do not have demonstrated economic value. Inferred mineral resources have a high degree of uncertainty as to their existence as to whether they can be economically or legally mined. Under Canadian securities laws, estimates of inferred mineral resources may not form the basis of an economic analysis. It cannot be assumed that all or any part of an inferred mineral resource will ever be upgraded to a higher category. Therefore, Brigus U.S. Securityholders are cautioned not to assume that all or any part of an inferred mineral resource exists, that it can be economically or legally mined, or that it will ever be upgraded to a higher category. Likewise, Brigus U.S. Securityholders are cautioned not to assume that all or any part of measured or indicated mineral resources will ever be upgraded to mineral reserves.

The financial statements and other financial information included or incorporated by reference in this Circular have been prepared in accordance with IFRS and are subject to Canadian auditing and auditor independence standards and thus may not be comparable to financial statements prepared in accordance with United States generally accepted accounting principles and United States auditing and auditor independence standards.

Brigus Shareholders should be aware that the acquisition by Brigus Shareholders of the Primero Shares and Fortune Shares, and the acquisition by Brigus Optionholders of the Replacement Primero Options, pursuant to the Arrangement described herein may have tax consequences

both in the United States and in Canada. Brigus Shareholders who are resident in, or citizens of, the United States are advised to review the summary contained in this Circular under the heading "Certain United States Federal Income Tax Considerations" and under the heading "Certain Canadian Federal Income Tax Considerations", and Brigus Shareholders and Brigus Optionholders are urged to consult their own tax advisors to determine the particular United States tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the laws of any other relevant foreign, state, local, or other taxing jurisdiction.

The enforcement by investors of civil liabilities under United States securities laws may be affected adversely by the fact that each of Brigus, Primero and Fortune is incorporated or organized outside the United States, that some or all of their respective officers and directors and the experts named herein are residents of a country other than the United States, and that all or a portion of the assets of each of Brigus, Primero and Fortune and of said persons are located outside the United States. As a result, it may be difficult or impossible for Brigus U.S. Securityholders to effect service of process within the United States upon Brigus, Primero and Fortune, their respective officers or directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal securities laws of the United States or "blue sky" laws of any state within the United States. In addition, Brigus U.S. Securityholders should not assume that the courts of Canada: (a) would enforce judgments of United States courts obtained in actions against such persons predicated upon civil liabilities under the federal 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 federal securities laws of the United States or "blue sky" laws of any state within the United States.

The Primero Shares and Fortune Shares to be received by Brigus Shareholders pursuant to the Arrangement will be freely transferable under U.S. federal securities laws, except by persons who are "affiliates" (as such term is understood under U.S. securities laws) of Primero or Fortune, as applicable, after the Effective Date, or were "affiliates" of Primero or Fortune, as applicable, within 90 days prior to the Effective Date. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of such Primero Shares or Fortune Shares by such an affiliate (or former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom. See "The Meeting – The Arrangement – Regulatory Law Matters and Securities Law Matters".

The exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof does not exempt the issuance of securities upon the exercise of securities that were previously issued pursuant to Section 3(a)(10) of the U.S. Securities Act. Therefore, the Primero Shares issuable upon exercise of the Replacement Primero Options to be received by Brigus Optionholders and the Warrant Shares issuable upon the exercise of the Brigus Warrants pursuant to the Arrangement may not be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and the Replacement Primero Options and the Brigus Warrants may be exercised only pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Prior to the issuance of Primero Shares and Warrant Shares pursuant to any such exercise, Primero may require evidence (which may include an opinion of

counsel) reasonably satisfactory to Primero, to the effect that the issuance of such Primero Shares and Warrant Shares does not require registration under the U.S. Securities Act or applicable state securities laws.

Primero Shares received upon exercise of the Primero Options and the Warrant Shares purchased upon exercise of the Brigus Warrants by holders in the United States or who are U.S. Persons will be "restricted securities", as such term is defined in Rule 144, and may not be resold unless such securities are registered under the U.S. Securities Act and all applicable state securities laws or unless an exemption from such registration requirements is available.

No broker, dealer, salesperson or other person has been authorized to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation must not be relied upon as having been authorized by Brigus, Primero or Fortune.

CURRENCY AND EXCHANGE RATES

Unless otherwise indicated herein, references to "$", "Cdn$" or "Canadian dollars" are to Canadian dollars, and references to "US$" or "U.S. dollars" are to United States dollars.

The following table sets out: (i) the rates of exchange for one U.S. dollar expressed in Canadian dollars in effect at the end of the periods indicated; (ii) the average rates of exchange for such periods; and (iii) the highest and lowest rates of exchange during such periods, based on the noon buying rates of exchange as quoted by the Bank of Canada.

	Nine months ended September 30	**Years ended December 31**		
	2013	**2012**	**2011**	**2010**
High	1.0576	1.0418	1.0604	1.0778
Low	0.9839	0.9710	0.9449	0.9946
Rate at end of period	1.0285	0.9949	1.0170	0.9946
Average rate for period	1.0235	0.9996	0.9891	1.0299

On January 27, 2014, the closing exchange rate for one United States dollar expressed in Canadian dollars as reported by the Bank of Canada was Cdn$ 1.1112.

GLOSSARY OF TERMS

In this Circular and accompanying Notice of Meeting, unless there is something in the subject matter inconsistent therewith, the following terms shall have the respective meanings set out below, words importing the singular number shall include the plural and vice versa and words importing any gender shall include all genders.

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only a Party and/or one or more of its wholly-owned subsidiaries, any *bona fide* offer, proposal or inquiry from any Person or group of Persons, whether or not in writing and whether or not delivered to the shareholders of a Party, after the date hereof relating to: (a) any acquisition or purchase, direct or indirect, of: (i) the assets of that Party and/or one or more of its subsidiaries that, individually or in the aggregate, constitute 20% or more of the consolidated assets of that Party and its subsidiaries, taken as a whole, or which contribute 20% or more of the consolidated revenue of a Party and its subsidiaries, taken as a whole, or (ii) 20% or more of the issued and outstanding voting or equity securities of: (A) that Party; or (B) any one or more of its subsidiaries that, individually or in the aggregate, contribute 20% or more of the consolidated revenues or constitute 20% or more of the consolidated assets of that Party and its subsidiaries, taken as a whole; (b) any take-over bid, tender offer or exchange offer that, if consummated, would result in such Person or group of Persons beneficially owning 20% or more of the issued and outstanding voting or equity securities of any class of voting or equity securities of that Party; or (c) a plan of arrangement, merger, amalgamation, consolidation, share exchange, business combination, reorganization, recapitalization, liquidation, dissolution or other similar transaction involving: (A) that Party; or (B) any of its subsidiaries whose assets or revenues, individually or in the aggregate, constitute 20% or more of the consolidated assets or revenues, as applicable, of that Party and its subsidiaries, taken as a whole; (d) an alliance, joint venture or earn-in right relating to 20% or more of a Party's consolidated assets; or (e) a sale relating to 20% or more of a Party's consolidated assets (or any lease, long-term supply or off-take agreement, hedging arrangement or other transaction having the same economic effect as a sale of such assets); provided that, for greater certainty, any sale by Goldcorp Inc. of all or any voting or equity securities of Primero, including pursuant to any underwritten, marketed or agency secondary offering (other than a sale by Goldcorp Inc. of all of its Primero Shares to a single Person) shall not constitute an "Acquisition Proposal".

"**affiliate**" has the meaning ascribed thereto in the *Securities Act*.

"**Amalco**" means the entity formed by the amalgamation of Primero Newco and Brigus pursuant to the Plan of Arrangement.

"**Arrangement**" means the arrangement under section 192 of the CBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendment or variation thereto in accordance with the terms of the Arrangement Agreement or at the direction of the Court in the Final Order.

"**Arrangement Agreement**" means the Arrangement Agreement dated as of December 16, 2013 among Primero, Brigus and Fortune, together with the schedules thereto, the Brigus Disclosure Letter and Primero Disclosure Letter (as such terms are defined therein) and the schedules to the Brigus Disclosure Letter and the Primero Disclosure Letter, respectively, as the same may be amended, supplemented or otherwise modified from time to time.

"**Arrangement Resolution**" means the special resolution of the Brigus Shareholders, approving the Plan of Arrangement, to be considered at the Meeting, substantially in the form of Appendix "A" hereto.

"**associate**" has the meaning ascribed thereto in the CBCA.

"**Black Fox Project**" means Brigus' Black Fox mine site and adjacent exploration properties, Grey Fox and Pike River, located in Township of Black River – Matheson, Ontario, Canada.

"**Brigus**" or "**the Company**" means Brigus Gold Corp., a corporation existing under the laws of Canada.

"**Brigus Board**" means the board of directors of Brigus as the same is constituted from time to time.

"**Brigus Convertible Debentures**" means the convertible debentures of Brigus issued pursuant to a convertible debenture indenture dated as of March 23, 2011 between Brigus and Computershare Trust Company of Canada.

"**Brigus Class A Shares**" means the Class A voting common shares of Brigus which are to be created in accordance with the Plan of Arrangement.

"**Brigus Disclosure Letter**" means the disclosure letter executed by Brigus and delivered to Primero concurrently with the execution of the Arrangement Agreement.

"**Brigus DSU**" means a deferred share unit issued under the Brigus DSU Plan.

"**Brigus DSU Plan**" means the deferred share unit plan approved by Brigus Shareholders at a meeting held on May 23, 2012.

"**Brigus ESPP**" means Brigus' employee share purchase plan approved by Brigus Shareholders at a meeting held on May 23, 2012.

"**Brigus Material Adverse Effect**" means any one or more changes, effects, events or occurrences that, individually or in the aggregate, is, or would reasonably be expected to be, material and adverse to the business, properties, assets, liabilities (contingent or otherwise), condition (financial or otherwise), capitalization, operations or results of operations of Brigus and its subsidiaries, taken as a whole, other than any change, effect, event or occurrence (i) the announcement of the execution of the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement (ii) in or relating to general political, economic or financial conditions, including in Canada, the United States or Mexico, (iii) any act of terrorism or any outbreak of hostilities or war (or any escalation or worsening thereof) or any natural disaster (iv) in or relating to the state of securities markets in general, including any reduction in market indices, (v) in or relating to currency exchange rates, (vi) in or relating to the industries in which such persons operate in general, the market for gold in general or changes in the price of gold, (vii) in or relating to any change to existing IFRS standards or regulatory accounting requirements, (viii) in or relating to any applicable Laws or any interpretation thereof by any Governmental Authority, (ix) in or relating to Fortune; (x) any actions taken (or omitted to be taken) upon the request of Primero or pursuant to the Arrangement Agreement (xi) relating to a change in the market trading price of the Brigus Shares either: (A) related to the Arrangement

Agreement and the Arrangement or the announcement thereof; or (B) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from this definition of "Brigus Material Adverse Effect" under subsections (i) to (ix) above, provided, however, that such effect referred to in subsections (iv) to (viii) above does not disproportionately adversely affect Brigus and its subsidiaries, taken as a whole, compared to other companies of similar size operating in the industry in which Brigus and its subsidiaries operate; and references in the Arrangement Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether an "Brigus Material Adverse Effect" has occurred.

"**Brigus Mining Properties**" means all mining claims (whether patented or unpatented), concessions, leases, licences, permits, surface rights, access rights and other rights and interests to explore for, exploit, develop, mine or produce minerals which Brigus, any of its subsidiaries owns, has an interest in, or has a right or option to acquire or use other than those that relate exclusively to the Fortune Exploration Properties, together with all joint venture, earn-in and other Contracts and royalties or other similar rights and all exploration information, data reports and studies including all geological, geophysical and geochemical information and data (including all drill, sample and assay results and all maps) and all technical reports, feasibility studies and other similar reports and studies concerning the Brigus Mining Properties in Brigus' possession or control relating to such Brigus Mining Properties.

"**Brigus Optionholder**" means a holder of Brigus Options.

"**Brigus Options**" means the outstanding options to purchase Brigus Shares granted under the Brigus Stock Option Plan as listed in Schedule 8(b) to the Brigus Disclosure Letter executed by Brigus and delivered to Primero in connection with the Arrangement Agreement.

"**Brigus Rights Plan**" means the shareholder rights plan agreement effective January 18, 2012, as ratified May 23, 2012, between Brigus and CIBC Mellon Trust Company, as rights agent.

"**Brigus Securityholders**" means the Brigus Shareholders, Brigus Optionholders and Brigus Warrantholders.

"**Brigus Shareholder Approval**" means approval of at least two-thirds of the votes cast on the Arrangement Resolution by Brigus Shareholders (voting as a single class) present in person or represented by proxy at the Meeting and such other approval as may be required pursuant to MI 61-101.

"**Brigus Shareholders**" means the holders of Brigus Shares and/or Brigus Class A Shares, as the context so requires.

"**Brigus Shares**" means common shares in the authorized share capital of Brigus, as currently constituted.

"**Brigus Stock Option Plan**" means the Brigus Stock Option Plan dated as amended and restated May 27, 2011.

"**Brigus U.S. Securityholders**" means Brigus Shareholders in the United States.

"**Brigus Voting Securities**" means the Brigus Shares, which are entitled to be voted on the Arrangement Resolution.

"**Brigus Warrants**" means the common share purchase warrants of Brigus listed on the TSX under the symbols “BRD.WT” and “BRD.WT.A”.

"**Brigus Warrant Indentures**" means, collectively, (i) the warrant indenture dated October 19, 2010 between Brigus and Computershare Trust Company of Canada, and (ii) the warrant indenture dated November 19, 2009, as amended June 25, 2010, between Brigus (as successor to Linear Gold Corp.) and Computershare Trust Company of Canada.

"**Business Day**" means any day that is not a Saturday, a Sunday or a statutory or civic holiday in Toronto, Ontario or Halifax, Nova Scotia.

"**Canadian Securities Administrators**" means the voluntary umbrella organization of Canada's provincial and territorial securities regulators.

"**CBCA**" means the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended.

"**CDG Technical Report**" means the Technical Report, First Stage Heap Leach Feasibility Study, Cerro del Gallo Gold Silver Project, Guanajuato, Mexico.

"**Certificate of Arrangement**" means the certificate giving effect to the Arrangement issued by the Director pursuant to Section 192(7) of the CBCA.

"**Circular**" means, collectively, the Notice of Special Meeting and this Management Information Circular of Brigus, including all appendices hereto, sent to Brigus Shareholders in connection with the Meeting.

"**Claims**" means any demand, action, cause of action, investigation, inquiry, suit, proceeding, claim, complaint, arbitration, charge, prosecution, assessment or reassessment, including any appeal or application for review, judgment, arbitration award, grievance, settlement or compromise.

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

"**Collateral Benefits**" has the meaning ascribed thereto in Multilateral Instrument 61-101 – Protection of Minority Security Holders in Special Transactions.

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

"**Competition Act Approval**" means (i) receipt by Primero of an advance ruling certificate by the Commissioner of Competition under Subsection 102(1) of the Competition Act to the effect that the Commissioner of Competition is satisfied that she or he would not have sufficient grounds upon which to apply to the Competition Tribunal for an order under Section 92 of the Competition Act with respect to the transactions contemplated by the Arrangement Agreement; or (ii) both of the (A) expiry or termination of the waiting period, including any extension of such waiting period, under Section 123 of the Competition Act or the waiver of the obligation to provide a pre-merger notification in accordance with Part IX of the Competition Act in accordance with paragraph 113(c) of the Competition Act, and (B) receipt by Primero of written

confirmation from the Commissioner of Competition that she or he does not intend to initiate proceedings under the merger provisions of the Competition Act in respect of the transactions contemplated by the Arrangement Agreement.

"**Consideration**" means the consideration to be received pursuant to the Plan of Arrangement in respect of each Brigus Share that is issued and outstanding immediately prior to the Effective Time, comprising (i) an indivisible combination of 0.175 of a Primero Share and $0.000001 in cash, and (ii) and 0.1 of a Fortune Share.

"**Consideration Shares**" means the Primero Shares to be issued pursuant to the Arrangement.

"**Contracts**" means any contract, agreement, license, franchise, lease, arrangement or other right or obligation to which Brigus or any of its subsidiaries is a party or by which Brigus or any of its subsidiaries is bound or affected or to which any of their respective properties or assets is subject.

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

"**Cormark**" means Cormark Securities Inc., joint financial advisor to Brigus.

"**Court**" means the Ontario Superior Court of Justice (Commercial List).

"**Depositary**" means Computershare Investor Services Inc., which has been appointed by Primero and Brigus as depositary for the purpose of, among other things, receiving Letters of Transmittal and distributing certificates representing Primero Shares and Fortune Shares to former Brigus Shareholders under the Arrangement.

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA.

"**Dissent Notice**" means a written objection to the Arrangement Resolution by a Registered Brigus Shareholder in accordance with the Dissent Procedures.

"**Dissent Procedures**" means the dissent procedures described in this Circular under the heading "The Meeting – The Arrangement - Dissent Rights".

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

"**Dissent Shares**" means Brigus Shares held by a Dissenting Brigus Shareholder and in respect of which the Dissenting Brigus Shareholder has duly and validly exercised the Dissent Rights in accordance with the Dissent Procedures.

"**Dissenting Brigus Shareholder**" means a Registered Brigus Shareholder who duly and validly exercised Dissent Rights in accordance with the Dissent Procedures.

"**Effective Date**" means the date shown on the Certificate of Arrangement.

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

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

"**Exercising Optionholders**" means holders of Brigus Options who exercise Brigus Options after the date of the Arrangement Agreement but prior to the Effective Time.

"**Eligible Institution**" means a Canadian Schedule I Chartered Bank, a member of the Securities Transfer Agents Medallion Program (STAMP), a member of the Stock Exchanges Medallion Program (SEMP) or a member of the New York Stock Exchange Inc. Medallion Signature Program (MSP).

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

"**Fair Market Value**" with reference to:

(a) a Primero Share means the amount that is the closing price of the Primero Shares on the TSX on the last trading day immediately prior the Effective Date;

(b) a Brigus Class A Share means the amount that is the Fair Market Value of a Primero Share multiplied by 0.175; and

(c) a Fortune Share means ten (10) multiplied by the amount that is a product of the price of the Brigus Shares on the TSX on the last trading day immediately prior to the Effective Date minus the Fair Market Value of a Brigus Class A Share.

"**Fairness Opinion**" means the written opinion of Cormark that the consideration to be received by Brigus Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Brigus Shareholders, dated December 14, 2013 and delivered to the Brigus Board in connection with the Arrangement, a copy of which is attached as Appendix "C" to this Circular.

"**Final Order**" means the final order of the Court in form acceptable to Brigus, Primero and Fortune, each acting reasonably, approving the Arrangement, as such order may be amended by the Court with the consent of the Parties at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal.

"**Fortune**" means Fortune Bay Corp. (formerly 8724385 Canada Limited).

"**Fortune Assets**" means (i) all mining claims (whether patented or unpatented), concessions, leases, licenses, surface rights or other mineral rights in respect of the Fortune Exploration Properties, (ii) the office leases (and any subleases) of Brigus and/or its subsidiaries relating to Brigus' existing offices located at 1969 Upper Water Street, Suite 2001, Purdy's Wharf, Tower II, Halifax, Nova Scotia, Canada, (iii) office furniture, office equipment or office supplies located at the office locations referred to in clause (ii) above, (iv) all fixed assets of Brigus and/or its subsidiaries relating exclusively to the Fortune Exploration Properties or located within the boundaries of the Fortune Exploration Properties or at the office locations referred to above in paragraph (ii) above, (v) all of the shares of Brigus Gold ULC that holds the Fortune Exploration Properties, and the related subsidiaries of Brigus Gold ULC (vi) all joint venture, earn-in, other Contracts entered into by Brigus and/or its subsidiaries, and royalties or other similar rights that relate exclusively to the Fortune Exploration Properties; (vii) the following marketable securities:

common shares of Cangold Limited and Everton Resources Inc., and (vii) all exploration information, data reports and studies including all geological, geophysical and geochemical information and data (including all drill, sample and assay results and all maps) and all technical reports, feasibility studies and other similar reports and studies concerning the Fortune Exploration Properties in Brigus' possession or control relating to the Fortune Exploration Properties.

"**Fortune Exploration Properties**" means all of the right, title and interest of Brigus and/or its subsidiaries in the mineral properties set out in Schedule G to the Arrangement Agreement.

"**Fortune Liabilities**" means all of the liabilities of Brigus or any of its subsidiaries, contingent or otherwise, which pertain to, or arose in connection with the operation of, the Fortune Exploration Properties or the Fortune Assets, including, without limitation, all Indemnified Liabilities.

"**Fortune Share**" means a common share in the capital of Fortune.

"**Fortune Stock Option Plan**" means the stock option plan of Fortune on substantially the same terms and conditions as the Brigus Stock Option Plan.

"**Fortune Stock Option Plan Resolution**" means the resolution of Brigus Shareholders approving the Fortune Stock Option Plan.

"**Further Reorganization**" shall have the meaning ascribed to such term in the Arrangement Agreement.

"**GAAP**" means, in relation to any financial year beginning on or before December 31, 2010, generally accepted accounting principles in Canada as then set out in the Canadian Institute of Chartered Accountants Handbook, and, in relation to any financial year beginning after December 31, 2010, International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee and the former Standing Interpretations Committee.

"**Goldfields Project**" means the mining project located in Uranium City, Saskatchewan as described in the Goldfields Technical Report.

"**Goldfields Technical Report**" means the NI 43-101 Technical Report - Pre-Feasability Study of the Goldfields Project, Saskatchewan, Canada dated October 6, 2011.

"**Governmental Entity**" means: (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange.

"**HSR Act**" means the United States Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended from time to time.

"**HSR Approval**" means the expiration or early termination of any waiting period, and any extension thereof, applicable to the completion of the transactions contemplated hereby under the HSR Act.

"**IFRS**" means International Financial Reporting Standards, as adopted by the International Accounting Standards Board.

"**Indemnified Liabilities**" means:

(a) a liability or obligation (other than any liability or obligation for Taxes) that, following the Effective Time, (i) Brigus or any of its subsidiaries is legally obliged to pay but which was incurred or accrued prior to the Effective Time in respect of the Fortune Assets or the Fortune Exploration Properties (including the operations or activities in connection therewith);

(b) any liability or obligation for Tax which is payable to any Governmental Entity arising from, or in connection with: (i) the Reorganization, including the transfer of the Fortune Assets and Fortune Exploration Properties to, or the assumption of the Fortune Liabilities by, Fortune or any subsidiary of Fortune; (ii) any transfer or distribution by any Subsidiary transferred to Fortune pursuant to the Reorganization that is completed in connection with the transactions referred to in (i) above, on or prior to the Effective Date; (iii) any transfer or distribution of the Fortune Assets and Fortune Exploration Properties or property substituted therefor that is completed in connection with the transactions referred to in (i) above, by any subsidiary of Brigus; or (iv) the transfer or disposition of Fortune Shares to Brigus Shareholders); or

(c) any liability or obligation for Tax, which is payable but not yet paid or reflected in the reserves in Brigus' annual audited financial statements for the fiscal year ended December 31, 2012, to any Governmental Entity and is imposed on, or is in respect of, the Fortune Assets, the Fortune Liabilities, any Subsidiary transferred to Fortune pursuant to the Reorganization and/or the Fortune Exploration Properties for or in respect of any taxable period (or portion thereof) ending on or prior to the Effective Date, in each case, whether such action actually occurs or is deemed to occur for Tax purposes and only to the extent that such Tax is payable after Brigus and any of its subsidiaries have claimed the maximum amount of all credits, deductions, and other amounts available to it (including any loss carryforwards) for its respective taxation year that includes the transfer of Fortune Assets or Fortune Exploration Properties to Fortune or the disposition of Fortune Shares, as the case may be.

"**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, supplemented or varied by the Court.

"**IRS**" means the Internal Revenue Service of the United States.

"**Key Consents**" has the meaning ascribed thereto in Section 3 of Schedule D of the Arrangement Agreement.

"**Law**" or "**Laws**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order,

injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

"**Letter of Transmittal**" means the letter of transmittal and election form delivered by Brigus to Brigus Shareholders together with this Circular.

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute;

"**Loan Amount**" means $10,000,000.

"**Lock-up Agreements**" means the lock-up agreements, pursuant to which the Locked-up Shareholders have agreed, among other things, to vote the Brigus Shares held by them in favour of the Arrangement Resolution.

"**Locked-up Shareholders**" means each of Wade K. Dawe, Harry Burgess, Derrick Gill, Michael Gross, Marvin Kaiser, David Peat, Jon Legatto, Daniel Racine, Howard Bird and Marc Bilodeau.

"**Master Reorganization Agreement**" means the Master Reorganization Agreement among Brigus and Fortune, in the form to be agreed by the Parties, which will provide for the Reorganization, such agreement to be effective not less than one (1) hour prior to the Effective Time.

"**MD&A**" means management's discussion and analysis of financial statements.

"**Meeting**" means the special meeting of Brigus Shareholders, including any adjournment or postponement thereof, to be held for the purpose of, among other things, obtaining the Brigus Shareholder Approval.

"**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 of Disclosure for Mineral Projects" of the Canadian Securities Administrators.

"**Non-Registered Holder**" means a Brigus Shareholder who is not a Registered Brigus Shareholder.

"**Non-Resident Brigus Shareholders**" has the meaning attributed thereto under the following heading in this Circular: "Certain Canadian Federal Income Tax Considerations – Non-Residents of Canada."

"**Non-Resident Optionholders**" has the meaning attributed thereto under the following heading in this Circular: "Certain Canadian Federal Income Tax Considerations – Non-Residents of Canada.

"**Notice of Dissent**" means a notice given in respect of the Dissent Rights as contemplated in the Plan of Arrangement and the Interim Order.

"**Notice of Meeting**" means the notice to the Brigus Securityholders which accompanies this Circular.

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

"**NYSE MKT**" means the stock exchange operated by NYSE MKT LLC.

"**Option Exchange Ratio**" means 0.175.

"**Option Shares**" means the Primero Shares issuable on exercise of any Replacement Option.

"**Outside Date**" means April 30, 2014 or such later date as may be agreed to in writing by the Parties.

"**Outstanding Brigus Voting Securities**" means the outstanding Brigus Shares.

"**Parties**" means Brigus, Primero, and Fortune; and "Party" means any one of them.

"**paid-up capital**" has the meaning ascribed to such term for the purposes of the Tax Act.

"**Person**" includes an individual, sole proprietorship, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, trustee, executor, administrator or other legal representative, government (including any Governmental Entity) or any other entity, whether or not having legal status.

"**PFIC**" means a passive foreign investment company as determined for U.S. federal income tax purposes.

"**Plan of Arrangement**" means the plan of arrangement, substantially in the form of Appendix "B" hereto, and any amendments or variations thereto made in accordance with the Arrangement Agreement or the Plan of Arrangement or at the direction of the Court.

"**Primary**" means Primary Capital Inc. joint financial advisor to Brigus.

"**Primero**" means Primero Mining Corp., a corporation existing under the laws of British Columbia.

"**Primero Board**" means the board of directors of Primero as the same is constituted from time to time.

"**Primero Disclosure Letter**" means the disclosure letter executed by Primero and delivered to Brigus concurrently with the execution of the Arrangement Agreement.

"**Primero Material Adverse Effect**" means any one or more changes, effects, events or occurrences that, individually or in the aggregate, is, or would reasonably be expected to be, material and adverse to the business, properties, assets, liabilities (contingent or otherwise), condition (financial or otherwise), capitalization, operations or results of operations of Primero and its subsidiaries, taken as a whole, other than any change, effect, event or occurrence (i) in or relating to general political, economic or financial conditions, including in Canada, the United States or Mexico, (ii) any act of terrorism or any outbreak of hostilities or war (or any escalation or worsening thereof) or any natural disaster, (iii) in or relating to the state of securities markets in general, including any reduction in market indices, (iv) in or relating to currency exchange rates, (v) in or relating to the industries in which such persons operate in general or the market for gold in general or changes in the price of gold, (vi) in or relating to any change to existing IFRS standards or regulatory accounting requirements, (vii) in or relating to any applicable Laws or any interpretation thereof by any Governmental Authority, or (viii) relating to a change in the market trading price of the Primero Shares either: (A) related to the Arrangement Agreement and the Arrangement or the announcement thereof; or (B) related to such a change in the market trading price primarily resulting from a change, effect, event or occurrence excluded from this definition of "Primero Material Adverse Effect" under subsections (i) to (vi) above, provided, however, that such effect referred to in subsections (ii) to (vi) above does not primarily relate to (or have the effect of primarily relating to) Primero or its subsidiaries or disproportionately adversely affect Primero and its subsidiaries, taken as a whole, compared to other companies of similar size operating in the industry in which Primero and its subsidiaries operate; and references in the Arrangement Agreement to dollar amounts are not intended to be and shall not be deemed to be illustrative or interpretative for purposes of determining whether an "Primero Material Adverse Effect" has occurred;

"**Primero Meeting**" means the special meeting of Primero Shareholders, including any adjournment or postponement thereof, to be called for the purpose of obtaining Primero Shareholder Approval.

"**Primero Newco**" means a wholly-owned corporation of Primero incorporated under the laws of Canada no less than one (1) day prior to the Effective Time.

"**Primero Options**" the outstanding options to purchase Primero Shares granted under or otherwise subject to Primero's stock option plan.

"**Primero Resolution**" means the ordinary resolution of Primero Shareholders approving the issuance of the Consideration Shares, Option Shares and Warrant Shares at the Primero Meeting.

"**Primero Shares**" means common shares in the authorized share capital of Primero, as currently constituted.

"**Primero Shareholders**" means the holders of Primero Shares.

"**Primero Shareholder Approval**" means the approval by the Primero Shareholders by ordinary resolution of the issuance of the Consideration Shares, Option Shares and Warrant Shares at the Primero Meeting and, if required, of the transactions contemplated by the Arrangement Agreement, in accordance with the policies and rules of the TSX and NYSE.

"**Record Date**" means January 27, 2014.

"**Registered Plan**" means a trust governed by a registered retirement savings plan, a registered retirement income fund, a registered disability savings plan, a deferred profit sharing plan, a tax-free savings account or a registered education savings plan, all as defined in the Tax Act.

"**Registered Brigus Shareholder**" means a registered holder of Brigus Shares.

"**Registrar**" has the meaning attributed to that term in the CBCA.

"**Regulation S**" means Regulation S under the U.S. Securities Act.

"**Regulatory Approvals**" means any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case in connection with the Arrangement.

"**Reorganization**" means the reorganization of Brigus and its subsidiaries, as applicable, prior to the Effective Time of the Plan of Arrangement in accordance with the Master Reorganization Agreement, such that Fortune will acquire the Fortune Exploration Properties and the Fortune Assets, and assume the Fortune Liabilities, all to be effected pursuant to the Master Reorganization Agreement and also includes any Further Reorganization.

"**Replacement Primero Options**" means an option replacing the Brigus Option as more particularly described in the Circular.

"**Representatives**" with respect to a Party means any officers, directors, employees, representatives (including any financial, legal or other advisors) affiliates or agents of the Party or any of its subsidiaries.

"**Resident Brigus Shareholders**" has the meaning attributed thereto under the following heading in this Circular: "Certain Canadian Federal Income Tax Considerations –- Residents of Canada

"**Rule 144**" means Rule 144 under the U.S. Securities Act.

"**San Dimas Technical Report"** means a technical report entitled "San Dimas Property, San Dimas District, Durango and Sinaloa States, Mexico, Technical Report for Primero Mining Corp." dated April 16, 2012**"**

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

"**Securities Act**" means the *Securities Act* (Ontario) and the rules, regulations, and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time.

"**SEDAR**" means the System for Electronic Document Analysis and Retrieval as outlined in NI 13-101, which can be accessed online at www.sedar.com.

"**Special Committee**" means the special committee of the Brigus Board comprised of Marvin Kaiser, Michael Gross, David Peat and Derrick Gill, which has been created for purposes of the Arrangement.

"**Stated Capital Reduction**" means the reduction of the stated capital account maintained in respect of the Brigus Shares to CDN$217 million.

"**Stated Capital Resolution**" means the special resolution to be voted on by the Brigus Shareholders approving the reduction of the stated capital account maintained in respect of the Brigus Shares to CDN$217 million.

"**subsidiary**" means, in respect of a Party, 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 or classes shall or might be entitled to vote upon the happening of any event of contingency) are at the time owned directly or indirectly by such Party and shall include any body corporate, partnership, joint venture, or other entity over which such Party exercises direction or control or which is in a like relation to a subsidiary.

"**Superior Proposal**" means any unsolicited *bona fide* Acquisition Proposal made in writing by a third party after the date of the Arrangement Agreement: (i) to purchase or otherwise acquire, directly or indirectly, by means of a merger, take-over bid, amalgamation, plan of arrangement, business combination, consolidation, recapitalization, liquidation, winding-up or similar transaction, all of the Brigus Shares or all of the Primero Shares or all or substantially all of the assets of Brigus or Primero on a consolidated basis; (ii) that, in good faith determination of the Brigus Board or the Primero Board, as applicable, is reasonably capable of being completed without undue delay, taking into account all legal, financial, regulatory and other aspects of such proposal and the party making such proposal; (iii) that is not subject to any financing condition and in respect of which any required financing to complete such Acquisition Proposal has been demonstrated to be reasonably likely to be available to the satisfaction of the board of directors of such Party, acting in good faith (after receipt of advice from its financial advisors and outside legal counsel); (iv) which is not subject to a due diligence or access condition beyond the fifth Business Day after which the Person making the Acquisition Proposal is first afforded access to the books, records and personnel of Brigus or Primero, as the case may be; (v) that did not result from a breach of Section 8.1 or Section 8.2 of the Arrangement Agreement, as applicable by the receiving Party or its representatives; (vi) that is made available to all Brigus Shareholders or Primero Shareholders, as the case may be, on the same terms and conditions (but, for greater certainty, does not restrict the provision of Collateral Benefits to any one or more Brigus Shareholders or Primero Shareholders, as the case may be); and (vii) in respect of which the board of directors of such Party determines in good faith (after receipt of advice from its outside legal counsel with respect to (x) below and financial advisors with respect to (y) below) that (x) failure to recommend such Acquisition Proposal to its shareholders would be inconsistent with its fiduciary duties and (y) which would, taking into account all of the terms and conditions of such Acquisition Proposal, if consummated in accordance with its terms (but not assuming away any risk of non-completion), result in a transaction more favourable to its shareholders, taken as a whole, from a financial point of view, than the Arrangement (after taking into account any adjustment to the terms and conditions of the Arrangement proposed by the other Party pursuant to Subsection 8.1(f) or Subsection 8.2(f), as applicable of the Arrangement Agreement;

"**Taxes**" means any and all domestic and foreign federal, state, provincial, municipal and local taxes, assessments and other governmental charges, duties, impositions and liabilities imposed by any Governmental Entity, including without limitation pension plan contributions, tax instalment payments, unemployment insurance contributions and employment insurance contributions, workers' compensation and deductions at source, including taxes based on or

measured by gross receipts, income, profits, sales, capital, use, and occupation, and including goods and services, value added, ad valorem, sales, capital, transfer, franchise, non-resident withholding, customs, payroll, recapture, employment, excise and property duties and taxes, together with all interest, penalties, fines and additions imposed with respect to such amounts;

"**Tax Act**" means the *Income Tax Act* (Canada), as amended from time to time.

"**Tax Returns**" means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes;

"**Termination Payment**" means a payment in the amount of $8,300,000.

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

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

"**U.S. Holder**" has the meaning ascribed to that term in the section of this Circular entitled "Certain United States Federal Income Tax Considerations".

"**U.S. Person**" means a "U.S. person", as such term is defined in Regulation S under the U.S. Securities Act.

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

"**U.S. Tax Laws**" means the provisions of the Code, currently applicable U.S. Treasury Regulations promulgated thereunder, administrative pronouncements, judicial decisions and the U.S. Treaty.

"**U.S. Treaty**" means the Canada-United States Income Tax Convention (1980), as amended.

"**VWAP**" means volume weighted average price.

"**Warrant Shares**" means the Primero Shares issuable on exercise of any Brigus Warrants following the Effective Time.

SUMMARY

This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Circular, including the Appendices which are incorporated into and form part of this Circular. Terms with initial capital letters in this summary are defined in the Glossary of Terms immediately preceding this summary.

The Meeting

The Meeting will be held at The Delta Barrington Hotel, 1875 Barrington Street, Halifax, Nova Scotia, on February 27, 2014 commencing at 11:00 a.m. (Halifax local Time).

Record Date

Only Brigus Shareholders of record at the close of business on January 27, 2014 will be entitled to receive notice of and vote at the Meeting, or any adjournment or postponement thereof.

Purpose of the Meeting

At the Meeting, Brigus Shareholders will be asked to consider and, if deemed advisable, to pass, the Arrangement Resolution approving the Arrangement among Brigus, Primero and Fortune. The full text of the Arrangement Resolution is set out in Appendix "A" to this Circular. In order to implement the Arrangement, the Arrangement Resolution must be passed by (i) a majority of no less than two-thirds of the votes cast on the Arrangement Resolution by the Brigus Shareholders present in person or by proxy at the Meeting, and (ii) a majority of the votes attached to the Brigus Shares held by Brigus Shareholders present in person or represented by proxy at the Meeting excluding for this purpose votes attached to Brigus Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101 See "The Meeting – The Arrangement — Approval of Arrangement Resolution".

Brigus Shareholders will also be asked to consider and vote on the Stated Capital Resolution, authorizing the reduction of the stated capital account maintained in respect of the Brigus' Shares to CDN$217 million. In order to implement the Stated Capital Reduction, the Stated Capital Resolution must be passed by a majority of no less than two-thirds of the votes cast on the Stated Capital Resolution by the Brigus Shareholders present in person or by proxy at the Meeting.

In addition, if the Arrangement Resolution is approved, the Brigus Shareholders will also be asked to consider and vote upon the Fortune Stock Option Plan. The resolution to approve the Fortune Stock Option Plan must be approved by a majority of the votes cast in person or by proxy by the Brigus Shareholders at the Meeting. See “Other Business to be Considered at the Meeting — Approval of the Fortune Stock Option Plan”. Approval of the Fortune Stock Option Plan is not a condition to the Arrangement becoming effective.

Principal Steps to the Arrangement

Reorganization

Prior to the Effective Time, Brigus shall effect the Reorganization.

The Arrangement

Under the Plan of Arrangement, commencing at the Effective Time, the following principal steps shall occur and shall be deemed to occur without any further act or formality, but in the order and with the timing set out in the Plan of Arrangement:

Brigus Rights Plan

(a) Notwithstanding the terms of the Brigus Rights Plan, the Brigus Rights Plan shall be terminated and all rights issued pursuant to the Brigus Rights Plan shall be cancelled without any payment in respect thereof.

Brigus DSUs

(b) the Effective Date shall be deemed to be the vesting date for all of the then issued and outstanding Brigus DSUs, and Brigus shall allot and issue to each holder of a Brigus DSU such number of Brigus Shares as are due to such holder under the terms of the Brigus DSU Plan (less any amounts withheld pursuant to the Plan of Arrangement) and thereafter the Brigus DSU Plan will terminate and none of the former holders of Brigus DSUs, the Parties or any of their respective successors or assigns shall have any rights, liabilities or obligations in respect of the Brigus DSU Plan.

Dissent Shares

(c) Each Brigus Share held by a Dissenting Brigus Shareholder shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to Primero in exchange for a debt claim against Primero for the amount determined by Article 4 of the Plan of Arrangement annexed hereto as Appendix "B"; and

i) such Dissenting Brigus Shareholders shall cease to be the holders of such Brigus Shares and to have any rights as Brigus Shareholders other than the right to be paid the fair value for such Brigus Shares; and

ii) the name of each such Dissenting Brigus Shareholders shall be removed as a Brigus Shareholder from the registers of Brigus Shareholders maintained on or on behalf of Brigus.

Loan

(d) Primero will lend to Brigus an amount equal to the Loan Amount by way of a non-interest bearing demand promissory note.

Subscription of Fortune Shares

(e) Brigus will subscribe for such number of additional Fortune Shares as would result in Brigus holding, after completion of the Reorganization and distribution of the Fortune Shares to Brigus Shareholders, 9.9% of the outstanding Fortune Shares, in consideration for payment to Fortune of cash subscription proceeds equal to the Loan Amount (with the amount, if any, by which such cash subscription proceeds exceed the

fair market value of the Fortune Shares so issued being a contribution to the capital of Fortune).

Reorganization of Brigus Share Capital

(f) Brigus shall undertake a reorganization at the Effective Time as follows:

(i) the authorized share capital of Brigus will be amended by the creation of one new class of shares consisting of an unlimited number of Brigus Class A Shares, and the articles of incorporation of Brigus shall be deemed to be amended accordingly; (ii) each outstanding Brigus Share (including such Brigus Shares acquired by Primero pursuant to the Brigus DSU Plan) will be exchanged (without any further act or formality on the part of the Brigus Shareholder) free and clear of all Liens for one (1) Brigus Class A Share and 0.1 of a Fortune Share, and such Brigus Shares shall thereupon be cancelled, and:

a) the holders of such Brigus Shares shall cease to be the holders thereof and to have any rights or privileges as holders of such Brigus Shares;

b) such holders' names shall be removed from the register of the Brigus Shares maintained by or on behalf of Brigus; and

c) each Brigus Shareholder shall be deemed to be the holder of the Class A Shares and Fortune Shares (in each case, free and clear of any Liens) exchanged for the Brigus Shares and shall be entered in the register of Brigus or Fortune, as the case may be, as the registered holder thereof; and

(iii) the stated capital of Brigus for the outstanding Class A Shares will be an amount equal to the paid-up capital of Brigus for the Brigus Shares, less the fair market value of the Fortune Shares distributed on such exchange.

The Parties agreed that upon request additional reorganizations may be requested by the other party. This may also include transactions designed to step up the tax basis in certain capital property of Brigus (or its subsidiaries) for the purposes of the Tax Act.

Transfer of Brigus Class A Shares for 0.175 of a Primero Share and $0.000001 per Brigus Class A Share

(g) All Brigus Class A Shares shall be assigned and transferred to Primero, free and clear of any Liens, and each holder thereof shall receive in exchange therefor, 0.175 of a Primero Share and $0.000001 per Brigus Class A Share and:

i) the holders of such Brigus Class A Shares shall cease to be the holders thereof and to have any rights as holders of such Class A Shares other than the right to be paid the 0.175 of a Primero Share and $0.000001 per Brigus Class A Share in accordance with this Plan of Arrangement;

ii) such holders' name shall be removed from the register of the Class A Shares maintained by or on behalf of Brigus; and

iii) Primero shall be deemed to be the transferee and the legal and beneficial holder of such Class A Shares (free and clear of all Liens) and shall be entered as the registered holder of such Class A Shares in the register of the Class A Shares maintained by or on behalf of Brigus.

Brigus Option Plan

(h) Each Brigus Option which is outstanding and has not been duly exercised prior to the Effective Time, shall be exchanged for a Replacement Primero Option to purchase from Primero the number of Primero Shares (rounded down to the nearest whole share) equal to: (i) the Option Exchange Ratio multiplied by (ii) the number of Brigus Shares subject to such Brigus Option immediately prior to the Effective Time. Such Primero Replacement Option shall provide for an exercise price per Primero Share (rounded up to the nearest whole cent) equal to: (x) the exercise price per Brigus Share otherwise purchasable pursuant to such Replacement Primero Option; divided by (y) the Option Exchange Ratio. It is agreed that all terms and conditions of a Replacement Primero Option, including the term to expiry, conditions to and manner of exercising, will be the same as the Brigus Option for which it was exchanged, and shall be governed by the terms of the Brigus Option Plan, except that the term to expiry of any Replacement Primero Options shall not be affected by a holder of Replacement Primero Options not becoming, or ceasing to be, an employee, officer or director of Brigus or Primero, as the case may be.

Amalgamation

(i) Primero Newco and Brigus shall amalgamate to form one corporate entity ("**Amalco**") under Section 192 of the CBCA.

Brigus Warrants

(j) After the Effective Time, each holder of a Brigus Warrant shall be entitled to purchase, upon exercise of a Brigus Warrant, 0.175 Primero Share and 0.1 of a Fortune Share. Primero shall promptly pay to Fortune, on receipt, a portion of the Brigus Warrant exercise price received from each exercising Brigus Warrantholder such that the Brigus Warrant exercise price is divided between Primero and Fortune as follows:

i) Primero shall receive a portion of the exercise price equal to the original exercise price of the Brigus Warrant multiplied by the Fair Market Value of a Brigus Class A Share divided by the total of the Fair Market Value of a Brigus Class A Share plus the Fair Market Value of one Fortune Share; and

ii) Fortune shall receive a portion of the exercise price equal to the original exercise price of the Brigus Warrant multiplied by the Fair Market Value of a Fortune Share divided by the total of the Fair Market Value of a Brigus Class A Share plus the Fair Market Value of one Fortune Share.

Background to the Arrangement

The provisions of the Arrangement Agreement are the result of arm's length negotiations between representatives of Brigus and Primero and their respective financial and legal advisors.

In May 2013, Brigus formally engaged Cormark and Primary to act as joint financial advisors to Brigus in connection with a potential sale transaction. Cormark and Primary ran a formal sale process, contacting interested parties to gauge interest in a potential transaction with Brigus. Brigus received interest from multiple parties, resulting in a formal non-binding offer from Primero on October 16, 2013. This led to arm's length negotiations between Brigus and Primero and the Special Committee, their respective legal and financial advisors. Primero followed with a second non-binding offer on November 29, 2013. Upon the conclusion of such negotiations and the approval of their respective boards of directors, the Arrangement Agreement was executed on December 16, 2013 and Brigus and Primero each issued a press release announcing the Arrangement prior to markets opening on Monday, December 16, 2013.

Further details of the background to the Arrangement are set out under the heading "The Meeting – The Arrangement — Background to the Arrangement".

Recommendation of the Brigus Board

After careful consideration of, among other things, the Fairness Opinion and the other factors set out below under the heading "The Meeting – The Arrangement – Fairness Opinion", the Brigus Board has determined that the Plan of Arrangement is fair to Brigus Shareholders and is in the best interests of Brigus. **Accordingly, the Brigus Board unanimously recommends that Brigus Shareholders vote FOR the Arrangement Resolution.**

In addition, to facilitate the Arrangement the Brigus Board unanimously recommends that Brigus Shareholders vote **FOR** the Stated Capital Resolution.

In addition, the Brigus Board unanimously recommends that Brigus Shareholders vote **FOR** the Fortune Stock Option Plan Resolution.

Reasons for the Arrangement

The Arrangement has a number of benefits for Brigus Shareholders including:

- Attractive premium for Brigus Shareholders, representing 45% to the closing price and 43% to the 20 trading day VWAP of Brigus Shares both as at December 13, 2013 on the TSX;
- Immediate exposure to financial resources sufficient to repay debt and invest in the Black Fox mine, as well as finance further growth opportunities including the Grey Fox and Cerro del Gallo projects;
- Accretive on a net asset value basis;
- Improves market presence and provides a multiple re-rating opportunity as a mid-tier producer with a proven operating team, a superior growth profile and significant exploration upside;
- Allows continuing shareholder participation in non-Ontario exploration assets of Brigus through 90.1% ownership of Fortune.

The Brigus Board has reviewed and considered a number of factors relating to the Arrangement with the benefit of advice from Brigus' senior management and its financial and legal advisors. The following is a summary of the principal reasons for the recommendation of the Brigus Board that Brigus Shareholders vote FOR the Arrangement Resolution:

(a) *Continued Participation by Brigus Shareholders in the Black Fox Project Through Primero*. Brigus Shareholders, through their ownership of Primero Shares, will continue to participate in the value creation associated with the exploration, development and operation of the Black Fox Project. Brigus Shareholders will hold approximately 27% of the issued and outstanding Primero Shares upon completion of the Arrangement.

(b) *Continued Participation by Brigus Shareholders in the Fortune Properties Through Fortune*. Brigus Shareholders, through their ownership of Fortune Shares, will continue to participate in the Fortune Exploration Properties being transferred to Fortune. The former Brigus Shareholders will hold 90.1% of the issued Fortune Shares upon completion of the Arrangement. Fortune will have approximately C$10 million in cash to pursue development of the Fortune Properties. It is expected that certain members of the current senior management of Brigus will continue as senior management of Fortune.

(c) *Fairness Opinion*. Brigus' financial advisor, Cormark, provided its opinion that, as at December 14, 2013, subject to the assumptions, limitations and qualifications set out therein, the consideration to be received by Brigus Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Brigus Shareholders.

(d) *Approval of Brigus Shareholders and the Court are Required*. The following required approvals protect the rights of Brigus Shareholders: the Arrangement Resolution must be passed by (i) a majority of no less than two-thirds of the votes cast on the Arrangement Resolution by the Brigus Shareholders present in person or by proxy at the Meeting, and (ii) a majority of the votes attached to the Brigus Shares held by Brigus Shareholders present in person or represented by proxy at the Meeting excluding for this purpose votes attached to Brigus Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101; and the Arrangement must also be sanctioned by the Court, which will consider the fairness of the Arrangement to Brigus Shareholders.

(e) *Likelihood of the Arrangement Being Completed*. The likelihood of the Arrangement being completed is considered to be high, in light of the experience, reputation and financial capability of Primero and the absence of significant closing conditions, other than the Brigus Shareholder Approval and the approval by the Court of the Arrangement, the exercise by no more than 5% of the Brigus Shareholders of their Dissent Rights and other customary closing conditions.

(f) *Superior Proposals*. The Arrangement Agreement allows the Brigus Board, in the exercise of its fiduciary duties, to respond to certain unsolicited Acquisition Proposals, prior to the Brigus Shareholder Approval, which may be superior to the Arrangement. The Brigus Board received advice from its financial and legal advisors that the deal protection terms including the Termination Payment, and circumstances for payment of the Termination Payment, are within the ranges typical in the market for similar transactions and are not a significant deterrent to potential Superior Proposals.

(g) *Dissent Rights*. Registered Brigus Shareholders who oppose the Arrangement may, on strict compliance with the Dissent Procedures, exercise their Dissent Rights and receive the fair value of the Dissent Shares.

(h) *Lock-up Agreements*. All of the directors and senior officers of Brigus have entered into the Lock-up Agreements pursuant to which they agreed to vote in favour of the Arrangement. As of the Record Date, such directors and officers and shareholders of Brigus held approximately 2.42% of the Outstanding Brigus Voting Securities.

See "Cautionary Note Regarding Forward-Looking Statements and Risks" and "The Meeting – The Arrangement – Reasons for the Arrangement."

Fairness Opinion

In connection with the Arrangement, the Brigus Board received a written opinion dated December 14, 2013, from Cormark, financial advisor to Brigus, which states that, as of December 14, 2013, and subject to the assumptions, limitations and qualifications set out therein, the consideration to be received by Brigus Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Brigus Shareholders. The full text of the Fairness Opinion, which sets forth certain assumptions made, matters considered and limitations on the review undertaken in connection with the Fairness Opinion, is attached as Appendix "C" to this Circular. Brigus Shareholders are urged to, and should, read the Fairness Opinion in its entirety. This summary is qualified in its entirety by reference to the full text of the Fairness Opinion. See "The Meeting – The Arrangement – Fairness Opinion".

Subject to the terms of its engagement, Cormark has consented to the inclusion in this Circular of the Fairness Opinion and other information relating to Cormark and the Fairness Opinion. The Fairness Opinion addresses only the fairness, from a financial point of view, of the consideration to be received by the Brigus Shareholders pursuant to the Arrangement and does not and should not be construed as a valuation of Brigus, Primero or Fortune (or any of their affiliates) or their respective assets, liabilities or securities or as a recommendation to any Brigus Securityholder as to how to vote with respect to the Arrangement or any other matter at the Meeting.

Lock-up Agreements

On December 16, 2013, Primero and Brigus entered into the Lock-up Agreements with all of the directors and officers of the other Party. The Lock-up Agreements set forth, among other things, the agreement of such directors and officers to vote their respective Brigus Shares and Primero Shares in favour of the Arrangement. As of the Record Date, 5,622,666 of the Outstanding Brigus Voting Securities were subject to the Lock-up Agreements, representing approximately 2.42% of the Outstanding Brigus Voting Securities.

Primero has confirmed to Brigus that neither Primero nor any of its affiliates held any Brigus Shares (or securities convertible into Brigus Shares) as at the Record Date.

See "The Meeting – The Arrangement – Lock-up Agreement".

Primero, Brigus and Fortune

Primero

Primero is a Canadian-based precious metals producer with operations in Mexico. The head office of Primero is located at Suite 2301, 20 Queen St. W., Toronto, Ontario, M5H 3R3, telephone (416) 814-3160, facsimile (416) 814-3170. Primero is a reporting issuer in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Northwest Territories, Yukon, and Nunavut. The Primero Shares are listed on the TSX under the symbol "P" and on the NYSE under the symbol " PPP." The Primero Shares are registered under the Exchange Act and Primero files periodic reports with the SEC.

See Appendix "E" - Information Concerning Primero and the Combined Company".

Brigus

Brigus is a growing gold producer committed to maximizing shareholder value through a strategy of efficient production, targeted exploration and select acquisitions. Brigus is a reporting issuer in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. Brigus operates the wholly owned Black Fox Mine and Mill in the Timmins Gold District of Ontario, Canada. The Black Fox Complex encompasses the Black Fox Mine and adjoining properties in the Township of Black River, Matheson, Ontario, Canada. Brigus also owns the Goldfields Project located near Uranium City, Saskatchewan, Canada, which hosts the Box and Athona gold deposits. In the Dominican Republic, Brigus has signed an agreement to sell its remaining interests in three mineral exploration projects. In Mexico, Brigus owns the Ixhuatan Project located in the state of Chiapas. Brigus Shares are listed on the TSX and on the NYSE MKT under the symbol "BRD".

Fortune

Fortune is currently a wholly-owned subsidiary of Brigus that has been formed to acquire and hold the Fortune Exploration Assets. The registered and records office of Fortune is located at 77 King Street West, Toronto, Ontario M5K 1G8. Upon completion of the Arrangement, Fortune expects that it will be a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and will hold the Fortune Assets and approximately Cdn$10 million in cash. It is intended that an application to list the Fortune Shares will be made. There is no assurance such a listing will be obtained. See Appendix "F" - "Information Concerning Fortune".

Unaudited Pro Forma Consolidated Financial Statements of Primero

The unaudited pro forma consolidated financial statements of Primero that give effect to the Arrangement are set forth in Appendix "G" to this Circular.

Conditions to the Arrangement

Completion of the Arrangement is subject to a number of specified conditions being met as of the Effective Time, including, but not limited to:

- the Arrangement Resolution shall have been approved and adopted at the Meeting in accordance with the Interim Order;

- the Interim Order and the Final Order shall each have been obtained;

- Primero Shareholder Approval shall have been obtained;

- The Reorganization shall have been completed in accordance with the Master Reorganization Agreement;

- no Governmental Entity 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;

- the Primero Shares, Brigus Class A Shares, Replacement Options and Fortune Shares to be issued pursuant to the Arrangement shall either be: (i) exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof; or (ii) be registered pursuant to an effective registration statement under the U.S. Securities Act;

- each of the Competition Act Approval and HSR Approval has been made, given or obtained on terms acceptable to each of the Parties, each acting reasonably, and such Regulatory Approvals are in full force and have not been modified;

- there shall be no suit, action or proceeding by any Governmental Entity or any other Person that has resulted in an imposition of material limitations on the ability of Primero to acquire or hold, or exercise full rights of ownership of, any Brigus Shares, including the right to vote the Brigus Shares to be acquired by it on all matters properly presented to the Brigus Shareholders;

- the distribution of the Primero Shares and the Fortune Shares pursuant to the Arrangement shall be exempt from the prospectus and registration requirements of applicable Securities Laws either by virtue of exemptive relief from the securities regulatory authorities of each of the provinces of Canada or by virtue of applicable exemptions under Securities Laws and shall not be subject to resale restrictions under applicable Securities Laws (other than as applicable to control Persons or pursuant to section 2.6 of National Instrument 45-102 – *Resale of Securities*);

- (i) Fortune shall be validly existing under the laws of Canada and all of the issued and outstanding shares of capital stock and other ownership interests in Fortune shall be legally and beneficially owned by Brigus free and clear of all Liens, and (ii) Brigus shall hold a number of whole Fortune Shares such that, after giving effect to the distribution of Fortune Shares contemplated in the Plan of Arrangement (assuming that no Brigus Shares are exchanged pursuant to Section 2.3(b) of the Plan of Arrangement), Brigus would hold 9.9% of all of the outstanding Fortune Shares; and

- Brigus shall have delivered evidence satisfactory to the Parties, acting reasonably, of the approval of the listing on the TSX of the Brigus Class A Shares, subject only to the satisfaction of the customary listing conditions of the TSX.

The Arrangement Agreement also provides that the respective obligations of Brigus and Primero to complete the Arrangement are subject to the satisfaction or waiver of certain additional conditions precedent, including, there having not occurred any Primero Material Adverse Effect or Brigus Material Adverse Effect.

See "The Meeting – The Arrangement – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective".

Non-Solicitation of Acquisition Proposals

Pursuant to the Arrangement Agreement, Brigus has agreed not to solicit, initiate, encourage or facilitate any Acquisition Proposals. However, the Brigus Board does have the right to consider and accept a Superior Proposal under certain conditions. Primero has the right to match any Acquisition Proposal that the Brigus Board has determined is, or is reasonably likely to be or lead to, a Superior Proposal in accordance with the Arrangement Agreement. If Brigus accepts a Superior Proposal or if Primero declines to match any Superior Proposal and terminates the Arrangement Agreement, Brigus must pay Primero the Termination Payment.

See "The Meeting – The Arrangement – The Arrangement Agreement – Covenants of Brigus – Non-Solicitation Covenant".

Termination of Arrangement Agreement

The Arrangement Agreement may be terminated at any time prior to the Effective Time in certain circumstances many of which lead to payment by Brigus to Primero of the Termination Payment. The Termination Payment is payable by either party in certain circumstances. See "The Meeting – The Arrangement – The Arrangement Agreement – Termination".

Procedure for Exchange of Brigus Shares

Computershare Investor Services Inc. is acting as Depositary under the Arrangement. The Depositary will receive deposits of certificates representing Brigus Shares and an accompanying Letter of Transmittal, at the office specified in the Letter of Transmittal and will be responsible for delivering share certificates representing Primero Shares and Fortune Shares to which former Brigus Shareholders are entitled to under the Arrangement.

At the time of sending this Circular to each Brigus Shareholder, Brigus is also sending the Letter of Transmittal to each Registered Brigus Shareholder. The Letter of Transmittal is for use by Registered Brigus Shareholders only and is not to be used by Non-Registered Holders. Non-Registered Holders should contact their broker or other intermediary for instructions and assistance in receiving the Fortune Shares and Primero Shares in respect of their Brigus Shares.

The Letter of Transmittal contains instructions with respect to the deposit of certificates representing Brigus Shares with the Depositary at its offices in Toronto, Ontario, in order to receive certificates representing Primero Shares and Fortune Shares to which they are entitled under the Arrangement. Following the Effective Date upon return of a properly completed Letter of Transmittal, together with share certificates representing Brigus Shares and such other documents as the Depositary may require, share certificates for the appropriate number of Primero Shares and Fortune Shares to which the former Brigus Shareholder is entitled under

the Arrangement will be sent to the former Brigus Shareholder in accordance with the instructions in the Letter of Transmittal.

A Registered Brigus Shareholder must deliver to the Depositary at the office listed in the Letter of Transmittal:

(i) the share certificates representing their Brigus Shares;

(j) a Letter of Transmittal in the form provided with this Circular, properly completed and duly executed as required by the instructions set out in the Letter of Transmittal; and

(k) any other documentation required by the instructions set out in the Letter of Transmittal.

Except as otherwise provided in the instructions to the Letter of Transmittal, the signature on the Letter of Transmittal must be guaranteed by an Eligible Institution. If a Letter of Transmittal is executed by a person other than the registered holder of the share certificate(s) deposited therewith, the share certificate(s) must be endorsed or be accompanied by an appropriate securities transfer power of attorney, duly and properly completed by the registered holder, with the signature on the endorsement panel, or securities transfer power of attorney guaranteed by an Eligible Institution.

No fractional Primero Shares or Fortune Shares shall be issued to any former Brigus Shareholder. The number of Primero Shares to be issued to a former Brigus Shareholder, or to a former Brigus Optionholder on the exercise of Replacement Primero Options, shall be rounded down to the nearest whole Primero Share and such former Brigus Shareholder, or former Brigus Optionholder on the exercise of Replacement Primero Option shall not be entitled to any compensation in respect of such fractional Primero Share. The number of Fortune Shares to be issued to a former Brigus Shareholder shall be rounded down to the nearest whole Fortune Share and such former Brigus Shareholder shall not be entitled to any compensation in respect of such fractional Fortune Share.

The Depositary will make available for pick up at its offices during normal business hours the requisite cash consideration that such holder is entitled to receive.

See "The Meeting – The Arrangement – Procedure for Exchange of Brigus Shares".

Cancellation of Rights After Six Years

Any certificate which immediately prior to the Effective Time represented outstanding Brigus Shares and which has not been surrendered, with all other documents required by the Depositary, on or before the date that is six years after the Effective Date, will cease to represent any claim against or interest of any kind or nature in Brigus, Primero or Fortune. **Accordingly, former Brigus Shareholders who deposit with the Depositary certificates representing Brigus Shares after the sixth anniversary of the Effective Date will not receive Primero Shares, Fortune Shares or any other consideration in exchange therefor and will not own any interest in Brigus, Primero or Fortune, and will not be paid any compensation.**

Dissent Rights

The Interim Order provides that each Registered Brigus Shareholder will have the right to dissent and, if the Arrangement becomes effective, to have such holder's Brigus Shares cancelled in exchange for cash payment from Primero equal to the fair value of such holder's Brigus Shares as of the day of the Meeting in accordance with the provisions of the Interim Order. In order to validly dissent, any such Registered Brigus Shareholder must not vote any Brigus Shares in respect of which Dissent Rights have been exercised in favour of the Arrangement Resolutions, must provide Brigus with written objection to the Arrangement by 4:00 p.m. (Toronto Time) on February 26, 2014, or one Business Day prior to any adjournment of the Meeting, and must otherwise comply with the Dissent Procedures provided in the Interim Order. A Non-Registered Brigus Shareholder who wishes to exercise Dissent Rights must arrange for the Registered Brigus Shareholder(s) holding its Brigus Shares to deliver the Dissent Notice. See "The Meeting – The Arrangement – Dissent Rights."

If a Dissenting Brigus Shareholder fails to strictly comply with the requirements of the Dissent Rights as set out under the Interim Order, the CBCA and the Plan of Arrangement, such holder 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 Appendix "D" to this Circular.

It is a condition of the Arrangement that holders of no more than 5% of Brigus Shares shall have exercised Dissent Rights (and not withdrawn such exercise).

Income Tax Considerations

Summary of Certain Canadian Income Tax Considerations

Canadian Resident Brigus Shareholders will generally be deemed for purposes of the Tax Act to receive a dividend from Brigus on the exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares, to the extent that the fair market value of the Fortune Shares received by the Resident Brigus Shareholder exceeds the paid-up capital (as determined for the purposes of the Tax Act) attributable, on a pro rata basis, to the Brigus Shares exchanged. Brigus does not expect to have a dividend as a result of the exchange. The cost of the Brigus Class A Shares will be deemed to be equal to the amount, if any, by which the adjusted cost base of the Brigus Shares exceeds the fair market value of the Fortune Shares received.

On the exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares, a capital gain (or capital loss) may also be realized by a Resident Brigus Shareholder equal to the amount by which (a) the aggregate of the adjusted cost base of the Fortune Shares and of the Brigus Class A Shares received less the amount of any dividend deemed to be received on the exchange exceeds (or is less than) (b) the aggregate of the adjusted cost base of the Brigus Shares exchanged and any reasonable costs of disposition.

Brigus Shareholders who are Eligible Shareholders and who make a valid tax election with Primero may defer all or part of the Canadian income tax on any capital gain that would otherwise arise on an exchange of their Brigus Class A Shares for Primero Shares and cash consideration under the Arrangement. A Brigus Shareholder who does not make a valid tax election or is not an Eligible Shareholder will realize a capital gain (or capital loss).

Non-Resident Brigus Shareholders of Brigus Shares will generally not be taxable in Canada with respect to any capital gains resulting from the disposition of Brigus Shares and Brigus Class A Shares pursuant to the Arrangement so long as such shares do not constitute "taxable Canadian property" as defined in the Tax Act.

A summary of certain Canadian federal income tax considerations in respect of the proposed Arrangement is included under "Certain Canadian Federal Income Tax Considerations" and the foregoing is qualified in full by the information in such section.

Summary of Certain U.S. Federal Income Tax Considerations

Although not free from doubt, for U.S. federal income tax purposes, it is anticipated that the Arrangement will be treated as a partially tax-deferred reorganization under Section 368(a) of the Code. As a result, U.S. Holders (as defined in "Certain United States Federal Income Tax Considerations" herein) should recognize gain, but not loss, as a result of the Arrangement. The gain, if any, recognized will equal the lesser of (a) the fair market value, at the time of the Arrangement, of the Fortune Shares and cash received pursuant to the Arrangement and (b) the amount of gain realized in the Arrangement. The amount of gain that is realized by a U.S. Holder in the Arrangement will equal the excess, if any, of (i) the sum of the cash plus the fair market value, at the time of the Arrangement, of the Primero Shares and Fortune Shares received pursuant to the Arrangement over (ii) such U.S. Holder's adjusted tax basis in the Brigus Shares surrendered in the Arrangement.

Based on its current and projected income, assets and business, it is expected that Fortune will be classified for U.S. federal income tax purposes as a PFIC for the current taxable year and in future taxable years. As a consequence, the complex U.S. federal income tax rules relating to PFICs would apply to U.S. Holders of Fortune Shares, potentially resulting in gains realized on the disposition of such shares being treated as ordinary income rather than as capital gains, and the application of interest charges to those gains as well as to certain distributions. Further, certain non-corporate U.S. Holders would not be eligible for the preferential U.S. tax rates on dividends (if any) paid by Fortune. While the U.S. federal income tax consequences of holding an interest in a PFIC can be mitigated through “qualified electing fund” and “mark to market” elections, these elections require compliance with certain U.S. tax return and reporting requirements; they may or may not be available; and, if made, they may accelerate the timing of income recognition and/or result in the recognition of ordinary income rather than capital gain. For a more detailed discussion of the consequences of Fortune being classified as a PFIC, including a discussion of a qualified electing fund election and a mark-to-market election, which could mitigate certain of the adverse tax consequences described above, see "Certain United States Federal Income Tax Considerations" herein. The foregoing is qualified in full by the information provided in that section. U.S. Holders are strongly encouraged to read that section in full and to consult their tax advisors with respect to the U.S. federal, state, local and non-U.S. tax consequences to them, in light of their particular circumstances, of the acquisition, ownership, and disposition of Brigus Shares, Fortune Shares and Primero Shares.

Court Approval

The Arrangement requires Court approval under the CBCA. In addition to this approval, the Court will be asked for a declaration following a Court hearing that the Arrangement is fair to the Brigus Shareholders and Brigus Optionholders. Prior to the mailing of this Circular, Brigus obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent

Rights and certain other procedural matters. Following receipt of Brigus Shareholder Approval, Brigus intends to make application to the Court for the Final Order at 10:00 a.m. (Toronto time), or as soon thereafter as counsel may be heard, on March 3, 2014 at the Courthouse, 330 University Avenue, Toronto, Ontario, or at any other date and time as the Court may direct. Fogler, Rubinoff LLP, counsel to Brigus, has advised that, in deciding whether to grant the Final Order, the Court will consider, among other things, the fairness of the Arrangement to Brigus Shareholders and Brigus Optionholders.

Any Brigus Shareholder or Brigus Optionholder who wishes to appear or be represented and to present evidence or arguments at that hearing must file and serve a response to petition no later than 4:00 p.m. (Toronto time) on February 28, 2014 along with any other documents required, all as set out in the Interim Order and Notice of Application, the text of which are set out in Appendix "D" to this Circular and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements.

The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, and subject to compliance with such terms and conditions, if any, as the Court sees fit.

The Court will be advised, prior to the hearing, that the Court's approval of the Arrangement (including the fairness thereof) will form a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the Primero Shares, the Brigus Class A Shares and Fortune Shares to be received by Brigus Shareholders in exchange for their Brigus Shares pursuant to the Arrangement and with respect to the Replacement Primero Options to be received by Brigus Optionholders in exchange for their Brigus Options pursuant to the Arrangement. See "The Meeting – The Arrangement – Court Approval of the Arrangement".

Regulatory Law Matters and Securities Law Matters

Primero Shares are listed on the TSX and the NYSE and it is a condition of the Arrangement that the Primero Shares to be issued or issuable in connection with the Arrangement are conditionally listed on the TSX and the NYSE.

Canadian Securities Law Matters

Brigus is a reporting issuer in British Columbia, Alberta, Saskatchewan, Ontario, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. The Brigus Shares currently trade on the TSX and NYSE MKT. After the Arrangement, Brigus will be a wholly-owned subsidiary of Primero, the Brigus Shares will be delisted from the TSX and NYSE MKT (delisting is anticipated to be effective two or three Business Days following the Effective Date) and Primero expects to apply to the applicable Canadian and United States securities regulators to have Brigus cease to be a reporting issuer.

Upon completion of the Arrangement, Fortune expects that it will be a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. It is intended that an application to list the Fortune Shares will be made. There can be no assurance as to if, or when, the Fortune Shares will be listed or traded. It is not a condition of the Arrangement that any Canadian stock exchange shall have approved the listing of the Fortune Shares. The Fortune Shares will not be listed on any

United States stock exchange. As the Fortune Shares are not listed on a stock exchange, unless and until such a listing is obtained, holders of Fortune Shares may not have a market for their shares.

The distribution of the Primero Shares and Fortune Shares pursuant to the Arrangement will constitute a distribution of securities that is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The Primero Shares and Fortune Shares received pursuant to the Arrangement will not be legended and may be resold through registered dealers in each of the provinces of Canada provided that (i) the trade is not a "control distribution" as defined in National Instrument 45-102 "Resale of Securities" of the Canadian Securities Administrators, (ii) no unusual effort is made to prepare the market or to create a demand for the Primero Shares or the Fortune Shares, as the case may be, (iii) no extraordinary commission or consideration is paid to a person in respect of such sale, and (iv) if the selling security holder is an insider or officer of Primero or Fortune, as the case may be, the selling security holder has no reasonable grounds to believe that Primero or Fortune, as the case may be, is in default of applicable Canadian securities laws.

Each Brigus Shareholder is urged to consult his or her professional advisors to determine the Canadian conditions and restrictions applicable to trades in Primero Shares and Fortune Shares.

See "The Meeting – The Arrangement – Regulatory Law Matters and Securities Law Matters".

United States Securities Law Matters

The following discussion is a general overview of certain requirements of U.S. federal Securities Laws applicable to Brigus Shareholders in the United States in connection with the Arrangement. All Brigus Securityholders in the United States are urged to consult with their own legal advisors to ensure that the resale of any security issued to them under the Arrangement, any exercise of the Brigus Warrants or Replacement Options or the resale of any Warrant Shares or Option Shares issued upon exercise complies with applicable U.S. Securities Laws.

None of the Primero Shares, Brigus Class A Shares and Fortune Shares to be issued pursuant to the Arrangement, nor the Warrant Shares issuable upon the exercise of the Warrants nor the Replacement Primero Options to be received by Brigus Optionholders in exchange for their Brigus Options (or shares issuable upon exercise thereof) pursuant to the Arrangement at the Effective Time, have been, nor will be, registered under the U.S. Securities Act or applicable state securities laws. The Primero Shares, Brigus Class A Shares and Fortune Shares to be issued pursuant to the Arrangement and the Replacement Primero Options are being issued and exchanged, or will be issued, in reliance on the exemption from the registration requirements of the U.S. Securities Act set forth in Section 3(a)(10) thereof and similar exemptions from registration under applicable state securities laws. The Warrant Shares and shares issuable upon exercise of the Replacement Options will not be exempt pursuant to Section 3(a)(10) of the Securities Act and therefore may only be issued if the issuance is registered under the Securities Act pursuant to another exemption from the registration requirements of the Securities Act.

Persons who are not “affiliates” of Primero after the Arrangement and have not been “affiliates” of Primero in the 90 day period prior to the Arrangement may resell the Primero Shares, the Replacement Options and the Fortune Shares that they receive in connection with the

Arrangement in the United States without restriction under the U.S. Securities Act. As defined in Rule 144, 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, such issuer. Primero Shares, Replacement Options and Fortune Shares received by a holder who will be an "affiliate" of Primero after the Arrangement or was an "affiliate" of Primero within 90 days prior to the Arrangement (until such 90-day period has lapsed) will be subject to certain restrictions on resale imposed by the U.S. Securities Act. Such persons may not sell the Primero Shares, the Replacement Options and the Fortune Shares that they receive in connection with the Arrangement in the absence of registration under the U.S. Securities Act or an exemption from registration, if available, such as the exemptions and safe harbours contained in Rule 144 under the U.S. Securities Act or Rule 903 of Regulation S of the U.S. Securities Act. Usually this includes the directors, executive officers and principal shareholders of the issuer. See "The Meeting – The Arrangement – Regulatory Law Matters and Securities Law Matters".

Affiliates—Rule 144. In general, under Rule 144 under the U.S. Securities Act, persons who are affiliates of Primero or Fortune after the Arrangement will be entitled to sell in the United States, during any three-month period, a portion of the Primero Shares, the Replacement Options and the Fortune Shares, as applicable, that they receive in connection with the Arrangement, provided that the number of such Primero Shares, Replacement Options and Fortune Shares sold, as the case may be, 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, the average weekly trading volume of such securities during the four-week period preceding the date of sale, subject to specified restrictions on holding period, manner of sale, notice requirements, aggregation rules and the availability of current public information about Primero or Fortune, as applicable. Persons who are affiliates of Primero or Fortune after the Arrangement will continue to be subject to the resale restrictions described in this paragraph for so long as they continue to be affiliates of Primero or Fortune and until 90 days thereafter.

Directors and Officers—Regulation S. Provided that Primero and Fortune, as applicable, remain "foreign private issuers" as defined in Rule 405 of the U.S. Securities Act, a person who is an affiliate of Primero or Fortune, as applicable, at the time of the contemplated resale transaction, may, under the U.S. Securities Act, resell the Primero Shares, Replacement Options and Fortune Shares, as applicable, issued to them pursuant to the Arrangement in an "offshore transaction" in accordance with (i) Rule 904 of Regulation S, provided that (A) such person is an affiliate of Primero or Fortune, as applicable, at the time of the resale transaction solely by virtue of having a position as an officer or director of Primero or Fortune, as applicable, (B) such person would not be deemed a "distributor" as defined in Regulation S, (C) no "directed selling efforts" as defined in Regulation S are made in the United States by the seller, an affiliate of the seller or any person acting on their behalf, and (D) the conditions imposed by Regulation S under the U.S. Securities Act for "offshore transactions" are satisfied, or (ii) Rule 903 of Regulation S, provided that, among other things, (A) no "directed selling efforts" as defined in Regulation S are made in the United States by the seller, an affiliate of the seller or any person acting on their behalf, and (B) the conditions imposed by Regulation S for "offshore transactions" are satisfied.

Warrant Shares and Option Shares. The Warrant Shares and Option Shares issuable upon the exercise of the Brigus Warrants and the Replacement Options in the United States or by, or on behalf of, a U.S. Person after the Effective Time may not be issued in reliance upon Section 3(a)(10) of the U.S. Securities Act and may be exercised only if the issuance is registered under the U.S. Securities Act or exempt from the registration requirements of the U.S. Securities

Act and pursuant to any applicable Securities Laws of any state of the United States. If issued pursuant to an exemption from the registration requirements of the U.S. Securities Act, Warrant Shares and Option Shares will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act and will be subject to transfer restrictions.

The solicitation of proxies made pursuant to this Circular is not subject to the requirements of Section 14(a) of the Exchange Act. Accordingly, the solicitation of proxies and transactions contemplated herein are being made in accordance with Canadian corporate and securities laws. Brigus Securityholders should be aware that requirements under such Canadian laws may differ from requirements of the United States applicable to registration statements under the U.S. Securities Act and to proxy statements under the Exchange Act. The financial statements and other financial information included or incorporated by reference in this Circular have been prepared in accordance with IFRS and thus may not be comparable to financial statements and financial information of United States companies.

NONE OF THE PRIMERO SHARES, BRIGUS CLASS A SHARES NOR FORTUNE SHARES TO WHICH BRIGUS SHAREHOLDERS WILL BE ENTITLED PURSUANT TO THE ARRANGEMENT NOR THE WARRANT SHARES TO WHICH BRIGUS HOLDERS WILL BE ENTITLED TO PURCHASE UPON EXERCISE NOR THE REPLACEMENT PRIMERO OPTIONS TO WHICH BRIGUS OPTIONHOLDERS WILL BE ENTITLED PURSUANT TO THE ARRANGEMENT HAVE BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITIES OF ANY STATE OF THE UNITED STATES, NOR HAS THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR SECURITIES REGULATORY AUTHORITY OF ANY STATE OF THE UNITED STATES PASSED ON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

See "The Meeting – The Arrangement – Regulatory Law Matters and Securities Law Matters".

Risk Factors

Brigus Shareholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: (i) the Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Primero Material Adverse Effect on Brigus; (ii) there can be no certainty that all conditions precedent to the Arrangement will be satisfied; (iii) Brigus will incur costs even if the Arrangement is not completed, and also may be required to pay the Termination Payment to Primero; (iv) Brigus Shareholders will receive a fixed number of Primero Shares based on a fixed exchange ratio that was determined more than two months before the date of the Meeting and due to share price movements since then, the price of Primero Shares relative to Brigus Shares may have changed from when the exchange ratio was agreed; (v) directors and executive officers of Brigus may have interests in the Arrangement that are different from those of the Brigus Shareholders; (vi) the market price for Brigus Shares and Primero Shares and Fortune Shares (if Fortune Shares are listed) may decline; Any such sales may negatively impact the trading price of the Fortune Shares (if listed); (vii) the Fortune Shares will not be listed on any United States stock exchange and there is no guarantee that the Fortune Shares will be listed or that a market for such shares will develop; (viii) Fortune Shares may not be qualified investments under the Tax Act for a Registered Plan; (ix) although the Arrangement is expected to be a tax-deferred reorganization for U.S. federal income tax purposes, a Brigus Shareholder that is a U.S.

person may be subject to tax on gain to the extent attributable to the cash and Fortune Shares received, and there is a possibility that the Arrangement will be a fully taxable exchange for such purposes, resulting in tax liabilities for some U.S. Holders; and (x) the issue of Primero Shares under the Arrangement and their subsequent sale may cause the market price, respectively, of Primero Shares and Fortune Shares to decline from current or anticipated levels.

For more information see "The Meeting - The Arrangement - Risks Associated with the Arrangement". Additional risks and uncertainties, including those currently unknown or considered immaterial by Brigus, may also adversely affect the Brigus Shares, the Primero Shares, the Fortune Shares, and/or the businesses of Brigus, Primero, and Fortune following the Arrangement. In addition to the risk factors relating to the Arrangement set out in this Circular, Brigus Shareholders should also carefully consider the risk factors associated with the businesses of Brigus, Primero, and Fortune included in this Circular, including the documents incorporated by reference therein. See "The Meeting – The Arrangement – Risks Associated with the Arrangement", "Information Concerning Brigus", Appendix "E" - "Information Concerning Primero and the Combined Company - Risk Factors" and Appendix "F" - "Information Concerning Fortune - Risk Factors", for a description of these risks.

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by the management of Brigus for use at the Meeting, to be held on February 27, 2014, at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors and regular employees of Brigus at nominal cost paid by Brigus. In addition, Brigus has engaged Kingsdale Shareholder Services Inc. to act as proxy solicitation agent, at Primero's cost.

How a Vote is Passed

At the Meeting, Brigus Shareholders will be asked, among other things, to consider and to vote to approve the Arrangement Resolution approving the Arrangement. To be effective, the Arrangement must be passed by (i) a majority of no less than two-thirds of the votes cast on the Arrangement Resolution by the Brigus Shareholders present in person or by proxy at the Meeting, and (ii) a majority of the votes attached to the Brigus Shares held by Brigus Shareholders present in person or represented by proxy at the Meeting excluding for this purpose votes attached to Brigus Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101.

The Stated Capital Resolution require the affirmative vote of not less than two-thirds of the votes cast by Brigus Shareholders present in person or represented by proxy and entitled to vote at the Meeting

The approval of the Fortune Stock Option Plan, as described in the attached Notice of Meeting, is an ordinary resolution and can be passed by a simple majority of the votes cast at the Meeting in person or by proxy by Brigus Shareholders.

Who can Vote?

If you are a Registered Brigus Shareholder as at January 27, 2014, you are entitled to attend at the Meeting and cast a vote for each Brigus Share registered in your name on the Arrangement Resolution. If the Brigus Shares are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating such officer's authority should be presented at the Meeting. If you are a Registered Brigus Shareholder but do not wish to, or cannot, attend the Meeting in person you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions. If your Brigus Shares are registered in the name of a "nominee" (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled "Non-Registered Holders" set out below.

It is important that your Brigus Shares be represented at the Meeting regardless of the number of Brigus Shares you hold. If you will not be attending the Meeting in person, we encourage you to complete, date, sign and return your form of proxy as soon as possible so that your Brigus Shares will be represented.

Appointment of Proxies

If you do not come to the Meeting, you can still make your votes count by appointing someone who will be there to act as your proxyholder at the Meeting. You can appoint the persons named in the enclosed form of proxy, who are each a director and an officer of Brigus. Alternatively, you can appoint any other person to attend the Meeting as your proxyholder. Regardless of who you appoint as your proxyholder, you can either instruct that appointee how you want to vote or you can let your appointee decide for you. You can do this by completing a form of proxy. In order to be valid, you must return the completed form of proxy forty-eight (48) hours, excluding Saturdays, Sundays and holidays, prior to the time of the Meeting to our transfer agent, CIBC Mellon Trust Company, through its administrative agent CST Trust Company, 320 Bay Street, 3rd floor, Toronto, Ontario, M5H 4A6, Canada, or by toll free North American fax number 1-866-781-3111 or by email at proxy@canstockta.com. You may also vote online at www.proxypush.ca/bid or by toll-free phone at 1 866-250-6192 up until the proxy cut-off.

What is a Proxy?

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. We have enclosed a form of proxy with this Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a Proxyholder

The persons named in the enclosed form of proxy are officers of Brigus. **A Brigus Shareholder who wishes to appoint some other person to represent such Brigus Shareholder at the Meeting may do so by crossing out the name on the form of proxy and inserting the name of the person proposed in the blank space provided in the enclosed form of proxy. Such other person need not be a Brigus Shareholder.** To vote your Brigus Shares, your proxyholder must attend the Meeting. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy are appointed to act as your proxyholder. Those persons are officers of Brigus.

Instructing your Proxy and Exercise of Discretion by your Proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your Brigus Shares. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your Brigus Shares in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your shares as he or she thinks fit. If you have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote FOR the Arrangement Resolution and the Stated Capital Resolution. **However, under NYSE MKT rules, a broker who has not received specific voting instructions from the beneficial owner may not vote the shares in its discretion on behalf of such beneficial owner on "non-routine" proposals, although such shares will be included in determining the presence of a quorum at the Meeting. Thus, such broker "non-votes" will not be considered votes "cast" for purposes of voting on either the Arrangement Resolution or Stated Capital Resolution.**

Further details about these matters are set out in this Circular. The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting. At the time of printing this Circular, the management of Brigus is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Changing your mind

If you want to revoke your proxy after you have delivered it, you can do so at any time before it is used. You may do this by (a) attending the Meeting and voting in person if you were a Registered Brigus Shareholder at the Record Date of January 27, 2014; (b) signing a proxy bearing a later date; (c) signing a written statement which indicates, clearly, that you want to revoke your proxy and delivering this signed written statement to the Registered Office of Brigus at 1969 Upper Water Street, Suite 2001, Purdy's Wharf Water Tower II, Halifax, Nova Scotia, B3J 3R7, or (d) in any other manner permitted by law.

Your proxy will only be revoked if a revocation is received by 11:00 a.m. (Halifax local time) on the last Business Day before the day of the Meeting, or delivered to the person presiding at the Meeting before it commences. If you revoke your proxy and do not replace it with another that is deposited with us before the deadline, you can still vote your shares, but to do so you must attend the Meeting in person.

Non-Registered Holders

If your Brigus Shares are not registered in your own name, they will be held in the name of a "nominee", usually a bank, trust company, securities dealer or other financial institution and, as such, your nominee will be the entity legally entitled to vote your Brigus Shares and must seek your instructions as to how to vote your Brigus Shares.

Accordingly, unless you have previously informed your nominee that you do not wish to receive material relating to shareholders' meetings, you will have received this Circular from your nominee, together with a form of proxy or a request for voting instruction form ("**VIF**"). If that is the case, it is most important that you comply strictly with the instructions that have been given to you by your nominee on the VIF. If you have voted and wish to change your voting instructions, you should contact your nominee to discuss whether this is possible and what procedures you must follow.

If your Brigus Shares are not registered in your own name, Brigus' transfer agent will not have a record of your name and, as a result, unless your nominee has appointed you as a proxyholder, will have no knowledge of your entitlement to vote. If you wish to vote in person at the Meeting, therefore, please insert your own name in the space provided on the form of proxy or VIF that you have received from your nominee. If you do this, you will be instructing your nominee to appoint you as proxyholder. Please adhere strictly to the signature and return instructions provided by your nominee. It is not necessary to complete the form in any other respect, since you will be voting at the Meeting in person. Please register with the transfer agent, CST Trust Company, upon arrival at the Meeting.

Voting Securities and Principal Holders

The authorized voting share capital of Brigus consists of an unlimited number of Brigus Shares. Each holder of Brigus Shares is entitled to one vote for each Brigus Share registered in his or her name at the close of business on January 27, 2014, the date fixed by the directors as the record date for determining who is entitled to receive notice of and to vote at the Meeting.

At the close of business on January 27, 2014, there were 232,559,300 Brigus Shares outstanding. To the knowledge of Brigus' directors and officers, no persons or companies beneficially own, directly or indirectly, or exercise control or direction over shares carrying more than 10% of the voting rights attached to all Brigus Shares.

Primero has confirmed to Brigus that neither Primero nor any of its affiliates held any Brigus Shares (or securities convertible into Brigus Shares) as at the Record Date.

THE MEETING – THE ARRANGEMENT

At the Meeting, Brigus Shareholders will be asked to consider and, if thought advisable, to pass, the Arrangement Resolution to approve the Arrangement under the CBCA pursuant to the terms of the Arrangement Agreement and the Plan of Arrangement and the Stated Capital Resolution to approve the Stated Capital Reduction. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which has been filed by Brigus under its profile on SEDAR at www.sedar.com, and the Plan of Arrangement, which is attached to this Circular as Appendix "B".

In order to implement the Arrangement, the Arrangement Resolution must be passed by (i) a majority of no less than two-thirds of the votes cast on the Arrangement Resolution by the Brigus Shareholders present in person or by proxy at the Meeting, and (ii) a majority of the votes attached to the Brigus Shares held by Brigus Shareholders present in person or represented by proxy at the Meeting excluding for this purpose votes attached to Brigus Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101. A copy of the Arrangement Resolution is set out in Appendix "A" of this Circular.

Unless otherwise directed, it is management's intention to vote **FOR** the Arrangement Resolution and the Stated Capital Resolution. If you do not specify how you want your Brigus Shares voted, the persons named as proxyholders will cast the votes represented by your proxy at the Meeting FOR the Arrangement Resolution. **However, under NYSE MKT rules, a broker who has not received specific voting instructions from the beneficial owner may not vote the shares in its discretion on behalf of such beneficial owner on "non-routine" proposals, although such shares will be included in determining the presence of a quorum at the Meeting. Thus, such broker "non-votes" will not be considered votes "cast" for purposes of voting on either the Arrangement Resolution or Stated Capital Resolution.**

If the Arrangement and the Stated Capital Reduction are approved at the Meeting and the Final Order approving the Arrangement is issued by the Court and the applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement will take effect commencing at the Effective Time (which will be at 12:01 a.m. (Toronto time)) on the Effective Date (which is expected to be on or about March 5, 2014).

Reorganization

Prior to the Effective Time, Brigus shall effect the Reorganization.

Principal Steps of the Arrangement

Under the Plan of Arrangement, commencing at the Effective Time, the following principal steps shall occur and shall be deemed to occur without any further act or formality, in the order and timing set out in the Plan of Arrangement:

The Arrangement

Under the Plan of Arrangement, commencing at the Effective Time, the following principal steps shall occur and shall be deemed to occur without any further act or formality, but in the order and with the timing set out in the Plan of Arrangement:

Brigus Rights Plan

(a) Notwithstanding the terms of the Brigus Rights Plan, the Brigus Rights Plan shall be terminated and all rights issued pursuant to the Brigus Rights Plan shall be cancelled without any payment in respect thereof.

Brigus DSUs

(b) The Effective Date shall be deemed to be the vesting date for all of the then issued and outstanding Brigus DSUs, and Brigus shall allot and issue to each holder of a Brigus DSU such number of Brigus Shares as are due to such holder under the terms of the Brigus DSU Plan (less any amounts withheld pursuant to the Plan of Arrangement) and thereafter the Brigus DSU Plan will terminate and none of the former holders of Brigus DSUs, the Parties or any of their respective successors or assigns shall have any rights, liabilities or obligations in respect of the Brigus DSU Plan.

Dissent Shares

(c) Each Brigus Share held by a Dissenting Brigus Shareholder shall be deemed to be transferred by the holder thereof, without any further act or formality on its part, free and clear of all Liens, to Primero in exchange for a debt claim against Primero for the amount determined by Article 4 of the Plan of Arrangement annexed hereto as Appendix "B"; and

i) such Dissenting Brigus Shareholders will cease to be the holders of the Brigus Shares and to have any rights as Brigus Shareholders other than the right to be paid the fair value for such Brigus Shares; and

ii) the name of each such Dissenting Brigus Shareholders will be removed as a Brigus Shareholder from the registers of Brigus Shareholders maintained on or on behalf of Brigus.

Loan

(d) Primero will lend to Brigus an amount equal to the Loan Amount by way of a non-interest bearing demand promissory note.

Subscription of Fortune Shares

(e) Brigus will subscribe for such number of additional Fortune Shares as would result in Brigus holding, after completion of the Reorganization and distribution of the Fortune Shares to Brigus Shareholders, 9.9% of the outstanding Fortune Shares, in consideration for payment to Fortune of cash subscription proceeds equal to the Loan Amount (with the amount, if any, by which such cash subscription proceeds exceed the

fair market value of the Fortune Shares so issued being a contribution to the capital of Fortune).

Reorganization of Brigus Share Capital

(f) Brigus shall undertake a reorganization as follows:

(i) the authorized share capital of Brigus will be amended by the creation of one new class of shares consisting of an unlimited number of Brigus Class A Shares, and the articles of incorporation of Brigus shall be deemed to be amended accordingly; (ii) outstanding Brigus Share (including such Brigus Shares acquired by Primero pursuant to the Brigus DSU Plan) will be exchanged with Brigus (without any further act or formality on the part of the Brigus Shareholder) free and clear of all Liens for one (1) Brigus Class A Share and 0.1 of a Fortune Share, and such Brigus Shares shall thereupon be cancelled, and:

(a) the holders of such Brigus Shares shall cease to be the holders and to have any rights or privileges as holders of such Brigus Shares;

(b) such holders' names shall be removed from the register of the Brigus Shares maintained by or on behalf of Brigus; and

(c) each Brigus Shareholder shall be deemed to be the holder of the Class A Shares and Fortune Shares (in each case, free and clear of any Liens) exchanged for the Brigus Shares and shall be entered in the register of Brigus or Fortune, as the case may be, as the registered holder; and

(iii) the stated capital of Brigus for the outstanding Class A Shares will be an amount equal to the paid-up capital of Brigus for the Brigus Shares, less the fair market value of the Fortune Shares distributed on such exchange.

The Parties agreed that upon request additional reorganizations may be requested by the other party. This may also include transactions designed to step up the tax basis in certain capital property of Brigus (or its subsidiaries) for the purposes of the Tax Act.

Transfer of Brigus Class A Shares for 0.175 of a Primero Share and $0.000001 per Brigus Class A Share

(g) All Brigus Class A Shares shall be assigned and transferred to Primero, free and clear of any Liens, and each holder thereof shall receive in exchange therefore, 0.175 of a Primero Share and $0.000001 per Brigus Class A Share, and:

i) the holders of such Brigus Class A Shares shall cease to be the holders and to have any rights as holders of such Class A Shares other than the right to be paid 0.175 of a Primero Share and $0.000001 per Brigus Class A Share in accordance with the Plan of Arrangement;

ii) the holders' name will be removed from the register of the Class A Shares maintained by or on behalf of Brigus; and

iii) Primero will be deemed to be the transferee and the legal and beneficial holder of such Class A Shares (free and clear of all Liens) and will be entered as the registered holder of such Class A Shares in the register of the Class A Shares maintained by or on behalf of Brigus.

Brigus Option Plan

(h) Each Brigus Option which is outstanding and has not been duly exercised prior to the Effective Time, shall be exchanged for a Replacement Primero Option to purchase from Primero the number of Primero Shares (rounded down to the nearest whole share) equal to: (i) the Option Exchange Ratio multiplied by (ii) the number of Brigus Shares subject to such Brigus Option immediately prior to the Effective Time. Such Primero Replacement Option shall provide for an exercise price per Primero Share (rounded up to the nearest whole cent) equal to: (x) the exercise price per Brigus Share otherwise purchasable pursuant to such Replacement Primero Option; divided by (y) the Option Exchange Ratio. It is agreed that all terms and conditions of a Replacement Primero Option, including the term to expiry, conditions to and manner of exercising, will be the same as the Brigus Option for which it was exchanged, and shall be governed by the terms of the Brigus Option Plan, except that the term to expiry of any Replacement Primero Options shall not be affected by a holder of Replacement Primero Options not becoming, or ceasing to be, an employee, officer or director of Brigus or Primero, as the case may be.

Brigus Warrants

(i) After the Effective Time, each holder of a Brigus Warrant shall be entitled to purchase, upon exercise of a Brigus Warrant, 0.175 Primero Share and 0.1 of a Fortune Share. Primero shall promptly pay to Fortune, on receipt, a portion of the Brigus Warrant exercise price received from each exercising Brigus Warrantholder such that the Brigus Warrant exercise price is divided between Primero and Fortune as follows:

i) Primero shall receive a portion of the exercise price equal to the original exercise price of the Brigus Warrant multiplied by the Fair Market Value of a Brigus Class A Share divided by the total of the Fair Market Value of a Brigus Class A Share plus the Fair Market Value of one Fortune Share; and

ii) Fortune shall receive a portion of the exercise price equal to the original exercise price of the Brigus Warrant multiplied by the Fair Market Value of a Fortune Share divided by the total of the Fair Market Value of a Brigus Class A Share plus the Fair Market Value of one Fortune Share.

Amalgamation

(j) Primero Newco and Brigus shall amalgamate to form one corporate entity ("**Amalco**") under Section 192 of the CBCA.

Background to the Arrangement

The provisions of the Arrangement Agreement are the result of arm's length negotiations between representatives of Brigus and Primero and their respective financial and legal advisors.

In May 2013, Brigus formally engaged Cormark and Primary to act as joint financial advisors to Brigus in connection with a potential sale transaction. Cormark and Primary ran a formal sale process, contacting interested parties to gauge interest in a potential transaction with Brigus. Brigus received interest from multiple parties, resulting in a formal non-binding bid from Primero on October 16, 2013. This led to arm's length negotiations between Brigus and Primero and their respective legal and financial advisors. Primero followed with a second offer on November 29, 2013. Upon the conclusion of such negotiations and the approval of their respective boards of directors, the Arrangement Agreement was executed on December 16, 2013 and Brigus and Primero each issued a press release announcing the Arrangement prior to markets opening on Monday, December 16, 2013.

Special Committee Review

By unanimous resolution of the Brigus Board, the Special Committee was established with Marvin Kaiser, David Peat, Derrick Gill and Michael Gross as members (the "**Special Committee**").

The mandate of the Special Committee was to consider, evaluate and make a recommendation to the Brigus Board concerning the Arrangement or other strategic alternatives that may be open to Brigus. The Special Committee also oversees any negotiations with Primero, the preparation of any legal agreements or other documentation and the provision of confidential information to third parties under cover of an appropriate confidentiality agreement. The Special Committee was also granted all such powers as it reasonably required to discharge its mandate including the ability to retain such independent advisors as it considered necessary or desirable, on such terms as the Special Committee considered appropriate. All directors, officers and employees of Brigus were authorized and directed to make available any and all information regarding Brigus that may have been requested by the Special Committee from time to time during the course of carrying out its mandate. The Special Committee reviewed copious material throughout the year, examined multiple options and as a result is very confident in recommending the transaction with Primero as in the best long term interest for Brigus Shareholders.

After considering a variety of factors and materials, the Special Committee unanimously recommended the Arrangement for approval by the Brigus Board.

Recommendation of the Brigus Board

The Brigus Board, after consultation with the Special Committee, its financial and legal advisors, has determined that the Arrangement is in the best interests of Brigus and is fair to the Brigus Shareholders. Accordingly, the Brigus Board unanimously recommends that Brigus Shareholders vote FOR the Arrangement Resolution.

All of the officers and directors of Brigus intend to vote all of their Brigus Shares (including any Brigus Shares issued upon the exercise of any Brigus Options, Brigus DSUs and Brigus Warrants) in favour of the Arrangement Resolution, subject to the terms of the Arrangement Agreement and the Lock-up Agreements.

Reasons for the Arrangement

The Brigus Board has reviewed and considered a number of factors relating to the Arrangement with the benefit of advice from Brigus' senior management and its financial and legal advisors. The following is a summary of the principal reasons for the recommendation of the Brigus Board that Brigus Securityholders vote FOR the Arrangement Resolution:

(a) *Continued Participation by Brigus Shareholders in the Black Fox Project Through Primero*. Brigus Shareholders, through their ownership of Primero Shares, will continue to participate in the value creation associated with the exploration, development and operation of the Black Fox Project. Brigus Shareholders will hold approximately 27% of the issued and outstanding Primero Shares upon completion of the Arrangement.

(b) *Continued Participation by Brigus Shareholders in the Fortune Properties Through Fortune*. Brigus Shareholders, through their ownership of Fortune Shares, will continue to participate in the Fortune Properties being transferred to Fortune. The former Brigus Shareholders will hold 90.1% of the issued Fortune Shares upon completion of the Arrangement. Fortune will have approximately C$10 million in cash to pursue development of the Fortune Properties. It is expected that certain members of the current senior management of Brigus will continue as senior management of Fortune.

(c) *Fairness Opinion*. Brigus' financial advisor, Cormark, provided its opinion that, as at December 14, 2013, subject to the assumptions, limitations and qualifications set out therein, the consideration to be received by Brigus Shareholders pursuant to the Arrangement is fair, from a financial point of view, to Brigus Shareholders.

(d) *Approval of Brigus Shareholders and the Court are Required*. The following required approvals protect the rights of Brigus Shareholders: the Arrangement Resolution must be passed by (i) a majority of no less than two-thirds of the votes cast on the Arrangement Resolution by the Brigus Shareholders present in person or by proxy at the Meeting, and (ii) a majority of the votes attached to the Brigus Shares held by Brigus Shareholders present in person or represented by proxy at the Meeting excluding for this purpose votes attached to Brigus Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101; and the Arrangement must also be sanctioned by the Court, which will consider the fairness of the Arrangement to Brigus Shareholders.

(e) *Likelihood of the Arrangement Being Completed*. The likelihood of the Arrangement being completed is considered to be high, in light of the experience, reputation and financial capability of Primero and the absence of significant closing conditions, other than the Brigus Shareholder Approval and the approval by the Court of the Arrangement, the exercise by no more than 5% of the Brigus Shareholders of their Dissent Rights and other customary closing conditions.

(f) *Superior Proposals*. The Arrangement Agreement allows the Brigus Board, in the exercise of its fiduciary duties, to respond to certain unsolicited Acquisition Proposals, prior to the Brigus Shareholder Approval, which may be superior to the Arrangement. The Brigus Board received advice from its financial and legal advisors that the deal protection terms including the Termination Payment, and circumstances for payment of the Termination Payment, are within the ranges typical in the market for similar transactions and are not a significant deterrent to potential Superior Proposals.

(g) *Dissent Rights*. Registered Brigus Shareholders who oppose the Arrangement may, on strict compliance with the Dissent Procedures, exercise their Dissent Rights and receive the fair value of the Dissent Shares.

(h) *Lock-up Agreements*. All of the directors and officers of Brigus have entered into the Lock-up Agreements pursuant to which they agreed to vote in favour of the Arrangement. As of the Record Date, such directors and officers and shareholders of Brigus held approximately 2.42% of the Outstanding Brigus Voting Securities.

In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the Brigus Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations. In addition, individual members of the Brigus Board may have given different weights to different factors or items of information.

Fairness Opinion

The Brigus Board initially contacted Cormark regarding a potential advisory engagement in May 2013. By letter agreement dated May 22, 2013, the Brigus Board retained Cormark to act as its joint financial advisor (along with Primary) in connection with the Arrangement and any alternative transaction.

Subsequently, the Brigus Board requested that Cormark evaluate the fairness, from a financial point of view, of the consideration to be received by Brigus Shareholders pursuant to the Arrangement to the Brigus Shareholders. On December 14, 2013, at a meeting of the Brigus Board held to evaluate the Arrangement, Cormark delivered an oral opinion, which was subsequently confirmed by delivery of the written Fairness Opinion. The Fairness Opinion provides that, as of December 14, 2013, based upon and subject to the assumptions, limitations and qualifications set out therein, the consideration to be received by Brigus Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Brigus Shareholders. The full text of the Fairness Opinion, which sets forth the assumptions made, matters considered and limitations on the review undertaken in connection with the opinion, is attached as Appendix "C" to this Circular. Brigus Shareholders are urged to, and should, read the Fairness Opinion in its entirety.

Under the terms of its engagement, Cormark will be paid a fixed fee for delivery of the Fairness Opinion, which is not contingent upon completion of the Arrangement, and a fee on successful completion of the Arrangement. The fee for the fairness opinion will be credited against the completion fee. Cormark is also entitled to a fee if the Arrangement is terminated in certain circumstances. In addition, Brigus has agreed to reimburse Cormark for its reasonable out-of-pocket expenses and to indemnify Cormark and related parties against certain potential liabilities and expenses arising from its engagement.

Subject to the terms of its engagement, Cormark has consented to the inclusion in this Circular of the Fairness Opinion and other information relating to Cormark and the Fairness Opinion. The Fairness Opinion was provided to the Brigus Board for its exclusive use only in considering the Arrangement and may not be relied upon by any other person or for any other purpose or published or disclosed to any other person, relied upon by any other person or used for any other purpose without Cormark's express written consent. The Fairness Opinion addresses only

the fairness, from a financial point of view, of the consideration to be received by Brigus Shareholders pursuant to the Arrangement and does not and should not be construed as a valuation of Brigus, Primero or Fortune or their respective assets, liabilities or securities or as a recommendation to any Brigus Shareholder as to how to vote with respect to the Arrangement or any other matter at the Meeting.

Treatment of Brigus Options

Subject to the terms and conditions of the Arrangement Agreement, pursuant to the Plan of Arrangement, at the Effective Time each Brigus Option which is outstanding and has not been duly exercised prior to the Effective Time, shall be exchanged for a Replacement Primero Option to purchase from Primero the number of Primero Shares (rounded down to the nearest whole share) equal to: (i) the Option Exchange Ratio multiplied by (ii) the number of Brigus Shares subject to such Brigus Option immediately prior to the Effective Time. Such Replacement Primero Option shall provide for an exercise price per Primero Share (rounded up to the nearest whole cent) equal to: (x) the exercise price per Brigus Share otherwise purchasable pursuant to such Replacement Primero Option; divided by (y) the Option Exchange Ratio. It is agreed that all terms and conditions of a Replacement Primero Option, including the term to expiry, conditions to and manner of exercising, will be the same as the Brigus Option for which it was exchanged, and shall be governed by the terms of the Brigus Option Plan, except that the term to expiry of any Replacement Options shall not be affected by a holder of Replacement Primero Options not becoming, or ceasing to be, an employee, officer or director of Brigus or Primero, as the case may be.

Treatment of Brigus DSUs

Subject to the terms and conditions of the Arrangement Agreement, pursuant to the Plan of Arrangement, the Effective Date shall be deemed to be the vesting date for all of the then issued and outstanding Brigus DSUs, and Brigus will allot and issue to each holder of a Brigus DSU the number of Brigus Shares as are due to the holder under the terms of the Brigus DSU Plan (less any amounts withheld pursuant to the Plan of Arrangement) and thereafter the Brigus DSU Plan will terminate and none of the former holders of Brigus DSUs, the Parties or any of their respective successors or assigns shall have any rights, liabilities or obligations in respect of the Brigus DSU Plan.

Treatment of Brigus Warrants

After the Effective Time, in accordance with the terms of the Brigus Warrant Indentures, each holder of a Brigus Warrant shall be entitled to receive (and such holder shall accept) upon the exercise of such holder's Brigus Warrant, instead of Brigus Shares and for the same aggregate consideration, the number of Primero Shares and Fortune Shares which the holder would have been entitled to receive as a result of the transactions contemplated by the Arrangement if, immediately prior to the Effective Time, the holder had been the registered holder of the number of Brigus Shares to which the holder would have been entitled if the holder had exercised such holder's Brigus Warrants immediately prior to the Effective Time. Each Brigus Warrant shall continue to be governed by and be subject to the terms of the applicable Brigus Warrant Indenture. Subject to the terms and conditions of the Brigus Warrants, upon any exercise of a Brigus Warrant, Primero and Fortune shall issue the necessary number of Primero Shares and Fortune Shares needed to settle such exercise and Primero shall promptly pay to Fortune, on receipt, a portion of the Brigus Warrant exercise price based on the formula set out in the Plan

of Arrangement. The obligations of Brigus with respect to the Brigus Warrants as so exchanged shall be assumed by Primero and Fortune, and Primero and Fortune agree to use commercially reasonable efforts to arrange for the Brigus Warrants to continue to be listed on the TSX under Primero's trading symbol and to maintain such listing until 5:00 p.m. (Halifax time) on November 19, 2014.

The Warrant Shares issuable upon the exercise of the Brigus Warrants in the United States or by, or on behalf of, a U.S. Person after the Effective Time may not be issued in reliance upon Section 3(a)(10) of the U.S. Securities Act and may be exercised only if the issuance is registered under the U.S. Securities Act or exempt from the registration requirements of the U.S. Securities Act and pursuant to any applicable Securities Laws of any state of the United States. If issued pursuant to an exemption from the registration requirements of the U.S. Securities Act, Warrant Shares will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act and will be subject to transfer restrictions.

Change of Control Offers for Brigus Convertible Debentures and Senior Secured Notes

Brigus has been advised that Primero intends to make a "change of control offer" for the outstanding Brigus Convertible Debentures in accordance with the terms and conditions of Brigus' trust indenture which governs the Brigus Convertible Debentures. During the 30 day period following the Effective Date, holders of Convertible Debentures will receive notice stating that a change of control of Brigus has occurred, along with an offer to purchase the Brigus Convertible Debentures at 100% of their principal amount, plus any accrued and unpaid interest, on the date that is 30 business days following delivery of such change of control notice.

In addition, Brigus has been advised that Primero intends to make a "change of control offer" for Brigus' outstanding senior secured term notes in accordance with the terms and conditions of Brigus' senior secured facility agreement, dated October 29, 2012. During the 10 day period following the Effective Date, holders of senior secured notes will receive notice stating that a change of control has occurred, along with an offer to purchase the senior secured notes at 105% of their principal amount, plus any accrued and unpaid interested, on the date that is 20 days following delivery of such change of control notice.

Treatment of Brigus ESPP

Subject to the terms and conditions of the Brigus ESPP, Brigus suspended future participation under the Brigus ESPP after December 31, 2013, and provided participants with notice of Brigus' intention to terminate the Brigus ESPP effective as of the Effective Time.

Approval of Arrangement Resolution

At the Meeting, the Brigus Shareholders will be asked to approve the Arrangement Resolution, the full text of which is set out in Appendix "A" to this Circular. In order for the Arrangement to be effective, the Arrangement must be passed by (i) a majority of no less than two-thirds of the votes cast on the Arrangement Resolution by the Brigus Shareholders present in person or by proxy at the Meeting, and (ii) a majority of the votes attached to the Brigus Shares held by Brigus Shareholders present in person or represented by proxy at the Meeting excluding for this purpose votes attached to Brigus Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101. Should Brigus Shareholders fail to approve the Arrangement Resolution by the requisite majority, the Arrangement will not be completed.

The Brigus Board has approved the terms of the Arrangement Agreement and the Plan of Arrangement and unanimously recommends that the Brigus Securityholders vote **FOR** the Arrangement Resolution. See "The Meeting – The Arrangement Recommendation of the Brigus Board" above.

Lock-up Agreements

Brigus entered into the Lock-up Agreements with all of the directors and officers of Brigus. The Lock-up Agreements set forth, among other things, the agreement of such directors and officers and shareholders to vote their Brigus Shares in favour of the Arrangement. As of the Record Date, 5,622,666 of the Brigus Shares were subject to the Lock-up Agreements, representing approximately 2.42% of the Brigus Shares.

The Lock-up Agreements require voting support, prohibit solicitation of an alternative Acquisition Proposal, and impose a contractual hold period on Brigus Shares held by the Lock-up Shareholders expiring upon completion of the Arrangement, or upon earlier termination of the Lock-up Agreements.

Each Locked-up Shareholder has agreed to vote his or her owned (directly or indirectly) Brigus Shares, to the extent it is so entitled, in favour of the Arrangement and against any other matter that could reasonably be expected to delay, prevent or frustrate the completion of the Arrangement.

The Lock-up Agreements terminate upon: (i) the Effective Date; (ii) the date, if any, that the Arrangement Agreement is terminated in accordance with its term; or (iii) the mutual consent in writing of the Parties.

The Lock-Up Agreements may be terminated by the Lock-Up Shareholders only if (i) Brigus breaches or is in default of any of its covenants or obligations under the Lock-Up Agreement in a material way, or (ii) any of the representations or warranties of Brigus under the Lock-Up Agreement are untrue or incorrect in any material respect; provided that the Lock-Up Shareholder has notified Brigus in writing of any of the foregoing events and the breach has not been rectified within 15 days of the date of receipt of the notice.

Brigus agreed that if the Lock-Up Shareholder is a director or officer of Brigus, the Lock-Up Shareholder is not making any agreement or understanding in any capacity other than, and is bound hereunder solely, in their capacity as a securityholder of Brigus, and nothing prevents the Lock-Up Shareholder who is a director or officer of Brigus from doing any act or thing that such director or officer of Brigus is properly permitted or obligated to do in such capacity, provided that such act or thing is not inconsistent with the Arrangement Agreement.

Primero has confirmed to Brigus that neither Primero nor any of its affiliates held any Brigus Shares (or securities convertible into Brigus Shares) as at the Record Date.

Completion of the Arrangement

The Arrangement will become effective at 12:01 a.m. on the date following the date upon which all of the conditions to completion of the Arrangement as set out in the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement, all documents agreed to be delivered thereunder have been delivered to the satisfaction of the recipient, acting

reasonably, and the filings required under the CBCA have been filed with the Director. Completion of the Arrangement is expected to occur on or about March 5, 2014; however, it is possible that completion may be delayed beyond this date if the conditions to completion of the Arrangement cannot be met on a timely basis, but in no event shall completion of the Arrangement occur later than the Outside Date, unless extended by mutual agreement between Brigus and Primero in accordance with the terms of the Arrangement Agreement.

Procedure for Exchange of Brigus Shares

At the time of sending this Circular to each Brigus Shareholder, Brigus is also sending the Letter of Transmittal to each Registered Brigus Shareholder. The Letter of Transmittal is for use by Registered Brigus Shareholders only and is not to be used by Non-Registered Holders. Non-Registered Holders should contact their broker or other intermediary for instructions and assistance in receiving the Fortune Shares and Primero Shares in respect of their Brigus Shares.

Registered Brigus Shareholders are requested to tender to the Depositary any share certificates representing their Brigus Shares along with the duly completed Letter of Transmittal. Within five Business days after the Effective Date, the Depositary will forward to each Registered Brigus Shareholder that submitted an effective Letter of Transmittal to the Depositary, together with the certificate or certificates representing the Brigus Shares held by such Brigus Shareholder immediately prior to the Effective Date, the certificates representing the Primero Shares and Fortune Shares to which the Registered Brigus Shareholder is entitled under the Arrangement, to be sent to or at the direction of such Brigus Shareholder. Certificates representing the Primero Shares and Fortune Shares will be registered in such name or names as directed in the Letter of Transmittal, and will be either (i) sent to the address or addresses as such Brigus Shareholder directed in their Letter of Transmittal or (ii) made available for pick up at the offices of the Depositary in accordance with the instructions of the former Brigus Shareholder in the Letter of Transmittal.

A Registered Brigus Shareholder that does not submit an effective Letter of Transmittal prior to the Effective Date may take delivery of the certificates representing the Primero Shares and Fortune Shares to which such Brigus Shareholder is entitled pursuant to the Arrangement, by delivering the certificate(s) representing Brigus Shares formerly held by it to the Depositary at the office indicated in the Letter of Transmittal at any time prior to the sixth anniversary of the Effective Date. Such certificates must be accompanied by a duly completed Letter of Transmittal, together with such other documents as the Depositary may require. Certificates representing the Primero Shares and Fortune Shares will be registered in such name or names as directed in the Letter of Transmittal, and will be either (i) sent to the address or addresses as such Brigus Shareholder directed in its Letter of Transmittal or (ii) made available for pick up at the office of the Depositary in accordance with the instructions of the Registered Brigus Shareholder in the Letter of Transmittal, within five Business days of receipt by the Depositary of the required certificates and documents.

If any certificate, which immediately before the Effective Time represented one or more outstanding Brigus Shares in respect of which, pursuant to the Arrangement, the holder was entitled to receive Fortune Shares and Primero Shares, is lost, stolen or destroyed, upon the making of an affidavit or statutory declaration of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary will deliver in exchange for such lost, stolen or destroyed certificate, certificates representing Fortune Shares and Primero Shares to which

such Registered Brigus Shareholder is entitled pursuant to the Arrangement. When authorizing delivery of certificates representing Primero Shares and Fortune Shares that a former Brigus Shareholder is entitled to receive in exchange for any lost, stolen or destroyed certificate, such former holders to whom certificates are to be delivered will be required, as a condition precedent to the delivery thereof, to give a bond satisfactory to Primero, Brigus, Fortune and the Depositary in such amount as Primero, Brigus, Fortune and the Depositary may direct or otherwise indemnify Primero, Brigus, Fortune and the Depositary in a manner satisfactory to them, against any claim that may be made against one or both of them with respect to the certificate alleged to have been lost, stolen or destroyed.

A Registered Brigus Shareholder must deliver to the Depositary at the office listed in the Letter of Transmittal:

(a) the certificates representing their Brigus Shares;

(b) a Letter of Transmittal in the form accompanying this Circular, or a manually executed photocopy thereof, properly completed and duly executed as required by the instructions set out in the Letter of Transmittal; and

(c) any other relevant documents required by the instructions set out in the Letter of Transmittal.

Except as otherwise provided in the instructions to the Letter of Transmittal, the signature on the Letter of Transmittal must be guaranteed by an Eligible Institution. If a Letter of Transmittal is executed by a person other than the registered holder of the certificate(s) deposited therewith, the certificate(s) must be endorsed or be accompanied by an appropriate share transfer power of attorney duly and properly completed by the registered holder, with the signature on the endorsement panel, or securities transfer power of attorney guaranteed by an Eligible Institution.

The Depositary will make available for pick up at its offices during normal business hours the requisite cash consideration that such holder is entitled to receive.

No Fractional Shares to be Issued

No fractional Primero Shares or Fortune Shares shall be issued to any former Brigus Shareholder or to any former Brigus Optionholder on the exercise of Replacement Primero Options. The number of Primero Shares to be issued to a former Brigus Shareholder or a former Brigus Optionholder upon exercise of Replacement Primero Options shall be rounded down to the nearest whole Primero Share and such former Brigus Shareholder or former Brigus Optionholder shall not be entitled to any compensation in respect of such fractional Primero Share. The number of Fortune Shares to be issued to a former Brigus Shareholder shall be rounded down to the nearest whole Fortune Share and such former Brigus Shareholder shall not be entitled to any compensation in respect of such fractional Fortune Share.

Cancellation of Rights after Six Years

Any certificate which immediately before the Effective Time represented outstanding Brigus Shares and which has not been surrendered, with a duly completed Letter of Transmittal and all other documents required by the Depositary, on or before the date that is six years after the Effective Date, will cease to represent any claim for Fortune Shares, Primero Shares or the

cash component of the Consideration or any other claim against or interest of any kind or nature in Brigus, Primero or Fortune. Accordingly, former Brigus Shareholders who do not deposit with the Depositary a duly completed Letter of Transmittal and certificates representing their Brigus Shares on or before the date that is six years after the Effective Date will not receive Fortune Shares, Primero Shares, the cash component of the Consideration or any other consideration in exchange therefor and will not own any interest in Brigus, Primero or Fortune and such former Brigus Shareholders will not be paid any other compensation.

Effects of the Arrangement on Brigus Shareholders' Rights

Brigus Shareholders receiving Primero Shares and Fortune Shares under the Arrangement will become shareholders of Primero and Fortune. Fortune, like Brigus, is a federally incorporated company governed by the CBCA. Primero is a British Columbia company governed by the *Business Corporations Act* (British Columbia).

The Primero Shares to be received by Brigus Shareholders pursuant to the Arrangement are subject to different rights and obligations under the Business Corporations Act (British Columbia) than under the CBCA. Brigus Shareholders are encouraged to consult with their legal advisors for greater detail with respect to these differences.

Court Approval of the Arrangement

An arrangement under the CBCA requires Court approval.

Interim Order

On January 24, 2014, Brigus obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix "D" to this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, and if the Arrangement Resolution is approved by Brigus Shareholders at the Meeting in the manner required by the Interim Order, Brigus intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for March 3, 2014 at 10:00 a.m. (Toronto time), or as soon thereafter as counsel may be heard, at the Courthouse, 330 University Avenue, Toronto, Ontario, or at any other date and time as the Court may direct. Any Brigus Shareholder, Brigus Optionholder or any other interested party who wishes to appear or be represented and to present evidence or arguments at that hearing of the application for the Final Order must file and serve a response to petition no later than 4:00 p.m. (Toronto time) on February 28, 2014 along with any other documents required, all as set out in the Interim Order and the Notice of Application, the text of which are set out in Appendix "D" to this Circular, and satisfy any other requirements of the Court. Such persons should consult with their legal advisors as to the necessary requirements. In the event that the hearing is adjourned, then, subject to further order of the Court, only those persons having previously filed and served a response to petition will be given notice of the adjournment.

The Court has broad discretion under the CBCA when making orders with respect to the Arrangement. The Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or substantially on those terms. Depending upon the nature of any required amendments, Brigus or Primero may determine not to proceed with the Arrangement.

The Primero Shares, Brigus Class A Shares and Fortune Shares to be received by Brigus Shareholders in exchange for their Brigus Shares pursuant to the Arrangement, and the Replacement Primero Options to be received by Brigus Optionholders in exchange for their Brigus Options 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 and exchanged in reliance upon the exemption from registration under the U.S. Securities Act provided by Section 3(a)(10) thereof and exemptions provided under the securities laws of each state of the United States in which Brigus Shareholders and Brigus Optionholders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Warrant Shares issuable upon the exercise of the Brigus Warrants in the United States or by, or on behalf of, a U.S. Person after the Effective Time may not be issued in reliance upon Section 3(a)(10) of the U.S. Securities Act and may be exercised only if the issuance is registered under the U.S. Securities Act or exempt from the registration requirements of the U.S. Securities Act and pursuant to any applicable Securities Laws of any state of the United States. The Court will be advised prior to the hearing of the application for the Final Order that if the terms and conditions of the Arrangement, and the fairness thereof, are approved by the Court, the Primero Shares, Brigus Class A Shares and Fortune Shares to be received by Brigus Shareholders pursuant to the Arrangement and the Replacement Primero Options to be received by Brigus Optionholders pursuant to the Arrangement will not require registration under the U.S. Securities Act. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the issuance and exchange of the Primero Shares, Brigus Class A Shares and Fortune Shares for the Brigus Shares pursuant to the Arrangement and the issuance and exchange of the Replacement Primero Options for the Brigus Options pursuant to the Arrangement. See "The Meeting – The Arrangement – Regulatory Law Matters and Securities Law Matters – United States Securities Law Matters" below.

For further information regarding the Court hearing and your rights in connection with the Court hearing, see the form of Notice of Hearing of Petition attached at Appendix "D" to this Circular. The Notice of Hearing of Petition constitutes notice of the Court hearing of the application for the Final Order and is your only notice of the Court hearing.

Regulatory Approvals

The Brigus Shares are listed and posted for trading on the TSX and the NYSE MKT and the Primero Shares are listed and posted for trading on the TSX and on the NYSE. It is a condition of the Arrangement that the TSX shall have conditionally approved for listing, and that the NYSE

shall have approved for listing, the Primero Shares to be issued or made issuable in connection with the Arrangement. An application has been made to the TSX to conditionally approve the listing of the Primero Shares to be issued under the Arrangement and issuable on the exercise of Brigus Options and Brigus Warrants after completion of the Arrangement.

It is intended that an application to list the Fortune Shares will be made. There can be no assurance as to if, or when, the Fortune Shares will be listed or traded. It is not a condition of the Arrangement that any Canadian stock exchange shall have approved the listing of the Fortune Shares. As the Fortune Shares are not listed on a stock exchange, unless and until such a listing is obtained, holders of Fortune Shares may not have a market for their shares.

Competition Act Approval and HSR Approval will be required to be received prior to the Effective Date.

Regulatory Law Matters and Securities Law Matters

Other than the Final Order and the approvals of the TSX, NYSE, the HSR Approval and the Competition Act Approval, Brigus is not aware of any material approval, consent or other action by any federal, provincial, state or foreign government or any administrative or regulatory agency that would be required to be obtained in order to complete the Arrangement. In the event that any such approvals or consents are determined to be required, such approvals or consents will be sought. Any such additional requirements could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that any regulatory consents or approvals that are determined to be required will be obtained, Brigus currently anticipates that any such consents and approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date. Subject to receipt of the Brigus Shareholder Approval at the Meeting, receipt of the Final Order and the satisfaction or waiver of all other conditions specified in the Arrangement Agreement, the Effective Date is expected to be on or about March 5, 2014.

Canadian Securities Law Matters

Each Brigus Shareholder is urged to consult such Brigus Shareholder's professional advisors to determine the Canadian conditions and restrictions applicable to trades in the Primero Shares or Fortune Shares.

Status under Canadian Securities Laws

Brigus is a reporting issuer in British Columbia, Alberta, Manitoba, Saskatchewan, Ontario, Quebec, Newfoundland, Nova Scotia, Prince Edward Island and New Brunswick. The Brigus Shares currently trade on the TSX. After the Arrangement, Brigus will be a wholly-owned subsidiary of Primero, the Brigus Shares will be delisted from the TSX (delisting is anticipated to be effective two or three Business days following the Effective Date) and Primero expects to apply to the applicable Canadian securities regulators to have Brigus cease to be a reporting issuer.

Upon completion of the Arrangement, Fortune expects that it will be a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. It is intended that an application to list the Fortune Shares will be made. There can be no assurance as to if, or when, the Fortune Shares will be

listed or traded. It is not a condition of the Arrangement that the Fortune Shares will be conditionally approved to be listed on any Canadian stock exchange. As the Fortune Shares are not listed on a stock exchange, unless and until such a listing is obtained, holders of Fortune Shares may not have a market for their shares.

Distribution and Resale of Primero Shares and Fortune Shares under Canadian Securities Laws

The distribution of the Primero Shares and Fortune Shares pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The Primero Shares and Fortune Shares (if listed) received pursuant to the Arrangement will not be legended and may be resold through registered dealers in each of the provinces of Canada provided that (i) the trade is not a "control distribution" as defined National Instrument 45-102 "Resale of Securities" of the Canadian Securities Administrators, (ii) no unusual effort is made to prepare the market or to create a demand for the Primero Shares or the Fortune Shares, as the case may be, (iii) no extraordinary commission or consideration is paid to a person or company in respect of such sale, and (iv) if the selling security holder is an insider or officer of Primero or Fortune, as the case may be, the selling security holder has no reasonable grounds to believe that Primero or Fortune, as the case may be, is in default of applicable Canadian securities laws.

Multilateral Instrument 61-101

The Ontario and Quebec securities commissions have adopted MI 61-101 which governs transactions which raise the potential for conflicts of interest, including issuer bids, insider bids, related party transactions and business combinations.

As a reporting issuer or the equivalent in each province of Canada, Brigus is, among other things, subject to MI 61-101.

MI 61-101 regulates certain types of related party transactions to ensure equality of treatment among security holders and may require enhanced disclosure, approval by a majority of security holders (excluding “interested parties” under applicable Law), 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, among other transactions “related party transactions” (as defined in MI 61-101), being transactions with a related party, and “business combinations” (as defined in MI 61-101) which may terminate the interests of security holders without their consent.

MI 61-101 provides that where a “related party” (as defined in MI 61-101) of an issuer is entitled to receive a “collateral benefit” (as defined in MI 61-101) in connection with an arrangement transaction (such as the Arrangement), such transaction is considered a “business combination” for the purposes of MI 61-101 and subject to minority approval requirements and potentially a formal valuation requirement.

Collateral Benefit

A “collateral benefit” (as defined under MI 61-101) includes any benefit that a “related party” of Brigus (which includes the directors and senior officers of Brigus, as well as any 10% securityholder) is entitled to receive as a consequence of the Arrangement, including, without

limitation, an increase in salary, a lump sum payment, a payment for surrendering securities, or other enhancement in benefits related to part or future services as an employee, director or consultant of Brigus. However, MI 61-101 excludes from the meaning of "collateral benefit" certain benefits to a related party received solely in connection with the related party's services as an employee, director or consultant of an issuer or an affiliated entity of the issuer or a successor to the business of the issuer where, among other things, (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 transaction, (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner, (c) full particulars of the benefit are disclosed in the disclosure document for the transaction, and (d)(i) at the time the transaction was agreed to, the related party and its associated entities beneficially own or exercise control or direction over less than 1% of the outstanding shares of the issuer or (ii) an independent committee, acting in good faith, determines that the value of the collateral benefit, net of any offsetting costs to the related party, is less than 5% of the value of the consideration the related party expects to receive in exchange for his or her equity securities under the terms of the Arrangement.

Minority Approval

For the purposes of MI 61-101, Mr. Wade K. Dawe, Brigus' Chairman and Chief Executive Officer, is considered to beneficially own more than 1% of the Brigus Shares, taking into account the Brigus Options, Brigus DSUs and unvested Brigus Shares (as per the Brigus ESPP) owned by Mr. Dawe as required under MI 61-101. As part of the transaction, Mr. Dawe will enter into a consulting arrangement with Primero. In addition, Brigus shall pay Mr. Dawe a lump sum amount equal to three (3) times his base salary plus last year's bonus equivalent. Accordingly, the payment and the consulting arrangement that Mr. Dawe may receive as a result of the completion of the Arrangement may constitute a collateral benefit under MI 61-101. Thus, any Brigus Shares beneficially owned, or over which control or direction is exercised by Mr. Dawe or any of his joint actors must be excluded for purposes of determining whether minority approval has been obtained. As of the Record Date, Mr. Dawe and his related parties and joint actors held, or exercised control or direction over, directly or indirectly, 3,321,196 Brigus Shares, 995,000 Brigus DSUs and 4,557,596 Brigus Options. As a result, a total of 3,321,196 Brigus Shares (representing approximately 1.43% of the issued and outstanding Brigus Shares as at January 27, 2014) will be excluded from the "minority approval" vote conducted pursuant to MI 61-101. See "The Meeting – The Arrangement – Interests of Certain Persons in the Arrangement".

United States Securities Law Matters

The following discussion is a general overview of certain requirements of U.S. federal securities laws that may be applicable to Brigus U.S. Securityholders. The discussion is based in part on non-binding interpretations and no-action letters provided by staff of the SEC, which do not have the force of law. All Brigus Shareholders in the United States are urged to consult with their own legal counsel to ensure that any subsequent resale of Primero Shares or Fortune Shares to be received in exchange for their Brigus Shares pursuant to the Arrangement complies with applicable securities legislation.

Further information applicable to Brigus U.S. Securityholders is disclosed under the heading "Note to United States Securityholders".

The following discussion does not address the Canadian securities laws that will apply to the issue of Primero Shares and Fortune Shares or the resale of these securities within Canada by Brigus Shareholders in the United States. Brigus Shareholders in the United States reselling their Primero Shares and Fortune Shares in Canada must comply with Canadian securities laws, as outlined elsewhere in this Circular.

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

The Primero Shares, Brigus Class A Shares and Fortune Shares to be received by Brigus Shareholders in exchange for their Brigus Shares pursuant to the Arrangement, and the Replacement Primero Options and to be received by Brigus Optionholders in exchange for their Brigus Options pursuant to the Arrangement, 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 and exchanged in reliance upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act and exemptions provided under the securities laws of each state of the United States in which Brigus U.S. Securityholders reside. Section 3(a)(10) of the U.S. Securities Act exempts the issuance of any securities issued in exchange for one or more bona fide outstanding securities from the general requirement of registration where the terms and conditions of the issuance and exchange of such securities have been approved by a court of competent jurisdiction that is expressly authorized by law to grant such approval, after a hearing upon the fairness of the terms and conditions of such issuance and exchange at which all persons to whom it is proposed to issue the securities have the right to appear and receive timely and adequate notice thereof. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the Primero Shares, the Brigus Class A Shares and the Fortune Shares to be received by Brigus Shareholders in exchange for their Brigus Shares pursuant to the Arrangement and with respect to the Replacement Primero Options to be received by Brigus Optionholders in exchange for their Brigus Options pursuant to the Arrangement.

Resales of Primero Shares and Fortune Shares After the Effective Date

The Primero Shares and Fortune Shares to be received by Brigus Shareholders in exchange for their Brigus Shares pursuant to the Arrangement will be freely transferable under U.S. federal securities laws, except by persons who are "affiliates" of Primero or Fortune, as applicable, after the Effective Date, or were "affiliates" of Primero or Fortune, as applicable, within 90 days prior to the Effective Date. Persons who may be deemed to be "affiliates"' of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer.

Any resale of Primero Shares or Fortune Shares, as applicable, by such an affiliate (or, if applicable, former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom. Subject to certain limitations, such affiliates (and former affiliates) may immediately resell such Primero Shares or Fortune Shares, as applicable, outside the United States without registration under the U.S. Securities Act pursuant to Regulation S under the U.S. Securities Act. In addition, such affiliates (and former affiliates) may also resell Primero Shares or Fortune Shares, as applicable, pursuant to Rule 144, if available.

Resales by Affiliates Pursuant to Rule 144

In general, pursuant to Rule 144, persons who are "affiliates" of Primero or Fortune, as applicable, after the Effective Date, or were "affiliates" of Primero or Fortune, as applicable, within 90 days prior to the Effective Date, will be entitled to sell, during any three-month period, those Primero Shares or Fortune Shares, as applicable, that they receive pursuant to the Arrangement, provided that the number of such securities 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 and/or reported through the automated quotation system of a U.S. registered securities association, the average weekly trading volume of such securities during the four calendar week period preceding the date of sale, subject to specified restrictions on manner of sale requirements, aggregation rules, notice filing requirements and the availability of current public information about the issuer.

Resales by Affiliates Pursuant to Regulation S

In general, pursuant to Regulation S under the U.S. Securities Act, at any time that Primero or Fortune, as applicable, is a "foreign private issuer" (as defined in Rule 3b-4 under the Exchange Act), persons who are "affiliates" of Primero or Fortune, as applicable, after the Effective Date, or were "affiliates" of Primero or Fortune, as applicable, within 90 days prior to the Effective Date, solely by virtue of their status as an officer or director of Primero or Fortune, as applicable, may sell their Primero Shares or their Fortune Shares, as applicable, outside the United States in an "offshore transaction" if none of the seller, an affiliate or any person acting on their behalf engages in "directed selling efforts" in the United States with respect to such securities and provided that no selling concession, fee or other remuneration is paid in connection with such sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent. For purposes of Regulation S under the U.S. Securities Act, "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. Also, for purposes of Regulation S under the U.S. Securities Act, an offer or sale of securities is made in an "offshore transaction" if the offer that is not made to a person in the United States and either (a) at the time the buy order is originated, the buyer is outside the United States, or the seller reasonably believes that the buyer is outside of the United States, or (b) the transaction is executed in, on or through the facilities of a "designated offshore securities market" (which would include a sale through the TSX), and neither the seller nor any person acting on its behalf knows that the transaction has been pre-arranged with a buyer in the United States. Certain additional restrictions set forth in Rule 903 of Regulation S under the U.S. Securities Act are applicable to sales outside the United States by a holder of Primero Shares or Fortune Shares, as applicable, who is an "affiliate" of Primero or Fortune, as applicable, after the Effective Date, or was an "affiliate" of Primero or Fortune, as applicable, within 90 days prior to the Effective Date, other than by virtue of his or her status as an officer or director of Primero or Fortune, as applicable.

Resales of Primero Options after the Effective Date

Replacement Primero Options received by Brigus Optionholders in exchange for their Brigus Options pursuant to the Arrangement may not be transferred other than by will or the laws of descent.

Exercise of Replacement Primero Options after the Effective Date

Section 3(a)(10) of the U.S. Securities Act does not exempt the issuance of securities upon the exercise of securities that were previously issued pursuant to Section 3(a)(10) of the U.S. Securities Act. Therefore, the Primero Shares issuable upon exercise of the Replacement Primero Options to be received by Brigus Optionholders pursuant to the Arrangement, may not be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and the Replacement Primero Options may be exercised only if the underlying Primero Shares are registered under the U.S. Securites Act or if there is an available exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. Prior to the issuance of Primero Shares pursuant to any such exercise, Primero may require evidence (which may include an opinion of counsel) reasonably satisfactory to Primero, to the effect that the issuance of such Primero Shares, does not require registration under the U.S. Securities Act or applicable state securities laws.

Primero Shares received upon exercise of the Replacement Primero Options by holders that are in the United States or that are U.S. Persons will be "restricted securities", as such term is defined in Rule 144, and may not be resold unless such securities are registered under the U.S. Securities Act and all applicable state securities laws or unless an exemption from such registration requirements is available.

The foregoing discussion is only a general overview of certain requirements of United States federal securities laws applicable to the resale of Primero Shares or Replacement Primero Options issuable pursuant to the Arrangement, and the exercise of Replacement Primero Options issuable pursuant to the Arrangement. All holders of such securities are urged to consult with counsel to ensure that the resale of their securities complies with applicable securities legislation.

Fees and Expenses

All expenses incurred in connection with the Arrangement and the transactions contemplated thereby shall be paid by the Party incurring such expense.

Interests of Certain Persons in the Arrangement

In considering the recommendation of the Brigus Board with respect to the Arrangement, Brigus Shareholders should be aware that certain members of Brigus' senior management and the Brigus Board have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement.

Directors

The directors (other than directors who are also executive officers) hold, in the aggregate, 1,685,585 Brigus Shares, representing approximately 0.72% of the Brigus Shares outstanding on the Record Date. Such directors hold, in the aggregate, 2,410,763 Brigus Options, representing approximately 15.16% of the Brigus Options outstanding on the Record Date. The directors' holding of Brigus Warrants in the aggregate is 3,125, representing approximately 0.02% of the Brigus Warrants outstanding on the Record Date. The directors' holdings of Brigus Shares represent, in the aggregate, approximately 0.72% of the Brigus Voting Securities as of the Record Date. All of the Brigus Shares, Brigus Options held by the directors will be treated in the same fashion under the Arrangement as Brigus Shares, Brigus Warrants and Brigus

Options held by every other Brigus Shareholder, Brigus Warrantholder and Brigus Optionholder, respectively.

Consistent with standard practice in similar transactions, in order to ensure that the directors do not lose or forfeit their protection under liability insurance policies maintained by Brigus, the Arrangement Agreement provides for the maintenance of such protection for six years. See "The Meeting – The Arrangement – Interests of Certain Persons in the Arrangement – Indemnification and Insurance" below.

Executive Officers

The current responsibility for the general management of Brigus is held and discharged by a group of five executive officers. The executive officers of Brigus are as follows:

Name	Position	Brigus Shares	Brigus Options	Brigus DSUs
Wade K. Dawe	Chairman and Chief Executive Officer	3,321,196	4,557,596	995,000
Daniel Racine	President/Chief Operating Officer	513,598	1,500,000	500,000
Jon Legatto	Chief Financial Officer	60,978	1,075,000	430,000
Howard Bird	Sr. Vice President of Exploration	13,686	1,885,729	420,000
Marc Bilodeau	Vice President of Operations	27,623	650,000	225,000

The executive officers of Brigus hold, in the aggregate, 3,937,081 Brigus Shares, 9,668,325 Brigus Options and 2,570,000 Brigus DSUs representing approximately 1.69% of the Brigus Voting Securities as of the Record Date. None of the executive officers of Brigus held any Brigus Warrants as of the Record Date. All of the Brigus Shares and Brigus Options held by the executive officers of Brigus will be treated in the same fashion under the Arrangement as Brigus Shares and Brigus Options held by every other Brigus Shareholder and Brigus Optionholder, respectively.

Indemnification and Insurance

Pursuant to the Arrangement Agreement, prior to the Effective Date, Brigus will purchase customary "tail" policies of directors' and officers' liability insurance providing protection no less favourable in the aggregate to the protection provided by the policies maintained by Brigus and its subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and Primero will, or will cause Brigus and its subsidiaries to, maintain such tail policies in effect without any reduction in scope or coverage for six (6) years from the Effective Date; provided, however, that Primero shall not be required to pay any amounts in respect of

such coverage prior to the Effective Time and provided further that the aggregate cost of such policy for the six year period shall not exceed 300% of Brigus' current annual aggregate premium for policies currently maintained by Brigus or its subsidiaries.

Primero agreed that it will cause Brigus to honour all rights to indemnification or exculpation now existing in favour of present and former officers and directors of Brigus and its subsidiaries to the extent that they have been disclosed, and acknowledges that such rights, to the extent that they have been disclosed, shall survive the completion of the Plan of Arrangement and shall continue in full force and effect for a period of not less than six (6) years from the Effective Date.

The Arrangement Agreement

The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Arrangement Agreement, which is incorporated by reference herein and may be found under Brigus' profile on SEDAR at www.sedar.com.

Effective Date and Conditions of Arrangement

If the Arrangement Resolution is passed, the Final Order of the Court is obtained approving the Arrangement, every requirement of the CBCA relating to the Arrangement has been complied with and all other conditions disclosed under "The Meeting – The Arrangement – The Arrangement Agreement - Conditions to the Arrangement Becoming Effective" are met or waived, the Arrangement will become effective at 12:01 a.m. on the Effective Date. It is currently expected that the Effective Date will be on or about March 5, 2014.

Representations and Warranties

The Arrangement Agreement contains representations and warranties made by Brigus to Primero and representations and warranties made by Primero to Brigus. Those representations and warranties were made solely for purposes of the Arrangement Agreement and may be subject to important qualifications, limitations and exceptions agreed to by the parties in connection with negotiating its terms and as set out in the disclosure letters delivered in connection with the Arrangement Agreement. Some of the representations and warranties are subject to a contractual standard of materiality or Primero Material Adverse Effect or Brigus Material Adverse Effect different from that generally applicable to public disclosure to Brigus Shareholders, or are used for the purpose of allocating risk between the parties to the Arrangement Agreement. For the foregoing reasons, you should not rely on the representations and warranties contained in the Arrangement Agreement as statements of factual information at the time they were made or otherwise.

The representations and warranties provided by Brigus in favour of Primero relate to, among other things: (a) the organization and qualification of Brigus and Fortune; (b) the authority of Brigus and Fortune to enter into the Arrangement Agreement; (c) there being no conflict with regard to entering into the Arrangement Agreement; (d) that each Subsidiary of Brigus is duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation or organization; (e) Brigus' disclosure record complies with Securities Laws; (f) the operations of Brigus and its subsidiaries have been conducted in compliance with all Laws; (g) all authorizations have been obtained for ownership of material assets; (h) capitalization and listing; (i) Brigus is not subject to any shareholder, pooling, voting trust or other similar

agreement; (j) Brigus' financial statements; (k) the absence of undisclosed liabilities; (l) Fortune Liabilities; (m) all of Brigus' and its subsidiaries' and affiliates material real property, mineral interests and rights; (n) the mineral reserves and mineral resources for the Brigus' properties were prepared in all material respects in accordance with sound mining, engineering, geoscience and other applicable industry standards and practices; (o) operation matters; (p) employment matters; (q) absence of certain changes of events; (r) litigation; (s) tax; (t) the corporate records and minute books of Brigus and its subsidiaries and affiliates have been maintained; (u) insurance; (v) non-arm's length transactions; (w) environmental matters; (x) restrictions on business activities; (y) material contracts; (z) commission payable to brokers in connection with the Arrangement; (aa) no cease trade orders; (bb) reporting issuer status; (cc) stock exchange compliance; (dd) money laundering laws; (ee) the Brigus Board having received a fairness opinion and determining that the Arrangement is fair; (ff) independent directors and the special committee; (gg) money laundering taxes; (hh) confidentiality agreements; (ii) anti-corruption; (jj) relationships with customers, suppliers, distributors and sales representatives; (kk) no expropriation of property or assets of Brigus or any of its subsidiaries; (ll) no material dispute between Brigus or any of its subsidiaries and non – governmental organization, community, or community groups; and (mm) no other agreement, arrangement or understanding with respect to Primero.

The representations and warranties provided by Primero in favour of Brigus relate to, among other things: (a) the organization and qualification of Primero; (b) the authority of Primero to enter into the Arrangement Agreement; (c) there being no conflict with regard to entering into the Arrangement Agreement; (d) that each Subsidiary of Primero is duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation or organization; (e) Primero's disclosure record complies with with Securities Laws; (f) the operations of Primero and its subsidiaries have been conducted in compliance with all Laws; (g) all authorizations have been obtained for ownership of material assets; (h) capitalization and listing; (i) there are no shareholder, pooling, voting trust or other similar agreement; (j) Primero's financial statements; (k) the absence of undisclosed liabilities; (l) all of Primero's and its subsidiaries' and affiliates material real property, mineral interests and rights; (m) the mineral reserves and mineral resources for the Primero's properties were prepared in all material respects in accordance with sound mining, engineering, geoscience and other applicable industry standards and practices; (n) operation matters; (o) employment matters; (p) absence of certain changes of events; (q) litigation; (r) tax; (s) the corporate records and minute books of Primero and its subsidiaries and affiliates have been maintained; (t) insurance; (u) non-arm's length transactions; (v) environmental matters; (w) restrictions on business activities; (x) material contracts; (y) commission payable to brokers in connection with the Arrangement; (z) no cease trade orders; (aa) reporting issuer status; (bb) stock exchange compliance; (cc) money laundering laws; (dd) confidentiality agreements; (ee) anti-corruption; (ff) relationships with customers, suppliers, distributors and sales representatives; (gg) no expropriation of property or assets of Primero or any of its subsidiaries; (hh) no material dispute between Brigus or any of its subsidiaries and non – governmental organization, community, or community groups; and (ii) no other agreement, arrangement or understanding with respect to Primero.

Conditions to the Arrangement Becoming Effective

In order for the Arrangement to become effective, certain conditions must have been satisfied or waived which conditions are summarized below.

Mutual Conditions

The respective obligations of Brigus and Primero to complete the transactions contemplated in the Arrangement Agreement are subject to the fulfillment of the following conditions on or before the Effective Time or such other time as is specified below:

(a) the Arrangement Resolution shall have been approved and adopted 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 the Arrangement Agreement, and shall not have been set aside or modified in a manner unacceptable to Brigus and Primero;

(c) Primero Shareholder Approval shall have been obtained;

(d) The Reorganization shall have been completed in accordance with the Master Reorganization Agreement;

(e) no Governmental Entity 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;

(f) the Brigus Class A Shares, the Primero Shares, Replacement Options and Fortune Shares to be issued pursuant to the Arrangement shall either be: (i) exempt from the registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof; or (ii) be registered pursuant to an effective registration statement under the U.S. Securities Act; provided, however, that Brigus shall not be entitled to the benefit of the condition, and shall be deemed to have waived such condition, in the event that Brigus fails to advise the Court prior to the hearing in respect of the Final Order that Primero, Brigus and Fortune, as the case may be, intend to rely on the exemption from registration afforded by Section 3(a)(10) of the U.S. Securities Act based on the Court's approval of the Arrangement;

(g) each of the Competition Act Approval and HSR Approval has been made, given or obtained on terms acceptable to each of the Parties, each acting reasonably, and such Regulatory Approvals are in full force and have not been modified;

(h) there shall be no suit, action or proceeding by any Governmental Entity or any other Person that has resulted in an imposition of material limitations on the ability of Primero to acquire or hold, or exercise full rights of ownership of, any Brigus Shares, including the right to vote the Brigus Shares to be acquired by it on all matters properly presented to the Brigus Shareholders;

(i) the distribution of the Primero Shares and the Fortune Shares pursuant to the Arrangement shall be exempt from the prospectus and registration requirements of applicable Securities Laws either by virtue of exemptive relief from the securities regulatory authorities of each of the provinces of Canada or by virtue of applicable exemptions under Securities Laws and shall not be subject to resale restrictions under applicable Securities Laws (other than as applicable to control Persons or pursuant to section 2.6 of National Instrument 45-102 – *Resale of Securities*);

(j) (i) Fortune shall be validly existing under the laws of Canada and all of the issued and outstanding shares of capital stock and other ownership interests in Fortune shall be legally and beneficially owned by Brigus free and clear of all Liens, and (ii) Brigus shall hold a number of whole Fortune Shares such that, after giving effect to the distribution of Fortune Shares contemplated in the Plan of Arrangement, Brigus would hold 9.9% of all of the outstanding Fortune Shares;

(k) Primero shall have delivered evidence satisfactory to the Parties, acting reasonably, of the approval of the listing and posting for trading on the TSX and NYSE of the Consideration Shares, Option Shares and Warrant Shares, subject only in each case to the satisfaction of the customary listing conditions of the TSX or NYSE, as the case may be; and

(l) Brigus shall have delivered evidence satisfactory to the Parties, acting reasonably, of the approval of the listing on the TSX of the Brigus Class A Shares, subject only to the satisfaction of the customary listing conditions of the TSX.

The foregoing conditions are for the mutual benefit of the parties and may be waived by mutual consent of Brigus and Primero in writing at any time.

Primero Conditions

The obligations of Primero to complete the transactions contemplated in the Arrangement Agreement is subject to the fulfillment of the following additional conditions on or before the Effective Date or such other time as is specified below:

(a) all covenants of Brigus under the Arrangement Agreement to be performed on or before the Effective Time which have not been waived by Primero shall have been duly performed by Brigus in all material respects, and Primero shall have received a certificate of Brigus addressed to Primero and dated the Effective Time, signed on behalf of Brigus by two senior executive officers of Brigus (on Brigus' behalf and without personal liability), confirming the same as at the Effective Date;

(b) all representations and warranties of Brigus set forth in the Arrangement Agreement shall be true and correct in all respects, without regard to any materiality or Brigus Material Adverse Effect qualifications contained in them as of the Effective Date as though made on and as of the Effective Date (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where any failure or failures of any such representations and warranties to be so true and correct in all respects would not, individually or in the aggregate, reasonably be expected to have a Brigus Material Adverse Effect, and Primero shall have received a certificate of Brigus addressed to Primero and dated the Effective Time, signed on behalf of Brigus by two senior executive officers of Brigus (on Brigus' behalf and without personal liability), confirming the same as at the Effective Date;

(c) there shall not have occurred a Brigus Material Adverse Effect that has not been publicly disclosed by Brigus prior to the date of the Arrangement Agreement or disclosed to Primero in writing prior to the date hereof, and since the date of the Arrangement Agreement, there shall not have occurred a Brigus Material Adverse Effect, and Primero

shall have received a certificate signed on behalf of Brigus by two senior executive officers of Brigus (on Brigus' behalf and without personal liability) to such effect;

(d) the Key Consents shall have been obtained; and

(e) holders of no more than 5% of the Brigus Shares shall have exercised Dissent Rights.

Brigus Conditions

The obligations of Brigus and Fortune to complete the Arrangement contemplated by the Arrangement Agreement is subject to the fulfillment of the following additional conditions on or before the Effective Date or such other time as is specified below:

(a) all covenants of Primero under the Arrangement Agreement to be performed on or before the Effective Time which have not been waived by Brigus shall have been duly performed by Primero in all material respects and Brigus shall have received a certificate of Primero, addressed to Brigus and dated the Effective Date, signed on behalf of Primero by two of its senior executive officers (on Primero's behalf and without personal liability), confirming the same as of the Effective Date;

(b) the representations and warranties of Primero set forth in the Arrangement Agreement shall be true and correct in all respects, without regard to any materiality or Primero Material Adverse Effect qualifications contained in them as of the Effective Time, as though made on and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date), except where the failure or failures of all such representations and warranties to be so true and correct in all respects would not reasonably be expected to have a Primero Material Adverse Effect, and Brigus shall have received a certificate signed on behalf of Primero by two senior executive officers of Primero (on Primero's behalf and without personal liability) to this effect;

(c) Primero shall have complied with its obligations regarding the Consideration as set out in the Arrangement Agreement and the Depositary shall have confirmed receipt of the Consideration contemplated thereby; and

(d) there shall not have occurred a Primero Material Adverse Effect that has not been publicly disclosed by Primero prior to the date hereof or disclosed to Brigus in writing prior to the date hereof, and since the date of the Arrangement Agreement, there shall not have occurred a Primero Material Adverse Effect and Brigus shall have received a certificate signed by two senior executive officers of Primero (on Primero's behalf and without personal liability) to such effect.

Covenants of Brigus

Covenants relating to Conduct of Business

Brigus has made certain covenants intended to ensure that Brigus and each of its subsidiaries shall carry on business until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms in the ordinary course of business consistent with past practice, except as required or permitted by the Arrangement Agreement or

as required to give effect to the Reorganization, or as disclosed in the Brigus Disclosure Letter. The following is a summary of such covenants. These covenants include, among other things: (a) use commercially reasonable efforts to preserve intact Brigus' present business organization, assets, goodwill and real property in good standing; (b) issue, sell, grant, award, pledge, dispose or encumber any Brigus Shares, Brigus Options, Brigus Warrants or any calls, conversion privilege or rights of any kind to acquire any Brigus Shares; (c) sell pledge, dispose of mortgage, license, encumber or agree to sell, pledge, dispose of, mortgage, license, encumber or other transfer assets have a value greater than $250,000; (d) sell or transfer any property or material rights; (e) enter into any long-term sale with respect to any commodities; (f) amend its constating documents; (g) split, combine or reclassify any outstanding Brigus Shares; (h) redeem, purchase, or offer to purchase any Brigus Shares; (i) pay a dividend; (j) reorganize or amalgamate or merge Brigus or any of its subsidiaries with any other Person; (k) reduce the stated capital, other than as may be required to effect the Arrangement and will not result in any cash payment to Brigus Shareholders; (l) acquire any asset that has a value greater than $250,000, subject to certain qualifiers; (m) assume or create indebtedness; (n) adopt a plan of liquidation; (o) pay, discharge, settle, satisfy, compromise, waive, assign or release any claims liabilities or obligations; (p) authorize, recommend or propose any release or relinquishment of any contractual right; (q) waive, release, grant, transfer, exercise, modify or amend in any material respect any existing license, lease contract or other document; (r) take any action or fail to take action that would cause a material loss, expiration or surrender of any material licenses; (s) incur business expenses other than in accordance with Brigus' budget and in the ordinary course; (t) take any action that would impede the ability of Brigus to consummate the Arrangement; (u) increase benefits payable to officers and directors, enter into or modify any employment, severance or similar agreement or arrangements; (v) take action with respect to any bonuses, salary increases, severances or termination pay with respect to employees; (w) adopt or enter into, amend or waive any performance or vesting criteria or accelerate vesting, exercisability or funding under any arrangement for the benefit of any directors or officers, current or former employees of Brigus; (x) cause its insurance policies not to be cancelled or terminated; (y) maintain and preserve each of its mineral rights and properties in good standing; (z) take any action or permit any of its subsidiaries to take any action, which would reasonably be expected to render any representation or warranty made in the Arrangement Agreement untrue; (aa) provide Primero with written notice of any change in the business, assets, capitalization, operations, prospects, condition, prospects, share or debt ownership, results of operations, cash flows, properties, articles, by-laws, licenses, permits, liabilities, which in the aggregate would reasonably cause a Brigus Material Adverse Effect, cause any of its representations and warranties in the Arrangement Agreement to become untrue or result in the failure of any of the covenants, conditions or agreement to be complied with or satisfied prior to the Effective Time; (bb) not enter into or renew any agreement, contract lease, license or other binding obligation of Brigus or its subsidiaries that would limit or restrict the ability of Brigus or its subsidiaries or, following completion of the Arrangement, the ability of Primero or its subsidiaries, to engage in any type of business activity, limit the localities in which the business is conducted, to solicit customers or employees, or that would materially delay the consummation of the Arrangement; (cc) not enter into any agreement, contract, license, lease that is not terminable within 30 days of the Effective Date without payment by Primero or its subsidiaries that involves or would reasonably be expected to involve payments in excess of $250,000 in the aggregate over the term of the contract; (dd) Excluding budgeted amounts, not incur capital expenditures in excess of $250,000; (ee) timely file Tax Returns; (ff) withhold, collect, remit and pay all Taxes; (gg) not make or rescind any material express or deemed election related to Taxes; (hh) not make a new request for a Tax ruling; (ii) not settle any proceeding relating to Taxes; (jj) not amend any Tax Returns; (kk) not initiate any material discussions with any Governmental Entity

without Primero's consent; (ll) immediately notify Primero of any threats raised by any non-governmental organization in respect of Brigus' operations; and (mm) enter any agreements to do any of the matters prohibited by the covenants.

Covenants relating to the Arrangement

Brigus has also agreed with Primero that it will, and will cause its subsidiaries, to perform all obligations required or desirable to be performed by Brigus or any of its subsidiaries under the Arrangement Agreement, cooperate with Primero in connection therewith and do or cause to be done all such 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, including:

(a) apply for and use commercially reasonable efforts to obtain all required approvals, including the Regulatory Approvals, relating to Brigus or any of its subsidiaries which are typically applied for, and keep Primero informed as to process to obtain the Regulatory Approvals;

(b) use best efforts to obtain all third party consents (including Key Consents), approvals and notices required under material contracts;

(c) diligently defend all lawsuits or other legal proceedings against Brigus affecting the consummation of the Arrangement;

(d) provide such assistance as may be reasonably requested by Primero for the purposes of completing the Primero Meeting;

(e) subject to applicable Law, make available and cause to be made available to Primero, and the agents and advisors thereto, information reasonably requested by Primero for the purposes of preparing, considering and implementing integration and strategic plans for the combined businesses of Primero and Brigus following the Effective Date and confirming the representations and warranties of Brigus set out in the Arrangement Agreement;

(f) use commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set forth in the Interim Order; and

(g) vote any Primero Shares held by it on the record date for the Primero Meeting in favour of the ordinary resolution approving the issuance of the Consideration Shares and Option Shares.

Non-Solicitation Covenant

Brigus has covenanted and agreed that, except as otherwise provided in the Arrangement Agreement, Brigus and its subsidiaries shall not, directly or indirectly, or through any of its Representatives:

(a) solicit, assist, initiate, facilitate or encourage any inquiries, proposals or offers regarding any Acquisition Proposal, or that may reasonably be expected to lead to an Acquisition Proposal;

(b) engage or participate in any discussions or negotiations or cooperate with any person regarding an Acquisition Proposal, provided, however, that, for greater certainty, Brigus may advise any Person making an unsolicited Acquisition Proposal that such Acquisition Proposal does not constitute a Superior Proposal when the Brigus Board has so determined;

(c) withdraw, modify or qualify, or propose publicly to withdraw, modify or qualify, in any manner adverse to Primero, the approval or recommendation of the Brigus Board or any committee thereof of the Arrangement Agreement;

(d) approve, recommend or remain neutral with respect to, or propose publicly to approve, recommend or remain neutral with respect to, any Acquisition Proposal for Brigus (it being understood that publicly taking no position or a neutral position with respect to any Acquisition Proposal for a period of five Business Days or in respect to an Acquisition Proposal in respect of which a confidentiality agreement has been executed in accordance with the Arrangement Agreement shall not be considered a violation of the non-solicitation covenant; or

(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.

Brigus has also agreed that, except as otherwise provided in the Arrangement Agreement, Brigus shall, and shall cause its subsidiaries and its and their Representatives to, immediately cease and cause to be terminated any solicitation, encouragement, discussion, activity or negotiation with any Person (other than Primero and its Representatives) with respect to any potential Acquisition Proposal. Brigus will discontinue access by any Person (other than Primero and its Representatives) to any of its confidential information (and not establish or allow access to any of its confidential information, or any data room, virtual or otherwise) and shall as soon as possible request, to the extent that it is entitled to do so, the return or destruction of all confidential information regarding Brigus and its subsidiaries previously provided to any Person. Brigus has agreed that neither it nor any of its subsidiaries shall terminate or modify any provision of any existing confidentiality agreement relating to a potential Acquisition Proposal or any standstill agreement to which it or any of its subsidiaries is a party, other than as may occur automatically as a result of the announcement of the Arrangement, and Brigus undertakes to enforce all standstill, non-disclosure and similar covenants that it or any of its subsidiaries have entered into.

Notwithstanding the above or any other provision of the Arrangement Agreement, if Brigus receives a bona fide written Acquisition Proposal (that was not solicited in contravention of the non-solicitation covenants) or an Acquisition Proposal is made to Brigus Shareholders that did not result from a breach of the above or any other provision of the Arrangement Agreement, the Brigus Board may if the Brigus Board determines in good faith and after consultation with its financial advisors and outside counsel that the Acquisition Proposal constitutes or is reasonably expected to be a Superior Proposal and the failure to take action would be inconsistent with its fiduciary duties, then Brigus may in response to a request made by the person making the Acquisition Proposal, furnish information with respect to Brigus and its subsidiaries to the Person making such Acquisition Proposal, allow such Person to access Brigus' facilities only if such Person has entered into a confidentiality and standstill agreement with Brigus, Brigus

sends a copy of such confidentiality agreement to Primero, and Brigus regularly provides Primero with a list of and access to information provided to such Person.

Brigus has agreed that it shall promptly notify Primero of receipt of the Acquisition Proposal and Brigus has agreed to keep Primero promptly and fully informed of the status of any such proposal, inquiry, offer or request and will provide copies of any written documents or correspondence provided to Brigus relating thereto.

Subject to the right to match set out below, at any time prior to obtaining the Brigus Shareholder Approval, if Brigus receives an Acquisition Proposal which the Brigus Board concludes in good faith constitutes a Superior Proposal, the Brigus Board may, subject to compliance with the termination procedures of the Arrangement Agreement, including payment of the Termination Payment to Primero, terminate the Arrangement Agreement to enter into a definitive agreement with respect to such Superior Proposal.

Right to Match

Brigus has agreed that it will not enter into a definitive agreement in respect of a Superior Proposal unless it has provided Primero with the Superior Proposal and documents required to be provided to Primero as mentioned above, delivered a written notice to Primero that the Brigus Board has determined that the Acquisition Proposal is a Superior Proposal and has determined to recommend such Superior Proposal, and a period of five Business Days has elapsed from the date on which Primero receives notice of Superior Proposal and all relating documents.

During such five Business Day period, Primero will have the right, but not the obligation, to offer to amend the terms of the Arrangement Agreement and the Plan of Arrangement (including increasing or modifying the Consideration). The Brigus Board shall review any such proposal by Primero to determine (acting in good faith and in accordance with its fiduciary duties) whether the Acquisition Proposal to which Primero is responding would continue to be a Superior Proposal when assessed against the amended Arrangement Agreement and Plan of Arrangement as proposed by Primero. If the Brigus Board determines that the Acquisition Proposal would cease to be a Superior Proposal, it will cause Brigus to enter into an amendment to the Arrangement Agreement and the Plan of Arrangement reflecting the offer by Primero to amend the terms of the Arrangement Agreement and the Plan of Arrangement and reaffirm its recommendation of the amended Plan of Arrangement.

If Primero does not offer to amend the terms of the Arrangement Agreement and the Plan of Arrangement during the five Business Day period or the Brigus Board determines acting in good faith and in the discharge of its fiduciary duties that the Acquisition Proposal would nonetheless remain a Superior Proposal with respect to Primero's proposal to amend the Arrangement Agreement and Plan of Arrangement, and therefore rejects Primero's offer to amend the Arrangement Agreement and Plan of Arrangement, Brigus shall be entitled to terminate the Arrangement Agreement and enter into the proposed agreement upon payment to Primero of the Termination Payment. Each successive modification of any proposed agreement shall constitute a new Acquisition Proposal for the purposes of the requirement to initiate an additional five Business Day match period.

Access to Information

Until the earlier of the Effective Time and the termination of the Arrangement Agreement, and subject to compliance with applicable Law and the terms of any existing contracts, Brigus has agreed to provide Primero and its Representatives with reasonable access to data and information as Primero may reasonably request, provided that such information shall be subject to the terms and conditions of the existing confidentiality agreement between Primero and Brigus.

Covenants of Primero

Primero has agreed to certain covenants intended to ensure that Primero and each of its subsidiaries perform all obligations required to be performed under the Arrangement and such other things required to consummate the Arrangement. These covenants include, among other things, prohibitions on amending constating documents; undertaking certain capital alterations; obtain key Regulatory Approvals; pay the Consideration; non-solicitation clause; and not take action inconsistent with any covenants to the Arrangement.

Indemnity by Fortune

Fortune has covenanted and agreed that, following the Effective Time, it will indemnify Primero, Brigus and their respective directors, officers, employees, agents and subsidiaries from all losses as a result of or arising directly or indirectly out of or in connection with an Indemnified Liability.

Other Covenants

Primero Meeting

Subject to the terms of the Arrangement:

(a) Primero agreed to convene and conduct the Primero Meeting in accordance with Primero's articles, by-laws and applicable Law as soon as reasonably practicable. Brigus and Primero agreed to use their commercially reasonably efforts to schedule the Meeting and the Primero Meeting to occur on the same day.

(b) Primero shall not, except as required for quorum purposes, as required by Law, or otherwise as permitted under the Arrangement Agreement, adjourn, postpone or cancel (or propose or permit the adjournment, postponement or cancellation of) the Primero Meeting without Brigus' prior written consent.

(c) Primero will advise Brigus as Brigus may reasonably request, and at least on a daily basis on each of the last ten (10) Business Days prior to the date of the Primero Meeting, as to the aggregate tally of the proxies received by Primero in respect of the Primero Resolution.

(d) Primero shall provide notice to Brigus of the Primero Meeting and use its commercially reasonable efforts to allow representatives of Brigus to attend the Primero Meeting.

Covenants relating to the Reorganization

Brigus agrees to prior to the closing of the Arrangement take certain steps and effect the Reorganization contemplated by the Master Reorganization Agreement.

Primero Circular

With reference to the circular to be prepared for purposes of the Primero Meeting, Primero has agreed, among other covenants, that:

(a) as soon as practicable it will prepare the circular for the Primero Meeting;

(b) it will ensure that it has received a fairness opinion from Scotia Capital Inc.; and

(c) it shall solicit proxies in favour of the Primero Resolution, recommend to holders of Primero Shares that they vote in favour of the Primero Resolution, not make a change in recommendation and include in the circular a statement that each director and executive officer of Primero intends to vote all of such Person's Primero Shares in favour of the Primero Resolution.

Brigus Mining Properties

Until the second (2^{nd}) anniversary of the Effective Date, none of Fortune or its subsidiaries will, without Primero's prior written consent, stake, lease or otherwise purchase or acquire or become entitled to acquire, directly or indirectly, alone or in concert with any other person, any interest whatsoever in any real property, land rights, surface rights, water rights or any mineral concessions, leases, claims or other form of mineral rights whatsoever, any part of which lies within the boundary of, or within five (5) kilometres of the perimeter of, any of the Brigus Mining Properties, and if Fortune or any of its subsidiaries acquires any such interest, directly or indirectly, alone or in concert with any other person, in contravention of the foregoing, such Fortune party will notify Primero immediately and Fortune (or its subsidiary if applicable) will hold such interest in trust for Primero and promptly convey such interest to Primero at no cost.

Fortune covenants and agrees that it shall, and shall cause its subsidiaries to, treat all exploration information, data, reports and studies including all geological, geophysical and geochemical information and data (including all drill, sample and assay results and all maps) and all technical reports, feasibility studies and other similar reports and studies concerning the Brigus Mining Properties in the same way Fortune treats its own confidential information and shall use all commercially reasonable efforts to keep all such information confidential and shall not make or keep copies of such information or disclose any such information to anyone other than Primero or Primero's representatives without Primero's prior written consent unless in the opinion of outside legal counsel it is required to do so by Law.

Non-Solicitation of Employees

For a period of two years following the Effective Date:

(a) Fortune agrees that it will not, and will cause its subsidiaries and respective representatives to not, solicit, hire or engage the services of any retained employees, or persuade or attempt to persuade any retained employees to terminate his or her employment with Primero or its subsidiaries, provided that the foregoing restrictions shall not apply to general solicitations of employment not specifically directed at the

employees of Primero or its subsidiaries nor to hiring employees of Primero or its subsidiaries as a result of such general solicitation; and

(b) Primero agrees that it will not, and will cause its subsidiaries and its and its subsidiaries' respective representatives to not, solicit, hire or engage the services of any Fortune employee, or persuade or attempt to persuade any Fortune employee to terminate his or her employment with Fortune or its subsidiaries, provided that the foregoing restrictions shall not apply to general solicitations of employment not specifically directed at the employees of Fortune or its subsidiaries nor to hiring employees of Fortune or its subsidiaries as a result of such general solicitation.

Termination

The Arrangement Agreement may be terminated prior to the Effective Time in certain circumstances, many of which lead to payment of the Termination Payment, including:

(a) by mutual written agreement of Brigus and Primero;

(b) by either Brigus or Primero, if:

i) the Effective Time shall not have occurred on or before the Outside Date, except that the right to terminate the Arrangement Agreement shall not be available to any Party whose failure to fulfill any of its obligations or breach of any of its representations warranties under the Arrangement Agreement has been the cause of, or resulted in, the failure of the Effective Time to occur by the Outside Date;

ii) there shall be enacted or made any applicable Law that makes consummation of the Arrangement illegal or otherwise prohibited or enjoins Brigus or Primero from consummating the Arrangement and such applicable Law or enjoinment shall have become final and non-appealable;

iii) Brigus Shareholder Approval shall not have been obtained at the Meeting in accordance with the Interim Order; or

iv) Primero Shareholder Approval shall not have been obtained at the Primero Meeting.

(c) by Primero, if:

i) prior to the Effective Time: (1) the Brigus Board fails to recommend in a manner adverse to Primero or fails to publicly reaffirm its recommendation of the Arrangement; (2) the Brigus Board or a committee thereof shall have approved or recommended any Acquisition Proposal; or (3) Brigus shall have breached its non-solicitation covenant in any material respect;

ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Brigus shall have occurred that would cause Brigus' covenants and representations and warranties not to be satisfied, and cannot be satisfied by the Outside Date, as reasonably determined by Primero, provided,

however, that Primero is not then in breach of the Arrangement Agreement so as to cause any of its covenants or representations or warranties to be satisfied; or

iii) it wishes to enter into a binding written agreement with respect to a Superior Proposal (other than a confidentiality and standstill agreement).

(d) by Brigus, if

i) prior to the Effective Time, the Primero Board fails to recommend the Primero Resolution; (2) the Primero Board or a committee thereof shall have approved or recommended any Acquisition Proposal; or (3) Primero shall have breached the non-solicitation provision in any material respect;

ii) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of Primero set forth in the Arrangement Agreement that would cause its covenants and representation and warranties not to be satisfied, and such conditions are incapable of being satisfied by the Outside Date provided, however, that Brigus is not then in breach of the Arrangement Agreement so as to cause any of its covenants or representations or warranties to be satisfied; or

iii) it wishes to enter into a binding written agreement with respect to a Superior Proposal (other than a confidentiality and standstill agreement).

Termination Payment

For the purposes of the Arrangement Agreement, "Brigus Termination Fee Event" means the termination of the Arrangement Agreement:

(a) by Primero pursuant to paragraph (c)(i) (in the preceding section)(but not including a termination by Primero pursuant to Subsection (c)(i) (in the preceding section) in circumstances where Brigus' change in recommendation resulted from the occurrence of a Primero Material Adverse Effect) prior to the Meeting;

(b) by Brigus pursuant to (d)(iii) (in the preceding section); or

(c) by either Party pursuant to paragraph (b)(i) (in the preceding section) or paragraph (b)(iii) (in the preceding section), but only if, in these termination events: (x) prior to such termination, an Acquisition Proposal for Brigus shall have been made or publicly announced and not withdrawn by any Person other than Primero; and (y) within twelve months following the date of such termination, Brigus or one or more of its subsidiaries: (A) enters into a definitive agreement in respect of one or more Acquisition Proposals; or (B) Brigus shall have consummated one or more Acquisition Proposals.

For the purposes of the foregoing, the term "Acquisition Proposal" shall have the meaning specified in the glossary, except that references to "20% or more" in the definition of "Acquisition Proposal" in the glossary shall be deemed to be references to "50% or more".

For the purposes of the Arrangement Agreement, "Primero Termination Fee Event" means the termination of the Arrangement Agreement:

(a) by Brigus pursuant to paragraph (d)(i) (in the preceding section) (but not including a termination by Brigus pursuant to paragraph (d)(i) (in the preceding section) in circumstances where the Primero Change in Recommendation resulted from the occurrence of a Brigus Material Adverse Effect) prior to the Primero Meeting;

(b) by Primero pursuant to paragraph (c)(iii) (in the preceding section); or

(c) by either Party pursuant to paragraph (b)(i) (in the preceding section) or paragraph (b)(iv) (in the preceding section), but only if, in these termination events: (x) prior to such termination, an Acquisition Proposal for Primero shall have been made or publicly announced and not withdrawn by any Person other than Brigus; and (y) within twelve months following the date of such termination, Primero or one or more of its subsidiaries: (A) enters into a definitive agreement in respect of one or more Acquisition Proposals; or (B) there shall have been consummated one or more Acquisition Proposals for Primero.

For the purposes of the foregoing, the term "Acquisition Proposal" shall have the meaning specified in the glossary, except that references to "20% or more" in the definition of "Acquisition Proposal" in the glossary shall be deemed to be references to "50% or more".

If a Primero Termination Fee Event occurs, Primero shall pay the Termination Payment to Brigus in accordance with the Arrangement Agreement. If a Brigus Termination Fee Event occurs, Brigus shall pay the Termination Payment to Primero in accordance with the Arrangement Agreement.

Risks Associated with the Arrangement

In evaluating the Arrangement, Brigus Shareholders should carefully consider the following risk factors relating to the Arrangement. The following risk factors are not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently unknown or considered immaterial by Brigus, may also adversely affect trading price of the Brigus Shares, the Primero Shares, the Fortune Shares and/or the businesses of Brigus, Fortune and Primero following the Arrangement. In addition to the risk factors relating to the Arrangement set out below, Brigus Securityholders should also carefully consider the risk factors associated with the businesses of Primero and Fortune included in this Circular and in the documents incorporated by reference herein. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated. The risks associated with the Arrangement include:

The Arrangement Agreement may be terminated in certain circumstances, including in the event of a change having a Brigus Material Adverse Effect.

Each of Brigus and Primero has the right to terminate the Arrangement Agreement and Arrangement in certain circumstances. Accordingly, there is no certainty, nor can Brigus provide any assurance, that the Arrangement Agreement will not be terminated by either Brigus or Primero before the completion of the Arrangement. For example, Primero has the right, in certain circumstances, to terminate the Arrangement Agreement if changes occur that, in the aggregate, have a Brigus Material Adverse Effect. Although a Brigus Material Adverse Effect excludes certain events that are beyond the control of Brigus (such as general changes in the global economy or changes that affect the mining industry generally and which do not have a materially disproportionate effect on Brigus, such as the price of gold), there is no assurance

that a change having a Brigus Material Adverse Effect will not occur before the Effective Date, in which case Primero could elect to terminate the Arrangement Agreement and the Arrangement would not proceed.

There can be no certainty that all conditions precedent to the Arrangement will be satisfied.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Brigus, including receipt of the Final Order. There can be no certainty, nor can Brigus provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If the Arrangement is not completed, the market price of the Brigus Shares may decline to the extent that the current market price reflects a market assumption that the Arrangement will be completed. If the Arrangement is not completed and the Brigus Board decides to seek another merger or arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the total consideration to be paid pursuant to the Arrangement.

Brigus will incur costs even if the Arrangement is not completed and may have to pay the Termination Payment.

Certain costs related to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by Brigus and Primero even if the Arrangement is not completed. Brigus and Primero are each liable for their own costs incurred in connection with the Arrangement. If the Arrangement is not completed, Brigus may be required to pay Primero the Termination Payment. See "The Meeting – The Arrangement – The Arrangement Agreement – Termination – Termination Payments".

Brigus Shareholders will receive a fixed number of Primero Shares.

Brigus Shareholders will receive a fixed number of Primero Shares under the Arrangement, rather than Primero Shares with a fixed market value. Because the number of Primero Shares to be received in respect of each Brigus Share under the Arrangement will not be adjusted to reflect any change in the market value of the Primero Shares or the Brigus Shares, the market value of Primero Shares received under the Arrangement may vary significantly from the market value at the dates referenced in this Circular. If the market price of the Primero Shares relative to the market price of Brigus Shares increases or decreases, the value of the consideration that Brigus Shareholders receive pursuant to the Arrangement will correspondingly increase or decrease. There can be no assurance that the market price of the Primero Shares relative to the market price of the Brigus Shares on the Effective Date will not be lower than the relative market prices of such shares on the date of the Meeting. In addition, the number of Primero Shares being issued in connection with the Arrangement will not change despite decreases or increases in the market price of Brigus Shares. Many of the factors that affect the market price of the Primero Shares and the Brigus Shares are beyond the control of Primero and Brigus, respectively. These factors include fluctuations in commodity prices, fluctuations in currency exchange rates, changes in the regulatory environment, adverse political developments, prevailing conditions in the capital markets and interest rate fluctuations.

The market price for the Brigus Shares may decline.

If the Arrangement is not approved by the Brigus Shareholders, the market price of the Brigus Shares may decline to the extent that the current market price of the Brigus Shares reflects a market assumption that the Arrangement will be completed. If the Arrangement Resolution is not approved and the Brigus Board decides to seek another merger or Arrangement, there can be no assurance that it will be able to find a party willing to pay an equivalent or more attractive price than the total consideration to be paid pursuant to the Arrangement.

There is a risk that the Fortune Shares may not be listed

It is intended that an application to list the Fortune Shares will be made, however, there is no assurance when, or if, the Fortune Shares will be listed on any Canadian stock exchange.

Fortune Shares may not be qualified investments under the Tax Act for a Registered Plan.

If the Fortune Shares are not listed on a designated stock exchange in Canada before the due date for Fortune's first income tax return or if Fortune does not otherwise satisfy the conditions in the Tax Act to be a "public corporation", the Fortune Shares will not be considered to be a qualified investment for a Registered Plan from their date of issue. Where a Registered Plan acquires a Fortune Share in circumstances where the Fortune Share is not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant under the Registered Plan, including that the Registered Plan may become subject to penalty taxes, the annuitant of such Registered Plan may be deemed to have received income therefrom or be subject to a penalty tax or, in the case of a registered education savings plan, such plan may have its tax exempt status revoked. See "Certain Canadian Federal Income Tax Considerations – Residents of Canada - Eligibility for Investment".

There is a risk that the Arrangement will be a taxable transaction for U.S. federal income tax purposes.

Although Brigus anticipates that the Arrangement will qualify as a partially tax-deferred reorganization under Section 368(a) of the Code, there is a risk that the Arrangement could fail to so qualify and be a fully taxable transaction. Even if the Arrangement does qualify as a tax-deferred reorganization, a U.S. Holder would be subject to U.S. tax in connection with its receipt of cash and Fortune Shares. In addition, if it is determined that Brigus is a PFIC (or was a PFIC for any year during a U.S. Holder's holding period in Brigus Shares), the transactions contemplated herein may result in the application of certain adverse tax rules in respect of the Arrangement to a U.S. Holder if the U.S. Holder does not have in effect a qualified electing fund election or a mark-to-market election with respect to its Brigus 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 the discussion under "Certain United States Federal Income Tax Considerations".

We expect that Fortune will be a PFIC for the current taxable year and may be a PFIC in subsequent years, which could have adverse U.S. federal income tax consequences for U.S. shareholders.

Based on current business plans and financial expectations, we expect that Fortune will be a PFIC for the current taxable year and may be a PFIC in subsequent years. If Fortune is a PFIC for any year during a U.S. Holder's (as defined in "Certain United States Federal Income Tax Considerations" herein) holding period, then such U.S. Holder generally will be subject to a special, highly adverse tax regime with respect to so-called “excess distributions” received on Fortune Shares. Gain realized upon a disposition of Fortune Shares (including upon certain dispositions that would otherwise be tax-free) also will be treated as excess distributions. 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 the discussion under "Certain United States Federal Income Tax Considerations".

A U.S. Holder of PFIC shares may make a “qualified electing fund” election (“**QEF election**”) or a “mark-to-market” election with respect to such shares to mitigate the adverse tax rules that apply to PFICs. These elections may accelerate the recognition of taxable income and may result in the recognition of ordinary income. A U.S. Holder who makes a QEF election generally must report on a current basis its pro rata share of net capital gain and ordinary earnings for any year in which Fortune is a PFIC, whether or not Fortune distributes any amounts to its shareholders. A U.S. shareholder may make a QEF election only if the U.S. Holder receives certain information (known as a “**PFIC annual information statement**”) from Fortune annually. There can be no assurance that Fortune, if it were classified as a PFIC, will supply the information and statements necessary for the U.S. Holder to make and maintain a valid QEF election. A U.S. Holder who makes the mark-to-market election generally must include as ordinary income each year the excess of the fair market value of Fortune Shares over the U.S. shareholder’s basis therein.

Foreign investment risk.

Primero is subject to different foreign investment risks than those to which Brigus is subject. Mining investments are subject to the risks normally associated with the conduct of business in foreign countries, including various levels of political and economic risk. The existence or occurrence of one or more of the following circumstances or events could have a material adverse impact on Primero's profitability or the viability of Primero's affected foreign operations, which could have a Material Adverse Effect on Primero's future cash flows earnings, results of operations and financial condition. These risks related to doing business in foreign jurisdictions include but are not limited to: uncertain or unpredictable political, legal or economic environments; delays in obtaining or the inability to obtain necessary governmental permits; labour disputes; invalidation of governmental orders; war, acts of terrorism and civil disturbances; changes in laws or policies of particular countries, taxation, government seizure of land or mining claims, limitations on ownership of property or mining rights; restrictions on the convertibility of currencies; limitations on the repatriation of earnings; and increased financing costs.

Dissent Rights

The following description of Dissent Rights is not a comprehensive statement of the procedures to be followed by a Dissenting Brigus Shareholder who seeks payment of the fair value of its Brigus Shares from Primero and is qualified in its entirety by the reference to the full text of the Interim Order which is attached at Appendix "D" to this Circular. A Dissenting Brigus Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of the Interim Order. Failure to strictly comply with the provisions of the Interim

Order and to adhere to the procedures established therein may result in the loss of all rights thereunder.

Registered Brigus Shareholders may exercise rights of dissent (the "**Dissent Rights**") in connection with the Arrangement pursuant to the Interim Order, the Final Order and in the manner provided in section 190 of the CBCA, as modified by the Plan of Arrangement.

A Registered Brigus Shareholder who intends to exercise the Dissent Rights must deliver a Dissent Notice to Brigus Gold Corp., 1969 Upper Water Street, Suite 2001, Purdy's Wharf Tower II, Halifax, Nova Scotia B3J 3R7, to be received not later than 4:00 p.m. (Halifax Time) on February 26, 2014, or one Business Day prior to any adjournment of the Meeting and must not vote any Dissent Shares in favour of the Arrangement. A Non-Registered Brigus Shareholder who wishes to exercise the Dissent Rights must arrange for the Registered Brigus Shareholder(s) holding its Brigus Shares to deliver the Dissent Notice. The Dissent Notice must set out the number of Dissent Shares the Dissenting Brigus Shareholder holds. A vote against the Arrangement Resolution does not constitute a Dissent Notice and a Registered Brigus Shareholder is not entitled to exercise Dissent Rights with respect to Brigus Shares if such holder votes (or instructs, or is deemed, by submission of any incomplete proxy, to have instructed his, her or its proxyholder, to vote) or in the case of a beneficial holder caused, or is deemed to have caused, the Registered Brigus Shareholder to vote, in favour of the Arrangement Resolution at the Meeting.

If the Arrangement Resolution is passed at the Meeting, Brigus must send by registered mail to every Dissenting Brigus Shareholder, a notice (the "**Notice of Intention**"). A Notice of Intention is not required to be sent to any Dissenting Brigus Shareholder who voted in favour of the Arrangement Resolution or who has withdrawn their Dissent Notice. A Dissenting Brigus Shareholder then has 20 days after receipt of the Notice of Intention or, if the Dissenting Brigus Shareholder does not receive a Notice of intention, within 20 days after learning that the Arrangement Resolution has been adopted, to send to Brigus a written notice (a **"Demand Notice**") containing the Dissenting Brigus Shareholder's name and address, and the number of Dissent Shares the Dissenting Shareholder holds and in respect of which it dissents and a demand for the payment of the fair value of such Dissenting Shares. A Dissenting Brigus Shareholder must within 30 days after sending the Demand Notice, send the certificates representing the Dissenting Brigus Shares to Brigus or its transfer agent or else the Dissenting Brigus Shareholder will lose its right to make a claim for the fair value of such Dissenting Brigus Shares. If a Dissent Right is being exercised by someone other than the beneficial owner of such Dissenting Brigus Shares, this Demand Notice must be signed by such beneficial owner.

A Dissenting Brigus Shareholder delivering such a written statement may not withdraw its dissent and, at the Effective Time, will be deemed to have transferred to Primero all of its Dissent Shares (free of any lien, claims or encumbrances). Primero will pay to each Dissenting Brigus Shareholder for the Dissent Shares the amount agreed on by Primero and the Dissenting Brigus Shareholder. Either Primero or a Dissenting Brigus Shareholder may apply to Court if no agreement on the amount to be paid for the Dissent Shares has been reached, and the Court may:

(a) determine the fair value that the Dissent Shares had immediately before the passing of the Arrangement Resolution, excluding any appreciation or depreciation in anticipation of the Arrangement unless such exclusion would be inequitable, or order that such fair

value be established by arbitration or by reference to the Director or a referee of the Court;

(b) join in the application each other Dissenting Brigus Shareholder who has not reached an agreement with Primero as to the amount to be paid for the Dissent Shares;

(c) or make consequential orders and give directions it considers appropriate.

Dissenting Brigus Shareholders who are ultimately entitled to be paid fair value for their Dissent Shares will be entitled to be paid such fair value and will not be entitled to any other payment or consideration, including any payment or consideration that would be payable under the Plan of Arrangement had they not exercised their Dissent Rights.

If a Dissenting Brigus Shareholder fails to strictly comply with the requirements of the Dissent Rights set out in Section 190 of the CBCA, as modified by the Interim Order, the Final Order and the Plan of Arrangement, it will lose its Dissent Rights, Brigus will return to the Dissenting Brigus Shareholder the certificate(s) representing the Dissent Shares that were delivered to Brigus, if any, and, if the Arrangement is completed, that Dissenting Brigus Shareholder shall be deemed to have participated in the Arrangement on the same terms as all other Brigus Shareholders who are not Dissenting Brigus Shareholders. Neither Brigus nor Fortune nor any other person shall be required to recognize a Dissenting Brigus Shareholder as a registered or beneficial owner of Brigus Shares at or after the Effective Time, and at the Effective Time the names of such Dissenting Brigus Shareholders shall be deleted from the register of holders of Brigus Shares maintained by or on behalf of Brigus.

Registered Brigus Shareholders wishing to exercise the Dissent Rights should consult their legal advisers with respect to the legal rights available to them in relation to the Arrangement and the Dissent Rights. Registered Brigus Shareholders should note that the exercise of Dissent Rights can be a complex, time-consuming and expensive procedure.

The Interim Order outlines certain events when Dissent Rights will cease to apply where such events occur before payment is made to the Dissenting Brigus Shareholders of their face value of the Brigus Shares surrendered (including if the Arrangement Resolution does not pass or is otherwise not proceeded with). In such event, the Dissenting Brigus Shareholders will be entitled to the return of the applicable share certificate(s), if any, and rights as a shareholder of Brigus in respect of the applicable Brigus Shares will be regained.

If, as of the Effective Date, the aggregate number of Brigus Shares in respect of which Brigus Shareholders have duly and validly exercised Dissent Rights exceeds 5% of the Brigus Shares then outstanding, each of Brigus and Primero is entitled, in its discretion, not to complete the Arrangement. See "The Meeting – The Arrangement – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective."

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Fogler, Rubinoff LLP, counsel to Brigus, the following is a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to a Brigus Shareholder who, for purposes of the Tax Act, holds Brigus Shares and will hold Primero Shares, and Fortune Shares acquired pursuant to the Arrangement, as capital property,

deals at arm's length with each of Brigus, Primero and Fortune and is not affiliated with Brigus, Primero or Fortune and who disposes of Brigus Shares pursuant to the Arrangement.

Brigus Shares generally will be considered capital property to a Brigus Shareholder for purposes of the Tax Act unless the Brigus Shareholder holds such Brigus Shares in the course of carrying on a business of buying and selling securities or the Brigus Shareholder has acquired or holds them in a transaction or transactions considered to be an adventure or concern in the nature of trade. In circumstances where Brigus Shares may not otherwise constitute capital property to a particular holder who is resident in Canada for purposes of the Tax Act, such holder may be entitled to elect that Brigus Shares be deemed to be capital property by making an irrevocable election under subsection 39(4) of the Tax Act to deem every "Canadian security" (as defined in the Tax Act) owned by such holder in the taxation year of the election and in each subsequent taxation year to be capital property. Brigus Shareholders contemplating such an election should first consult their own tax advisors. Where a Shareholder makes an election with Primero under Section 85 of the Tax Act as described below the Primero Shares received will not be "Canadian securities" to such holder and will not be deemed to be capital property under subsection 39(4) of the Tax Act.

This summary is based on the current provisions of the Tax Act, the regulations thereunder (the "**Tax Regulations**") in force on the date hereof, and counsel's understanding of the current published administrative policies and assessing practices of the CRA. The summary takes into account all specific proposals to amend the Tax Act and the Tax Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**"), and assumes that all Tax Proposals will be enacted in the form proposed. However, there is no certainty that the Tax Proposals will be enacted in the form currently proposed, if at all. The summary does not otherwise take into account or anticipate any changes in law, whether by judicial, governmental or legislative decision or action, or other changes in administrative policies or assessing practices of the CRA, nor does it take into account provincial, territorial or foreign income tax legislation or considerations, which may materially differ from Canadian federal income tax legislation or considerations.

This summary does not apply to Brigus Shareholders which are "financial institutions" for the purposes of the market-to-market rules in the Tax Act, "specified financial institutions" or an interest in which would be a "tax shelter" or a "tax shelter investment" each as defined in the Tax Act. This summary also does not apply to a Brigus Shareholder that has made a functional currency reporting election pursuant to the Tax Act. In addition, this summary does not address the tax considerations relevant to Brigus Shareholders who acquired their shares on the exercise of an employee stock option. Such Brigus Shareholders should consult their own tax advisors.

This summary also does not apply to a holder of Brigus Warrants, a Brigus DSU or a Brigus Option.

Further, this summary is not applicable to a person that (i) is a corporation resident in Canada and (ii) is, or becomes as part of a transaction or event or series of transactions or events that includes the acquisition of Brigus Shares, Primero Shares or Fortune Shares, controlled by a non-resident corporation for the purposes of the foreign affiliate dumping rules in section 212.3 of the Tax Act. Any such shareholder should consult its own tax advisor. This summary also does not apply to a Brigus Shareholder who has entered into or will enter into a "derivative

forward agreement" (as defined in the Tax Act) with respect to the Fortune Shares or the Primero Shares.

This summary is of a general nature only and is not exhaustive of all possible Canadian federal income tax considerations and is not intended to be, nor should it be construed to be, legal, business or tax advice or representations to any particular Brigus Shareholder. Accordingly, Brigus Shareholders should consult their own tax advisors with respect to their particular circumstances, including the application and effect of the income and other tax laws of any country, province, state or local tax authority.

For purposes of the Tax Act, all amounts relating to the acquisition, holding or disposition of Brigus Shares, Primero Shares or Fortune Shares, including interest, dividends, adjusted cost base, paid-up capital and proceeds of disposition must be converted into Canadian dollars based on the relevant exchange rate applicable on the effective date (as determined in accordance with the Tax Act) of the related acquisition, disposition or recognition of income.

Stated Capital Reduction

Insofar as no amount will be paid to Brigus Shareholders in connection with the reduction by Brigus of the stated capital account for the Brigus Shares, such reduction will have no immediate tax consequences to Brigus Shareholders. The reduction in stated capital will not result in a deemed dividend or in a reduction of the Brigus Shareholders' adjusted cost base of their Brigus Shares.

The reduction of the stated capital account will result in a reduction of the paid-up capital of the Brigus Shares for the purposes of the Tax Act. In certain circumstances under the Tax Act, amounts distributed to a Brigus Shareholder in excess of the Brigus Shareholder's paid-up capital of the Brigus Shares will be deemed to be a dividend paid by Brigus and received by the Brigus Shareholder. Accordingly, the reduction of stated capital could have an effect on Brigus Shareholders if the Arrangement does not occur and certain transactions or events were to subsequently occur, such as a distribution to Brigus Shareholders in the course of a winding-up of the Brigus or on a purchase of Brigus Shares by Brigus pursuant to a substantial issuer bid (i.e. a self-tender offer by Brigus to its own Brigus Shareholders, but not a normal course issuer bid), or certain distributions to Brigus Shareholders on subsequent reductions of capital. In such event, the proposed reduction of the stated capital account could have the result of increasing the amount of the distribution that is deemed to be a dividend for the purposes of the Tax Act. Particularly, in the case of the sale of Brigus Shares pursuant to a substantial issuer bid, such increase in the deemed dividend component of the amount received by a Brigus Shareholder could, in certain circumstances, result in the receipt of a taxable dividend and realization of a capital loss (which can generally only be applied against capital gains). Brigus Shareholders may wish to consult with their own tax advisors with respect to the proposed stated capital account reduction. This summary is not intended to be, nor should it be construed as, legal or tax advice to Brigus Shareholders.

Residents of Canada

This part of the summary is applicable only to Brigus Shareholders, who, for the purposes of the Tax Act and at all relevant times, are resident, or deemed to be resident, in Canada (a "**Resident Brigus Shareholders**").

Exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares

The cost to a Non-Resident Brigus Shareholder of Fortune Shares acquired on the exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares will be equal to the fair market value of the Fortune Shares at the time of the exchange. The cost to a Non-Resident Brigus Shareholder of Brigus Class A Shares acquired on the exchange will be equal to the amount, if any, by which the ACB of the Non-Resident Brigus Shareholder's Brigus Shares immediately before the exchange exceeds the fair market value of the Fortune Shares received on the exchange. If the aggregate fair market value of the Fortune Shares received by a Non-Resident Brigus Shareholder on the exchange exceeds the paid-up capital as determined for purposes of the Tax Act of the Brigus Shares exchanged then the excess will generally be deemed to be a dividend received by the Non-Resident Brigus Shareholder from Brigus. However, the fair market value at the time of the exchange of all Fortune Shares received by Brigus Shareholders is expected to be lower than the amount that will be the aggregate paid-up-capital of all exchanged Brigus Shares immediately before such exchange. Accordingly, Brigus is not expected to be deemed to have paid a dividend as a result of the exchange.

On the exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares, a capital gain (or capital loss) may be realized by a Resident Brigus Shareholder equal to the amount by which (a) the aggregate of the cost of the Fortune Shares and of the Brigus Class A Shares received, determined as described above, less the amount of any dividend deemed to be received on the exchange, exceeds (or is less than) (b) the aggregate of the ACB of the Brigus Shares exchanged and any reasonable costs of disposition. See "Taxation of Capital Gains and Losses" below.

Exchange of Brigus Class A Shares for Primero Shares and Cash – No Section 85 Election

As part of the Arrangement, each Brigus Class A Share will be exchanged for 0.175 of a Primero Share and $0.000001 of cash.

A Resident Brigus Shareholder whose Brigus Class A Shares are exchanged for Primero Shares and cash pursuant to the Arrangement, and who does not make a valid Tax Election (as defined below) jointly with Primero with respect to the exchange, will be considered to have disposed of those Brigus Class A Shares for proceeds of disposition equal to the aggregate fair market value, as at the time of the exchange, of the Primero Shares and cash so acquired by the Resident Brigus Shareholder. As a result, the Resident Brigus Shareholder 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 Brigus Shareholder's Brigus Class A Shares immediately before the exchange. See "Taxation of Capital Gains and Losses" below for a general discussion of the treatment of capital gains and capital losses under the Tax Act.

The cost to the Resident Brigus Shareholder of the Primero Shares acquired on the exchange will equal the fair market value of such Primero Shares as at the time of the exchange. If the Resident Brigus Shareholder separately owns other Primero Shares as capital property at that time, the adjusted cost base of all Primero Shares owned by the Resident Brigus Shareholder as capital property immediately after the exchange will be determined by averaging the cost of the Primero Shares acquired on the exchange with the adjusted cost base of those other Primero Shares.

Exchange of Brigus Class A Shares for Primero Shares and Cash – Section 85 Election

The following applies to a Resident Brigus Shareholder who is an "Eligible Shareholder". An Eligible Shareholder is a beneficial owner of Brigus Class A Shares who is (a) resident in Canada for the purposes of the Tax Act and is not exempt from tax under Part I of the Tax Act, or (b) a partnership, if all the members of the partnership are described in (a). An Eligible Shareholder who elects pursuant to section 85 of the Tax Act may obtain a full or partial tax deferral in respect of the disposition of Brigus Class A Shares as a consequence of a filing with the CRA (and, where applicable, with a provincial tax authority) of an election (the "**Tax Election**") under subsection 85(1) of the Tax Act or, in the case of a partnership, under subsection 85(2) of the Tax Act provided all members of the partnership jointly elect, (and the corresponding provisions of any applicable provincial tax legislation) made jointly by the Eligible Shareholder and Primero. The amount specified in the Tax Election as the proceeds of disposition of the Eligible Shareholder's Brigus Class A Shares must be an amount (the "**Elected Amount**") which is not less than the greater of:

i) the lesser of the adjusted cost base to the Eligible Shareholder of such Brigus Class A Shares and the fair market value of such Brigus Class A Shares at the time of disposition; or

ii) the fair market value of any cash received as a result of such disposition.

The Elected Amount may not be greater than the fair market value of such Brigus Class A 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.

Where a valid Tax Election is filed:

(i) Brigus Class A Shares that are the subject of the Tax Election will be deemed to be disposed of for proceeds of disposition equal to the Elected Amount. Subject to the limitations set out in subsection 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 Brigus Class A Shares immediately before the disposition and any reasonable costs of disposition, no capital gain or capital loss will be realized by the Eligible Shareholder. Subject to such limitations, to the extent that the Elected Amount in respect of such Brigus Class A 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 Losses" below.

(ii) The aggregate cost to the Eligible Shareholder of the Primero Shares received will be equal to the amount, if any, by which the Elected Amount exceeds the aggregate fair market value of cash received from Primero as a result of the disposition. The adjusted cost base of such Primero Shares received will be determined by averaging the adjusted cost base of such Primero Shares with the adjusted cost base of any other Primero Shares held by the Eligible Shareholder at that time as capital property.

Primero has agreed to make a Tax Election pursuant to subsection 85(1) or 85(2) of the Tax Act (and any similar provision of any provincial tax legislation) with an Eligible Shareholder at the amount determined by such Eligible Shareholder, subject to the limitations set out in subsection 85(1) and 85(2) of the Tax Act (or any applicable provincial tax legislation).

Primero will make available for use by Eligible Shareholders a web-based system to allow Eligible Shareholders to complete the applicable Tax Election form prescribed by the Tax Act (i.e. form T2057 or, for Eligible Shareholders that are partnerships, T2058) and any applicable provincial or territorial forms. The link to that system will be made available at www.primeromining.com.

In order to make an election, an Eligible Shareholder must provide the necessary information in accordance with the procedures set out in the instructions on the web-based system and deliver to Primero two signed copies of the applicable tax election forms on or before 90 days after the Effective Date. The information will include the number of Brigus Class A Shares transferred, the consideration received and the applicable Elected Amount for the purposes of such election. Subject to the information complying with the provisions of the Tax Act (and any applicable provincial income tax law), a copy of the election form containing the information provided will be signed by Primero and returned to the Eligible Shareholder for filing with the CRA (or the applicable provincial tax authority). **Each Eligible Shareholder is solely responsible for ensuring the Tax Election is completed correctly and filed with the CRA (and any applicable provincial income tax authorities) by the required deadline.**

Primero will make a Tax Election only with an Eligible Shareholder, and at the amount selected by the Eligible Shareholder subject to the limitations set out in the Tax Act (and any applicable provincial tax legislation). Neither Primero nor Brigus will be responsible for the proper completion or filing of any election form and the Eligible Shareholder will be solely responsible for the payment of any late filing penalty. Primero agrees only to execute any election form containing information provided by the Eligible Shareholder which complies with the provisions of the Tax Act (and any applicable provincial tax law) and to return such election form to the Eligible Shareholder for filing with the CRA (and any applicable provincial tax authority). At its sole discretion, Primero may accept and execute an election form that is not received within the 90 day period; however, no assurances can be given that Primero will do so. Accordingly, all Eligible Shareholders who wish to make a joint election with Primero should give their immediate attention to this matter. **With the exception of execution of the election form by Primero, compliance with the requirements for a valid Tax Election will be the sole responsibility of the Eligible Shareholder making the election.** Accordingly, neither Primero, Brigus nor the Depositary will be responsible or liable for taxes, interest, penalties, damages or expenses resulting from the failure by anyone to provide information necessary for the Tax Election in accordance with the procedures set out in the the web-based system, to properly complete any Tax Election 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).

In order for the CRA (and where applicable the provincial tax authorities) to accept a Tax Election without a late filing penalty being paid by an Eligible Shareholder, the election form must be received by such tax authorities on or before the day that is the earliest of the days on or before which either Primero or the Eligible Shareholder is required to file an income tax return for the taxation year in which the disposition occurs. Primero's 2014 taxation year is scheduled to end on December 31, 2014, although Primero's taxation year could end earlier as a result of

an event such as an amalgamation, and its tax return is required to be filed within six months from the end of the taxation year. Eligible Shareholders are urged to consult their own advisors as soon as possible respecting the deadlines applicable to their own particular circumstances. **However, regardless of such deadlines, information necessary for an Eligible Shareholder to make a Tax Election including two signed copies of the applicable election forms must be received by Primero in accordance with the procedures set out in the the web-based system no later than 90 days after the Effective Date.**

Any Eligible Shareholder who does not ensure that the properly executed forms have been received in accordance with the procedures set out in the the web-based system on or before 90 days after the Effective Date will not be able to benefit from the tax deferral provisions of the Tax Act (or the corresponding provisions of any applicable provincial tax legislation). Accordingly, all Eligible Shareholders who wish to enter into a Tax Election with Primero should give their immediate attention to this matter. The instructions for accessing the web-based system are set out in the Transmittal Letters. Eligible Shareholders are referred to Information Circular 76-19R3 and Interpretation Bulletin IT-291R3 issued by the CRA for further information respecting the Tax Election. Eligible Shareholders wishing to make the Tax Election should consult their own tax advisors. An Eligible Shareholder who does not make a valid election under section 85 of the Tax Act (or the corresponding provisions of any applicable provisional tax legislation) may realize a taxable capital gain. The comments herein with respect to the Tax Election are provided for general assistance only. The law in this area is complex and contains numerous technical requirements.

Procedure for Making an Election

To make a Tax Election, the Eligible Shareholder must provide two signed copies of the applicable tax election forms to Primero within 90 days following the Effective Date, duly completed and including (i) the required information concerning the Eligible Shareholder, (ii) the details of the number of Brigus Class A Shares transferred in respect of which the Eligible Shareholder is making a Tax Election, and (iii) the applicable Elected Amounts. An Eligible Shareholder interested in making the Tax Election in respect of the Primero Shares it receives in the Arrangement should complete the web-based election form by following the election form link on Primero's website at www.primeromining.com. Primero will make available for use by Eligible Shareholders a web-based system to allow Eligible Shareholders to complete the applicable Tax Election form prescribed by the Tax Act (i.e. form T2057 or, for Eligible Shareholders that are partnerships, T2058) and any applicable provincial or territorial forms. The link to that system will be made available at www.primeromining.com.

Where Primero receives a valid Tax Election form executed by an Eligible Shareholder on or before the 90-day deadline indicated above Primero will, within 90 days of its date of receipt, execute the Tax Election form and return it to the Eligible Shareholder using the web-based process or by mail to the Eligible Shareholder using the address if any that the Eligible Shareholder provided to Primero in the Tax Election form.

Joint Ownership

Where the Brigus Class A Shares are held in joint ownership and two or more of the co-owners wish to make a Tax Election, a co-owner designated for such purpose should file a copy of the federal election form T2057 (and any other relevant provincial or territorial forms) for each co-

owner. Such election forms must be accompanied by a list of the names, addresses and social insurance numbers or tax account numbers of each of the co-owners, along with documentation authorizing the designated co-owner to complete, sign and file the forms on behalf of each co-owner.

Partnerships

Where the Brigus Class A Shares are held by an Eligible Shareholder that is a "Canadian partnership" within the meaning of the Tax Act and the partnership wishes to make a Tax Election, a partner designated by the partnership must file a copy of the federal election form T2058 (and any other relevant provincial or territorial forms) on behalf of all members of the partnership. Such election forms must be accompanied by a list of the names, addresses, social insurance numbers or tax account numbers of each of the partners, along with documentation authorizing the designated partner to complete, sign and file the forms on behalf of each partner.

Additional Provincial or Territorial Election Forms

Certain provinces or territories may require that a separate joint tax election be filed for provincial or territorial income tax purposes. Primero will also make a joint tax election with an Eligible Shareholder under the provisions of any relevant provincial or territorial income tax law having similar effect to section 85 of the Tax Act, subject to the same limitations as described herein. Eligible Shareholders should consult their own tax advisors to determine whether separate election forms must be filed with any provincial or territorial taxing authority and to determine the procedure for filing any such separate election form. It will be the sole responsibility of each Eligible Shareholder who wishes to make such an election to obtain the appropriate provincial or territorial election forms and to duly complete and submit such forms to Primero for its execution at the same time as the federal election forms.

Execution by Primero of Election Form

Subject to the election forms being correct and complete and complying with the provisions of the applicable income tax law and the Arrangement, Primero will sign the tax election forms received from an Eligible Shareholder within 90 days following the Effective Date and return them to the Eligible Shareholder within 90 days of receipt thereof using the web-based system or by mail.

Primero will not be responsible for the proper or accurate completion of the tax election forms or to check or verify the content of any election form and, except for Primero's obligation to return duly completed tax election forms (which are received by it within 90 days after the Effective Date) within 90 days after the receipt thereof, Primero will not be responsible for any taxes, interest or penalties or any other costs or damages resulting from the failure by an Eligible Shareholder to properly and accurately complete or file the necessary election forms in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial legislation). In its sole discretion, Primero may choose to sign and return tax election forms received more than 90 days following the Effective Date, but Primero will have no obligation to do so.

Filing of Election Forms

For the CRA to accept a Tax Election without a late filing penalty being paid by an Eligible Shareholder, the election form, duly completed and executed by both the Eligible Shareholder and Primero must be received by the CRA on or before the earliest due date for the filing of either Primero's or the Eligible Shareholder's income tax return for the taxation year in which the exchange takes place.

In the absence of a transaction subsequent to the Effective Date but prior to December 31 that results in a taxation year end for Primero, the taxation year of Primero is expected to end on December 31. In such circumstances, the Tax Election generally must, in the case of an Eligible Shareholder who is an individual (other than a trust), be received by the CRA by April 30, 2015 (being generally the deadline when such individuals are required to file tax returns for the 2014 taxation year).

Information concerning the filing deadline will be included on the web-based system that will be available on the Primero website at www.primeromining.com.

Eligible Shareholders are strongly advised to consult their own tax advisors as soon as possible respecting the deadlines applicable to their own particular circumstances, including any similar deadlines required under any provincial or territorial tax legislation for provincial or territorial tax elections. However, regardless of such deadlines, properly completed tax election forms must be received by Primero at the address set out in the tax election package available on the web-based system within 90 days following the Effective Date of the Arrangement. Any Eligible Shareholder who does not ensure that Primero has received the properly completed tax election forms within 90 days following the Effective Date of the Arrangement may not be able to benefit from the rollover provisions of the Tax Act and any applicable provincial or territorial tax legislation.

Dividends of Shares

A Resident Brigus Shareholder who is an individual will be required to include in income any dividends received or deemed to be received on the Resident Brigus Shareholder's Brigus Shares, Primero Shares or Fortune Shares, and will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by Brigus, Primero or Fortune, as the case may be, as "eligible dividends", as defined in the Tax Act.

A Resident Brigus Shareholder that is a corporation will be required to include in income any dividend received or deemed to be received on the Resident Brigus Shareholder's Brigus Shares, Primero Shares or Fortune Shares, but generally will be entitled to deduct an equivalent amount in computing its taxable income. In the event a dividend is deemed to be received on the exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares under the Arrangement, Resident Brigus Shareholders that are corporations may wish to consult their tax advisors on the tax consequences of deemed receipt of such a dividend including the potential application of subsection 55(2) of the Tax Act that may result in a portion or all of such deemed dividend being treated as a capital gain, depending on the circumstances.

A "private corporation" or a "subject corporation" (as defined in the Tax Act) may be liable under Part IV of the Tax Act to pay a refundable tax of $33^{1/3}$% on any dividend that it receives or is deemed to receive on Brigus Shares, Primero Shares or Fortune Shares to the extent that the dividend is deductible in computing the corporation's taxable income.

Taxable dividends received by an individual or trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act.

Disposition of Primero Shares and Fortune Shares

A Resident Brigus Shareholder that disposes or is deemed to dispose of a Primero Share or a Fortune Share in a taxation year generally will realize a capital gain (or capital loss) equal to the amount by which the proceeds of disposition of the Primero Share or Fortune Share, as the case may be, exceed (or are less than) the sum of the Resident Brigus Shareholder's ACB of such Primero Share or Fortune Share, determined immediately before the disposition and any reasonable costs of disposition. See "Taxation of Capital Gains and Losses" below.

Taxation of Capital Gains and Losses

Generally, a Resident Brigus Shareholder will be required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "taxable capital gain") realized by it in that year. A Resident Brigus Shareholder will generally be entitled to deduct one-half of the amount of any capital loss (an "allowable capital loss") realized in a taxation year from taxable capital gains realized by the Resident Brigus Shareholder in that year. Allowable capital losses in excess of taxable capital gains for a taxation year may be carried back to any of the three preceding taxation years or carried forward to any subsequent taxation year and deducted against net taxable capital gains realized in such years to the extent and under the circumstances specified in the Tax Act.

Where a Resident Brigus Shareholder is a corporation, the amount of any capital loss arising on a disposition or deemed disposition of any share may be reduced by the amount of dividends received or deemed to have been received by it on such share to the extent and under the circumstances described in the Tax Act. Similar rules may apply where a corporation is a member of a partnership or a beneficiary of a trust that owns shares, or where a trust or partnership of which a corporation is a beneficiary or a member is a member of a partnership or a beneficiary of a trust that owns any shares.

A Resident Brigus Shareholder that is a "Canadian-controlled private corporation" (as defined in the Tax Act) may be required to pay an additional 6 $^{2/3}$% refundable tax on certain investment income, which includes taxable capital gains.

Capital gains realized by an individual or trust, other than certain specified trusts, may give rise to minimum tax under the Tax Act.

Dissenting Shareholders

A Resident Brigus Shareholder who is a Dissenting Shareholder (a "**Dissenting Resident Brigus Shareholder**") who, consequent upon the exercise of Dissent Rights, disposes of Brigus Shares in consideration for a cash payment from Primero 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 ACB of the Dissenting Resident Brigus Shareholder's Brigus Shares. See "Taxation of Capital Gains and Losses" above.

Interest awarded by a court to a Dissenting Resident Brigus Shareholder will be included in the holder's income for purposes of the Tax Act.

Eligibility for Investment

The Primero Shares to be issued pursuant to the Arrangement would, if issued on the date of this Information Circular, be "qualified investments" under the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a deferred profit sharing plan, a registered education savings plan, a registered disability savings plan and a tax-free savings account ("**TFSA**") (collectively, "**Registered Plans**") provided that the Primero Shares are listed on a "designated stock exchange" as defined for purposes of the Tax Act (which includes the TSX on the date of this Information Circular).

Notwithstanding the foregoing, a holder of Primero Shares, will be subject to a penalty tax if the Primero Shares, are held in a RRSP, RRIF, TFSA, as the case may be, and are a "prohibited investment" for such RRSP, RRIF, TFSA under the Tax Act. However, the Primero Shares, will not be a prohibited investment for a RRSP, RRIF or TFSA, as the case may be, held by a particular holder or annuitant provided the holder or annuitant deals at arm's length with Primero for the purposes of the Tax Act, and does not have a "significant interest" (as defined in the Tax Act) in Primero. Primero Shares will generally not be a prohibited investment if the Primero Shares are "excluded property" as defined in the Tax Act. Shareholders should consult their own tax advisors as to whether the Primero Shares will be a prohibited investment in their particular circumstances, including with respect to whether the Primero Shares would be "excluded property".

The Brigus Class A Shares and the Fortune Shares to be issued pursuant to the Arrangement would, if issued on the date of this Information Circular, be "qualified investments" under the Tax Act for Registered Plans, provided such shares are listed on a designated stock exchange or Fortune or Brigus, as the case may be, is a "public corporation" as defined in the Tax Act. If the Fortune Shares are not listed on a designated stock exchange at the time they are issued pursuant to the Arrangement, but such shares become listed on a designated stock exchange in Canada before the due date for Fortune's first income tax return and Fortune makes the appropriate election under the Tax Act in that return, such shares will be considered qualified investments for Registered Plans from the date of issuance.

Notwithstanding the foregoing, a holder of Brigus Class A Shares or Fortune Shares will be subject to a penalty tax if the Brigus Class A Shares or the Fortune Shares, as the case may be, are held in a RRSP, RRIF or TFSA, as the case may be, and are "prohibited investments" for such RRSP, RRIF or TFSA under the Tax Act. However, Brigus Class A Shares or Fortune Shares, as the case may be, will not be prohibited investments for a RRSP, RRIF or TFSA, held by a particular holder or annuitant provided the holder or annuitant deals at arm's length with Fortune or Brigus, as the case may be, for the purposes of the Tax Act, and does not have a "significant interest" (as defined in the Tax Act) in either Fortune or Brigus, as the case may be. In addition, Brigus Class A Shares or Fortune Shares, as the case may be, will generally not be prohibited investments if the Brigus Class A Shares or Fortune Shares are "excluded property" as defined in the Tax Act. Shareholders should consult their own tax advisors as to whether Brigus Class A Shares or Fortune Shares will be prohibited investments in their particular

circumstances, including with respect to whether the Brigus Class A Shares or Fortune Shares, as the case may be, would be "excluded property" for the purposes of these rules.

Non-Residents of Canada

This part of the summary is applicable to Brigus Shareholders, who, for purposes of the Tax Act, have not been and will not be resident or deemed to be resident in Canada at any time while they have held or will hold Brigus Shares, Primero Shares and Fortune Shares and who do not use or hold, will not use or hold and are not and will not be, deemed to use or hold such Brigus Shares, Primero Shares and Fortune Shares, in carrying on a business in Canada (a "**Non-Resident Brigus Shareholder**"). Special rules, which are not discussed in this summary, may apply to a non-resident that is an insurer carrying on business in Canada and elsewhere.

Exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares

The cost to a Non-Resident Brigus Shareholder of Fortune Shares acquired on the exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares will be equal to the fair market value of the Fortune Shares at the time of the exchange. The cost to a Non-Resident Brigus Shareholder of Brigus Class A Shares acquired on the exchange will be equal to the amount, if any, by which the ACB of the Non-Resident Brigus Shareholder's Brigus Shares immediately before the exchange exceeds the fair market value of the Fortune Shares received on the exchange. If the aggregate fair market value of the Fortune Shares received by a Non-Resident Brigus Shareholder on the exchange exceeds the paid-up capital as determined for purposes of the Tax Act of the Brigus Shares exchanged then the excess will generally be deemed to be a dividend received by the Non-Resident Brigus Shareholder from Brigus subject to withholding tax. See "Dividends on Shares" below for a general description of the treatment of dividends under the Tax Act including amounts deemed under the Tax Act to be received as dividends. As noted above, based on the information provided by Brigus, Brigus is not expected to be deemed to have paid a dividend as a result of the exchange of the Brigus Shares for Class A Shares and Fortune Shares.

On the exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares, the capital gain (or capital loss) realized by a Non-Resident Brigus Shareholder will be equal to the amount by which (a) the aggregate of the cost of the Fortune Shares and of the Brigus Class A Shares received, determined as described above, less the amount of any dividend deemed to be received on the exchange exceeds (or is less than) (b) the aggregate of the ACB of Brigus Shares exchanged and any reasonable costs of disposition.

A Non-Resident Brigus Shareholder who participates in the Arrangement will not be subject to tax under the Tax Act on any capital gain realized on the exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares, provided that the Brigus Shares are not "taxable Canadian property" (as defined in the Tax Act), as discussed below, to the Non-Resident Brigus Shareholder at the time of the exchange or an applicable income tax treaty or convention exempts the capital gain from tax under the Tax Act.

Exchange of Brigus Class A Shares for Primero Shares and Cash and Disposition of Primero Shares and Fortune Shares

A Non-Resident Brigus Shareholder will not be subject to tax under the Tax Act on the disposition of Brigus Class A Shares, Primero Shares or Fortune Shares unless the Brigus

Class A Shares, Primero Shares or Fortune Shares, as the case may be, constitute "taxable Canadian property" of the Non-Resident Brigus Shareholder for purposes of the Tax Act and the Non-Resident Brigus Shareholder is not entitled to relief under an applicable income tax treaty or convention.

Assuming that the Brigus Shares, Brigus Class A Shares, Primero Shares and Fortune Shares are listed on a "designated stock exchange" (which includes the TSX), such shares will generally not constitute taxable Canadian property of a Non-Resident Brigus Shareholder unless at any time during the 60-month period immediately preceding the disposition (i) the Non-Resident Brigus Shareholder, persons with whom the Non-Resident Brigus Shareholder did not deal at arm's length, or the Non-Resident Brigus Shareholder together with all such persons, owned or was considered to own 25% or more of the issued shares of any class or series of shares of the capital stock of the applicable corporation, and (ii) more than 50% of the fair market value of the shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties", "timber resource properties" (each as defined in the Tax Act), and options in respect of, or interests in, or for civil law rights in, any such properties (whether or not such property exists). Shares may also be deemed to be "taxable Canadian property" pursuant to the Tax Act.

Even if any of the Brigus Shares, Brigus Class A Shares, Primero Shares or Fortune Shares are taxable Canadian property to a Non-Resident Brigus Shareholder at a particular time such holder may be exempt from tax by virtue of an income tax treaty or convention to which Canada is a signatory.

In the event Brigus Class A Shares, Primero Shares or Fortune Shares, as the case may be, are taxable Canadian property to a Non-Resident Brigus Shareholder at the time of disposition and such Non-Resident Brigus Shareholder is not exempt from tax by a tax treaty, the tax consequences described above under "Certain Canadian Federal Income Tax Considerations – Residents of Canada – Exchange of Brigus Class A Shares for Primero Shares and Cash – No Section 85 Election". Certain Canadian Federal Income Tax Considerations – Residents of Canada – Disposition of Primero Shares and Fortune Shares" and "Certain Canadian Federal Income Tax Considerations – Residents of Canada – Taxation of Capital Gains and Losses" will generally apply.

Dividends on Shares

Dividends paid or credited, or deemed to be paid or credited, on a Non-Resident Brigus Shareholder's Brigus Shares, Primero Shares or Fortune Shares will be subject to withholding tax under the Tax Act at a rate of 25% unless the rate is reduced under the provisions of an applicable income tax treaty or convention. In the case of a beneficial owner of dividends who is a resident of the United States for purposes of the Canada-US Tax Convention (1980) and who is entitled to the benefits of that treaty, the rate of withholding will generally be reduced to 15%.

Dissenting Shareholders

A Non-Resident Brigus Shareholder who is a Dissenting Shareholder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of Brigus Shares to Primero, provided that the Brigus Shares, as applicable, are not "taxable Canadian property" (as defined in the Tax Act), as discussed above under "Exchange of Brigus Class A Shares for Primero Shares and Disposition of Primero Shares and Fortune Shares", to the Non-Resident Brigus

Shareholder at the time of the disposition or an applicable income tax treaty or convention exempts the capital gain from tax under the Tax Act.

Interest (if any) awarded by a court to a dissenting Non-Resident Brigus Shareholder generally should not be subject to withholding tax under the Tax Act.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

NOTICE PURSUANT TO TREASURY DEPARTMENT CIRCULAR 230: NOTHING CONTAINED IN THIS INFORMATION CIRCULAR CONCERNING ANY U.S. FEDERAL TAX ISSUE IS INTENDED OR WRITTEN TO BE USED, AND IT CANNOT BE USED, BY A U.S. HOLDER OR ANY OTHER PERSON, FOR THE PURPOSE OF AVOIDING U.S. FEDERAL TAX PENALTIES UNDER THE CODE. ALL DISCUSSIONS OF U.S. FEDERAL TAX ISSUES CONTAINED IN THIS INFORMATION CIRCULAR WERE WRITTEN TO SUPPORT THE PROMOTION OR MARKETING OF THE TRANSACTIONS OR MATTERS ADDRESSED BY THIS INFORMATION CIRCULAR. EACH U.S. HOLDER SHOULD SEEK U.S. FEDERAL TAX ADVICE, BASED ON SUCH U.S. HOLDER'S PARTICULAR CIRCUMSTANCES, FROM AN INDEPENDENT TAX ADVISOR.

The following is a summary of certain U.S. federal income tax consequences to U.S. Holders (as defined below) of the exchange of Brigus Shares for Fortune Shares, Primero Shares and cash, as described in the Arrangement Agreement (the "**Transactions**"). This summary is based upon U.S. Tax Laws as in effect on the date of this Information Circular. U.S. Tax Laws could be changed in a material and adverse manner at any time, and any such change could be applied on a retroactive basis which could affect the U.S. federal income tax consequences 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 basis.

Unless otherwise indicated, this summary applies only to U.S. Holders that hold Brigus Shares, and that will hold any Primero Shares and Fortune Shares received in connection with the Transactions, as capital assets (generally, property held for investment) within the meaning of section 1221 of the Code.

This summary is not binding upon the IRS and no opinion of counsel or rulings from the IRS have been or will be sought or obtained regarding any matters discussed in this summary. There can be no assurance that one or more of the positions taken in this summary will not be challenged by the IRS or upheld by a U.S. court.

This summary does not address U.S. federal income tax consequences applicable to U.S. Holders that may be subject to special tax rules, including:

- banks, financial institutions and insurance companies;
- real estate investment trusts, regulated investment companies or grantor trusts;
- tax-exempt organizations, qualified retirement plans, individual retirement accounts, or other tax-deferred accounts;
- brokers or dealers in securities or currencies;

- traders in currencies or securities that use a mark-to-market method of accounting;
- persons that hold Brigus Shares, or that will hold Fortune Shares or Primero Shares as a part of a hedging, integrated or conversion transaction or a straddle, or as part of any other risk reduction transaction;
- persons who own (or have owned at any time during the five-year period ending on the Effective Date), or are deemed to own (or are deemed to have owned at any time during the five-year period ending on the Effective Date) 10% or more, by voting power or value, of Brigus;
- persons who own, or are deemed to own, 5% or more, by voting power or value, of Primero immediately following the Arrangement;
- U.S. expatriates or former long-term residents of the U.S.;
- U.S. Holders subject to the U.S. alternative minimum tax;
- U.S. Holders with a functional currency other than the U.S. Dollar; or
- U.S. Holders who acquired their Brigus Shares through the exercise of stock options or otherwise as compensation.

This summary is intended for general information purposes only and 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. This summary does not discuss or take into account any U.S. federal estate, gift, generation-skipping transfer tax or alternative minimum tax considerations, any U.S. state or local tax considerations or any non-U.S. tax considerations.

For purposes of this summary, the term "U.S. Holder" means a beneficial owner of Brigus Shares or a beneficial owner of Fortune Shares or Primero Shares received in the Transactions, that is:

(i) a citizen or individual resident of the United States for U.S. federal income tax purposes;

(ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state within the United States, or the District of Columbia;

(iii) an estate, the income of which is subject to U.S. federal income taxation regardless of its source; or

(iv) a trust, if (i) a U.S. court is able to exercise primary supervision over the trust's administration and one or more United States persons (as defined in the Code) have the authority to control all substantial decisions of the trust, or (ii) in the case of a trust that was in existence on August 20, 1996 and was validly treated

as a domestic trust, a valid election is in place under applicable U.S. Treasury Regulations to treat such trust as a domestic trust.

A "non-U.S. Holder" means a beneficial owner of Brigus Shares, or a beneficial owner of Fortune Shares or Primero Shares received in the Transactions that is not a U.S. Holder.

This summary does not address the U.S. federal income tax consequences applicable to non-U.S. Holders arising from the Transactions or the ownership and disposition of Fortune Shares or Primero Shares received in the Transactions or the tax consequences to any holder of Brigus Options or Brigus Warrants. Accordingly, a non-U.S. Holder of Brigus Shares, Fortune Shares or Primero Shares, and any holder of Brigus Options or Brigus Warrants, should consult its own tax advisors regarding all U.S. federal, state and local tax consequences, and non-U.S. tax consequences (including the potential application of and operation of any income tax treaties), relating to the Transactions and the ownership and disposition of Fortune Shares and Primero Shares received pursuant to the Transactions.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds Brigus Shares, the U.S. federal income tax treatment of a partner in such partnership generally will depend on the status of the partner and the activities of the partnership. Brigus urges any such partnership or partner to consult its tax advisor.

Stated Capital Reduction

The reduction by Brigus of the stated capital account for the Brigus Shares is expected to have no material U.S. federal income tax consequences to U.S. Holders.

U.S. Tax Treatment of the Transactions

The exchange of Brigus Shares for Brigus Class A Shares and Fortune Shares and the exchange of Brigus Class A Shares for Primero Shares and cash followed by the amalgamation of Brigus and Primero Newco should be treated as steps in a single integrated transaction for U.S. federal income tax purposes. Although not free from doubt, it is anticipated that, and this discussion assumes that, a U.S. Holder should be treated, for U.S. federal income tax purposes, as exchanging its Brigus Shares for Primero Shares, Fortune Shares and cash (with the acquisition and disposition of Brigus Class A Shares being disregarded).

Tax Consequences to U.S. Holders if Arrangement Qualifies as a Reorganization

The exchange of Brigus Shares for Primero Shares, Fortune Shares and cash is intended to qualify as a reorganization under Section 368(a) of the Code, and this discussion assumes that the exchange will so qualify. We have not sought or obtained either a ruling from the IRS or an opinion of counsel regarding any of the tax consequences of the Arrangement. Accordingly, there can be no assurance that the IRS will not challenge the status of the exchange of Brigus Shares for Primero Shares, Fortune Shares and cash as a reorganization or that the U.S. courts will uphold the status of the exchange as a reorganization in the event of an IRS challenge. U.S. Holders should consult their own U.S. tax advisors regarding the proper tax reporting of the exchange of Brigus Shares for Primero Shares, Fortune Shares and cash.

If the Arrangement qualifies as a reorganization under Section 368(a) of the Code, then, subject to the PFIC rules discussed below, U.S. Holders who exchange Brigus Shares for Primero Shares, Fortune Shares and cash should recognize gain, but not loss, in the exchange. The gain, if any, recognized will equal the lesser of (a) the fair market value, at the time of the exchange, of the Fortune Shares and cash received in the exchange and (b) the amount of gain realized in the exchange. The amount of gain that is realized by a U.S. Holder in the exchange will equal the excess, if any, of (i) the sum of the cash plus the fair market value, at the time of the exchange, of the Primero Shares and Fortune Shares received in the exchange over (ii) such U.S. Holder's adjusted tax basis in the Brigus Shares exchanged therefor. For this purpose, a U.S. Holder must calculate gain or loss separately for each identifiable block of Brigus Shares that such U.S. Holder surrenders pursuant to the Transactions, and a U.S. Holder cannot offset a loss realized on one block of such shares against a gain recognized on another block of such shares. Any gain recognized generally will be treated as capital gain, except that the U.S. Holder's gain could be treated as a dividend if the receipt of the Fortune Shares and the cash has the effect of the distribution of a dividend for U.S. federal income tax purposes (under Sections 302 and 356 of the Code). Any capital gain will be long-term capital gain if the U.S. Holder's holding period for the Brigus Shares exceeds one year at the time of the Transactions. Preferential tax rates for long-term capital gains are applicable to a U.S. Holder that is an individual, estate or trust. There are currently no preferential tax rates for long-term capital gains for a U.S. Holder that is a corporation.

A U.S. Holder's aggregate tax basis in the Primero Shares received pursuant to the Transactions will be equal to the aggregate tax basis in the Brigus Shares surrendered in the Transactions, decreased by the amount of cash and the fair market value of the Fortune Shares received and increased by the amount of gain, if any, recognized or any amount treated as a dividend. The holding period of the Primero Shares received in the transactions by a U.S. Holder will include the holding period of the Brigus Shares exchanged therefor. If a U.S. Holder has differing tax bases and/or holding periods in respect of the U.S. Holders' Brigus Shares, the U.S. Holder should consult with a tax advisor to identify the tax bases and/or holding periods of the particular Primero Shares that the U.S. Holder receives. A U.S. Holder's adjusted tax basis in the Fortune Shares received in the Transaction will be equal to the fair market value of such shares at the time of the transactions, and a U.S. Holder's holding period for the Fortune Shares will begin on the date after the exchange.

Whether either of Brigus or Primero is or is not a PFIC will not impact the determination of whether the exchange of Brigus Shares for Primero Shares qualifies as a reorganization under Section 368(a) of the Code. However, if it is determined that Brigus is a PFIC (or was a PFIC for any year during a U.S. Holder's holding period in Brigus Shares), but Primero is not a PFIC, consummating the exchange may have adverse tax consequences to the U.S. Holders under the rules and regulations (including certain proposed Treasury Regulations) applicable to PFICs. Consequently, each U.S. Holder should consult its tax advisor regarding the U.S. income tax treatment of the Arrangement should one, but not both, of Brigus and Primero be determined to be a PFIC.

THE APPLICATION OF THE PFIC RULES TO U.S. HOLDERS IS EXTREMELY COMPLEX, AND U.S. HOLDERS ARE URGED TO SEEK THEIR OWN TAX ADVICE CONCERNING THE PFIC RULES.

Information Reporting Requirements if the Arrangement Qualifies as a Reorganization

If the Arrangement qualifies as a reorganization, U.S. Holders that are "significant holders" within the meaning of U.S. Treasury Regulation Section 1.368-3(c) are required to report certain information to the IRS on their U.S. federal income tax returns for the taxable year in which the Arrangement occurs and all such U.S. Holders must retain certain records related to the Arrangement. Each U.S. Holder should consult its own tax advisor regarding its information reporting and record retention responsibilities in connection with the Arrangement.

Tax Consequences to U.S. Holders if the Arrangement Fails to Qualify as a Reorganization

If the Arrangement fails to qualify as a reorganization, a U.S. Holder would recognize gain or loss equal to the difference between (i) the sum of cash and the fair market value of Primero Shares and Fortune Shares at the time of receipt by such U.S. Holder and (ii) the U.S. Holder's adjusted tax basis in the Brigus Shares surrendered in the Arrangement. The aggregate tax basis of Primero Shares and Fortune Shares received by a U.S. Holder in the Arrangement would be equal to the aggregate fair market value of Primero Shares and Fortune Shares, respectively, at the time of receipt. A U.S. Holder's holding period in the Primero Shares and the Fortune Shares received in the arrangement would begin on the date after the Arrangement.

Any gain or loss recognized by a U.S. Holder generally will be capital gain or loss, and will be long-term capital gain or loss if the U.S. Holder's holding period for the Brigus Shares is more than one year at the time of the transactions. Preferential tax rates for long-term capital gains are applicable to a U.S. Holder that is an individual, estate or trust. There are currently 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 significant limitations. Any gain or loss that a U.S. Holder recognizes generally will be treated as U.S. source gain or loss for foreign tax credit purposes.

If it is determined that Brigus is a PFIC (or was a PFIC for any year during a U.S. Holder's holding period in Brigus Shares), and the Arrangement fails to qualify as a reorganization under Section 368(a) of the Code, the transactions may result in the application of certain adverse tax rules in respect of the Arrangement to a U.S. Holder if the U.S. Holder does not have in effect a qualified electing fund election or a mark-to-market election with respect to its Brigus 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. Consequently, each U.S. Holder should consult its tax advisor regarding the U.S. income tax treatment of the Arrangement should Brigus be determined to be a PFIC.

THE APPLICATION OF THE PFIC RULES TO U.S. HOLDERS IS EXTREMELY COMPLEX, AND U.S. HOLDERS ARE URGED TO SEEK THEIR OWN TAX ADVICE CONCERNING THE PFIC RULES.

Dissenting Shareholders

A U.S. Holder who is a Dissenting Shareholder who, upon exercising Dissent Rights, disposes of Brigus Shares for a cash payment from Primero will, subject to application of the PFIC rules discussed below, recognize capital gain or loss in an amount equal to the difference, if any,

between (a) the amount of cash received and (b) the U.S. Holder's adjusted tax basis in the Brigus Shares disposed of. Subject to application of the PFIC rules discussed below, such gain or loss will be long-term capital gain or loss if the U.S. Holder's holding period for the Brigus Shares exceeds one year. Subject to the PFIC rules discussed below, any such long-term capital gain would be subject to preferential tax rates for a U.S. Holder that is an individual, estate, or trust. There are currently no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to limitation. Any gain or loss that a U.S. Holder recognizes generally will be treated as U.S. source gain or loss for foreign tax credit purposes.

Passive Foreign Investment Company Considerations

A non-U.S. corporation will be classified as a PFIC for U.S. federal income tax purposes in any taxable year in which, after applying certain look-through and related person rules, (i) 75% or more of the corporation's gross income for such taxable year is passive income or (ii) on average for such taxable year, 50% or more of the value of assets held by the corporation either produce passive income or are held for the production of passive income. "Passive income" includes dividends, interest, certain rents and royalties, certain gains from the sale of stock and securities, and certain gains from commodities transactions. Among other special rules, income from working capital, such as interest, generally is considered passive income. In determining whether or not it is classified as a PFIC, a non-U.S. corporation is required to take into account its pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest by value. If a U.S. Holder holds stock in a non-U.S. corporation for any taxable year during which the corporation is classified as a PFIC, then the corporation will continue to be classified as a PFIC with respect to such U.S. Holder for any subsequent taxable year during which the U.S. Holder continues to hold stock in the corporation, unless an exception applies.

Based on the income, assets and business to date of Brigus and its subsidiaries, Brigus does not believe that it or any of its non-U.S. subsidiaries was a PFIC for its last taxable year and does not believe that it or any of its non-U.S. subsidiaries will a PFIC for the current taxable year. It is anticipated that Fortune may be classified as a PFIC for the current taxable year and that it may be classified as a PFIC in future taxable years. Based on the income, assets and business to date of Primero and its subsidiaries, Primero does not believe that it was a PFIC for its last taxable year and does not believe it will be classified as a PFIC for its current taxable year. The discussion below assumes that Fortune will be classified as a PFIC and that Brigus, Primero and their non-U.S. subsidiaries will not be classified as PFICs. However, because PFIC status is determined annually, there can be no assurance that Brigus, Primero and their non-U.S. subsidiaries will not be classified as PFICs in the current taxable year or that Primero and its non-U.S. subsidiaries will not be classified as PFICs in future taxable years. Each U.S. Holder should consult its own tax advisor regarding whether Brigus, Fortune and Primero, and their respective subsidiaries, are classified as PFICs for any taxable year.

PFIC Special Tax Regime

In general, under the PFIC rules, unless a U.S. Holder of a PFIC makes a timely election to treat the PFIC as a "qualified electing fund", or a QEF, or a mark-to-market election (see below), a special tax regime (the "**PFIC Special Tax Regime**") will apply to both (i) any "excess distribution" (generally, the ratable portion of distributions in any year which are greater than 125% of the average annual distribution received by the U.S. Holder in the shorter of the three

preceding years or the U.S. Holder's holding period) received with respect to the shares of the PFIC and (ii) any gain realized on the sale or other disposition (including dispositions and certain other events that would not otherwise be treated as taxable events) of the shares of the PFIC. Under the PFIC Special Tax Regime, (i) any excess distribution and realized gain will be treated as if it had been realized ratably over the U.S. Holder's holding period of the PFIC stock, (ii) the amount deemed realized in the current year or any pre-PFIC year will be taxable as ordinary income, (iii) the amount deemed realized in each prior PFIC year will be subject to tax at the highest marginal rate applicable in such year to ordinary income, and (iii) an interest charge at the rate generally applicable to underpayments of U.S. federal income tax will be imposed on such prior-PFIC period tax as if the tax were payable in those years.

Indirect PFIC Shareholders

If a PFIC owns shares of another non-U.S. corporation that is a PFIC (a "**Subsidiary PFIC**"), under certain indirect ownership rules, a disposition of the shares of the Subsidiary PFIC by the parent corporation will generally be treated as an indirect disposition of the Subsidiary PFIC by a U.S. Holder of the parent corporation and subject to the rules discussed above. Similarly, a distribution received by the parent corporation from the Subsidiary PFIC generally will be treated as an indirect distribution received by a U.S. Holder. Basis adjustments and other rules apply to prevent a U.S. Holder from being taxed twice on an amount previously taxed under the indirect ownership rules.

QEF Election

A U.S. Holder that makes a timely QEF election will recognize capital gain or loss on the sale or other taxable disposition of shares of the PFIC and will not be subject to the PFIC Special Tax Regime with respect to any excess distributions or dispositions of the shares. Instead, a U.S. Holder that makes a QEF election with respect to shares of a PFIC will be subject to U.S. federal income tax on such U.S. Holder's pro rata share of (i) the PFIC's net capital gain (which will be taxed as long-term capital gain to such U.S. Holder), and (ii) the PFIC's ordinary earnings (which will be taxed as ordinary income to such U.S. Holder) regardless of whether such amounts are actually distributed to the U.S. Holder. However, a U.S. Holder that makes a QEF election may, subject to certain limitations, elect to defer payment of current U.S. federal income tax on such amounts, subject to an interest charge. If such U.S. Holder is not a corporation, any such interest paid will be treated as "personal interest," which is not deductible.

A U.S. Holder who makes a QEF election will be required to comply with certain information reporting requirements, failure to comply with which may result in the QEF election being invalidated. U.S. Holders should be aware that there can be no assurance that any of Brigus, Fortune or Primero, if it were classified as a PFIC, will supply the information and statements necessary for the U.S. Holder to make and maintain a valid QEF election.

Any amounts distributed by the PFIC out of earnings previously included in the income of a U.S. Holder with a QEF election in effect generally are not taxable (although the shareholder may recognize ordinary income or loss attributable to foreign currency exchange rate fluctuations between the time of the previous income inclusion and the time of the actual distribution). Such U.S. Holder's tax basis in its shares of the PFIC is increased by the amount of any income inclusions reported by such U.S. Holder under the QEF rules, and is decreased by any distributions received from the PFIC that are treated as previously-taxed earnings.

To be considered timely for this purpose, a QEF election must be made for the first tax year in the U.S. Holder's holding period in which the non-U.S. corporation qualified as a PFIC (or a deemed sale election must be made, as described below).

Generally, in order for a U.S. Holder that makes a QEF election for a year that is not the first year in the U.S. Holder's holding period in which the non-U.S. corporation qualified as a PFIC to avoid being subject to the PFIC Special Tax Regime, the U.S. Holder must also make a "deemed sale election". A deemed sale election requires that the U.S. Holder recognize any gain (but not loss) that the U.S. Holder would have realized on a sale of such U.S. Holder's stock in the corporation for its fair market value (i) on the first day of the shareholder's tax year with respect to which the accompanying QEF election is made, if the corporation was still a PFIC for such year, or (ii) on the last day of the most recent taxable year of the corporation in which it was classified as a PFIC, if the corporation lost its PFIC status in the subsequent taxable year. The adjusted tax basis of the U.S. Holder's shares will be increased by the amount of gain recognized by the U.S. Holder on a deemed sale election. U.S. Holders are urged to consult their own tax advisors regarding the potential application of the PFIC rules or the availability of the QEF election.

Mark-to-Market Election

A U.S. Holder is permitted to make a mark-to-market election with respect to the shares of a PFIC only if the shares are "marketable stock". Shares generally will be "marketable stock" if the shares are "regularly traded" on a qualified exchange or other market. A class of shares will be treated as regularly traded in any calendar year in which more than a de minimis quantity of the shares are traded on a qualified exchange on at least 15 days during each calendar quarter. The TSX may qualify as a "qualified exchange" for this purpose.

If a U.S. Holder makes the mark-to-market election, for each year in which the non-U.S. corporation is a PFIC, the U.S. Holder generally will include as ordinary income the excess, if any, of the fair market value of the shares at the end of the taxable year over their adjusted tax basis, and will be permitted an ordinary loss in respect of the excess, if any, of the adjusted tax basis of the shares over their fair market value at the end of the taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). If a U.S. Holder makes the mark-to-market election, the U.S. Holder's tax basis in the shares will be adjusted to reflect any such income or loss amounts. Any gain recognized on the sale or other disposition of the shares will be treated as ordinary income.

Although a U.S. Holder may be eligible to make a mark-to-market election with respect to Fortune Shares, no such election may be made with respect to the stock of any Subsidiary PFIC that such U.S. Holder is treated as owning. Hence, the mark-to-market election may not be effective to eliminate the PFIC Special Tax Regime described above with respect to any Subsidiary PFIC.

The PFIC rules are complex. Each U.S. Holder should consult its tax advisor regarding application and operation of the PFIC rules, including the availability and advisability of, and procedure for, making the QEF election and mark-to-market election.

PFIC Information Reporting

Each U.S. Holder generally must file IRS Form 8621 reporting distributions received and gain realized with respect to each PFIC in which the U.S. Holder holds a direct or indirect interest. In addition, subject to certain rules intended to avoid duplicative filings, U.S. Holders generally must file an annual information return on IRS Form 8621 with respect to each PFIC in which the U.S. Holder holds a direct or indirect interest. Each U.S. Holder should consult its tax advisor regarding these and any other applicable information or other reporting requirements.

Ownership of Primero Shares and Fortune Shares

The following is a summary of certain material U.S. federal income tax consequences arising from the ownership of Primero Shares and Fortune Shares by a U.S. Holder who receives such shares in the Transactions.

General Taxation of Distributions

Fortune may be a PFIC for its current taxable year and may be classified as a PFIC in future taxable years. The following discussion assumes Fortune will, but Primero will not, be treated as a PFIC. Based on this assumption, any excess distributions received by a U.S. Holder with respect to Fortune Shares will be subject to the rules of the PFIC Special Tax Regime described above unless the U.S. Holder makes a timely QEF or mark-to-market election. See "Passive Foreign Investment Company Considerations" above for a description of the requirements and effects of such elections. There can be no assurance that Fortune will provide U.S. Holders with the information necessary to comply with the QEF election filing requirements.

General U.S. federal income tax rules, rather than the PFIC Special Tax Regime, will apply to distributions that are not treated as excess distributions under the PFIC rules. Thus, a U.S. Holder that receives a distribution from Primero or a distribution from Fortune that is not an excess distribution will be required to include the amount of such distribution in gross income as a dividend to the extent of the current and accumulated earnings and profits of Primero or Fortune (as the case may be), without reduction for any Canadian income tax withheld from such distribution. Dividends received from Fortune will be included in gross income as ordinary income and generally will not be eligible for the reduced rates applicable under current U.S. Tax Laws to certain qualifying foreign dividends. Subject to the discussion above, dividends received from Primero, however, may be eligible for such treatment provided that certain holding period requirements are satisfied. Dividends paid by Fortune will not be eligible for the dividends received deduction allowed to certain dividends received by a corporate U.S. Holder, however certain dividends paid by Primero could, depending on the circumstances, be so eligible. To the extent that a distribution exceeds current and accumulated earnings and profits, such distribution will be treated (i) first, as a tax-free return of capital to the extent of a U.S. Holder's tax basis in the Primero or Fortune shares, as applicable, and (ii) thereafter as gain from the sale or exchange of such shares. The dividend rules are complex, and each U.S. Holder should consult its own tax advisor regarding the dividend rules.

A U.S. Holder that pays (whether directly or through withholding) Canadian income tax with respect to distributions received from Primero or Fortune generally will be entitled, at the election of such U.S. Holder, to receive either a deduction in computing U.S. taxable income or a foreign tax credit against U.S. income tax for such Canadian income tax paid. Dividends will be treated as foreign source dividends and generally will be "passive category" income but could, in certain circumstances, be "general category" income for foreign tax credit purposes.

Complex limitations apply to the foreign tax credit, and each U.S. Holder should consult its tax advisor regarding the foreign tax credit rules.

Disposition of Primero Shares or Fortune Shares

A U.S. Holder will recognize gain or loss on the sale or other taxable disposition of Primero Shares or Fortune Shares, including any taxable disposition by Brigus of Primero Shares or Fortune Shares on behalf of a U.S. Holder to satisfy such U.S. Holder's withholding tax obligations, in an amount equal to the difference, if any, between (a) the amount of cash plus the fair market value of any property received and (b) the U.S. Holder's adjusted tax basis in the shares sold or otherwise disposed of. Such gain or loss will be long-term capital gain or loss if the shares have been held for more than one year. However, if a U.S. Holder does not make a QEF election or mark-to-market election with respect to the Fortune Shares, then any gain recognized with respect to a sale or other taxable disposition of the Fortune Shares will be subject to the PFIC Special Tax Regime and will not qualify for long-term capital gain treatment. Preferential tax rates apply to long-term capital gains of a U.S. Holder that is an individual, estate, or trust and that is not subject to the PFIC Special Tax Regime (e.g., in the case of a U.S. Holder who made a timely QEF election with respect to Fortune Shares or who holds Primero Shares.) There are currently no preferential tax rates for long-term capital gains of a U.S. Holder that is a corporation. Deductions for capital losses are subject to limitation. Any gain or loss that a U.S. Holder recognizes generally will be treated as U.S. source gain or loss for foreign tax credit purposes.

Foreign Currency

The amount of a distribution or proceeds from a sale of shares paid to a U.S. Holder in foreign currency generally will be equal to the U.S. dollar value of such distribution or proceeds based on the exchange rate applicable on the date of receipt. A U.S. Holder that does not convert foreign currency received as a distribution or an amount realized from a sale of shares into U.S. dollars on the date of receipt generally will have a tax basis in such foreign currency equal to the U.S. dollar value of such foreign currency on the date of receipt. Such a U.S. Holder generally will recognize U.S. source ordinary income or loss on the subsequent sale or other taxable disposition of such foreign currency (including an exchange for U.S. dollars).

Surtax on Net Investment Income

A surtax of 3.8% applies to the “net investment income” of certain U.S. holders who recognize adjusted gross income in a taxable year (subject to certain modifications) in excess of certain threshold amounts. Net investment income generally includes interest, dividends, royalties, rents, gross income from a trade or business involving “passive” activities, and net gain from the disposition of property (other than property held in a “non-passive” trade or business). Net investment income generally will include, among other things, dividends paid on Fortune Shares or Primero Shares and net gain from the disposition of Fortune Shares or Primero Shares. Net investment income is reduced by deductions that are properly allocable to such income.

Information Reporting and Backup Withholding

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 foreign corporation. For example, new 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 a financial institution, 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 Primero Shares or Fortune 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, including the requirement to file an IRS Form 8938.

Payments made within the United States or by a U.S. payor or U.S. middleman, of (a) distributions on Primero Shares or Fortune Shares, (b) proceeds arising from the sale or other taxable disposition of Primero Shares or Fortune Shares, or (c) any 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 and backup withholding tax, at the current rate of 28% if a U.S. Holder (i) fails to furnish its correct U.S. taxpayer identification number (generally on 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. However, 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. Each U.S. Holder should consult its own tax advisor regarding the information reporting and backup withholding rules.

U.S. HOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE U.S. FEDERAL, STATE, LOCAL AND NON-U.S. TAX CONSEQUENCES OF THE TRANSACTIONS, ACQUISITION, OWNERSHIP, AND DISPOSITION OF BRIGUS SHARES, BRIGUS CLASS A SHARES, FORTUNE SHARES AND PRIMERO SHARES, AS MAY APPLY TO THEIR PARTICULAR CIRCUMSTANCES. THE U.S. INCOME TAX CONSEQUENCES OF THE ARRANGEMENT WILL NOT BE THE SAME FOR ALL U.S. HOLDERS AND IN VIEW OF THE COMPLEXITY OF BOTH THE CANADIAN AND THE UNITED STATES TAX LAWS, IT IS ASSUMED THAT EACH U.S. HOLDER HAS OBTAINED INDEPENDENT ADVICE FROM HIS OR HER OWN TAX ADVISOR.

OTHER BUSINESS TO BE CONSIDERED AT THE MEETING

Stated Capital Reduction

General

At the Meeting, Shareholders will be asked to consider and, if deemed appropriate, adopt, a special resolution, as set out below, to reduce the stated capital account of the Brigus Shares to CDN$217 million.

Background and Reasons for the Stated Capital Reduction

Under the CBCA, a corporation is prohibited from effecting a fundamental change in the nature of an arrangement where the realizable value of the assets of the corporation are less than the aggregate of its liabilities and stated capital of all classes of shares. The purpose of the proposed stated capital reduction is to ensure that the realizable value of Brigus' assets are not less than the aggregate of its liabilities and stated capital of all classes of shares, thereby rendering the Arrangement permissible under the CBCA.

If the Stated Capital Resolution is approved by the Brigus Shareholders at the Meeting, the proposed stated capital reduction shall take effect immediately prior to the application for final approval of the Arrangement by the Court. No amount of money will be paid to Brigus Shareholders as part of the stated capital reduction. The stated capital reduction will not give rise to any immediate adverse tax consequences to Brigus Shareholders. For a discussion on Canadian federal income tax implications see "Certain Canadian Federal Income Tax Considerations – Stated Capital Reduction" and for a discussion of United States federal income tax considerations see "Certain United States Federal Income Tax Considerations – Stated Capital Reduction".

Notwithstanding that the Brigus Shareholders may approve the Stated Capital Resolution at the Meeting, the Brigus Board at its sole discretion may decide not to proceed with the stated capital reduction if it deems appropriate and desirable, for instance if the Arrangement Resolution is not approved at the Meeting.

Vote Required and Recommendation of the Brigus Board

The text of the special resolution, which will be submitted to Brigus Shareholders at the Meeting, is as follows:

"**BE IT RESOLVED AS A SPECIAL RESOLUTION THAT**:

1. The stated capital account maintained in respect of the Brigus Shares is hereby reduced to CDN$217 million;

2. Notwithstanding the foregoing, the Brigus Board is hereby authorized, in its absolute discretion, without further approval of or notice to the Brigus Shareholders, to determine whether or not to proceed with and revoke this special resolution at any time prior to the completion of the Arrangement; and

3. Any director or officer of Brigus is hereby authorized and directed for and on behalf of Brigus to execute and deliver all such documents and instruments and to perform all such acts and things as such director or officer determines to be necessary or desirable to give full effect to the foregoing resolution, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing."

For the reasons indicated above, the Brigus Board believes that the proposed reduction of the stated capital account maintained in respect of the Brigus Shares is in the best interests of Brigus and the Brigus Shareholders and, accordingly, unanimously recommends that the Brigus Shareholders vote **FOR** the Stated Capital Resolution. The Stated Capital Resolution must be

approved by not less than two-thirds of the votes cast by the Brigus Shareholders present in person or represented by proxy at the Meeting to be effective. In the absence of instructions to the contrary, the persons named in the enclosed form of proxy will vote Brigus Shares in respect of which they are appointed proxy ‘‘**FOR**’’ the Stated Capital Resolution.

Approval of the Fortune Stock Option Plan

At the Meeting, provided that the Arrangement Resolution is approved, Brigus Shareholders will be asked to consider and, if deemed advisable, approve the adoption by Fortune of the Fortune Stock Option Plan, which will authorize the board of directors of Fortune (the “**Fortune Board**”) to issue stock options to directors, officers, employees and other eligible service providers (or corporations controlled by such persons) of Fortune, subject to the rules and regulations of applicable regulatory authorities and any stock exchange upon which the Fortune Shares may be listed or may trade from time to time. A copy of the Fortune Stock Option Plan is set out in Appendix “H” to this Circular. Approval of the Fortune Stock Option Plan is not a condition to the Arrangement becoming effective. If approved, the Fortune Stock Option Plan will be implemented if and when Fortune lists the Fortune Shares on a stock exchange. The Fortune Stock Option Plan is a rolling stock option plan that sets the number of Fortune Shares issuable thereunder at a maximum of 10% of the Fortune Shares issued and outstanding at the time of any grant. As of the date of this Circular, no stock options have been granted nor have any other rights or securities to purchase Fortune Shares been issued. The Fortune Board does not intend to grant any stock options until such time following the listing of the Fortune Shares on a stock exchange such that a fair market value exercise price for options can be determined. A summary of the Fortune Stock Option Plan can be found at Appendix "F" of the Circular.

The text of the resolution, which will be submitted to Brigus Shareholders at the Meeting, is as follows:

"**BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT**:

1. Effective on the Effective Date, the stock option plan substantially as appended as Appendix “H” to the Circular, be and is hereby approved and adopted as the Fortune Stock Option Plan with such modifications, if any, as may be required by any stock exchange upon which the shares of Fortune may be listed or may trade from time to time and will be submitted to the shareholders of the Corporation for reapproval prior to February 27, 2017.

2. Any officer or director of Fortune is hereby authorized to do all such acts and execute and file all instruments and documents necessary or desirable to carry out this resolution, including making appropriate filings with regulatory authorities including any applicable stock exchange.”

In order for the foregoing resolution to be passed, it must be approved by a simple majority of the aggregate votes cast by Brigus Shareholders who vote in person or by proxy at the Meeting.

The persons named in the enclosed form of proxy, if named as proxy, intend to vote **FOR** the approval of the Fortune Stock Option Plan.

INFORMATION CONCERNING BRIGUS

Brigus is a growing gold producer committed to maximizing shareholder value through a strategy of efficient production, targeted exploration and select acquisitions. Brigus is a reporting issuer in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. Brigus operates the wholly owned Black Fox Mine and Mill in the Timmins Gold District of Ontario, Canada. The Black Fox Complex encompasses the Black Fox Mine and adjoining properties in the Township of Black River, Matheson, Ontario, Canada. Brigus also owns the Goldfields Project located near Uranium City, Saskatchewan, Canada, which hosts the Box and Athona gold deposits. In the Dominican Republic, Brigus has signed an agreement to sell its remaining interests in three mineral exploration projects. In Mexico, Brigus owns the Ixhuatan Project located in the state of Chiapas. Brigus Shares are listed on the TSX and on the NYSE MKT under the symbol "BRD".

INFORMATION CONCERNING PRIMERO

Primero is a Canadian-based precious metals producer with operations in Mexico. The head office of Primero is located at Suite 2301, 20 Queen St. W., Toronto, Ontario, M5H 3R3, telephone (416) 814-3160, facsimile (416) 814-3170. Primero also has a corporate office located at Suite 2301, 20 Queen Street West, Toronto, Ontario, Canada, M5H 3R3, telephone (416) 814-3160, facsimile (416) 814-3170. Primero's registered office is located at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7, telephone (604) 689-9111, facsimile (604) 685-7084. Primero's website address is www.primeromining.com.

Primero is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Northwest Territories, Yukon, and Nunavut. The Primero Shares are listed on the TSX under the symbol "P" and on the NYSE MKT under the symbol " PPP." The Primero Shares are registered under the Exchange Act and Primero files periodic reports with the SEC.

Primero Shares are listed on the TSX under the symbol "P" and the NYSE under the symbol "PPP". See Appendix "E" - Information Concerning Primero and the Combined Company".

INFORMATION CONCERNING FORTUNE

Fortune is currently a wholly-owned subsidiary of Brigus that has been formed to acquire and hold the Fortune Assets. The registered and records office of Fortune is located at 77 King Street West, Toronto, Ontario M5K 1G8. Upon completion of the Arrangement, Fortune expects that it will be a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and will hold the Fortune Assets and approximately Cdn$10 million in cash. It is intended that an application will be made to list the Fortune Shares. There is no assurance such a listing will be obtained.

Upon completion of the Arrangement, each Brigus Shareholder will become a shareholder of Fortune. Information relating to Fortune after the Arrangement is contained in Appendix "F" to this Circular.

OTHER INFORMATION

Indebtedness of Executive Officers

At no time during the financial year ended December 31, 2013, or within 30 days of the date of this Circular has any director, officer or employee, or former director, officer or employee, of Brigus or any of its subsidiaries, or any associate or affiliate of any such director, officer or employee, been indebted to Brigus.

Other Matters

Management of Brigus is not aware of any matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed Form of Proxy to vote the Brigus Shares represented thereby in accordance with their best judgment on such matter.

INTEREST OF EXPERTS

To the best of Brigus' knowledge, as at the date hereof, Fogler, Rubinoff LLP, Cormark and March Consulting Associates Inc. ("**March**") each being companies, partnerships or persons who have prepared certain sections of this Circular, or are named as having prepared or certified a report, statement or opinion in or incorporated by reference in this Circular, or any director, officer, employee or partner thereof, as applicable, have not received a direct or indirect interest in a property of Brigus, Fortune or Primero or any associate or affiliate thereof.

As of the date hereof, the partners and associates of Fogler, Rubinoff LLP as a group beneficially owned, directly or indirectly, less than one percent of the Brigus Shares and less than one percent of the Fortune Shares. As of the date hereof, to the best of Cormark's knowledge, the directors, officers and employees of Cormark as a group beneficially owned, directly or indirectly, less than one percent of the Brigus Shares and less than one percent of the Fortune Shares. As of the date hereof, Cormark, its affiliates and investment funds managed by them (the "**Cormark Group**") own or control: (i) less than 1% of the total issued and outstanding Brigus Shares; (ii) warrants entitling Cormark to acquire less than 1% of the total issued and outstanding Brigus Shares; and (iii) less than 1% of the total issued and outstanding Primero Shares. As of the date hereof, the partners and associates of March as a group beneficially owned, directly or indirectly, less than one percent of the Brigus Shares and less than one percent of the Fortune Shares.

None of the aforementioned persons nor any directors, officers, employees and partners, as applicable, of each of the aforementioned companies and partnerships, is currently expected to be elected, appointed or employed as a director, officer or employee of Brigus, Primero or Fortune or any associate or affiliate of Brigus, Primero or Fortune.

Deloitte LLP is the auditor for Brigus. Deloitte LLP has confirmed that they are independent with respect to Brigus within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Nova Scotia.

Deloitte LLP is the auditor for Primero. Deloitte LLP has confirmed that they are independent with respect to Primero within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

Deloitte LLP is the auditor for Primero. Deloitte has confirmed that they are independent with respect to Primero within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

APPROVAL OF DIRECTORS

The contents and sending of this Circular, including the Notice of Meeting, have been approved and authorized by the Brigus Board.

January 27, 2014

BY ORDER OF THE BOARD OF DIRECTORS

(Signed) Wade K. Dawe
Chairman and Chief Executive Officer

CONSENT OF CORMARK SECURITIES INC.

To: The Board of Directors of Brigus Gold Corp.

We refer to the written fairness opinion dated as of December 14, 2013 (the "**Fairness Opinion**"), prepared for the Board of Directors of Brigus Gold Corp. ("**Brigus**"), in connection with the Arrangement (as defined in Brigus Gold Corp's management information circular dated January 27, 2014 (this "**Circular**"), between Brigus and Primero Mining Corp.

We consent to the inclusion of the Fairness Opinion, a summary of the Fairness Opinion and the use of our firm name in this Circular. In providing such consent, we do not intend that any person other than the Board of Brigus Gold Corp. shall rely upon the Fairness Opinion.

"CORMARK SECURITIES INC."

Toronto, Ontario

January 27, 2014

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APPENDIX "A"
ARRANGEMENT RESOLUTION

BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The arrangement (the "Arrangement") under Section 192 of the Canada Business Corporations Act (the "CBCA") of Brigus Gold Corp., a corporation existing under the laws of Canada ("Brigus"), all as more particularly described and set forth in the Management Proxy Circular (the "Circular") of Brigus dated January 27, 2014 accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

2. The arrangement agreement (the "Arrangement Agreement") between Brigus, Primero, and Fortune Bay Corp. (formerly known as 8724385 Canada Limited), dated December 16, 2013 and all the transactions contemplated therein, the full text of which is attached as Appendix B to the Circular, the actions of the directors of Brigus in approving the Arrangement and the actions of the directors and officers of Brigus in executing and delivering the Arrangement Agreement and any amendments thereto are hereby ratified and approved.

3. The plan of arrangement (the "Plan of Arrangement") of Brigus implementing the Arrangement, the full text of which is set out in Schedule A to the Arrangement Agreement (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is hereby authorized, approved and adopted.

4. Notwithstanding that this resolution has been passed (and the Arrangement approved) by the shareholders of Brigus or that the Arrangement has been approved by the Superior Court of Justice (Ontario), the directors of Brigus are hereby authorized and empowered, without further notice to, or approval of, the shareholders of Brigus:

   a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

   b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

5. Any director or officer of Brigus is hereby authorized and directed for and on behalf of Brigus to execute, whether under corporate seal of Brigus or otherwise, and to deliver articles of arrangement and amalgamation and such other documents as are necessary or desirable to the Director under the CBCA in accordance with the Arrangement Agreement for filing.

6. Any one or more directors or officers of Brigus is hereby authorized, for and on behalf and in the name of Brigus, to execute and deliver, whether under corporate seal of Brigus or otherwise, all such agreements, forms waivers, notices, certificate, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement

Agreement and the completion of the Plan of Arrangement in accordance with the terms of the Arrangement Agreement, including:

a) all actions required to be taken by or on behalf of Brigus, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Brigus;

c) such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing.

APPENDIX "B"
PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*

ARTICLE 1 INTERPRETATION

1.2 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**Amalco**" has the meaning specified in Section 2.3(i);

"**Arrangement**" means the arrangement under Section 192 of the CBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations made in accordance with the Arrangement Agreement or Section 6.1 of this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Parties, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement made as of December 16, 2013 among the Parties (including the Schedules thereto) as it may be amended, modified or supplemented from time to time in accordance with its terms.

"**Articles of Arrangement**" means the articles of arrangement of Brigus in respect of the Arrangement, required by the CBCA to be sent to the Director after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in a form and content satisfactory to the Parties, each acting reasonably.

"**CBCA**" means the *Canada Business Corporations Act*.

"**Certificate of Arrangement**" means the certificate of arrangement issued by the Director pursuant to subsection 192(7) of the CBCA in respect of the Articles of Arrangement.

"**Class A Shares**" means the Class A voting common shares of Brigus which are to be created in accordance with this Plan of Arrangement and which shall be entitled to two votes per Class A Share with respect to the election of the board of directors of Brigus, but will otherwise have attached thereto the same rights and privileges as the Brigus Shares.

"**Brigus**" means Brigus Gold Corp.

"**Brigus Circular**" means the notice of the Brigus Meeting and accompanying management proxy circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management proxy circular, to be sent to the Brigus Shareholders in connection with the Brigus Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.

"**Brigus DSU**" means a deferred share unit issued under the Brigus DSU Plan.

"**Brigus DSU Plan**" means the deferred share unit plan approved by Brigus Shareholders at a meeting held on May 23, 2012.

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

"**Brigus Option Holders**" means the holders of Brigus Options.

"**Brigus Option Plan**" means the share option plan of Brigus, approved by Brigus Shareholders at a meeting held on May 27, 2011.

"**Brigus Options**" means the outstanding options to purchase Brigus Shares granted under the Brigus Option Plan.

"**Brigus Resolution**" means the special resolution approving the Plan of Arrangement presented to the Brigus Shareholders at the Brigus Meeting.

"Brigus Rights Plan" means the shareholder rights plan agreement effective January 18, 2012, as ratified May 23, 2012, between Brigus and Computershare Investor Services Inc., as rights agent.

"**Brigus Shareholders**" means the holders of Brigus Shares.

"**Brigus Shares**" means the common shares in the authorized share capital of Brigus.

"**Brigus Warrant Indentures**" means, collectively, (i) the warrant indenture dated October 19, 2010 between Brigus Gold Corp. and Computershare Trust Company of Canada, and (ii) the warrant indenture dated November 19, 2009, as amended June 25, 2010, between Brigus Gold Corp. (as successor to Linear Gold Corp.) and Computershare Trust Company of Canada.

"**Brigus Warrants**" means the common share purchase warrants of Brigus listed on the TSX under the symbols "BRD.WT" and "BRD.WT.A".

"**Business Day**" means a day of the year, other than a Saturday, Sunday or any day on which major banks are closed for business in Toronto, Ontario, or Halifax, Nova Scotia.

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

"Consideration" means an indivisible combination of 0.175 of a fully paid and non-assessable Primero Share and $0.000001 in cash (with the total cash entitlement of each shareholder rounded up to the nearest nickel).

"**Court**" means the Ontario Superior Court of Justice (Commercial List), or other court as applicable.

"**Depositary**" means any trust company, bank or other financial institution agreed to in writing by each of the Parties for the purpose of, among other things, exchanging certificates representing Brigus Shares for the Consideration and the Fortune Shares in connection with the Arrangement.

"**Director**" means the Director appointed pursuant to Section 260 of the CBCA.

"**Dissent Rights**" has the meaning specified in Section 4.1 of this Plan of Arrangement.

"**Dissenting Holder**" means a Brigus Shareholder who has duly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Brigus Shares in respect of which Dissent Rights are validly exercised by such holder.

"**Effective Date**" means the date shown on the Certificate of Arrangement.

"**Effective Time**" means 12:01 a.m. (Toronto time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

"**Eligible Holder**" means a beneficial holder of Brigus Shares who is, immediately prior to the Effective Time, a resident of Canada for the purposes of the Tax Act, other than a person who is tax exempt.

"**Fair Market Value**" with reference to:

(i) a Primero Share means the amount that is the closing price of the Primero Shares on the TSX on the last trading day immediately prior to the Effective Date;

(ii) a Class A Share means the amount that is the Fair Market Value of a Primero Share multiplied by 0.175; and

(iii) a Fortune Share means ten (10) multiplied by the amount that is a product of the price of the Brigus Shares on the TSX on the last trading day immediately prior to the Effective Date minus the Fair Market Value of a Class A Share.

"**Final Order**" means the final order of the Court pursuant to Section 192 of the CBCA, in a form acceptable to the Parties, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of the Parties, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided, however, that any such amendment is acceptable to the Parties, each acting reasonably) on appeal.

"**Fortune**" means Fortune Bay Corp. (formerly known as 8724385 Canada Limited).

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body, commission, board, bureau, ministry, agency or instrumentality, domestic or foreign, (ii) any subdivision, agent or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange.

"**Interim Order**" means the interim order of the Court in a form acceptable to the Parties, each acting reasonably, as contemplated by Section 2.2 of the Arrangement Agreement, providing for, among other things, the calling and holding of the Brigus Meeting, as such order may be amended by the Court with the consent of the Parties, each acting reasonably.

"**Law**" means, with respect to any Person, any and all applicable law (statutory, common or otherwise), constitution, treaty, convention, ordinance, code, rule, regulation, order, injunction, judgment, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, undertaking, property or securities, and to the extent that they have the force of law, policies, guidelines, notices and protocols of any Governmental Entity, as amended.

"**Lien**" means any mortgage, charge, pledge, hypothec, security interest, prior claim, encroachments, option, right of first refusal or first offer, occupancy right, covenant, assignment, lien (statutory or otherwise), defect of title, or restriction or adverse right or claim, or other third party interest or encumbrance of any kind, in each case, whether contingent or absolute.

"**Letter of Transmittal**" means the letter of transmittal sent to Brigus Shareholders for use in connection with the Arrangement.

"**Loan Amount**" means $10,000,000.00.

"**Option Exchange Ratio**" means 0.175.

"**Option Shares**" means the Primero Shares issuable on exercise of any Replacement Option.

"**Parties**" means Primero, Brigus and Fortune.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means this plan of arrangement proposed under Section 192 of the CBCA, and any amendments or variations made in accordance with the Arrangement Agreement or Section 6.1 of this plan of arrangement or made at the direction of the Court in the Final Order with the consent of Brigus and Primero, each acting reasonably.

"**Primero**" means Primero Mining Corp.

"**Primero NewCo**" means a wholly-owned corporation of Primero incorporated under the laws of Canada no less than one (1) day prior to the Effective Time.

"**Primero Shares**" means the common shares in the authorized share capital of Primero.

"**Replacement Option**" has the meaning ascribed thereto in Section 2.3(h).

"**Section 85 Election**" has the meaning ascribed thereto in Section 2.4.

"**Tax Act**" means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

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

1.3 Certain Rules of Interpretation.

In this Agreement, unless otherwise specified:

1. **Headings, etc.** The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.

(1) **Currency.** All references to dollars or to $ are references to Canadian dollars.

(2) **Gender and Number.** Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(3) **Certain Phrases, etc**. The words (i) **"including"**, **"includes"** and **"include"** mean **"including (or includes or include) without limitation,"** (ii) **"the aggregate of"**, **"the total of"**, **"the sum of"**, or a phrase of similar meaning means **"the aggregate (or total or sum), without duplication, of,"** and (iii) unless stated otherwise, **"Article", "Section", and "Schedule"** followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.

(4) **Statutes.** Any reference to a statute refers to such statute and all rules and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(5) **Computation of Time.** A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

(6) **Time References.** References to time are to local time, Toronto, Ontario.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to the Arrangement Agreement.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective, and be binding on Primero, Brigus, Fortune, all holders and beneficial owners of Brigus Shares, Brigus Options, Brigus Warrants, and Brigus DSUs, including Dissenting Holders, the registrar and transfer agent of Brigus and the Depositary, at and after, the Effective Time without any further act or formality required on the part of any Person, except as expressly provided in this Plan of Arrangement.

2.3 Arrangement

At the Effective Time the following shall occur and shall be deemed to occur in the following sequence as set out below without any further authorization, act or formality, in each case effective as at five minute intervals starting at the Effective Time:

(a) notwithstanding the terms of the Brigus Rights Plan, the Brigus Rights Plan shall be terminated and all rights issued pursuant to the Brigus Rights Plan shall be cancelled without any payment in respect thereof;

(b) the Effective Date shall be deemed to be the vesting date for all of the then issued and outstanding Brigus DSUs, and Brigus shall allot and issue to each holder of a Brigus DSU such number of Brigus Shares as are due to such holder under the terms of the Brigus DSU Plan (less any amounts withheld pursuant to the Plan of Arrangement) and thereafter the Brigus DSU Plan will terminate and none of the former holders of Brigus DSUs, the Parties or any of their respective successors or assigns shall have any rights, liabilities or obligations in respect of the Brigus DSU Plan;

(c) all Brigus Shares held by Dissenting Holders shall be deemed to have been transferred (free and clear of all Liens) to Primero in exchange for a debt claim against Primero for the amount determined under Article 4; and

  (i) such Dissenting Holders shall cease to be the holders of such Brigus Shares and to have any rights as Brigus Shareholders other than the right to be paid the fair value for such Brigus Shares as set out in Article 4; and

  (ii) the name of each such Dissenting Holders shall be removed as a Brigus Shareholder from the registers of Brigus Shareholders maintained on or on behalf of Brigus;

(d) Primero will lend to Brigus an amount equal to the Loan Amount by way of a non-interest bearing demand promissory note;

(e) Brigus will subscribe for such number of additional Fortune Shares as would result in Brigus holding, after completion of the distribution in Section 2.3(f), 9.9% of the outstanding Fortune Shares, in consideration for payment to Fortune of cash subscription proceeds equal to the Loan Amount (with the amount, if any, by which such cash subscription proceeds exceed the Fair Market Value of the Fortune Shares so issued being a contribution to the capital of Fortune);

(f) Brigus shall undertake a reorganization of capital within the meaning of section 86 of the Tax Act, and which reorganization shall occur in the following order:

(i) the authorized share capital of Brigus will be amended by the creation of one new class of shares consisting of an unlimited number of Class A Shares, and the articles of incorporation of Brigus shall be deemed to be amended accordingly;

(ii) each outstanding Brigus Share (including such Brigus Shares acquired by Primero pursuant to Section 2.3(b) above, if any) will be exchanged with Brigus (without any further act or formality on the part of the Brigus Shareholder) free and clear of all Liens for one (1) Class A Share and one-tenth (0.1) of a Fortune Share, and such Brigus Shares shall thereupon be cancelled, and:

(A) the holders of such Brigus Shares shall cease to be the holders thereof and to have any rights or privileges as holders of such Brigus Shares;

(B) such holders' names shall be removed from the register of the Brigus Shares maintained by or on behalf of Brigus; and

(C) each Brigus Shareholder shall be deemed to be the holder of the Class A Shares and Fortune Shares (in each case, free and clear of any Liens) exchanged for the Brigus Shares and shall be entered in the register of Brigus or Fortune, as the case may be, as the registered holder thereof;

(iii) the stated capital of Brigus for the outstanding Class A Shares will be an amount equal to the paid-up capital of Brigus for the Brigus Shares, less the Fair Market Value of the Fortune Shares distributed on such exchange;

(g) each outstanding Class A Share (other than Class A Shares held by Primero or any affiliate thereof) will, without further act or formality by or on behalf of a holder of Class A Shares, be irrevocably assigned and transferred by the holder thereof to Primero (free and clear of all Liens) in exchange for the Consideration from Primero for each Class A Share held, and

(i) the holders of such Class A Shares shall cease to be the holders thereof and to have any rights as holders of such Class A Shares other than the right to be paid the Consideration per Class A Share in accordance with this Plan of Arrangement;

(ii) such holders' name shall be removed from the register of the Class A Shares maintained by or on behalf of Brigus; and

(iii) Primero shall be deemed to be the transferee and the legal and beneficial holder of such Class A Shares (free and clear of all Liens) and shall be entered as the registered holder of such Class A Shares in the register of the Class A Shares maintained by or on behalf of Brigus;

(h) each Brigus Option which is outstanding and has not been duly exercised prior to the Effective Time, shall be exchanged for a fully-vested option (each, a "**Replacement Option**") to purchase from Primero the number of Primero Shares (rounded down to the nearest whole share) equal to: (i) the Option Exchange Ratio multiplied by (ii) the number of Brigus Shares subject to such Brigus Option immediately prior to the Effective Time. Such Replacement Option shall provide for an exercise price per Primero Share

(rounded up to the nearest whole cent) equal to: (x) the exercise price per Brigus Share otherwise purchasable pursuant to such Replacement Option; divided by (y) the Option Exchange Ratio. It is agreed that all terms and conditions of a Replacement Option, including the term to expiry, conditions to and manner of exercising, will be the same as the Brigus Option for which it was exchanged, and shall be governed by the terms of the Brigus Option Plan, except that the term to expiry of any Replacement Option shall not be affected by a holder of Replacement Options not becoming, or ceasing to be, an employee, officer or director of Brigus or Primero, as the case may be; and

(i) Primero NewCo and Brigus shall amalgamate to form one corporate entity ("**Amalco**") under Section 192 of the CBCA, such that:

(i) the name of Amalco shall be "Brigus Gold Corp.";

(ii) the initial directors of Amalco shall be the directors of Primero NewCo;

(iii) the initial officers of Amalco shall be the officers of Primero NewCo;

(iv) Amalco shall have a minimum of 1 director and a maximum of 20 directors;

(v) all of the property of each of Primero NewCo and Brigus continues to be the property of Amalco;

(vi) Amalco continues to be liable for the obligations of each of Primero NewCo and Brigus (other than any obligations of Primero NewCo or Brigus to the other);

(vii) any existing cause of action, claim or liability to prosecution is unaffected;

(viii) a civil, criminal or administrative action or proceeding pending by or against Primero NewCo or Brigus may continue to be prosecuted by or against Amalco;

(ix) a conviction against, or ruling, order or judgment in favour of or against Primero NewCo or Brigus may be enforced by or against Amalco;

(x) the articles of Primero NewCo immediately before the Effective Time are deemed to be the articles of incorporation of Amalco, and the Certificate of Arrangement is deemed to be the certificate of incorporation of Amalco;

(xi) the by-laws of Primero NewCo immediately before the Effective Time are deemed to be the by-laws of Amalco;

(xii) Amalco shall be authorized to issue an unlimited number of common shares;

(xiii) the directors of Amalco may appoint one or more directors of Amalco but the total number of directors so appointed may not exceed one third of the number of directors elected at the previous annual meeting of shareholders of Amalco, and any directors of Amalco appointed pursuant to the previous sentence shall hold office for a term expiring not later than the close of the next annual meeting of shareholders;

(xiv) the Class A Shares shall continue as common shares of Amalco, and any certificates formerly representing the Class A Shares and common shares of Primero NewCo shall represent and be deemed to represent common shares of Amalco;

(xv) all shares in the capital stock of Brigus shall be cancelled; and

(xvi) the stated capital of the Amalco common shares will be an amount equal to the "paid-up capital", as that term is defined in the Tax Act, attributable to all of the issued and outstanding shares of Brigus immediately prior to the Amalgamation.

2.4 Post-Effective Time Procedures

(a) Following the receipt of the Final Order and prior to the Effective Date, Primero shall deliver or arrange to be delivered to the Depositary the Consideration, including certificates (or electronic deposit) representing the Primero Shares required to be issued to former Brigus Shareholders in accordance with the provisions of Section 2.3 hereof, which shares shall be held by the Depositary as agent and nominee for such former Brigus Shareholders for distribution to such former Brigus Shareholders in accordance with the provisions of Article 2 hereof.

(b) An Eligible Holder whose Class A Shares are exchanged for the Consideration pursuant to the Arrangement shall be entitled to make a joint income tax election, pursuant to section 85 of the Tax Act (and any analogous provision of provincial income tax law) (a "**Section 85 Election**") with respect to the exchange by providing two signed copies of the necessary joint election forms to an appointed representative, as directed by Primero, within 90 days after the Effective Date, duly completed with the details of the number of Class A Shares transferred and the applicable agreed amounts for the purposes of such joint elections. Primero shall, within 90 days after receiving the completed joint election forms from an Eligible Holder, and subject to such joint election forms being correct and complete and in compliance with requirements imposed under the Tax Act (or applicable provincial income tax law), sign and return them to the Eligible Holder for filing with the CRA (or the applicable provincial tax authority). Neither Brigus, Primero nor any successor corporation shall be responsible for the proper completion of any joint election form nor, except for the obligation to sign and return duly completed joint election forms which are received within 90 days of the Effective Date, for any taxes, interest or penalties resulting from the failure of an Eligible Holder to properly complete or file such joint election forms in the form and manner and within the time prescribed by the Tax Act (or any applicable provincial legislation). In its sole discretion, Primero or any successor corporation may choose to sign and return a joint election form received by it more than 90 days following the Effective Date, but will have no obligation to do so.

(c) Upon receipt of a Letter of Transmittal in which an Eligible Holder has indicated that the Eligible Holder intends to make a Section 85 Election, Primero will promptly deliver a tax instruction letter (and a tax instruction letter for the equivalent Quebec election, if applicable), together with the relevant tax election forms (including the Quebec tax election forms, if applicable), to the Eligible Holder.

2.5 No Fractional Shares

Following the Effective Time, if the aggregate number of Primero Shares to which a Brigus Shareholder would otherwise be entitled would include a fractional share, then the number of Primero Shares that such former Brigus Shareholder is entitled to receive shall be rounded down to the next whole number and no former Brigus Shareholder will be entitled to any compensation in respect of such fractional Primero Share. In addition, following the Effective Time, if the aggregate number of Fortune Shares to which a former Brigus Shareholder would otherwise be entitled would include a fractional share, then the number of Fortune Shares that such former Brigus Shareholder is entitled to receive shall be rounded down to the next whole number and no former Brigus Shareholder will be entitled to any compensation in respect of such fractional Fortune Share.

ARTICLE 3
BRIGUS WARRANTS

3.1 Brigus Warrants

In accordance with the terms of the Brigus Warrant Indentures, each holder of a Brigus Warrant shall be entitled to receive (and such holder shall accept) upon the exercise of such holder's Brigus Warrant, in lieu of Brigus Shares to which such holder was theretofore entitled upon such exercise, and for the same aggregate consideration payable therefor, the number of Primero Shares and Fortune Shares which the holder would have been entitled to receive as a result of the transactions contemplated by this Arrangement if, immediately prior to the Effective Date, such holder had been the registered holder of the number of Brigus Shares to which such holder would have been entitled if such holder had exercised such holder's Brigus Warrants immediately prior to the Effective Time. Each Brigus Warrant shall continue to be governed by and be subject to the terms of the applicable Warrant Indenture.

3.2 Exercise of Brigus Warrants Post-Effective Time

Upon any exercise of a Brigus Warrant, Primero shall issue the necessary number of Primero Shares, and Fortune shall issue the necessary number of Fortune Shares, necessary to settle such exercise, and Primero shall promptly pay to Fortune, on receipt, a portion of the Brigus Warrant exercise price received from each exercising Brigus Warrantholder such that the Brigus Warrant exercise price is divided between Primero and Fortune as follows:

(a) Primero shall receive a portion of the exercise price equal to the original exercise price of the Brigus Warrant multiplied by the Fair Market Value of a Class A Share divided by the total of the Fair Market Value of a Class A Share plus the Fair Market Value of one Fortune Share; and

(b) Fortune shall receive a portion of the exercise price equal to the original exercise price of the Brigus Warrant multiplied by the Fair Market Value of a Fortune Share divided by the total of the Fair Market Value of a Class A Share plus the Fair Market Value of one Fortune Share.

3.3 Idem

This Article 3 is subject to adjustment in accordance with the terms of the Brigus Warrant Indentures.

ARTICLE 4
RIGHTS OF DISSENT

4.1 Rights of Dissent

Holders of Brigus Shares may exercise dissent rights ("**Dissent Rights**") in connection with the Arrangement pursuant to and in the manner set forth in Section 190 of the CBCA, as modified by the Interim Order and this Section 4.1; provided that, notwithstanding subsection 190(5) of the CBCA, the written objection to the Arrangement Resolution referred to in subsection 190(5) of the CBCA must be received by Brigus not later than 5:00 p.m. (Toronto time) on the Business Day immediately preceding the date of the Brigus Meeting (as it may be adjourned or postponed from time to time). Dissenting Holders who duly exercise their Dissent Rights shall be deemed to have transferred the Brigus Shares held by them, and in respect of which Dissent Rights have been validly exercised, to Primero, free and clear of all Liens, as provided in Section 2.3 above and if they:

(a) ultimately are entitled to be paid fair value for such Brigus Shares, will be entitled to be paid the fair value of such Brigus Shares, and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Brigus Shares; or

(b) ultimately are not entitled, for any reason, to be paid fair value for such Brigus Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Brigus Shareholder.

4.2 Recognition of Dissenting Holders

(a) In no circumstances shall Primero, Brigus, Fortune, or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the holder of those Brigus Shares in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall Primero, Brigus, Fortune, or any other Person be required to recognize Dissenting Holders as Brigus Shareholders in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.3(c) above, and the names of such Dissenting Holders shall be removed from the registers of Brigus Shareholders in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 2.3(c) occurs. In addition to any other restrictions under Section 190 of the CBCA, none of the following shall be entitled to exercise Dissent Rights: (i) Brigus Optionholders, (ii) Brigus Warrantholders, and (iii) Brigus Shareholders who vote or have instructed a proxyholder to vote such Brigus Shares in favour of the Arrangement Resolution (but only in respect of such Brigus Shares).

ARTICLE 5
CERTIFICATES AND PAYMENTS

5.1 Letter of Transmittal

The Depositary will forward to each former registered Brigus Shareholder, at the address of such former Brigus Shareholder as it appears on the former register for the Brigus Shares, a Letter of Transmittal and instructions for obtaining delivery of the certificates or other evidence

of ownership representing part of the Consideration and the Fortune shares that will be transferred to such former Brigus Shareholder pursuant to the Arrangement.

5.2 Class A Shares

Recognizing that the Brigus Shares shall be exchanged partially for Class A Shares pursuant to Section 2.3(f)(ii), Brigus shall not issue share certificates representing the Class A Shares in replacement for outstanding share certificates representing the Brigus Shares and each certificate representing the outstanding Brigus Shares shall, as and from the time such exchange is effective, represent Class A Shares.

5.3 Fortune Share Certificates

As soon as practicable following the Effective Date, Fortune shall deliver, or cause to be delivered to the Depositary, certificates representing the Fortune Shares required to be issued to the registered former Brigus Shareholders in accordance with the provisions Section 2.3(f)(ii) hereof, which certificates shall be held by the Depositary as agent and nominee for such former Brigus Shareholders, for distribution to such former Brigus Shareholders in accordance with the provisions of Section 5.5 hereof.

5.4 Primero Share Certificates and Cash

Primero shall deliver, or arrange to be delivered, to the Depositary certificates representing the Primero Shares required to be issued to registered former Brigus Shareholders, and the amount of cash to which such former Brigus Shareholders are entitled, which certificates and cash shall be held by the Depository, as agent and nominee for such former Brigus Shareholders, for Distribution in accordance with the provisions of Section 5.5 hereof, all in accordance with Section 2.3(g) hereof.

5.5 Payment of Consideration

(a) Upon surrender to the Depositary for cancellation of a certificate that immediately before the Effective Time represented one or more outstanding Brigus Shares, together with such other documents and instruments as would have been required to effect the transfer of the Brigus Shares formerly represented by such certificate under the CBCA and the articles of Brigus and such additional documents and instruments as the Depositary may reasonably require, the holder of such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder following the Effective Time, a certificate representing the Primero Shares, a certificate representing the Fortune Shares and make available for pick up at its offices during normal business hours the requisite cash consideration that such holder is entitled to receive in accordance with Section 2.3(g) hereof. Any such certificate formerly representing Brigus Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former Brigus Shareholder of any kind or nature against or in Brigus, Primero or Fortune; and on such sixth anniversary, all Primero Shares, Fortune Shares and cash to which such former Brigus Shareholder was entitled shall be deemed to have been surrendered to Primero or Fortune, as applicable.

(b) After the Effective Time and until surrendered for cancellation as contemplated by Section 5.5(a) hereof, each certificate that immediately prior to the Effective Time

represented one or more Brigus Shares shall be deemed at all times to represent only the right to receive in exchange therefor a certificate representing the Primero Shares, a certificate representing the Fortune Shares and the cash consideration that the holder of such certificate is entitled to receive in accordance with Section 2.3(g) hereof.

(c) Any payment made by way of cash by Primero pursuant to the Plan of Arrangement that has not been collected or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive such cash consideration for Brigus Shares pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to Primero for no consideration.

(d) No holder of Brigus Shares, Brigus Options, Brigus Warrants or Brigus DSUs shall be entitled to receive any consideration with respect to such Brigus Shares, Brigus Options, Brigus Warrants or Brigus DSUs, other than any Consideration to which such holder is entitled to receive in accordance with Section 2.3(g) and this Section 5.5 and, for greater certainty, no such holder with be entitled to receive any interest, dividends, premium or other payment in connection therewith, other than any declared but unpaid dividends.

5.6 Lost Certificates

In the event any certificate which, immediately prior to the Effective Time, represented one or more outstanding Brigus Shares that were transferred pursuant to Section 2.3(f) shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed, the Depositary will issue in exchange for such lost, stolen or destroyed certificate, Primero Shares and Fortune Shares, and Primero shall make available for pick-up at office of the Depositary the requisite cash required to be paid in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such Primero Shares, Fortune Shares and cash is to be delivered shall as a condition precedent to the delivery of such Primero Shares, Fortune Shares and cash, give a bond satisfactory to Primero, Fortune and the Depositary (acting reasonably) in such sum as Primero and Fortune may direct, or otherwise indemnify Primero, Fortune and Brigus in a manner satisfactory to Primero, Fortune and Brigus, acting reasonably, against any claim that may be made against Primero, Fortune and Brigus with respect to the certificate alleged to have been lost, stolen or destroyed.

5.7 Withholding Rights

Any of the Parties or the Depositary shall be entitled to deduct and withhold from any amount payable to any Person under the Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 4.1), such amounts as Primero, Brigus, Fortune, or the Depositary determines, acting reasonably, are required or permitted to be deducted and withheld with respect to such payment under the Tax Act, the Code or any provision of any other Law. To the extent that amounts are so withheld, such withheld amounts shall be treated for all purposes hereof as having been paid to the Person in respect of which such withholding was made, provided that such amounts are actually remitted to the appropriate taxing authority. The Parties and the Depositary shall also have the right to withhold and sell, on their own account or through a broker, and on behalf of any aforementioned Person to whom a withholding obligation applies, or require such Person to irrevocably direct the sale through a

broker and irrevocably direct the broker pay the proceeds of such sale to the Parties or the Depositary, as appropriate, such number of Primero Shares or Fortune Shares issued or issuable to such Person pursuant to the Arrangement Agreement as is necessary to produce sale proceeds (after deducting commissions payable to the broker and other costs and expenses) sufficient to fund any withholding obligations. None of the Parties or the Depositary will be liable for any loss arising out of any sale.

5.8 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

5.9 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Brigus Shares issued prior to the Effective Time, (b) the rights and obligations of the Brigus Shareholders, Brigus, Fortune, Primero, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Brigus Shares shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 6
AMENDMENTS

6.1 Amendments to Plan of Arrangement

(a) The Parties may amend, modify and/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 and/or supplement must (i) be set out in writing, (ii) be approved by the Parties, each acting reasonably, (iii) filed with the Court and, if made following the Brigus Meeting, approved by the Court, and (iv) communicated to Brigus Shareholders if and as required by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Parties at any time prior to the Brigus Meeting (provided that Primero 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 Brigus Meeting (other than as may be required under 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 Brigus Meeting shall be effective only if (i) it is consented to in writing by each of the Parties (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Brigus Shareholders 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 Primero, provided that it concerns a matter which, in the reasonable opinion of Primero, 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 interest of any former Brigus Shareholder.

ARTICLE 7
FURTHER ASSURANCES

7.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement 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 further to document or evidence any of the transactions or events set out in this Plan of Arrangement.

APPENDIX "C"
FAIRNESS OPINION

December 14, 2013

The Board of Directors of Brigus Gold Corp.
1969 Upper Water Street, Suite 2001
Purdy's Wharf Tower II
Halifax, Nova Scotia
B3J 3R7

Dear Sirs,

Cormark Securities Inc. ("Cormark") understands that Brigus Gold Corp. ("Brigus" or the "Company") intends to enter into an arrangement agreement (the "Arrangement Agreement") with Primero Mining Corp. ("Primero") pursuant to which Primero has agreed to acquire all of the issued and outstanding shares of Brigus (the "Brigus Shares") through the exchange of each outstanding common share of Brigus for 0.175 of a common share of Primero and 0.1 of a common share in a newly incorporated company ("SpinCo") pursuant to a plan of arrangement under the *Canada Business Corporations Act* (the "Offer"). SpinCo will hold Brigus' interests in the Goldfields project in Saskatchewan and the Ixhuatán project in Mexico, as well as certain other assets of Brigus, and will be capitalized with approximately C$10 million in cash. Immediately following the completion of the Offer, the former shareholders of Brigus will hold approximately 26.6% of the pro forma outstanding common shares of Primero and the former shareholders of Primero will hold approximately 73.4% of the pro forma outstanding common shares of Primero. The former shareholders of Brigus will also hold approximately 90.1% of the pro forma outstanding common shares of SpinCo and the former shareholders of Primero will hold approximately 9.9% of the pro forma common shares of SpinCo. The specific terms and conditions of, and other matters relating to, the Offer will be outlined in a management information circular of Brigus to be mailed to shareholders of Brigus (the "Circular").

Cormark has been retained by the board of directors (the "Board") of the Company to prepare and deliver an opinion as to the fairness of the Offer, from a financial point of view, to the shareholders of Brigus (the "Fairness Opinion").

CORMARK'S ENGAGEMENT

Cormark was initially contacted by Brigus with respect to acting as financial advisor and providing a Fairness Opinion in connection with the Offer in April 2013. On May 22, 2013 Cormark and Primary Capital Inc. ("Primary", collectively with Cormark, the "Advisors") were formally retained by the Company pursuant to an engagement letter dated May 22, 2013 (the "Engagement Letter") to act as joint financial advisors in connection with a transaction, including delivery of a fairness opinion. The terms of the Engagement Letter provide that Advisors are to be paid a fee by Brigus upon completion of the Offer (the "Completion Fee") and Cormark, as the advisor that delivers the Fairness Opinion, is to be paid a fee on delivery of the Fairness Opinion (the "Fairness Opinion Fee"). The Fairness Opinion Fee is not contingent in whole or in part on the success of the Offer or on the conclusions reached in the Fairness Opinion, but it shall be credited against the payment of a Completion Fee. In addition, the Advisors are to be reimbursed for their reasonable out-of-pocket expenses and are to be indemnified by the Company, in certain circumstances, against certain expenses, losses, claims, actions, damages and liabilities incurred in connection with the provision of their services under the Engagement Letter.

CREDENTIALS OF CORMARK

Cormark is an independent Canadian investment dealer providing investment research, equity sales and trading and investment banking services to a broad range of institutions and corporations. Cormark has participated in a significant number of transactions involving public and private companies, maintains a particular expertise advising companies in the global mining sector and has extensive experience in preparing fairness opinions.

The Fairness Opinion represents the opinion of Cormark and its form and content have been approved for release by a committee of senior investment banking professionals of Cormark, each of whom is experienced in merger, acquisition, divestiture, valuation, fairness opinion and other capital markets matters.

INDEPENDENCE OF CORMARK

Neither Cormark, nor any of its affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act (Ontario)*) of Brigus, Primero, or any of their respective associates or affiliates (collectively, the "Interested Parties").

Cormark has not been engaged to provide any financial advisory services nor has it participated in any underwriting involving Primero or any of its associates or affiliates during the 24-month period preceding the date Cormark was first contacted in respect of the Offer.

In the 24-month period preceding the date Cormark was first contacted to act as a financial advisor, Cormark has participated in the following underwritings involving Brigus: acting as lead underwriter for Brigus' public issue of Brigus flow through common shares that closed in November 2012; and acting as lead underwriter for Brigus' public issue of Brigus common shares that closed in March 2012.

Cormark acts as a trader and dealer, both as principal and agent, in all major financial markets in Canada and, as such, may have had, may have, and may in the future have, positions in the securities of Brigus or other Interested Parties and, from time to time, may have executed or may execute transactions on behalf of such entities or other clients for which it may have received or may receive compensation. As an investment dealer, Cormark 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 matters with respect to the Offer, Brigus, Primero or other Interested Parties.

There are no understandings, agreements or commitments between Cormark and Brigus, Primero or any other Interested Party with respect to any future financial advisory or investment banking business. Cormark may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for Brigus, Primero or any other Interested Party.

SCOPE OF REVIEW

In connection with preparing the Fairness Opinion, Cormark has reviewed, relied upon (without verifying or attempting to verify independently the completeness or accuracy thereof) or carried out, among other things, the following:

a) The Arrangement Agreement dated December 16, 2013;

b) Audited annual financial statements and management's discussion and analysis of Brigus for each of the years ended December 31, 2010, December 31, 2011 and December 31, 2012;

c) Annual information form of Brigus for the year ended December 31, 2012;

d) Quarterly financial statements and management's discussion and analysis of Brigus for the quarters ended September 30, 2013, June 30, 2013 and March 31, 2013;

e) Audited annual financial statements and management's discussion and analysis of Primero for each of the years ended December 31, 2010, December 31, 2011 and December 31, 2012;

f) Annual information form of Primero for the year ended December 31, 2012;

g) Quarterly financial statements and management's discussion and analysis of Primero for the quarters ended September 30, 2013, June 30, 2013 and March 31, 2013;

h) Technical report titled: TECHNICAL REPORT AND MINERAL RESOURCE ESTIMATE FOR THE GREY FOX PROJECT (Dated: June 21, 2013);

i) Technical report titled: Technical Report on the 147 and Contact Zones of the Black Fox Complex, Ontario, Canada (Dated: October 26, 2012);

j) Technical report titled: Technical Report and Resource Estimate on the 147 and Contact Zones of the Black Fox Complex, Ontario, Canada (Dated: December 15, 2011);

k) Technical report titled: NI 43-101 Technical Report Pre-feasibility Study Brigus Gold Corp. Goldfields Project, Saskatchewan, Canada (Dated: October 6, 2011);

l) Technical report titled: Black Fox Project National Instrument 43-101 Technical Report (Dated: January 6, 2011);

m) Technical report titled: SAN DIMAS PROPERTY SAN DIMAS DISTRICT DURANGO AND SINALOA STATES, MEXICO TECHNICAL REPORT for PRIMERO MINING CORP. (Dated: April 16, 2012);

n) Technical report titled: Technical Report First Stage Heap Leach Feasibility Study Cerro del Gallo Gold Silver Project Guanajuato, Mexico (Dated: May 11, 2012);

o) Confidential information made available by Brigus concerning the business, operations, assets, liabilities and prospects of the Company;

p) Meetings and discussions with the Board and certain directors of the Company;

q) Due diligence meetings with senior executives of the Company and Primero concerning the past and current operations and financial condition and the prospects of the Company and Primero including a verbal due diligence session with Primero held on December 14, 2013;

r) Public information (including corporate presentations and that information prepared by industry research analysts) related to the business, operations, financial performance and trading history of the Company and other selected mining companies, as we considered relevant;

s) Public information with respect to precedent transactions of a comparable nature which we considered relevant; and

t) Such other information, made such other investigations, prepared such other analyses and had such other discussions as we considered appropriate in the circumstances.

Cormark has had full access to and cooperation from the senior officers of Brigus and has not, to the best of its knowledge, been denied access by the Company to any information requested by Cormark.

PRIOR VALUATIONS

The Company has represented to Cormark that there have been no independent appraisals or valuations (as defined in MI 61-101) or material non-independent appraisals or valuations relating to the Company or any of its subsidiaries on any of their respective material assets or liabilities which have been prepared as of a date within the preceding 24 months that otherwise have not been provided to Cormark.

ASSUMPTIONS AND LIMITATIONS

Cormark has not been asked to prepare and has not prepared a formal valuation of the Company, Primero or any of their respective securities or assets, and the Fairness Opinion should not be construed as such. Cormark has, however, conducted such analyses as it considered necessary in the circumstances. In addition, the Fairness Opinion

is not, and should not be construed as, advice as to the price at which the Brigus or Primero shares may trade at any future date. Cormark similarly was not engaged to review any legal, tax or accounting aspects of the Offer. Cormark has relied upon, without independent verification or investigation, the assessment by the Company and its legal, tax, regulatory and accounting advisors with respect to legal, tax, regulatory and accounting matters. In addition, the Fairness Opinion does not address the relative merits of the Offer as compared to any other transaction involving the Company, the prospects or likelihood of any alternative transaction or any other possible transaction involving the Company, its assets or its securities.

With the approval of the Board and as is provided for in the Engagement Letter, Cormark has relied upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions and representations obtained by it from public sources or provided to it by or on behalf of the Company and its directors, officers, agents and advisors or otherwise (collectively, the "Information") and Cormark has assumed that this Information does not omit any material fact or any fact necessary to be stated to make that Information not misleading. The Fairness Opinion is conditional upon the completeness, accuracy and fair presentation of such Information including the absence of any undisclosed material change. Subject to the exercise of professional judgment and except as expressly described herein, Cormark has not attempted to independently verify or investigate the completeness, accuracy or fair presentation of any of the Information.

With respect to financial and operating forecasts, projections, estimates and/or budgets provided to Cormark and used in the analyses supporting the Fairness Opinion, Cormark has noted that projecting future results of any company is inherently subject to uncertainty. Cormark has assumed that such forecasts, projections, estimates and/or budgets were reasonably prepared consistent with industry practice on a basis reflecting the best currently available assumptions, estimates and judgments of management of the Company as to the future financial performance of Brigus and Primero and are (or were at the time and continue to be) reasonable in the circumstances. In rendering the Fairness Opinion, Cormark expresses no view as to the reasonableness of such forecasts, projections, estimates and/or budgets or the assumptions on which they are based.

Senior officers of the Company have represented to Cormark in a certificate delivered as of the date hereof, among other things, that: (a) the Information provided by, or on behalf, of the Company or any of its affiliates or its representatives and agents to Cormark for the purpose of preparing the Fairness Opinion was, at the date such information was provided to Cormark, and is now, complete, true and correct in all material respects, and did not and does not contain any untrue statement of a material fact in respect of the Company and its affiliates or the Offer and did not and does not omit a material fact in relation to the Company and its affiliates or the Offer necessary to make the Information not misleading in light of the circumstances under which it was provided; (b) since the dates on which the Information was provided to Cormark, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company and its affiliates 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 Fairness Opinion; (c) to the best of the Company's knowledge, information and belief after due inquiry, there are no independent appraisals or valuations or material non-independent appraisals or valuations relating to the Company or any of its affiliates or any of their respective material assets or liabilities which have been prepared as of a date within the two years preceding the date hereof and which have not been provided to Cormark; and (d) since the dates on which the Information was provided to Cormark by the Company, no material transaction has been entered into by the Company or any of its affiliates which has not been disclosed in complete detail to Cormark.

This Fairness Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as at the date hereof and the condition and prospects, financial and otherwise, of the Company and its affiliates, as they were reflected in the Information and as they have been represented to Cormark in discussions with management of the Company. In its analyses and in preparing the Fairness Opinion, Cormark has made certain assumptions with respect to expected industry performance, general business and economic conditions and other matters, most of which are beyond the control of Cormark or any party involved in the Offer. Cormark believes these assumptions are reasonable under the current circumstances; however, actual future results may demonstrate that certain assumptions were incorrect.

In preparing the Fairness Opinion, Cormark has also assumed that the disclosure provided or incorporated by reference in the Circular and any other documents prepared in connection with the Offer will be accurate in all

material respects and will comply with the requirements of all applicable laws, that all of the conditions required to implement the Offer will be met, that the procedures being followed to implement the Offer are valid and effective, and that the Circular will be distributed to Brigus shareholders in accordance with applicable laws.

The Fairness Opinion has been prepared for the exclusive use of the Board in connection with the Offer. The Fairness Opinion may not be used by any person or relied upon by any person other than the Board and may not be used or relied upon by the Board for any purpose other than the purpose hereinbefore stated, without the express prior written consent of Cormark. Except as contemplated herein, the Fairness Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent. Cormark hereby consents to the reference to Cormark and the description of, reference to and reproduction of the Fairness Opinion in the Circular prepared in connection with the Offer for delivery to Brigus shareholders and filing with the securities commissions or similar regulatory authorities in each province and territory of Canada.

Cormark believes that the Fairness Opinion must be considered and reviewed as a whole and that selecting portions of the stated analyses or factors considered by Cormark, without considering all the stated analyses and factors together, could create a misleading view of the process underlying, or the scope of the Fairness Opinion. The preparation of a fairness opinion of this nature is a complex process and is not necessarily amenable to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis. The Fairness Opinion is not to be construed as a recommendation to any Brigus shareholder as to whether or not to vote in favour of the Offer.

The Fairness Opinion is given as of the date hereof and Cormark disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Fairness Opinion which may come or be brought to Cormark's attention after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Fairness Opinion after the date hereof, Cormark reserves the right to change, modify or withdraw the Fairness Opinion.

The Fairness Opinion has been prepared in accordance with the Disclosure Standards for Fairness Opinions of the Investment Industry Regulatory Organization of Canada ("IIROC"), but IIROC has not been involved in the preparation or review of the Fairness Opinion.

FAIRNESS OPINION

Based upon and subject to the foregoing, Cormark is of the opinion that, as at of the date hereof, the Offer is fair, from a financial point of view, to the shareholders of Brigus.

Yours very truly,

Cormark Securities Inc.

CORMARK SECURITIES INC.

APPENDIX "D"
COURT MATERIALS

Court File No. CV-10416-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE ML	)	FRIDAY, THE 24th
JUSTICE D. BROWN	)	DAY OF JANUARY, 2014

IN THE MATTER OF an Application under section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended;

AND IN THE MATTER OF Rule 14.05(2) of the *Rules of Civil Procedure*

AND IN THE MATTER OF a proposed arrangement of BRIGUS GOLD CORP., involving its Shareholders, PRIMERO MINING CORP. and FORTUNE BAY CORP.

INTERIM ORDER

THIS MOTION made by the Applicant, Brigus Gold Corp. (**"Brigus"**), for an interim order for advice and directions pursuant to section 192 of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended, (the "**CBCA**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Notice of Motion, the Notice of Application issued on January 24, 2014 and the Affidavit of Jon Legatto sworn January 22, 2014, (the "**Legatto Affidavit**"), including the Plan of Arrangement, which is attached as Appendix "B" to the draft management information circular of Brigus (the **"Information Circular"**), which is attached as Exhibit "A" to the Legatto Affidavit, and on hearing the submissions of counsel for Brigus and counsel for Primero Mining Corp. (**"Primero"**) and on being advised that the Director appointed under the CBCA (the "**Director**") does not consider it necessary to appear.

Definitions

1. **THIS COURT ORDERS** that all definitions used in this Interim Order shall have the meaning ascribed thereto in the Information Circular or otherwise as specifically defined herein.

The Meeting

2. **THIS COURT ORDERS** that Brigus is permitted to call, hold and conduct a special meeting (the **"Meeting"**) of the holders of voting common shares (the **"Brigus Shareholders"**) in the capital of Brigus to be held at the Delta Barrington Hotel, 1875 Barrington Street, Halifax, Nova Scotia on February 27, 2014 at 11:00 a.m. (Halifax time) in order for the Brigus Shareholders to consider and, if determined advisable, pass a special resolution authorizing, adopting and approving, with or without variation: (i) a reduction of the stated capital of Brigus (the "**Stated Capital Resolution**"); and (ii) the Arrangement and the Plan of Arrangement (collectively, the **"Arrangement Resolution"**).

3. **THIS COURT ORDERS** that the Meeting shall be called, held and conducted in accordance with the CBCA, the notice of meeting of Brigus Shareholders, which accompanies the Information Circular (the **"Notice of Meeting"**) and the articles and by-laws of Brigus, subject to what may be provided hereafter and subject to further order of this Court.

4. **THIS COURT ORDERS** that the record date (the **"Record Date"**) for determination of the Brigus Shareholders entitled to notice of, and to vote at, the Meeting shall be January 27, 2014.

5. **THIS COURT ORDERS** that the only persons entitled to attend or speak at the Meeting shall be:

a) the Brigus Shareholders or their respective proxyholders;

b) the officers, directors, auditors and advisors of Brigus;

c) representatives and advisors of Primero;

d) the Director; and

e) other persons who may receive the permission of the Chair of the Meeting.

6. **THIS COURT ORDERS** that Brigus may transact such other business at the Meeting as is contemplated in the Information Circular, or as may otherwise be properly before the Meeting.

Quorum

7. **THIS COURT ORDERS** that the Chair of the Meeting shall be determined by Brigus and that the quorum at the Meeting shall be not less than two persons present and each entitled to vote thereat and representing in person or by proxy a minimum of twenty-five percent (25%) of the eligible votes.

Amendments to the Arrangement and Plan of Arrangement

8. **THIS COURT ORDERS** that Brigus is authorized to make, subject to the terms of the Arrangement Agreement, and paragraph 9, below, such amendments, modifications or supplements to the Arrangement and the Plan of Arrangement as it may determine without any additional notice to the Brigus Shareholders, or others entitled to receive notice under paragraphs 12 and 13 hereof and the Arrangement and Plan of Arrangement, as so amended, modified or supplemented shall be the Arrangement and Plan of Arrangement to be submitted to the Brigus Shareholders at the Meeting and shall be the subject of the Stated Capital

Resolution and the Arrangement Resolution. Amendments, modifications or supplements may be made following the Meeting, but shall be subject to review and, if appropriate, further direction by this Honourable Court at the hearing for the final approval of the Arrangement.

9. **THIS COURT ORDERS** that, if any amendments, modifications or supplements to the Arrangement or Plan of Arrangement as referred to in paragraph 8, above, would, if disclosed, reasonably be expected to affect a Brigus Shareholder's decision to vote for or against the Stated Capital Resolution or the Arrangement Resolution, notice of such amendment, modification or supplement shall be distributed, subject to further order of this Honourable Court, by press release, newspaper advertisement, prepaid ordinary mail, or by the method most reasonably practicable in the circumstances, as Brigus may determine.

Amendments to the Information Circular

10. **THIS COURT ORDERS** that Brigus is authorized to make such amendments, revisions and/or supplements to the draft Information Circular as it may determine and the Information Circular, as so amended, revised and/or supplemental, shall be the Information Circular to be distributed in accordance with paragraphs 12 and 13.

Adjournments and Postponements

11. **THIS COURT ORDERS** that Brigus, if it deems advisable and subject to the terms of the Arrangement Agreement, 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 Brigus Shareholders respecting the adjournment or postponement, and notice of any such adjournment or postponement shall be given by such method as Brigus may determine is appropriate in the circumstances. This provision shall not limit the authority of the Chair of the Meeting in respect of adjournments and postponements.

Notice of Meeting

12. **THIS COURT ORDERS** that, in order to effect notice of the Meeting, Brigus shall send the Information Circular (including the Notice of Application and this Interim Order), the Notice of Meeting, the form of proxy and the letter of transmittal, along with such amendments or additional documents as Brigus may determine are necessary or desirable and are not inconsistent with the terms of this Interim Order (collectively, the **"Meeting Materials"**), to the following:

a) the registered Brigus Shareholders at the close of business on the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting, by one or more of the following methods:

i) by pre-paid ordinary or first class mail at the addresses of the Brigus Shareholders as they appear on the books and records of Brigus, or its registrar and transfer agent, at the close of business on the Record Date and if no address is shown therein, then the last address of the person known to the Corporate Secretary of Brigus;

ii) by delivery, in person or by recognized courier service or inter-office mail, to the address specified in (i) above; or

iii) by facsimile or electronic transmission to any Brigus Shareholder, who is identified to the satisfaction of Brigus, who requests such transmission in writing and, if required by Brigus, who is prepared to pay the charges for such transmission;

b) non-registered Brigus Shareholders by providing sufficient copies of the Meeting Materials to intermediaries and registered nominees in a timely manner, in accordance with National Instrument 54-101 of the Canadian Securities Administrators; and

c) the respective directors and auditors of Brigus, and to the Director appointed under the CBCA, by delivery in person, by recognized courier service, by pre-paid ordinary or first class mail or, with the consent of the person, by facsimile or electronic transmission, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of sending and the date of the Meeting;

and that compliance with this paragraph shall constitute sufficient notice of the Meeting.

13. **THIS COURT ORDERS** that, in the event that Brigus elects to distribute the Meeting Materials, Brigus is hereby directed to distribute the Information Circular (including the Notice of Application, and this Interim Order), and any other communications or documents determined by Brigus to be necessary or desirable (collectively, the **"Court Materials"**) to the Brigus Option holders, the Brigus Warrant holders and the holders of Brigus DSUs by any method permitted for notice to Brigus Shareholders as set forth in paragraphs 12(a) or 12(b), above, or by e-mail to the holders of such Brigus Options, Brigus Warrants or Brigus DSUs who are directors, officers or employees of Brigus, concurrently with the distribution described in paragraph 12 of this Interim Order. Distribution to such persons shall be to their addresses as they appear on the books and records of Brigus or its registrar and transfer agent at the close of business on the Record Date.

14. **THIS COURT ORDERS** that accidental failure or omission by Brigus to give notice of the meeting or to distribute the Meeting Materials or Court Materials to any person entitled by this Interim Order to receive notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Brigus, or the non-receipt of such notice shall, subject to further order of this Honourable Court, not constitute a breach of this Interim Order nor shall it invalidate any resolution passed or proceedings taken at the Meeting. If any such failure or omission is brought to the attention of Brigus, it shall use its best efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

15. **THIS COURT ORDERS** that Brigus is hereby authorized to make such amendments, revisions or supplements to the Meeting Materials and Court Materials, as Brigus may determine in accordance with the terms of the Arrangement Agreement (**"Additional Information"**), and that notice of such Additional Information may, subject to paragraph 9, above, be distributed by press release, newspaper advertisement, pre-paid ordinary mail, or by the method most reasonably practicable in the circumstances, as Brigus may determine.

16. **THIS COURT ORDERS** that distribution of the Meeting Materials and Court Materials pursuant to paragraphs 12 and 13 of this Interim Order shall constitute notice of the Meeting and good and sufficient service of the within Application upon the persons described in paragraphs 12 and 13 and that those persons are bound by any orders made on the within Application. Further, no other form of service of the Meeting Materials or the Court Materials or any portion thereof need be made, or notice given or other material served in respect of these proceedings and/or the Meeting to such persons or to any other persons, except to the extent required by paragraph 9, above.

Solicitation and Revocation of Proxies

17. **THIS COURT ORDERS** that Brigus is authorized to use the letter of transmittal and proxies substantially in the form of the drafts accompanying the Information Circular, with such amendments and additional information as Brigus may determine are necessary or desirable, subject to the terms of the Arrangement Agreement. Brigus is authorized, at its expense, to solicit proxies, directly or through its officers, directors or employees, and through such agents or representatives as they may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine. Brigus may waive generally, in its discretion, the time limits set out in the Information Circular for the deposit or revocation of proxies by Brigus Shareholders, if Brigus deems it advisable to do so.

18. **THIS COURT ORDERS** that Brigus Shareholders shall be entitled to revoke their proxies in accordance with section 148(4) of the CBCA (except as the procedures of that section are varied by this paragraph) provided that any instruments in writing delivered pursuant to s.148(4)(a)(i) of the CBCA: (a) may be deposited at the registered office of Brigus or with the transfer agent of Brigus as set out in the Information Circular; and (b) any such instruments must be received by Brigus or its transfer agent not later than 4:00pm (Toronto Time) on the business day immediately preceding the Meeting (or any adjournment or postponement thereof).

Voting

19. **THIS COURT ORDERS** that the only persons entitled to vote in person or by proxy on the Stated Capital Resolution and the Arrangement Resolution, or such other business as may be properly brought before the Meeting, shall be those Brigus Shareholders who hold voting common shares of Brigus as of the close of business on the Record Date. Illegible votes,

spoiled votes, defective votes and abstentions shall be deemed to be votes not cast. Proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Stated Capital Resolution and the Arrangement Resolution.

20. **THIS COURT ORDERS** that votes shall be taken at the Meeting on the basis of one vote per common share and that in order for the Plan of Arrangement to be implemented, subject to further Order of this Honourable Court, the Stated Capital Resolution and the Arrangement Resolution must be passed, with or without variation, at the Meeting by:

a) an affirmative vote of at least two-thirds ($66^{2}/_{3}\%$) of the votes cast in respect of the Stated Capital Resolution and the Arrangement Resolution at the Meeting in person or by proxy by the Brigus Shareholders; and

b) with respect to the Arrangement Resolution, a majority of the votes attached to the Brigus Shares held by Brigus Shareholders, excluding the votes attached to Brigus Shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101.

Such votes shall be sufficient to authorize Brigus to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what is provided for in the Information Circular without the necessity of any further approval by the Brigus Shareholders, subject only to final approval of the Arrangement by this Honourable Court.

21. **THIS COURT ORDERS** that in respect of matters properly brought before the Meeting pertaining to items of business affecting Brigus (other than in respect of the Stated

Capital Resolution and the Arrangement Resolution), each Brigus Shareholder is entitled to one vote for each voting common share held.

Dissent Rights

22. **THIS COURT ORDERS** that each registered Brigus Shareholder shall be entitled to exercise Dissent Rights in connection with the Arrangement Resolution in accordance with section 190 of the CBCA (except as the procedures of that section are varied by this Interim Order and the Plan of Arrangement) provided that, notwithstanding subsection 190(5) of the CBCA, any Brigus Shareholder who wishes to dissent must, as a condition precedent thereto, provide written objection to the Arrangement Resolution to Brigus in the form required by section 190 of the CBCA and the Arrangement Agreement, which written objection must be received by Brigus not later than 4:00 p.m. (Toronto time) on the last business day immediately preceding the Meeting (or any adjournment or postponement thereof), and must otherwise strictly comply with the requirements of the CBCA. For purposes of these proceedings, the "court" referred to in section 190 of the CBCA means this Honourable Court.

23. **THIS COURT ORDERS** that, notwithstanding section 190(3) of the CBCA, Primero, not Brigus, shall be required to offer to pay fair value, as of the day prior to approval of the Arrangement Resolution, for voting common shares held by Brigus Shareholders who duly exercise Dissent Rights, and to pay the amount to which such Brigus Shareholders may be entitled pursuant to the terms of the Plan of Arrangement. In accordance with the Plan of Arrangement and the Information Circular, all references to the "corporation" in subsections 190(3) and 190(11) to 190(26), inclusive, of the CBCA (except for the second reference to the "corporation" in subsection 190(12) and the two references to the "corporation" in subsection 190(17)) shall be deemed to refer to "Primero" in place of the "corporation", and Primero shall

have all of the rights, duties and obligations of the "corporation" under subsections 190(11) to 190(26), inclusive, of the CBCA.

24. **THIS COURT ORDERS** that any Brigus Shareholder who duly exercises such Dissent Rights set out in paragraph 22 above and who:

i) is ultimately determined by this Honourable Court to be entitled to be paid fair value for his, her or its voting common shares, shall be deemed to have transferred those voting common shares as of the Effective Time, without any further act or formality and free and clear of all liens, claims, encumbrances, charges, adverse interests or security interests to Primero for cancellation in consideration for a payment of cash from Primero equal to such fair value; or

ii) is for any reason ultimately determined by this Honourable Court not to be entitled to be paid fair value for his, her or its voting common shares pursuant to the exercise of the Dissent Right, shall be deemed to have participated in the Arrangement on the same basis and at the same time as any non-dissenting Brigus Shareholder;

but in no case shall Brigus, Primero or any other person be required to recognize such Brigus Shareholders as holders of voting common shares of Brigus at or after the date upon which the Arrangement becomes effective and the names of such Brigus Shareholders shall be deleted from Brigus' register of holders of voting common shares at that time.

Hearing of Application for Approval of the Arrangement

25. **THIS COURT ORDERS** that upon approval by the Brigus Shareholders of the Plan of Arrangement in the manner set forth in this Interim Order, Brigus may apply to this Honourable Court for final approval of the Arrangement.

26. **THIS COURT ORDERS** that distribution of the Notice of Application and the Interim Order in the Information Circular, when sent in accordance with paragraphs 12 and 13 shall constitute good and sufficient service of the Notice of Application and this Interim Order and no other form of service need be effected and no other material need be served unless a Notice of Appearance is served in accordance with paragraph 27.

27. **THIS COURT ORDERS** that any Notice of Appearance served in response to the Notice of Application shall be served on the solicitors for Brigus, with a copy to counsel for Primero, as soon as reasonably practicable, and, in any event, no less than 2 days before the hearing of this Application at the following addresses:

FOGLER RUBINOFF LLP
77 King Street West
Suite 3000, P.O. Box 95
TD Centre
Toronto, ON M5K 1G8

Attention: W. Ross MacDougall

Lawyers for Brigus Gold Corp.

STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Attention: Ellen M. Snow

Lawyers for Primero Mining Corp.

28. **THIS COURT ORDERS** that, subject to further order of this Honourable Court, the only persons entitled to appear and be heard at the hearing of the within application shall be:

i) Brigus;

ii) Primero;

iii) the Director ; and

iv) any person who has filed a Notice of Appearance herein in accordance with the Notice of Application, this Interim Order and the *Rules of Civil Procedure*.

29. **THIS COURT ORDERS** that any materials to be filed by Brigus in support of the within Application for final approval of the Arrangement may be filed up to one day prior to the hearing of the Application without further order of this Honourable Court.

30. **THIS COURT ORDERS** that in the event the within Application for final approval does not proceed on the date set forth in the Notice of Application, and is adjourned, only those persons who served and filed a Notice of Appearance in accordance with paragraph 27 shall be entitled to be given notice of the adjourned date.

Precedence

31. **THIS COURT ORDERS** that, to the extent of any inconsistency or discrepancy between this Interim Order and the terms of any instrument creating, governing or collateral to the Brigus Security holders or the articles or by-laws of Brigus, this Interim Order shall govern.

Extra-Territorial Assistance

32. **THIS COURT** seeks and requests the aid and recognition of any court or any judicial, regulatory or administrative body in any province of Canada and any judicial, regulatory or administrative tribunal or other court constituted pursuant to the Parliament of Canada or the legislature of any province and any court or any judicial, regulatory or administrative body of

the United States or other country to act in aid of and to assist this Honourable Court in carrying out the terms of this Interim Order.

Variance

33. **THIS COURT ORDERS** that Brigus shall be entitled to seek leave to vary this Interim Order upon such terms and upon the giving of such notice as this Honourable Court may direct.

BRIGUS GOLD CORP.
Applicant

Court File No. CV14-10416-00CL

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED;

AND IN THE MATTER OF RULES 14.05(2) AND 14.05(3)(f) OF THE *RULES OF CIVIL PROCEDURE*; and

AND IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING BRIGUS GOLD CORP. INVOLVING ITS SHAREHOLDERS AND PRIMERO MINING CORP. AND FORTUNE BAY CORP.

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST)
Proceeding commenced at Toronto

INTERIM ORDER

FOGLER, RUBINOFF LLP
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Lawyers for the Applicant,
Brigus Gold Corp.

Court File No.: CV14-10416-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

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BRIGUS GOLD CORP.

Applicant

NOTICE OF APPLICATION

TO THE RESPONDENTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following pages.

THIS APPLICATION will come on for a hearing before a judge presiding over the Commercial List at 330 University Avenue, Toronto, Ontario, on March 3, 2014.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the Rules of Civil Procedure, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but not later than 2:00 p.m. on the day before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date: Jan 24, 2014 Issued by _____
Local registrar
A. Anissimova
Registrar

Address of court office: 330 University Avenue
Toronto, Ontario
M5G 1R7

TO: ALL HOLDERS OF COMMON SHARES OF BRIGUS GOLD CORP. AS AT JANUARY 27, 2014

AND TO: ALL HOLDERS OF OPTIONS TO PURCHASE COMMON SHARES OF BRIGUS GOLD CORP. AS AT JANUARY 27, 2014

AND TO: ALL HOLDERS OF WARRANTS TO PURCHASE COMMON SHARES OF BRIGUS GOLD CORP. AS AT JANUARY 27, 2014

AND TO: ALL HOLDERS OF DEFERRED SHARE UNITS OF BRIGUS GOLD CORP. AS AT JANUARY 27, 2014

AND TO: DELOITTE LLP
1969 Upper Water Street
Suite 1500
Halifax, Nova Scotia B3J 3R7

AND TO: THE DIRECTOR UNDER THE *CANADA BUSINESS CORPORATIONS ACT*
Compliance & Policies Directorate
Corporations Canada, Industry Canada
9th Floor, Jean Edmonds Tower South
365 Laurier Avenue West
Ottawa, Ontario K1A 0C8

AND TO: STIKEMAN ELLIOTT LLP
5300 Commerce Court West
199 Bay Street
Toronto, ON M5L 1B9

Attention: Ellen M. Snow

Lawyers for Primero Mining Corp.

APPLICATION

1. **THE APPLICANT, BRIGUS GOLD CORP., MAKES APPLICATION FOR:**

   (a) an *ex parte* Interim Order for advice and directions of this Honourable Court pursuant to subsection 192(4) of the *Canada Business Corporations Act*, R.S.C. 1985, c. C-44, as amended (the "**CBCA**"), in connection with a proposed plan of arrangement (the "**Arrangement**") involving Brigus Gold Corp. (**"Brigus"**) pursuant to an arrangement agreement dated December 16, 2013 (the "**Arrangement Agreement**");

   (b) a final Order approving the Arrangement proposed by the Applicant pursuant to subsections 192(3) and 192(4) of the CBCA; and

   (c) such further and other relief as this Honourable Court may deem just.

2. **THE GROUNDS FOR THE APPLICATION ARE:**

   (a) Brigus is a corporation existing under the laws of Canada;

   (b) the purpose of the Arrangement is to allow for the acquisition by Primero Mining Corp. (**"Primero"**) of all of the outstanding shares of Brigus;

   (c) upon completion of the Arrangement, the holders of Brigus common shares (**"Brigus Shares"**), other than the Dissenting Holders (as such term is defined in the Arrangement Agreement), will receive for each Brigus Share held:

      (i) 0.175 of a common share in the capital of Primero;

(ii) cash consideration of $0.000001; and

(iii) 0.1 of a common share in the capital of Fortune Bay Corp. (formerly 8724385 Canada Limited) (a newly incorporated company which will own certain of Brigus' assets pursuant to a reorganization that will be completed immediately prior to completion of the Arrangement);

(d) Section 192 of the CBCA;

(e) all statutory requirements under the CBCA either have been fulfilled or will be fulfilled by the date of the return of the Application, subject to the terms of the Interim Order;

(f) Brigus will not be insolvent (as such term is defined in subsection 192(2) of the CBCA) at the time of the Arrangement;

(g) it is not practicable for Brigus to effect the Arrangement under any other provision of the CBCA;

(h) the Arrangement is in the best interests of, and fair to, the securityholders of Brigus and is put forward in good faith;

(i) the Arrangement is procedurally and substantively fair and reasonable overall;

(j) certain holders of Brigus Shares are resident outside of Ontario and will be served at their addresses as they appear on the books and records of Brigus as at January 27, 2014, pursuant to Rules 17.02(n) and 17.02(o) of the *Rules of Civil Procedure*

and the terms of any Interim Order for advice and directions granted by this Honourable Court;

(k) if made, the final Order approving the Arrangement will constitute the basis for an exemption from the registration requirements of Section 3(a)(10) of the *Securities Act of 1933*, as amended, of the United States of America with respect to the securities to be exchanged and/or distributed in the United States of America pursuant to the Arrangement;

(l) National Instrument 54-101 of the Canadian Securities Administrators;

(m) Rules 14.05(2) and 14.05(3)(f) of the *Rules of Civil Procedure*; and

(n) such further and other grounds as counsel may advise and this Honourable Court may permit.

3. **THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED AT THE HEARING OF THE APPLICATION:**

(a) such Interim Order as may be granted by this Honourable Court;

(b) an Affidavit of Jon Legatto, Chief Financial Officer of Brigus, sworn January 22, 2014 (with exhibits attached thereto) outlining the basis for an Interim Order for advice and directions;

(c) a further Affidavit to be sworn by a senior officer or director of Brigus (with exhibits attached thereto) reporting as to compliance with any Interim Order and the results of any meeting of securityholders conducted pursuant to such Interim Order; and

(d) such further and other documentary evidence as counsel may advise and this Honourable Court permit.

January 24, 2014

FOGLER, RUBINOFF LLP
Lawyers
77 King Street West
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W. Ross MacDougall (LSUC#: 49840A)
Tel: (416) 864-9700
Fax: (416) 941-8852

Lawyers for the Applicant,
Brigus Gold Corp.

BRIGUS GOLD CORP.

Applicant

Court File No. CV-14-10416-00CL

IN THE MATTER OF AN APPLICATION UNDER SECTION 192 OF THE *CANADA BUSINESS CORPORATIONS ACT*, R.S.C. 1985, c. C-44, AS AMENDED;

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NOTICE OF APPLICATION

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Lawyers for the Applicant,
Brigus Gold Corp.

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APPENDIX "E"
INFORMATION CONCERNING PRIMERO AND THE COMBINED COMPANY

TABLE OF CONTENTS

Certain capitalized terms used in this Appendix "E" are defined in the "Glossary of Terms" set out in the attached Circular. This Appendix "E" is qualified in its entirety by, and should be read together with, the detailed information contained or referred to elsewhere, or incorporated by reference, in the Circular and applicable Appendices.

INFORMATION CONCERNING PRIMERO

About Primero

Primero Mining Corp. ("**Primero**") is a Canadian-based precious metals producer with operations in Mexico. The head office of Primero is located at Suite 2301, 20 Queen Street West, Toronto, Ontario, Canada, M5H 3R3, telephone (416) 814-3160, facsimile (416) 814-3170. Primero's registered office is located at Suite 1500, 1055 West Georgia Street, Vancouver, British Columbia, Canada, V6E 4N7, telephone (604) 689-9111, facsimile (604) 685-7084. Primero's website address is www.primeromining.com.

Primero is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Northwest Territories, Yukon, and Nunavut. The Primero Shares are listed on the TSX under the symbol "P" and on the NYSE under the symbol " PPP." The Primero Shares are registered under the Exchange Act and Primero files periodic reports with the SEC.

Primero was incorporated as "Apoka Capital Corporation" on November 26, 2007 under the British Columbia *Business Corporations Act* (the "**BCCA**"). On October 29, 2008, concurrently with the completion of a plan of arrangement, Primero changed its name from "Apoka Capital Corporation" to "Mala Noche Resources Corp.", and subsequently, effective August 5, 2010, Primero's articles were amended to change its name to "Primero Mining Corp."

Primero is focused on building a portfolio of high quality, low cost precious metals assets in the Americas through acquiring, exploring, developing and operating mineral resource properties. Primero currently has one producing property, the San Dimas Mine, located in Mexico's San Dimas district, on the border of Durango and Sinaloa states, one project in the development stage, Cerro del Gallo, located in the state of Guanajuato, in central Mexico, and one exploration property, Ventanas, located in Durango state, Mexico.

Primero intends to transition from being a single-asset gold producer to become an intermediate gold producer. The San Dimas Mine is an established property with a long operating history and a record of Mineral Reserve replacement, Mineral Resource conversion and exploration success. Primero plans to achieve its goal of being an intermediate gold producer by increasing production at the San Dimas Mine and by considering and, if appropriate, making further acquisitions of precious metal properties in the Americas.

Primero's Key Assets:

- Primero owns one producing property, the San Dimas Mine, located in Mexico's San Dimas district.
- Primero owns a 100% interest in the development stage Cerro del Gallo Project, located in state of Guanajuato in central Mexico.
- Primero owns a 100% interest in the Ventanas exploration property, located in Durango state, Mexico.

Recent Developments

On May 22, 2013, Primero acquired all of the issued and outstanding common shares of Cerro Resources NL ("**Cerro**") by way of a scheme of arrangement (the "**Cerro Arrangement**") under the Australian Corporations Act 2001. Cerro was an exploration and development company whose principal asset was 69.2% of the feasibility stage Cerro del Gallo project ("**Cerro del Gallo Project**"), a gold-silver-copper deposit with over 1.18 million ounces of gold equivalent Proven Mineral Reserves and Probable Mineral Reserves and 1.64 million ounces of gold equivalent Measured Mineral Resources and Indicated Mineral Resources (exclusive of Mineral Reserves), located in the province of Guanajuato, Mexico.

Under the terms of the Cerro Arrangement, each Cerro shareholder received 0.023 of a Primero Share (the "**Cerro Exchange Ratio**") for each Cerro common share held. Additionally Cerro shareholders received 80.01% of the common shares of a newly incorporated company Santana Minerals Limited ("**Santana**"), which assumed Cerro's interests in the Namiquipa, Espiritu Santo, Mt Philp and Kalman projects, and shares in Syndicated Metals Limited (being all Cerro's assets other than the Cerro del Gallo Project). In addition, Primero subscribed for a 19.99% interest in Santana for a subscription price of AUD$4.0 million, with anti-dilution rights for two years. Cerro's outstanding options and its option plan were substantially assumed by Primero, subject to adjustment to reflect the Cerro Exchange Ratio and a corresponding upward adjustment in the exercise price. The CHESS Depository Interests ("**CDIs**") that were issued to eligible Cerro shareholders under the Cerro Arrangement on the Australian Stock Exchange (the "**ASX**") commenced trading on the ASX under the symbol "PPM" on May 24, 2013. Following Primero's decision to delist the CDIs from the ASX, the CDIs were delisted as of the close of trading on December 30, 2013.

On December 19, 2013, Primero completed the acquisition of the remaining 30.8% interest in its Cerro del Gallo Project from a subsidiary of Goldcorp Inc. The consideration paid by Primero comprised an upfront payment of $8 million, and certain future payments contingent on meeting certain project milestones and market conditions.

Documents Incorporated by Reference

Information in respect of Primero has been incorporated by reference in this Appendix and the Circular from documents filed with the securities commissions or similar authorities in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Northwest Territories, Yukon, and Nunavut. Copies of the documents incorporated herein by reference may be obtained on request without charge from

the Vice-President, General Counsel and Corporate Secretary of Primero Mining Corp. at Suite 2301, 20 Queen Street West, Toronto, Ontario, Canada, M5H 3R3, telephone (416) 814-3160, (or by faxing a written request to (416) 814-3170). In addition, copies of the documents incorporated herein by reference may be obtained through the SEDAR website at www.sedar.com or EDGAR at www.sec.gov.

The following documents of Primero are specifically incorporated by reference into and form an integral part of this Appendix "E" and the Circular:

1. Primero's annual information form dated April 1, 2013 for the year ended December 31, 2012 (the "**Primero AIF**");

2. the audited consolidated financial statements of Primero as at and for the years ended December 31, 2012 and 2011, together with the notes thereto and the auditor's report thereon dated February 20, 2013;

3. Primero's management's discussion and analysis of the financial condition and results of operations of Primero for the year ended December 31, 2012;

4. management information circular of Primero dated April 8, 2013;

5. the material change report of Primero dated May 22, 2013 relating to the Cerro Arrangement;

6. the interim financial report of Primero for three and nine months ended September 30, 2013 and 2012 and the related interim MD&A; and

7. the material change report dated December 23, 2013 relating to the execution of the arrangement agreement (the "**Arrangement Agreement**") dated December 16, 2013 among Primero, Brigus and Fortune Bay Corp. (formerly, 8724385 Canada Limited), pursuant to which Primero will indirectly acquire all of the issued and outstanding common shares of Brigus.

Any documents of the type described in Section 11.1 of Form 44-101F1 — *Short Form Prospectus* filed by Primero with the Canadian Securities Administrators subsequent to the date of the Circular and prior to the Effective Date will be deemed to be incorporated by reference in this Appendix and the 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 the purposes of this Appendix "E" and the 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 a part of this Appendix "E" and the Circular.

Consolidated Capitalization

As at January 27, 2014, and prior to the issuance of any Primero Shares in respect of the Arrangement, Primero had a total of 115,726,035 Primero Shares issued and outstanding. Primero expects to issue approximately 41.2 million Primero Shares pursuant to the Arrangement.

Approximately 9,133,730 Primero Shares will be reserved for issuance and may be issued pursuant to the Arrangement, upon the exercise of Brigus Warrants, Brigus Options and Brigus Convertible Debentures outstanding as at the Closing Date.

Primero currently has no convertible securities outstanding, except as described below under "*Primero's Securities*".

Other than with respect to the issuance of 17,983,956 Primero Shares issued as consideration under the Cerro Arrangement to the former shareholders of Cerro on May 22, 2013, there have been no material changes to Primero's share and loan capital on a consolidated basis since December 31, 2012.

Primero's Securities

The Primero Shares

Primero's authorized share capital consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value. As of January 27, 2014 and prior to the issuance of Primero Shares in respect of the Arrangement, 115,726,035 Primero Shares are issued and outstanding as fully paid and non-assessable and no preferred shares are issued and outstanding.

Common Shares

Subject to the rights of the holders of the preferred shares of Primero, holders of Primero Shares are entitled to dividends if, as and when declared by the directors. Holders of Primero Shares are entitled to one vote per Primero Share at meetings of shareholders except at meetings at which only holders of a specified class of shares are entitled to vote. Upon liquidation, dissolution or winding-up of Primero, subject to the rights of holders of preferred shares, holders of Primero Shares are to share ratably in the remaining assets of Primero as are distributable to holders of Primero Shares. The Primero Shares are not subject to call or assessment rights, redemption rights, rights regarding purchase for cancellation or surrender, or any pre-emptive or conversion rights.

Preferred Shares

Preferred shares may be issued from time to time in one or more series, ranking equally on winding-up, to repayment of the amount paid up on such shares, and to carry and be subject to, as a class, the following special rights and restrictions pertaining to (but not limited to) dividends, redemption or purchase rights, rights of retraction, rights of conversion, terms and conditions of any share purchase plan or sinking fund, rights upon dissolution of Primero, and

voting, as the directors of Primero may, from time to time, determine by resolution. Currently the preferred shares rank in priority over Primero Shares as to dividends and return of paid up capital upon dissolution or winding up of Primero. Holders of preferred shares are not entitled to notice or to vote at meetings of shareholders (except where holders of a specified class or series are entitled to a separate vote in accordance with the BCCA). Primero may at any time purchase for cancellation or redeem the preferred shares that may be issued and holders of preferred shares may require Primero to retract such shares in accordance with the terms upon which such have been issued.

Primero Options and Primero Warrants

As of January 27, 2014 and prior to the issuance of Primero Shares in respect of the Arrangement, Primero also had outstanding obligations to issue up to 28,763,990 Primero Shares, as follows:

- Primero Options to purchase an aggregate of 7,963,990 Primero Shares at a price ranging from $2.70 to $8.70, expiring between July 9, 2014 and July 9, 2019, all of which are governed by the Primero stock option plan; and

- warrants to purchase an aggregate of 20,800,000 Primero Shares at a price of $8.00, expiring on July 20, 2015, which are listed on the TSX under the symbol "P.WT".

Primero Director PSUs

On March 27, 2012, the Primero Board approved the adoption of a director's phantom share unit plan (the "**Primero Directors' PSU Plan**"), which subsequently received shareholder approval on May 28, 2012. Members of the Primero Board, other than a member who is an officer or employee of Primero or Primero's subsidiaries, are eligible to participate in the Primero Directors' PSU Plan. A person holding a phantom share unit (a "**Primero Director PSU**") under the Primero Directors' PSU Plan is entitled to elect to receive, at vesting (subject to blackout periods), either (a) a cash amount equal to the number of Primero Director PSUs that vest multiplied by the volume weighted average trading price per Primero Share over the five preceding trading days, or (b) the number of Primero Shares equal to the number of Primero Directors' PSUs. If no election is made, Primero will pay out such Primero Directors' PSUs in cash. As of January 27, 2014, Primero had outstanding 162,118 Primero Director PSUs, vesting between December 1, 2014 and December 1, 2015 and expiring between December 31, 2014 and December 31, 2015.

Primero 2013 Plan PSUs

On May 8, 2013, Primero's shareholders approved the establishment of the Primero 2013 Plan ("**Primero 2013 Plan**"). A person holding phantom share units issued under the Primero 2013 Plan (the "**Primero 2013 Plan PSUs**") is entitled to receive, at vesting either (a) a cash amount equal to the number of Primero 2013 Plan PSUs that vest multiplied by the volume weighted average trading price per common share over the five preceding trading days, (b) the number of common shares equal to the number of Primero 2013 Plan PSUs (subject to the total number of common shares issuable at any time under the Primero 2013 Plan, combined with all other common shares issuable under any other equity compensation arrangements then in place, not exceeding 10% of the total number of issued and outstanding common shares of Primero), or (c) a combination of cash and equity. The choice of settlement is solely at Primero's discretion.

As of January 27, 2014, Primero had outstanding 412,094 Primero 2013 Plan PSUs, vesting between May 10, 2014 and November 8, 2016.

Prior Sales

Primero has issued the following securities in the last 12 months:

- in connection with the Cerro Arrangement, Primero issued 0.023 of a Primero Share in exchange for each ordinary share of Cerro outstanding. An aggregate of 17,983,956 Primero Shares were issued;

- additionally, on May 22, 2013, all of the outstanding options Cerro were exchanged for Primero Options to purchase Primero Shares with a number and exercise price determined by reference to the Cerro Exchange Ratio. Primero issued an aggregate of 866,525 Primero Options to the former optionholders of Cerro as follows:

    - 96,025 Primero Options with an exercise price of $8.70 per Primero Share, which expired on September 8, 2013;

    - 46,000 Primero Options with an exercise price of $6.52 per Primero Share, which expired on December 3, 2013;

    - 28,750 Primero Options with an exercise price of $5.22 per Primero Share, which expire on September 8, 2014;

    - 34,500 Primero Options with an exercise price of $8.70 per Primero Share, which expire on November 14, 2014;

    - 46,000 Primero Options with an exercise price of $8.70 per Primero Share, which expire on December 7, 2014;

    - 155,250 Primero Options with an exercise price of $7.39 per Primero Share, which expire on December 31, 2014;

    - 230,000 Primero Options with an exercise price of $7.53 per Primero Share, which expire on November 3, 2015; and

    - 230,000 Primero Options with an exercise price of $8.70 per Primero Share, which expire on November 3, 2015;

- Primero issued the following Primero Director PSUs under the Primero Directors' PSU Plan:

    - on March 28, 2013, Primero issued 168,667 Primero Director PSUs; and

    - on June 26, 2013, Primero issued 16,816 Primero Director PSUs;

- Primero issued the following Primero 2013 Plan PSUs under the Primero 2013 Plan:

    - on May 10, 2013, Primero issued 243,100 Primero 2013 PSUs;

- on June 26, 2013, Primero issued 61,590 Primero 2013 PSUs;
- on August 12, 2013, Primero issued 89,845 Primero 2013 PSUs; and
- on November 8, 2013, Primero issued 17,559 Primero 2013 PSUs;

Price Range and Trading Volume of Primero Shares

The Primero Shares trade on the TSX under the symbol "P" and on the NYSE under the symbol "PPP". The following table sets forth, for the periods indicated, the reported intra-day high and low sales prices and aggregate volume of trading of the Primero Shares on the TSX and NYSE (according to Thomson Reuters).

Month	High (C$) TSX	Low (C$) TSX	Volume TSX	High (US$) NYSE	Low (US$) NYSE	Volume NYSE
2014						
January 1-24	6.390	4.800	9,004,621	5.750	4.417	3,967,925
2013						
December	5.450	4.540	10,641,790	5.150	4.270	4,610,069
November	6.090	5.250	7,973,792	5.840	5.000	3,018,259
October	6.170	5.180	7,078,588	5.919	4.990	4,075,771
September	6.090	5.130	4,917,101	5.830	4.970	4,688,023
August	6.370	4.450	7,467,915	6.050	4.270	6,561,578
July	5.250	4.370	3,388,450	5.100	4.210	3,225,552
June	5.660	4.260	3,920,231	5.510	4.060	5,013,850
May	6.000	5.090	3,737,925	5.940	4.900	3,750,413
April	6.890	5.010	4,449,948	6.770	4.870	5,535,141
March	6.890	5.300	5,892,037	6.770	5.150	4,872,405
February	6.560	5.500	4,986,399	6.540	5.410	3,370,407
January	6.800	6.040	6,067,640	6.900	6.030	3,532,291

Probable Acquisitions

On December 16, 2013, Primero announced the signing of the Arrangement Agreement providing for the acquisition of all of the outstanding shares of Brigus pursuant to the Plan of Arrangement to create a diversified, Americas based mid-tier gold producer.

Pursuant to the Arrangement, Primero will acquire each outstanding Brigus Share for 0.175 of a Primero Share. Primero expects to issue approximately 41.2 million Primero Shares in connection with the Arrangement. In addition, Brigus Shareholders will receive 0.1 of a Fortune Share for each Brigus Share as part of the Arrangement. Fortune will hold Brigus' interests in the Goldfields Project in Saskatchewan, the Ixhuatán project in Mexico, the royalty interests in the Huizopa project in Mexico, in the Dominican Republic projects (Ampliación Pueblo Viejo, Ponton and La Cueva concessions), and will be capitalized with approximately Cdn$10 million in cash. Upon completion of the Arrangement, Brigus Shareholders will hold, in aggregate, a 90.1% interest in Fortune and Primero will hold the remaining 9.9% interest in Fortune. All outstanding options to purchase Brigus Shares will be exchanged for options to purchase Primero Shares based upon the Exchange Ratio pursuant to the Arrangement. Following completion of the Arrangement, each outstanding warrant to purchase a Brigus Share will be exercisable to purchase 0.175 of a Primero Share and 0.1 of a Fortune Share.

In addition to shareholder and court approvals, the Arrangement is subject to applicable regulatory approvals and the satisfaction of certain other customary conditions. *Disclosure about the Arrangement is discussed under "The Meeting – The Arrangement" in the Circular.*

Certain pro forma financial information regarding Primero has been prepared, for the fiscal year ended December 31, 2012, after giving effect to the Arrangement. The pro forma financial information is based on the assumption that Primero will be successful in acquiring all of the Brigus Shares, and can be found in Appendix "G" to the Circular. The unaudited pro forma consolidated financial statements of Primero reflect the completion of the Arrangement as if it had occurred on January 1, 2012 for the purposes of the pro forma consolidated statement of operations and pro forma earnings per share calculations, and on September 30, 2013 for the purposes of the pro forma balance sheet. The material assumptions required to construct the pro forma financial information are set forth in the notes to the pro forma consolidated financial statements contained in Appendix "G" to the Circular. The audited consolidated financial statements of Brigus for the years ended December 31, 2012 and 2011 together with the notes thereto and the auditor's report thereon dated March 27, 2013 and the unaudited interim financial statements of Brigus for the three and nice months ended September 30, 2013 and September 30, 2012, together with the notes thereto are incorporated by reference into this Appendix "E" and the Circular.

Reasons for the Arrangement

The Primero Board has reviewed and considered the applicable information and considered a number of factors relating to the Arrangement with the benefit of advice from Primero's senior management and its financial and legal advisors. The following is a summary of some of the principal reasons considered by the Primero Board in entering into the Arrangement:

- **Diversified production base and geo-political risk mitigation:** the Arrangement transforms two single production asset companies into a single entity with operations in geo-politically stable jurisdictions, industry supportive infrastructure and prospective regional geology;

- **Critical production scale:** two producing gold mines with production at below industry average cash costs, which production could potentially increase with the addition of the production from the Cerro del Gallo development project and a further expansion at San Dimas;

- **Enhanced market capitalization:** expected to appeal to a broader shareholder base, increase analyst coverage and improve share trading liquidity;

- **Leading growth profile:** expected production growth from 2013 to 2015 placing the combined company amongst the leaders of its peer group;

- **Solid financial position and cash flow:** sufficient capital to repay all debt and invest in organic growth plus strong operating cash flow over the next five years at current consensus commodity pricing;

- **Leverages technical expertise:** leverages Primero's underground mining technical expertise;

- **Exploration opportunity:** combines two companies with demonstrated exploration upside, close to existing mine infrastructure; and

- **Re-valuation opportunity:** with diversified production and cash flow, a strong balance sheet, a superior growth profile and a proven operating team, the combined company creates the potential for a re-rating to a multiple in line with other mid-tier gold producers.

Interests of Experts

The persons or companies that have prepared reports relating to Primero's mineral properties that are referenced in this Circular or documents incorporated by reference herein are:

- J. Morton Shannon, P. Geo., Rodney Webster, M.AIG, Herbert A. Smith, P.Eng. and Alan Riles, M.AIG, all of AMC Mining Consultants (Canada) Ltd., who authored the San Dimas Technical Report.

- Mr. Timothy Carew, P. Geo. of Reserva International LLC, Mr. Thomas Dyer, P.E. of Mine Development Associates, Mr. Peter Hayward, F.AusIMM of Sedgman Ltd., and Mr. John Skeet, F.AusIMM, Chief Operating Officer of Cerro, who authored the CDG Technical Report; and

- Mr. Gabriel Voicu, P.Geo., Vice President, Geology and Exploration of Primero, who reviewed the CDG Technical Report on behalf of Primero.

To Primero's knowledge, each of the aforementioned firms or persons held less than 1% of the outstanding securities of Primero or of any associate or affiliate of Primero when they prepared the reports referred to above or following the preparation of such reports. None of the aforementioned firms or persons received any direct or indirect interest in any securities of Primero or of any associate or affiliate of Primero in connection with the preparation of such reports.

Based on information provided by the relevant persons, none of the aforementioned firms or persons, nor any directors, officers or employees of such firms, is currently expected to be elected, appointed or employed as a director, officer or employee of Primero or of any associate or affiliate of Primero, except for Mr. Voicu who is the Vice President, Geology and Exploration of Primero.

Primero's independent auditor is Deloitte LLP, Independent Registered Chartered Accountants, who has issued an independent auditor's report dated February 20, 2013 in respect of Primero's consolidated financial statements as at December 31, 2012 and 2011 and for each of the years then ended. Deloitte LLP has advised Primero that it is independent within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of British Columbia.

Risk Factors

Shareholders are encouraged to obtain independent legal, tax and investment advice in their jurisdiction of residence with respect to this Circular, the consequences of the Arrangement and the holding of Primero Shares.

In assessing the Arrangement, Shareholders should carefully consider the risks described under the heading "Risk Factors" in the Primero AIF, which are incorporated by reference herein,

together with the other information contained in, or incorporated by reference in, this Circular. Risk factors related to the business of Primero will generally continue to apply following the completion of the Arrangement.

INFORMATION CONCERNING THE COMBINED COMPANY

General

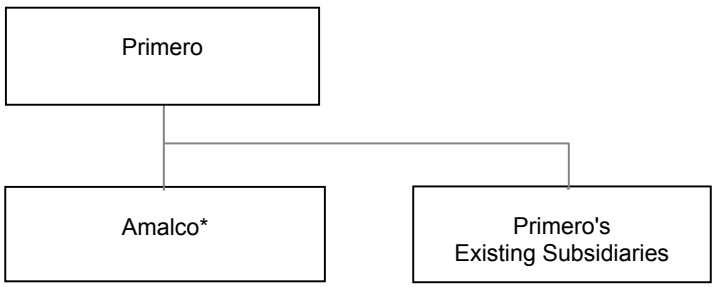
After the completion of the Arrangement, Primero will continue to exist as a corporation governed by the BCCA.

On completion of the Arrangement, Amalco will continue to be a corporation governed by the CBCA. After the Effective Date, Primero will own all of the outstanding shares of Amalco.

Upon completion of the Arrangement, the business and operations of Amalco will be managed and operated as a subsidiary of Primero. Primero expects that the business and operations of Primero and Brigus (the "**Combined Company**") will be consolidated and the principal executive office of the Combined Company will be located at Primero's current head office, being Suite 2301, 20 Queen Street West, Toronto, Ontario, Canada, M5H 3R3.

Organizational Chart

The following chart shows the corporate relationship between Primero and Brigus following the completion of the Arrangement:



*Amalco will be a corporation existing under the CBCA resulting from the amalgamation of Brigus and a wholly-owned subsidiary of Primero to be incorporated prior to the Effective Time, completed pursuant to the Plan of Arrangement.

Directors and Executive Officers of the Combined Company

Information about the current directors and officers of Primero is as set forth in the Primero AIF, which is incorporated by reference into this Circular, as updated under the heading "Directors and Officers". The current directors and officers of Primero will continue to serve as directors and executive officers of the Combined Company after the Arrangement.

Capital Structure

The authorized capital of Primero following the Arrangement will continue to consist of an unlimited number of common shares and an unlimited number of preferred shares, and the

rights and restrictions of the Primero Shares will remain unchanged. The share capital of Primero will also remain unchanged as a result of the consummation of the Arrangement, other than the issuance of Primero Shares and Replacement Primero Options contemplated in the Arrangement (including the Primero Shares reserved for issuance upon exercise or conversion of the Replacement Primero Options, the Brigus Warrants and the Brigus Convertible Debentures).

Unaudited Pro Forma Consolidated Financial Information

The unaudited pro forma condensed consolidated financial statements of Primero and accompanying notes are included in Appendix "G" to the Circular. For a discussion of the unaudited pro forma condensed consolidated financial statements of Primero, see in the Circular, "Summary – Unaudited Pro Forma Consolidated Financial Statements of Primero".

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APPENDIX "F"
INFORMATION CONCERNING FORTUNE BAY CORP.

No securities regulatory authority (including, without limitation, any securities regulatory authority of any Canadian province or territory, the United States Securities and Exchange Commission, or any securities regulatory authority of any U.S. State) has expressed an opinion about the securities described herein and it is an offence to claim otherwise.

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SCHEDULES

NOTICE TO READER

The following is a summary of Fortune Bay Corp., its business and operations, which should be read together with the more detailed information and financial data and statements contained elsewhere in the management information circular of Brigus Gold Corp. dated January 27, 2014, to which this Appendix "F" is attached (the "Circular"). The information contained in this Appendix "F", unless otherwise indicated, is given as of January 27, 2014.

The Arrangement provides Brigus Securityholders with the opportunity to participate in Fortune Bay Corp. Assuming the Arrangement Resolution is approved, immediately following the Effective Time, among other things, a Brigus Securityholder (other than a Dissenting Brigus Shareholder) will receive, for each Brigus Share held or to which the Brigus Securityholder would otherwise be entitled upon the surrender or exercise of Brigus Options prior to the Effective Date, 0.1 of a Fortune Share (as defined below), and Fortune will own the Fortune Exploration Properties and the Fortune Assets (as such terms are defined in this Appendix "F").

No securities regulatory authority (including, without limitation, any securities regulatory authority of any Canadian province or territory, the United States Securities and Exchange Commission, or any securities regulatory authority of any U.S. State) or stock exchange has expressed an opinion about the Arrangement or the Fortune Shares to be issued pursuant to the Arrangement and it is an offence to claim otherwise.

All capitalized terms used in this Appendix "F" and not defined herein have the meaning ascribed to such terms in the "Glossary of Terms" or elsewhere in the Circular. Unless otherwise indicated herein, references to "$", "Cdn$" or "Canadian dollars" are to Canadian dollars, references to "US$" or "U.S. dollars" are to United States dollars. See "Currency and Exchange Rates" in the Circular. See also in the Circular "Cautionary Note Regarding Forward-Looking Statements and Risks".

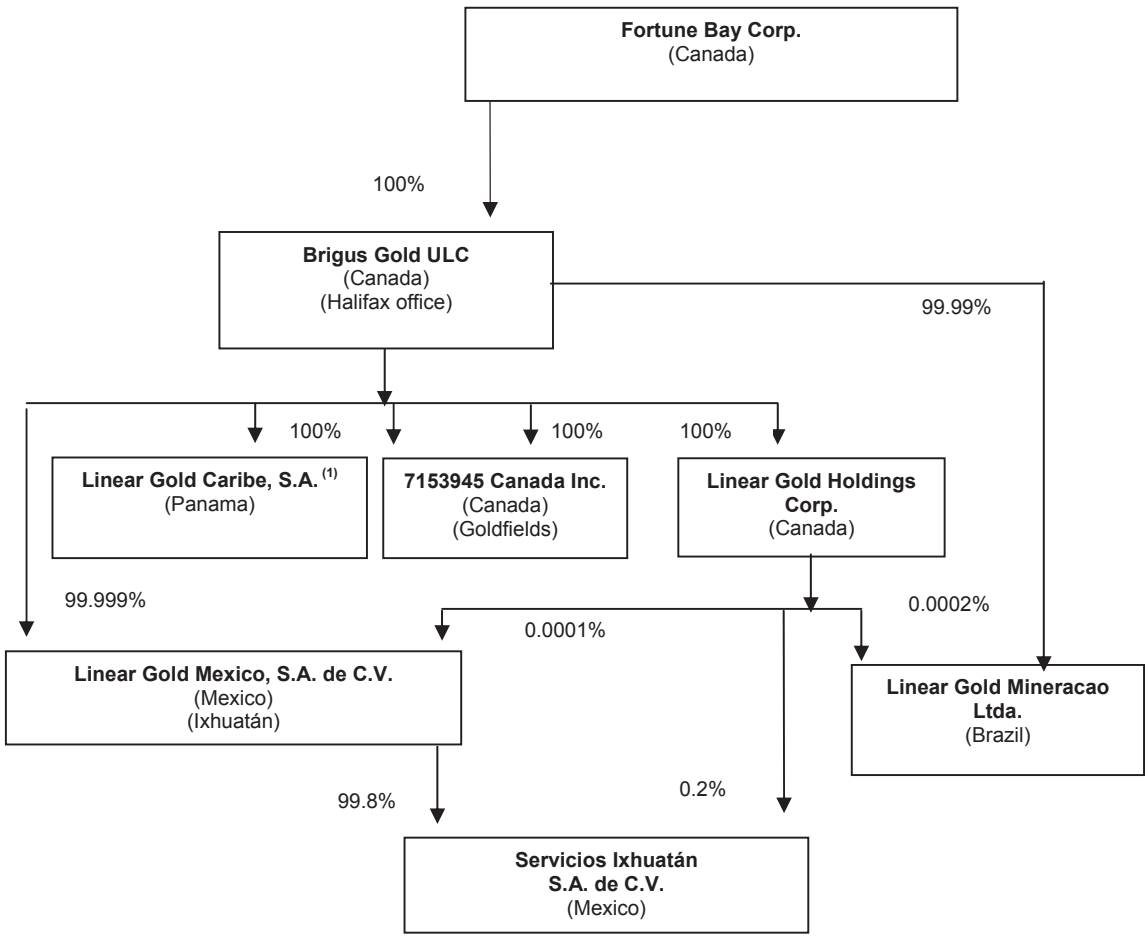
CORPORATE STRUCTURE

Fortune Bay Corp. ("**Fortune**" or the "**Company**") was incorporated under the name of 8724385 Canada Limited pursuant to the CBCA on December 12, 2013. Articles of Amendment were filed on January 13, 2014 to change the name of the Company to "Fortune Bay Corp.". Fortune is not currently a reporting issuer and its common shares (the "**Fortune Shares**") are not listed or quoted for trading on any stock exchange. Upon completion of the Arrangement, it is expected that Fortune will become a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. Fortune intends to apply to have the Fortune Shares listed for trading; however, there can be no assurances as to if, or when, such listing will occur. *See in this Appendix "F", "General Development of Fortune's Business", "Description of Securities Distributed — Listing of Fortune Shares" and "Risks Associated with Fortune".*

Fortune's head office is located at 1969 Upper Water Street, Suite 2001, Halifax, Nova Scotia, B3J 3R7. Fortune's registered and records office is located at 77 Kings Street West, TD Centre, Suite 3000, Toronto, Ontario Canada M5K 1G8.

Intercorporate Relationships

On completion of the Arrangement, the subsidiaries controlled by Fortune, the jurisdictions of incorporation of those subsidiaries and the percentage of voting securities held, directly or indirectly, by Fortune, will be as follows:



(1) Brigus, Brigus Gold ULC, Linear Gold Caribe, S.A. and Everton Resources Inc. ("**Everton**") have entered into an agreement, whereby, subject to the final approval of the TSX Venture Exchange, Everton will acquire Brigus' interests in the Dominican Republic Projects (as hereinafter defined) via the acquisition by Everton of all of the issued and outstanding shares of Linear Gold Caribe, S.A. *For more information, see in this Appendix "F", "Other Properties – Dominican Republic Projects".*

Business of Fortune

Under the terms of the Arrangement, Fortune will be capitalized and will also acquire the following mineral claims, properties and other interests:

(i) Goldfields project (Box & Athona Projects), Uranium City, Saskatchewan (the "**Goldfields Project**");

(ii) Ixhuatán project, Chiapas, Mexico (the "**Ixhuatán Project**");

(iii) Net smelter return (NSR) of Huizopa project (the "**Huizopa Project**"), Chihuahua, Mexico; and

(iv) Dominican Republic projects (Ampliación Pueblo Viejo, Ponton and La Cueva concessions) (the "**Dominican Republic Projects**") (which are subject to an agreement among Brigus, Brigus Gold ULC, Linear Gold Caribe, S.A. and Everton Resources Inc. ("**Everton**"), pursuant to which, subject to the final approval of the TSX Venture Exchange, Everton will acquire Brigus' interest in the Dominican Republic Projects via the acquisition by Everton of all of the issued and outstanding shares of Linear Gold Caribe, S.A. *For more information, see in this Appendix "F", "Other Properties – Dominican Republic Projects".*);

(items (i) through (iv) together and as defined in the Circular, the "**Fortune Exploration Properties**"), as well as:

(v) all of the shares of Brigus Gold ULC, which will also result in Fortune acquiring all of the direct and indirect subsidiaries of Brigus Gold ULC, namely Linear Gold Caribe, S.A., 7153945 Canada Inc., Linear Gold Holdings Corp., Linear Gold Mexico, S.A. de C.V., Servicios Ixhuatán S.A. de C.V. and Linear Gold Mineracao Ltda.;

(vi) the office lease at 1969 Upper Water Street, Suite 2001 in Halifax, Nova Scotia and the storage lease at Cogswell Tower in Halifax, Nova Scotia (including office furniture, equipment and supplies);

(vii) all fixed assets of Brigus and/or its subsidiaries relating exclusively to the Fortune Exploration Properties or located within the boundaries of the Fortune Exploration Properties or at the office locations referred to above in paragraph (vi) above;

(viii) all joint venture, earn-in, other contracts entered into by Brigus and/or its subsidiaries, and royalties or other similar rights that relate exclusively to the Fortune Exploration Properties;

(ix) common shares of Cangold Limited and Everton Resources Inc.; and

(x) all exploration information, data reports and studies including all geological, geophysical and geochemical information and data (including all drill, sample and assay results and all maps) and all technical reports, feasibility studies and other similar reports and studies concerning the Fortune Exploration Properties in Brigus' possession or control relating to the Fortune Exploration Properties;

(together with the Fortune Exploration Properties, the "**Fortune Assets**").

Of the Fortune Exploration Properties, management of Fortune considers the Goldfields Project located in northern Saskatchewan to be its material property for the purposes of NI 43-101. Upon completion of the Arrangement, Fortune's primary business focus will be the advancement of the Goldfields Project. However, there may be circumstances where, for sound business reasons, the management of Fortune may change Fortune's primary business focus.

Fortune will finance future exploration and development through existing funds as well as equity financing, by way of joint venture, option agreements or any other means deemed appropriate by management.

Upon completion of the Arrangement, the Brigus Shareholders will together hold in aggregate 90.1% of the then issued Fortune Shares, with the remaining 9.9% owned by Primero. Fortune will retain certain of the directors, staff and management of Brigus. In addition, Fortune will have approximately $10 million in cash to fund Fortune's initial operations.

See in the Circular, "The Meeting — The Arrangement". See in this Appendix "F", "Available Funds and Principal Purposes", "Management's Discussion and Analysis", "Description of Securities Distributed — Listing of Fortune Shares", "Consolidated Capitalization" and "Promoters".

Fortune Assets

Prior to the Effective Time of the Plan of Arrangement, Fortune will acquire the Fortune Assets, and assume the Fortune Liabilities, which will be effected pursuant to the Master Reorganization Agreement.

Material Properties

If the Arrangement is completed, Fortune will, directly or indirectly, acquire the interest of Brigus and certain of its subsidiaries in the Fortune Exploration Properties. Of these properties, management of Fortune considers the Goldfields Project to be material for the purposes of NI 43-101. The Goldfields Project is discussed in more detail below.

The Goldfields Project

General

The information in this Appendix "F" with respect to the Goldfields Project is extracted from a technical report dated October 6, 2011 pertaining to the Goldfields Project (the "**Goldfields Report**") that was commissioned by and prepared for Brigus by March Consulting Associates Inc. ("**March Consulting**") in compliance with NI 43-101.The Goldfields report provides technical information and a resource estimate update for the historical Box Mine ("**Box**"). The Box mine lies within the Goldfields Project, which also includes the Athona Deposit ("**Athona**"). The Goldfields Project is located in northern Saskatchewan, approximately 1,000 km north of Regina, the provincial capital, and 13 km south of Uranium City. Brigus holds a 100% interest in the Goldfields Project.

Brigus retained Wardrop, a Tetra Tech Company ("**Wardrop**"), to complete an updated resource estimate for Box. Wardrop was previously involved with Goldfields in 2006-2007 for the previous mineral rights holders, Greater Lenora Resources Inc. No additional exploration had been conducted on Athona since the latest NI 43-101 resource estimate was issued by Wardrop in 2007.

The Qualified Person responsible for the Box resource estimate update is Paul Daigle, P. Geo., Senior Geologist with Wardrop. The site visit was conducted by Mr. Daigle on May 11 and 12, 2011.The Qualified Person responsible for the Athona resource estimate is Tim Maunula, P.Geo. with Wardrop.

Brigus retained March Consulting to complete a pre-feasibility study for the purposes of developing a reserve estimate, capital cost estimate, operating cost estimate, and economic analysis for the Goldfields Project.

The Qualified Person responsible for the mineral reserve estimate and mining methods is Cliff Lusby, P. Eng., Principal Mine Engineer Associate with March Consulting. The Qualified Person responsible for the capital cost estimate, operating cost estimate and economic analysis is Kyle Krushelniski, P. Eng., Senior Project Manager with March Consulting. Site visits were conducted by Mr. Lusby and Mr. Krushelniski on March 18, 2010 and September 10 to 13, 2010.

Brigus retained Dan Mackie Associates and EHA Engineering Ltd. for the development of the ore processing and process plant design. The qualified persons responsible for the process design are Al Hayden, P. Eng. and Dan Mackie, P. Eng.

A copy of the entire Goldfields Report may be inspected by Brigus Shareholders at the registered office of Brigus at 1969 Upper Water Street, Suite 2001, Purdy's Wharf Tower II, Halifax, Nova Scotia B3J 3R7 during normal business hours prior to the Meeting. It can also be accessed under Brigus' profile on SEDAR at www.sedar.com. Following completion of the Arrangement, the Goldfields Report will be filed electronically with regulators by Fortune and will be available for public viewing under Fortune's profile on SEDAR at www.sedar.com.

Project Description and Location

Location and Area

The Goldfields Project is situated as shown in Figure 4-1 and Figure 4-2 in the northwest corner of Saskatchewan.

The Goldfields Project is located:

- within NTS 1:50,000 map sheets 74N07
- at approximately 59° 27' N latitude and 108° 31' W longitude, Zone 12, NAD83 Datum in northern Saskatchewan, Canada
- approximately 1,000 km north of Regina, the provincial capital of Saskatchewan, and approximately 850 km north of Saskatoon, SK
- approximately 13 km south of Uranium City, SK
- approximately 25 km by road from Uranium City, SK on Local Highway 962
- Box is bounded to the southeast by Neiman Bay, Lake Athabasca and to the northwest by Vic Lake
- approximately 60 km south of the border with the Northwest Territories
- in the Northern Saskatchewan Administration District
- in the Census Division No. 18 – La Ronge, SK

The Goldfields Project is defined by the mineral rights to five mineral leases and 31 mineral claims, currently 100% held by 7153945 Canada Inc., a wholly owned subsidiary of Brigus, and covering a total area of 25,685 ha.

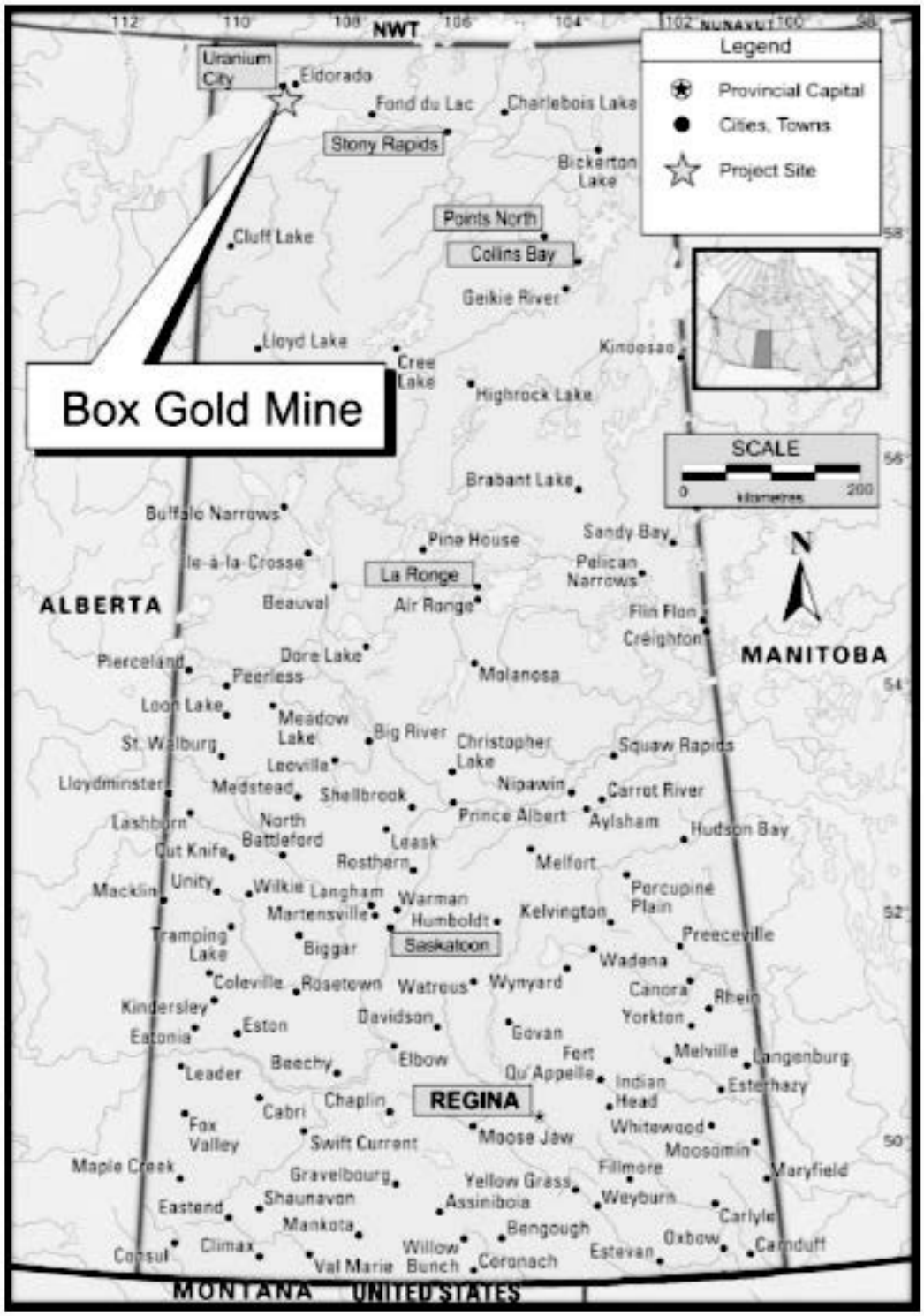


Figure 4-1: Goldfeilds Property Location Map (modified from Encyclopedia Britannica, 1999)

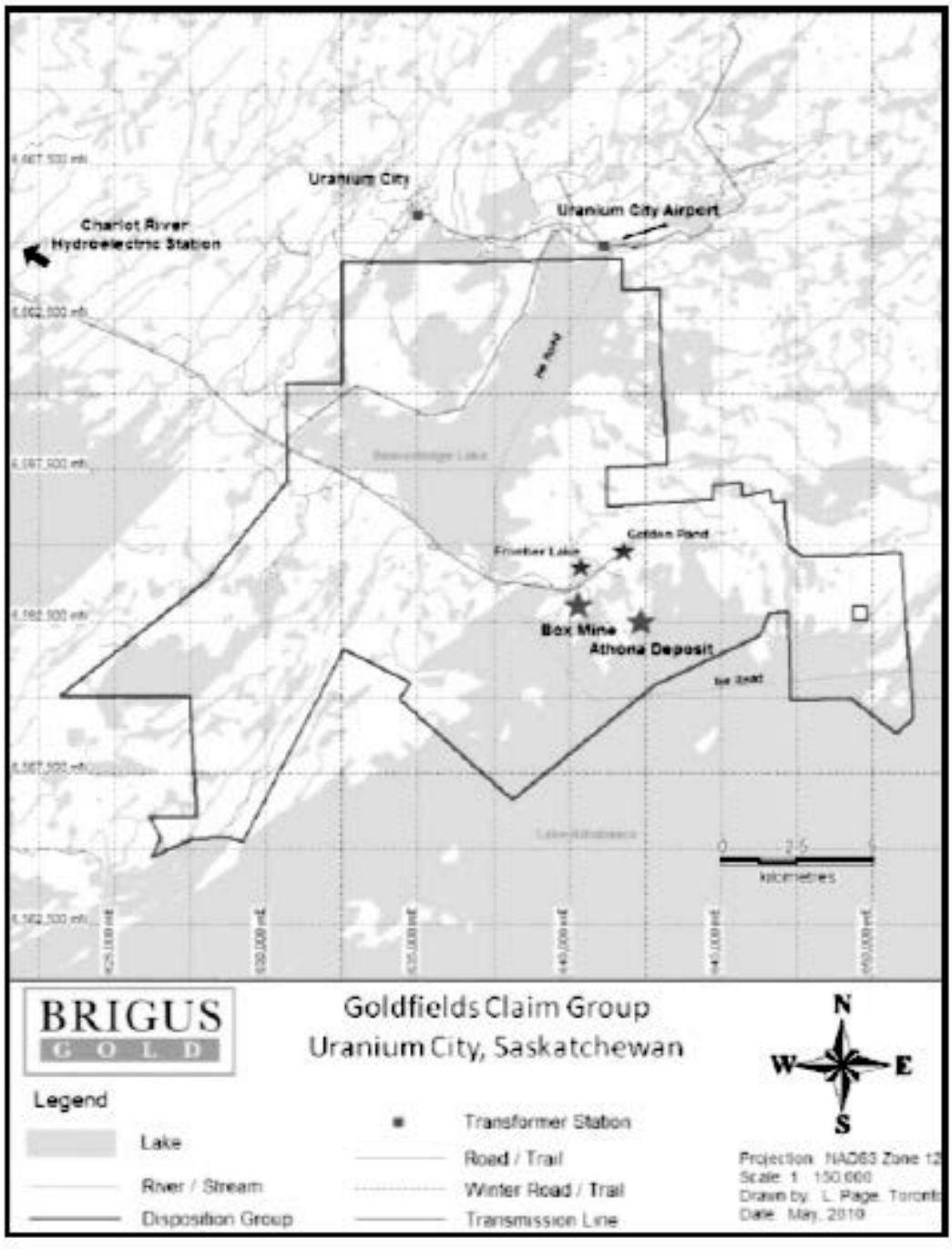


Figure 4-2: Goldfields Location Map (Brigus, 2010)

Property Description

Box is covered by one mineral lease, and surrounded by one mineral claim, of the Goldfields Project, for a total of 4,617 ha, as summarized in Table 4-1 and illustrated in Figure 4-3.

Only the mineral lease covering Box and the mineral claim around the mineral lease are subject to the Goldfields Report. All other mineral rights are listed in the Goldfields Report for completeness. All claims are current and there are no outstanding issues with these claims.

The Goldfields Project is controlled 100% by Brigus with Franco Nevada owning a 2% net smelter return (NSR) on an area of interest of 10 miles (16 km) from the external property boundaries of Box, Athona, Fish Hook Bay property and the Nicholson Bay property.

The Box project is also subject to a 1.5% NSR on all production beneath the 50 meters below mean sea level elevation that is on the original Cominco mining claims. This royalty does not apply to the current Box plan, since it is above the minus 50 meters above sea level (ASL) elevation.

Table 4-1 - Summary of Box and Goldfields Mineral Claim Blocks

Mineral Claims	Number of Claims	Area (ha)
ML 5522	1	70
ML 5523	1	167
CBS 5664	1	4,547
Remaining Goldfields Claims	34	20,901
Total	36	25,685

Source: Government of Saskatchewan, Energy and Mines

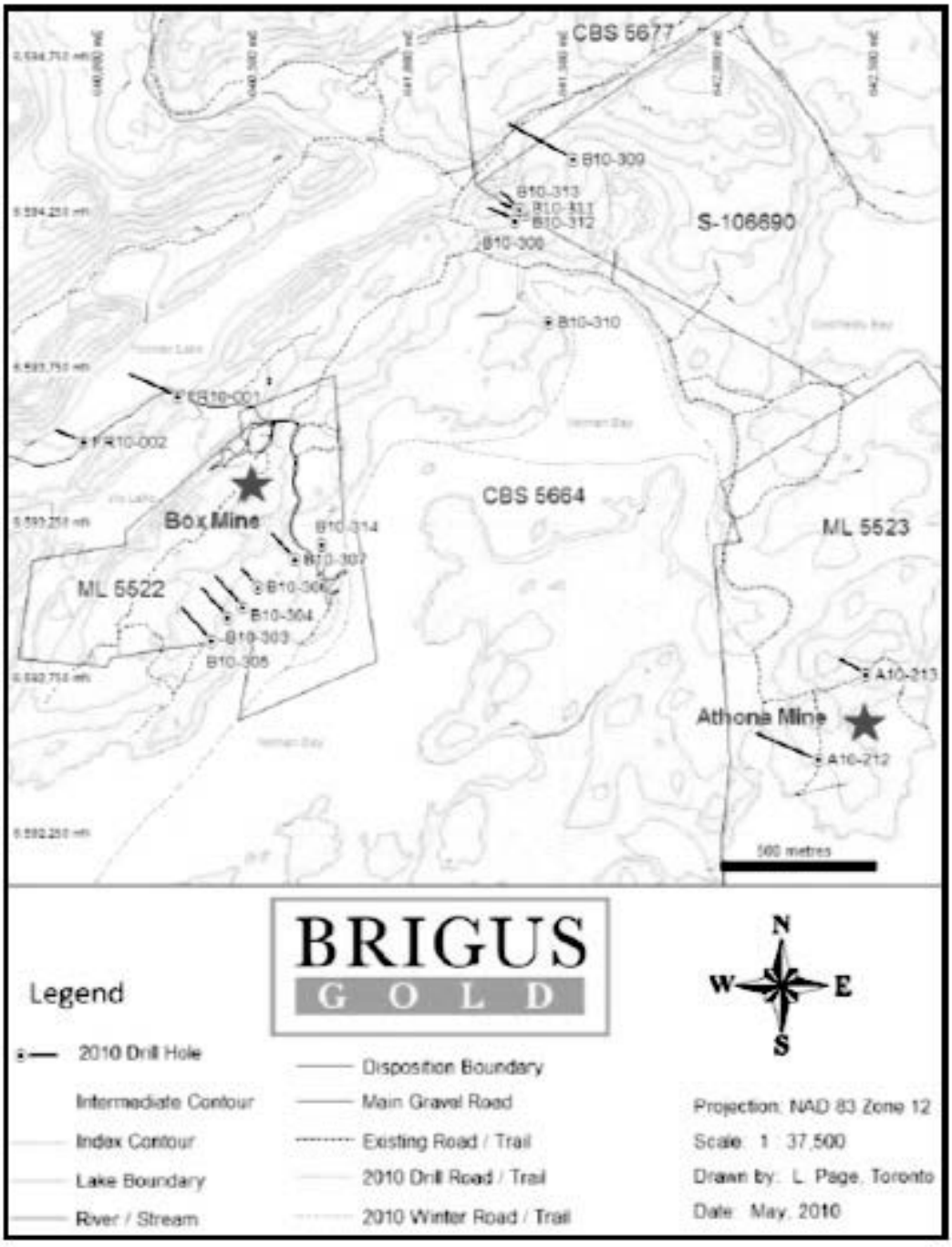


Figure 4-3: Goldfields Mineral Claim Map (Brigus, 2010)

Mineral Dispositions

The Saskatchewan Provincial government is empowered by the *Crown Minerals Act* to grant mineral dispositions in the form of permits, claims and leases, within its jurisdiction, to qualified entities. As defined by the *Crown Minerals Act*, those dispositions designated as Mining Claims

do not require a legal survey, prior to registration; Mining Leases require a legal survey. The Claims indicated above have not been the subject of a legal survey; the Leases have been legally surveyed.

Under the terms and conditions as laid out in the *Crown Minerals Act*, all of the Claims and Leases pertaining to the Goldfields Project are designated as "Active" and are registered to Brigus.

These dispositions are subject to and must comply with the Assessment Work requirements as stipulated by the *Crown Minerals Act*. Brigus confirms that the assessment Work status of these Claims and Leases is current and that all Assessment Work pertaining to these dispositions has been both submitted and subsequently accepted by the Ministry of Industry and Resources.

Existing Environmental Liabilities

As noted, the Goldfields Project has been the object of previous mining operations. An Environmental Impact Statement; Box Starter Pit Mine, Goldfields Project, Northern Saskatchewan as submitted in January, 2007, prepared by UMA Engineering Ltd. for GLR Resources Inc. ("**GLR**") (now Mistango River Resources Inc.) has been completed and approved. The EIS addressed these issues and provided appropriate remediation and mitigation measures. Brigus is committed to implementing these remediation and mitigation measures.

Permitting Requirements

The permitting process for mine development and construction involves the following as listed in Table 4-2.

Table 4-2: Permitting Process for Mine Development and Construction

Permit/Approval	Agency	Regulation/Act	Status
Environmental Permit (EIS Approval)	○ Ministry of Environment (Saskatchewan) as the leading Regulatory Agency	○ Environmental Assessment Act (Saskatchewan) ○ Canadian Environmental Assessment Act ○ Canada-Saskatchewan Agreement on Environmental Assessment Cooperation	Ministerial Approval Granted
Surface Land Lease Approval (Surface Lease Agreement)	○ Ministry of Industry and Resources (Saskatchewan) ○ Ministry of Environment (Saskatchewan) ○ Ministry of First Nations and Metis Relations (Saskatchewan)	○ Mineral Dispositions Regulations	Final Draft being negotiated
TMF - Effluent Discharge	○ Ministry of Environment (Saskatchewan), ○ DFO (Environment Canada)	○ MMER, Fisheries Act	
Approval to Construct	○ Ministry of Environment (Saskatchewan) ○ Ministry of Labour Relations and Workplace Safety	○ Environmental Assessment Act ○ Occupational Health and Safety Act ○ Saskatchewan Mining Regulations	Application to be submitted

Accessibility, Climate, Local Resources, Infrastructure and Physiography

Accessibility

The Goldfields Project is situated roughly 1,000 km north of Regina, the provincial capital of Saskatchewan and 850 km north of Saskatoon. Access to the Goldfields Project is by a 25 km gravel road from Uranium City. Uranium City, which is approximately 13 km from the Goldfields Project, is accessible by regular scheduled flights (twice a week during winter and spring months and three times a week during summer months) from Saskatoon through Prince Albert, Points North, Stony Rapids and Fond-du-Lac. Several charter aircraft companies operate in the area. Commercial flights to Uranium City from Saskatoon are typically four hours.

As there is no permanent road access to Uranium City, supplies are transported to Stony Rapids by road and then loaded onto barges and transported by water to communities around Lake Athabasca from June to October.

An ice road over Lake Athabasca is maintained from Stony Rapids to Uranium City and is open for six weeks in February and March. The Athabasca Basin Development Limited Partnership constructs and maintains the Lake Athabasca winter ice road annually with funding provided by the government of Saskatchewan.

Aircraft support for the Goldfields Project is readily available. Two airlines (TransWest Air and Pronto Airlines) currently provide passenger and freight service to Uranium City. The frequency of scheduled commercial flights will depend on project requirements. Personnel rotation requirements will be defined as the project advances.

The current airstrip is sufficiently long to handle C-130 STOL transport aircraft with freight capacities exceeding 30 tonnes.

Climate

The following information was obtained from Environment Canada averages for Uranium City based on data from the past 58 years. The average temperatures during the winter months range from -8°C to -32°C and average temperatures during the summer months range from 11°C to 16°C. Average rainfall is 223.7 mm with the largest amount of rainfall recorded from May to October. The average snowfall is 215.1 mm and accumulates to 138.1 mm of precipitation. The lakes in this region generally freeze over by late September or early October and may remain frozen until late May.

Precipitation and Evaporation

The total average precipitation for the area is 361.8 mm per year, with February being the low month of 14.8 mm and August bringing 53.5 mm of precipitation. Annual amount of evaporation has typically been an average of 300 mm, leaving a net precipitation of 60 mm.

Temperature

Average daily temperature ranges between -26.8°C in January and 16.2°C in July.

Wind

Average wind speed measured from 1953 to 1986 is 11 km/hr, blowing from the east and northeast, 8% to 15% of the time.

Topography

The elevation of Lake Athabasca is 211.5 meters (694 feet) ASL. The topographic relief of the area near the Beaverlodge - Goldfields area consists of moderately high hills with the highest being Beaverlodge Mountain at 419.8 meters (1,377 feet). North of the Goldfields Project, near Virgin Lake, the mean elevation of the area is about 450 meters (1,476 feet).

North of the Goldfields Project, Contact Lake is approximately 427 meters (1,401 feet) ASL and the surrounding hills of conglomerate of the Martin Group, to the north of Contact Lake, are up to 445 meters (1,460 feet) ASL. Hills of basement rocks of the Tazin Group to the south are approximately 455 meters (1,493 feet) ASL. The relief decreases sharply to the north from approximately 445 meters (1,460 feet) to 350 meters (1,148 feet) in the sandstone and arkose units of the Martin Group located between Contact Lake and Cutler Lake.

Local Resources

Uranium City is considered abandoned and maintains a population of less than 100.

There are few local resources available in Uranium City, although, gasoline, diesel and aviation fuel are available from the town and the airport. Most supplies must come from Stony Rapids or southern Saskatchewan.

The economy of northern Saskatchewan is based on mining, tourism and traditional hunting and gathering activities.

Demographics

The primary impact area encompasses the Athabasca Basin between the northern settlement of Camsell Portage near the Alberta-Saskatchewan border extending east to include the communities of Hatchet Lake First Nation and the northern settlement of Wollaston Lake. Other communities within the Basin include the northern settlement of Uranium City, Fond du Lac First Nation, Black Lake First Nation and the northern hamlet of Stony Rapids. The communities of Wollaston Lake and Hatchet Lake First Nation are located within the Athabasca Basin. They are located approximately 300 km southeast of the Goldfields Project area and are less likely to be impacted either positively or negatively by the proposed development. In addition to these communities, there are outfitter camps located at various points throughout the basin.

Mine Labour Force

Recognizing that the mine is located in a fairly remote section of the province, it will be necessary to have air transportation for at least some of the employees. Work crews will be brought to the site for a 14 day rotation. Air transport from local communities such as Fond du Lac and Stony rapids to Uranium City will be arranged. Other manpower resources would be transported from larger communities such as Saskatoon.

Economy and Infrastructure

Uranium City is serviced by a 1,500 m all weather runway with flights from Saskatoon. Charter air service by fixed wing including seasonal float and ski-equipped aircraft, and helicopter service are also available.

There is no permanent road to Uranium City. However, there is a gravel road from La Ronge, via Points North, and to Stony Rapids that allows for transportation of heavy equipment and supplies from the south to Stony Rapids. Heavy equipment and supplies may be transported by barge service operating from Stony Rapids, to the communities along the shores of Lake Athabasca from June to October. During winter, an ice road connects Stony Rapids to Uranium City.

Stony Rapids, situated approximately 150 km east of the Goldfields Project, is a logistics hub for northern Saskatchewan and hosts government administrative offices, banks, hospital facilities, hotels and food stores. Most consumable field supplies and equipment are readily available in Stony Rapids.

Electrical power for Uranium City and the region is supplied from the Charlotte River hydroelectric station operated by the provincial power authority, SaskPower. There are

transmission lines connecting Box to the provincial grid. A power line has been constructed to connect this local grid with the provincial grid in the Collins Bay area.

Communities in the Goldfields Project area possess mixed economies characterized by both public and private sector investment.

Basic community infrastructure includes water treatment plants, sewage lagoons and electrical power supply. Surface water from Black Lake provides water for the community of Black Lake, Fond du Lac River provides water for the community of Stony Rapids and the Fredette River provides water for the community of Uranium City. The community of Fond du Lac use wells for drinking water. Oil, wood burning stoves, and electric heat are the primary methods for heating homes and other buildings.

Health Services

The Athabasca Health Authority provides medical services in the Athabasca Basin. Both Black Lake and Fond du Lac have Primary Health Care Facilities. Turnaround time from the mine site to the hospital would be about 1.5 hours once the call is received. Transwest Air is contracted to provide medivac services and air ambulance services to Prince Albert and Saskatoon. The Athabasca Health Region also has access to a float plane and helicopter services which would decrease the turnaround time from the mine site to the hospital. A vehicle will be available at the site at all times for use in emergency transport to the Uranium City Airport.

Existing Land Uses

Existing land uses include: mineral exploration and development, trapping, fishing, hunting, tourism and recreation, and forest and wild rice production.

Physiography

The topographic relief of northern Saskatchewan is controlled by several factors related to glacial erosion. Predominant elongated, rounded and rolling valleys trend northeast/southwest in the general direction of glaciations and also follow the contours of a major fold in the Goldfields area.

The elevation of Lake Athabasca is 211.5 m ASL. The topography of the Beaverlodge-Goldfields area consists of hills of moderately high relief varying between 211 m and 420 m. The highest elevation on the property, from Lake Athabasca to Beaverlodge Mountain, is 419.7 m.

The vegetation in the property area is typical of boreal forests in northern Saskatchewan, consisting of small and scattered trees on hilly outcrop areas. The valleys are generally filled by glacial drift which supports a denser growth of larger trees. The major varieties of trees observed in the southern Goldfields area are black spruce, pine, white birch and poplar. The main tree species in the area are jack pine and white spruce over areas of bedrock and black spruce in valleys and swampy areas. The lower lying areas consist of muskeg swamps and bogs containing predominately black spruce, grass, shrubs, moss, and lichens.

Large portions of the Goldfields Project area have bedrock exposure as high as 50% with an overall bedrock exposure of approximately 10%.

Infrastructure

The natural land contours will be used in the detailed design of the entire mine site to minimize capital cost and environment disturbance. The area has great potential to house all the required mine site areas including but not limited to the Mill facility; TMF; WRSA; Bulk Fuel Storage; Bulk Explosives Facility; Explosives and Cap Magazines; Water Pump House; Mine Service Complex; Mine Offices and Dry Facility; Electrical Substation and Barge Loading Facility.

History

Pre-1934

The earliest reported geological work in northern Saskatchewan commenced in 1880, when the Geological Survey of Canada conducted a topographic survey along the Saskatchewan River to Reindeer Lake and northwards to Lake Athabasca. From 1882 to 1893, J.B. Tyrrell surveyed many of the waterways and reported the presences of noritic rocks on the north shore of Pine Channel at the east end of Lake Athabasca.

Discovery of the Box Gold Deposit, 1934

Exploration activities in the Greater Beaverlodge (Uranium City) area dates back to the early 1930's. In August 1934, gold was discovered by Tom Box and Gus Nyman near the east shore of Vic Lake, adjacent to what is now the historic Box mine, where they staked a claim.

Consolidated Mining and Smelting Company of Canada Limited ("**Cominco**") acquired the discovery by staking claims 1 to 17 and carried out surface and underground exploration. Trenching in two areas 45.7 m (150 ft) apart indicated 153.60 g/t (4.48 oz/st) gold (Au) over 0.85 m (2.8 ft) in the west pit and 3.43 g/t (0.1 oz/st) Au over 1.68 m (5.5 ft) in the east pit.

Box Mine, 1936-1944

Development of a mine-mill complex was undertaken by Cominco from 1935 to 1942. Box operated from 1939 until 1942 when it was closed due to work force shortages brought about by World War II.

In 1935, a diamond drill program was completed consisting of 1,272.54 m (4,175 ft) in 13 drill holes. However, other sources indicated that 27 holes were completed for a total of 3,148 m (10,328 ft).

Bench concentrate testing on a sample grading 80.57 g/t (2.35 oz/st) Au and 12.0 g/t (0.35 oz/st) Ag showed a recovery of 99.2%. In July 1935, the No.1 shaft, with dimension of 1.8 m by 3.7 m and inclined at 42° in the footwall close to the contact, was sunk to 76.2 m (250 ft). In September, the No.2 shaft, a three compartment production shaft, was collared 390 m (1280 ft) northeast of the No.1 shaft, and inclined at 45° at the footwall. Levels were established at 30 m (100 ft), 91 m (300 ft) and 152 m (500 ft) levels measured down dip.

In 1936, development work began on three levels with plans for a 100 st/d mill. By April 1936, indications began to appear of some problems with the assaying carried out at the laboratory on the property. In May that same year, proposed plans to increase mill capacity to 500 st/d were approved but later rescinded.

In 1937, development continued from the No.1 and No.2 shafts on the 91.4 m (300 ft) level. Mill capacity was recommended to increase to 500 st/d. On June 29, 1937, an executive decision was made to proceed with a 1,000 st/d cyanide mill and the construction of a hydro plant. During this development, the town of Goldfields was incorporated.

In 1938, development continued on three levels to a depth of 152.4 m (500 ft). An extensive program of underground drilling designed to intersect the main gold bearing stringers at right angles which amounted to 1,870 m (6,132 ft) of drilling. Hydro development completed and included 22 miles of transmission line, two tunnels and complete power house.

By early 1939, 3,578 m (11,740 ft) of drifting and cross cutting as well as 8,967 m (29,419 ft) of drilling had been completed within the ore body. Box was identified as a very large tonnage and LG deposit. The first ore through the mine, on June 27, 1939, was initially extracted at 500 st/d. In August 1939, the first gold brick was poured with the mill capacity up to 1,000 st/d. Underground methods took advantage of the ore geometry and deposit size to develop large stopes through block caving. Recoveries were stated at 92%.

By August 1940, production was approximately 1,200 st/d. Drilling indicated a "reserve" at less than $2.00 per ton with a large tonnage at less than $1.75 per ton (0.05 oz/st). The grade of mill feed was at an average of 1.707 g/t (0.0498 oz/st) (letter to Jewitt, 1945).

In June 1942, the decision was made to close Box due to a work force shortage with the outbreak of World War II. Estimated reserves at the time of the shutdown were given as 2.28 million tons at 1.714 g/t Au (0.050 oz/st). By this time, the mine had produced 67,899 ounces of gold from 1,417,520 tons grading 0.0479 oz/st. However, Coombe (1984) indicated that the production was 64,066 ounces of gold from 1,418,320 tons of ore at an average grade of 0.0452 oz/st Au.

Athona, 1935-1980

Athona is situated approximately 0.6 km southeast of Neiman Bay, and about 1.4 km south of the former town site of Goldfields. The mine was situated on the LUCKY-WILLY Group of 14 claims which were staked in 1934 by Great Bear Lake Mines Ltd., following the discovery of gold on the adjoining Box property of Cominco. Work consisted of extensive trenching and diamond drilling (7344.7 m or 24,097 ft) in 1935 which was successful in locating a number of gold occurrences.

The Willy Claims 1 and 2 and Lucky Claims 1 to 12 were staked in the fall of 1934 and spring of 1935 for Great Bear Lake Mines Limited.

Work between 1935 and 1938 consisted of extensive trenching and diamond drilling as summarized in the Goldfields Report.

Between 1952 and 1953, Pole Star Mines Ltd. controlled the WILL 1 to 9 claims. Pole Star completed two holes close to SMDI 2163 that intersected minor scheelite (AF 74N08-0025).

By 1967, the showing was under Mokta CBS 305. Mokta completed an airborne scintillometer survey and ground follow-up mapping and prospecting (AF 74N08-0036).

In 1970, Norcan Mines completed two drill holes and radiometric prospecting on the CBS (AF 74N08-0071.0072).

In 1980, Pyx Exploration carried out a heap leaching test on three barrels of ore grade material.

Dejour Mines LTD., 1968

In 1968, Dejour Mines Ltd. completed detailed geological mapping and radiometric prospecting.

The work discovered a number of radioactive fractures on Box VIC claim No. 2. In the same year, a small amount of diamond drilling was completed to test the fracture system. One hole intersected pitchblende filled fractures that assayed 14.0% triuranium oxide and 0.66% U3O8 over 150 mm.

GLR Resources INC., 1987-2009

GLR, and its former companies, conducted exploration programs in the Beaverlodge area from 1987, when the Kasner Group of Companies optioned both Box and Athona properties from Cominco, until the sale of the leases and claims to Brigus and its former companies in 2009. Since that time, Mary Ellen Resources Ltd., Lenora Explorations Ltd. and AXR Resources Ltd. merged together in December of 1988 to form Greater Lenora Resources Corporation, which later became known as GLR. On July 24, 2001, Greater Lenora Resources Corporation completed a plan of arrangement pursuant to which GLR acquired all of the assets of Greater Lenora Resources Corporation.

The Kasner Group of Companies completed three diamond drill holes from September 2 to 23, 1988. These holes, LB-88-1 to LB-88-3, totalled 1,132.1 m. Drill holes LB-88-1 and LB-88-2 are located approximately 700 m northeast of Shaft No.2 and had an azimuth (AZ) of N 310°E, dipping 45°. LB-88-2 is approximately 50 m at N 130° E from LB-88-1 and these holes did not contain significant gold values. Hole LB-88-3 was drilled to test the down dip extension of Box under Neiman Bay and contained a number of anomalous gold values with the best intersection being 4.663 g/t Au (0.136 oz/st) over 3.0 m (Bowe and Petrie, 1988) (AF 74N07-0328). A 9,000 ton bulk sample from the Box trenches and a 4,000 ton bulk sample from the Athona trenches returned a reported grade of 1.88 g/t (0.055 oz/st) gold.

Also, a single drill hole (VI-88-1) was completed to test potential of the Vic Lake Fault zone. This drill hole was located at the boundary of the Box and Lodge Bay project boundaries. No significant gold assays were obtained.

During 1988, 52 drill holes were completed totalling 6,384 m. In the summer of that year, nine diamond drill holes were surveyed with a Mount Sopris down-hole radiometric logging instrument. The survey results indicated none of the holes contained uranium mineralization. A slight increase in radioactivity was detected in the BMG, foliated granite and HW gneisses, which may be caused from the decay of potassium in the feldspars and sericite.

In 1988, GLR completed a prefeasibility ore reserves calculation, using 1934 to 1988 data (AF 74N-0005).

The 1989 drilling program completed 47 reverse circulation (RC) drill holes with a total footage of 3,169 m. Samples were assayed by fire assay technique by early participants as well as several drill holes in the 1988 GLR drill program. The remainder of the 1988 drill holes and those of the 1989 RC drill program were assayed by the cyanide leach technique.

In 1989, GLR completed on-site metallurgical testing and bulk sampling.

In 1990, GLR announced new reserves for the deposit. The reserves were calculated using the Kriging, inverse distance weighting, and polygonal methods.

In 1992, GLR calculated the combined reserves for Box and Athona. RJK Mineral Corporation also listed the Box reserves.

After a period of evaluation and additional exploration activities, GLR completed 52 drill holes totalling 6,706 m in 1994. From 1994 onwards, the complete BQ drill core was assayed by the total metallic technique.

In 1994, they completed and released the results of drill holes B94-109 to -150. These infill drill holes were designed to test the deposit below the level of the existing mine workings.

Between 1994 and 1995, delineation holes B95-151 to 250 and an environmental impact study was completed on the deposit (AF 74N-0006). The Box and Athona reserves were re-calculated at this time.

In 1995, 17 drill holes and an environmental impact study were completed on the Box-Athona Mines (AF 7408-0150). In October 1995, the combined reserves for Box-Athona were published. Box is open in all directions and Athona is open to the southwest.

A total of 18,825 m of BQ diamond drilling in 100 holes was completed during the 1995 summer program.

The geological mapping of the trenches at Box was completed by F. Hurdy during 1995.

During 1995, the winter/spring diamond drill holes and the drill holes of the summer program were surveyed. At both Box and Athona, several of the original survey monuments and mine workings, such as vent raises, shaft collars, etc., were located and surveyed.

This accurate drill hole collar information was incorporated into the various data bases used for the reserve calculations. The surface trenches surveyed at Box were incorporated into the up-dated data base.

A feasibility study was completed by H.A.Simons Ltd. in 1995.

In 1996, GLR announced a new, lower combined reserve calculation for Box and Athona (labelled a resource calculation). This was published in The Northern Miner (13 May 1996, p.1-2).

In 1997, Behre Dolbear completed an ore reserve audit of published reserves for the combined Box¬Athona. In 1997, Pearson, Hoffman & Associates completed a resource evaluation of Box. In the same year, GLR flew an airborne electromagnetic (EM), resistivity, magnetic, and spectrometer survey over the property (AF 74N-0007).

In 1999, GLR announced intentions to proceed with a small-scale development and production plan which will focus on open pit mining a part of Box.

In 2001, GLR stated that an environmental impact study had been completed and Gekko of Australia tried simple gravity separation of Box ore and received excellent recoveries. GLR also

concluded that the Fishhook and Nickolson were an unconformity type Au-PGE deposit that is similar to the Coronation Hill deposit in Australia.

In 2007 and 2008, GLR completed 13 drill holes over the Box mine totalling 3,348 m. Six of these 13 holes intersected the Box ore.

On August 21, 2009, GLR announced the sale of all its Goldfields assets, which included Box and Athona, to 7153945 Canada Inc. (7153945), a wholly owned subsidiary of Linear Gold Corp., a predecessor company to Brigus ("**Linear**").

On March 17, 2011 GLR was renamed Mistango River Resources Inc.

Linear, 2009 – Brigus, Present

Linear acquired Goldfields in August 2009. In early 2010, Linear undertook an infill drill program over the Box and Athona deposits. The drill program over the Box area consisted of twelve drill holes for a total of 2,858 m, where five of the twelve drill holes intersected the Box Mine gold deposit.

On June 24, 2010, Linear and Apollo Gold Corporation ("**Apollo**") merged and changed their name to become Brigus Gold Corp.

Drilling

The Goldfields Report includes an extract on the drilling history from Bikerman, 2009.

Ownership History

The Goldfields takes its name from the former village of Goldfields, a gold mining settlement established in the 1930s. The larger area has attracted considerable interest over the last half century from a mineral extraction perspective.

From 1939 to 1942, Cominco operated an underground gold mine at the location of the Box deposit. In 1942, the mine was closed due to war time personnel shortages.

In 1987, Lenora Exploration Ltd. and Mary Ellen Resources Ltd. (later to become GLR) jointly optioned Box and Athona and commenced work to evaluate them as open pit operations.

In May 2009, Linear acquired the Box and Athona properties. In June 2010, Apollo and Linear merged into one combined entity named as Brigus. As a result, Box and Athona have been under the ownership of Brigus since June 2010.

Production History

Gold was first discovered in Saskatchewan in the North Saskatchewan River near Prince Albert in 1859. Saskatchewan began producing gold in small quantities in the early 1900s and possibly earlier from panning and dredging operations on the North Saskatchewan River and its tributaries.

In the period prior to the First World War, gold was discovered on the north shore of Lake Athabasca and in the Amisk Lake area near the present sites of Creighton and Flin Flon.

Further prospecting in the 1920s and 1930s culminated in discoveries in the La Ronge volcanic belt, Flin Flon and Beaverlodge areas. By the late 1930s and early 1940s, gold was being produced in significant quantities at Box on the Crackingstone Peninsula and in minor amounts from the Prince Albert (Monarch/Pamon), Graham and Henning-Maloney mines near Flin Flon. Other deposits produced small amounts of gold during trial mill runs.

From 1939 to 1942, Cominco operated an underground gold mine at the location of Box. The mine processed approximately 1.29 million tonnes of ore having a calculated grade of 1.64 g/t, recovering 1,992,645 grams (65,066 ounces) of gold and 690,642 grams (62,205 ounces) of silver.

Approximately 1.2 million tonnes of tailings were generated and deposited into the north end of Vic Lake.

The gold boom of the late 1980s resulted in the first significant gold exploration effort in the history of the province. Gold exploration figures reached their peak of $55 million in 1988. Large areas of high gold potential still remain unexplored. Five new gold mines have entered production in Saskatchewan since 1987 (Sask. Geol. Surv. 2006). Between 1987 and 1994, additional drilling was completed by GLR. The resource database to 1995 included over 26,800 m of core drilling and 3,169 m of RC drilling results. This information indicated ore reserves sufficient to warrant development of an open pit gold mining and milling operation.

Geological Setting

Regional Geology

Northern Saskatchewan is predominantly underlain by variably deformed and metamorphosed rocks of Archean age (3070 to 3014 Ma.) to Helikian (1450 to 1350 Ma) age. In the northwest, the Archean to Aphebian crystalline basement, influenced by Lower Proterozoic thermitectonic events, is overlain by redbeds of the Martin Group (and immediately underlying Thluicho Lake and Ellis Bay Groups) which were probably deposited during and immediately following the main Hudsonian event (ca. 1900 to 1800 Ma.). Immediately to the south, the metamorphic basement rocks are overlain by post-metamorphic sedimentary rocks of the Helikian Athabasca Group. Post-Hudsonian diabase dykes (ca. 1400 to 1100 Ma.) are the youngest rocks in the Precambrian of northern Saskatchewan (Jensen, 2003). The general geology of the Beaverlodge area with the current property outline is illustrated in Figure 7.1 of the Goldfields Report.

The metamorphic crystalline basement is part of the Trans-Hudson Orogeny, a major Early Proterozoic orogenic belt that extended more than 5,000 km from the U.S.A. to Greenland (Lewry et al., 1985). In Saskatchewan the basement rock have been grouped into three broad crustal regions: the Western Craton, the Cree Lake Zone and the Reindeer Zone (e.g., Macdonald, 1987). The ensialic Western Craton and Cree Lake Zone lie west of a major crustal 'break' (the Needle Falls Shear Zone); the ensimatic Reindeer Zone lies to the east.

The Western Craton (Lewry and Sibbald, 1977; Macdonald, 1987) forms part of the more extensive Keewatin Zone (Hoffman, 1989), which underlies contiguous parts of the Northwest Territories. The Western Craton is separated from the easterly-lying Cree Lake Zone by the Virgin River-Black Lake Shear Zone. The later zone of mylonitic rocks form part of the 3,000 km long Snowbird Line that has been variously interpreted as an intracontinental activation structure or a crustal suture within the Trans-Hudson Orogeny.

The Western Craton comprises mainly Archean basement, Lower Proterozoic granite plutons and migmatites, and remnants of both Archean and Early Protoerzoic supracrustal belts. The Archean rocks have suffered upper amphibolite to granulite facies metamorphism during the Kenoran orogeny. These were later variably overprinted by Hudsonian greenschist to amphibolite fades metamorphism.

North of the Athabasca Basin, the Western Craton is formed by several predominantly Archean cratonic blocks, bounded by mylonitic shear zones, and intervening terrains of reworked Archean and/or Lower Proterozoic retrogressed granulite facies rocks. The Western Craton is formed mainly by sediment and volcanic derived supracrustals. Alcock (1936b) termed these rocks the "Tazin Group". Later workers (e.g. Tremblay, 1972) also included derived felsic gneisses and granites within the Tazin Group. Linear zones of intense Hudsonian reworking, manifested as zones of refoliation within this part of the craton (Beck, 1969).

The Goldfields Project is located within the past producing Beaverlodge mining district.

The Goldfields Project lies within the Western Craton Tectonic Zone of the Churchill Structural Province (Stockwell, 1961). The Goldfields Project is located in the southwestern portion of the Beaverlodge Domain (includes the former Black Bay Domain and the Nevins Lake Block, Morelli et al, 2001) of the Rae Province of the Canadian Shield which rests on the Churchill Platform which was sutured to the Superior Craton to the southeast during the Hudsonian Orogeny.

Property Geology

Box Mine

The geological setting at the Box Mine deposit consists of a sequence of metasedimentary lithological units. The footwall sequence is represented by several series of alternating units of amphibolite and quartzite. These units exist from north of the Frontier Mine to the Box Mine footwall, an approximate horizontal distance of 1,000 metres. At the footwall contact, a zone of metasediments consists of almost pure quartzite, feldspathic arkose, medium to coarse grained greywacke and sub-angular to rounded pebble conglomerates.

Scattered along the footwall at irregular interval are amphiboles intrusive sills and/or homfelsed metasediments with some units exhibiting varying degrees of shearing which forms chlorite and homblende schists.

The BMG unit is a depositional sequence of metasedimentary lithologies grading towards the southeast from a pebble to cobble size conglomerate to a coarse grained greywacke then medium grained, followed by feldspathic arkose. Due to the varying intensity of granitization or feldspathization and silicification of the clastic metasediments, it is difficult to determine if more than one sequence exists. The BMG has been moderately to intensely altered by hematitization which indicates the contacts of the auriferous zone. The contacts vary from gradational to sharp.

The BMG has a surface expression in the excess of 750 metres and an average width of 40 metres with the central portion in the excess of 60 metres. The lithological sequence of the BMG has an overall strike of N047°E with dips ranging from 30° to 45° with an average dip of 43° to the southeast. The Box Mine deposit has a strike of the LOWER BMG zone and the southwestern portion of the UPPER BMG zone of N047°E with a 42° southeast dip and the northeast portion of the UPPER BMG zone has a strike of N060°E with a 42° southeast dip.

The immediate hanging wall of the BMG generally consists of medium to coarse grained greywacke with fine grained arkosic and amphibolites. The hanging wall contact zone is usually sheared near parallel to the strike of the lithologies and dipping approximately 43° southeast.

Further southeast from the hanging wall, the lithologies are mapped and logged as gneisses and foliated older granites. Due to the strong degree of alteration, it is difficult to identify the intrusive baked contact metamorphism of the older granites.

Several hundred metres to the southeast or stratigraphically upwards, the lithological units appear to consists of slightly to strongly hematitized, locally pyritiferous, aphanitic to fine grained arkosic metasediments striking in the similar direction as the above units. The dip of these arkosic beds appears to be approximately 25° to the southeast.

A topographic low is located to the north of these units and may represent an erosional or faulted unconformity which may be occupied by a metagabbroic intrusive.

The gold mineralization is associated with fine grained pyrite generally consisting from 0.5% to 3.0% in the wallrock and with the quartz and quartz carbonate veining. Some of the auriferous quartz veins trending at N010°E have associated sulphide mineralization, in order of dominance as, pyrite, galena, sphalerite and chalcopyrite.

It appears that a narrow unit of the BMG at or near the hanging wall exhibits brittle-ductile shearing parallel or near parallel to the strike of the lithological unit with the development of two generations of quartz veining represented by shear and extensional en echelon gash veining. The rotated veining probably indicates the veining event was intruded during progressive shearing.

Several quartz stockwork breccia zones cross cuts the BMG and may be the result of parallel fluid inflow into dilatant jogs in a dextral strike-slip fault system with faults step to the right.

These late N315°E trending faults are typically identified by vuggy quartz and/or pink carbonated breccia zones. Breccia zones have been observed in Trench No. 6, southwest of Trench No.7 (southeast of the Shaft No.1), south of the adit located approximately halfway between Shaft 1 and Shaft 2, and approximately 50 metres to the northeast of the adit. These northwest trending fault breccia zones, cross cuts and probably displaces earlier suspected N010°E trending step faults.

A relatively flat dipping quartz veining system is located near the southern extent of the adit. This vein is striking near parallel to the footwall contact of the BMG, dipping approximately 200 m northwest to north-northwest. The quartz vein contains pyrite and arsenopyrite.

Athona Deposit

The gold bearing zones at the Athona Deposit are from west to east: the eastern portion of the West Mine Granite, the Athona Deposit Granite, the Pond Zone, and in a prominent en echelon and bouginage quartz vein system of the East Zone. The underground mine development was concentrated in the western portion of the Athona Mine Granite and the eastern quartz vein systems (H, I, J, K veins) on the 38 and 76 m (125 and 250 ft) levels. The Athona West Granite (AWG) is a medium to coarse grained, reddish hematitic altered granite, dipping moderately westwards, containing fracture filling, quartz veining within the footwall sheared contact or

mylonite zone. The unit is underlain by the central gabbroic to amphibolitic intrusive which separates the AWG from the Athona Mine Granite (AMG).

The AMG is porphyroblastic with similar amounts of potassium feldspars and plagioclase. This unit may represent a complex multi-intrusive with variable composition or a metamorphosed sequence of sedimentary lithologies. The northern portion of the original mining claim has exposures of quartzite. The auriferous sulphides are contained within the AMG and in the fracture/shear zone filled with quartz veins trending N20°E and dipping 80° west. The sulphides are less than 1% fine grained pyrite, trace amounts of galena and sphalerite with minor amounts of pyrrhotite. This zone appears to be shallow, dipping to the west and is underlain by a thin gabbroic sill which separates deeper, coarse grained granite locally termed "tombstone granite". The Pond Zone appears very similar to that of the AMG.

The major quartz vein systems containing the H, I, J and K veins are located at or near the eastern extent of the AMG. The veining has been traced from surface to below the second level for a strike length of approximately 100 meters. The vein set is a combination of en echelon and boudinage veins trending approximately N10°E and dipping 72° east. Further to the southeast, a parallel to sub-parallel vein sets, L and M veins, appear to be contained within a north-northeast shear/fault zone which may extent towards the vicinity of Shaft 2.

The mineralization occurs within a grey to pink-red megacrystic leucogranite, the "Athona granite". The granite body is apparently conformable with surrounding rocks that strike N to NW and dip westerly. The granite is in two parts, separated by an amphibolite (the 'Upper gabbro'). The structurally lower part overlies a further amphibolite body (the "**Lower gabbro**"). Underlying the 'Lower gabbro' is porphyritic fine-grained granite. NW-SE trending diabase dykes cut the granite and amphibolite. On the east side of the peninsula is a NNE-trending, easterly dipping reverse fault.

The Main zone is approximately 24 m wide and appears in plan as a zone parallel to the granite (Upper gabbro) contact. It is characterized by numerous parallel quartz veins oblique to the strike of the contact. The veins are rarely more than 8 cm wide. They trend NNE and dip 80° west. The veins are very persistent and can be traced up to 120 m. Narrow quartz stringers commonly branch from the main veins in various directions. The veins occur almost exclusively in the granite. Where they intersect the granite (Upper gabbro) contact they pass into the overlying amphibolite, but pinch out within a few centimeters.

The total percentage of metallic minerals is low, possibly not more than one percent. Sphalerite, galena, pyrite, gold and rare chalcopyrite occur in the quartz veins and the granite. In the granite, pyrite is the only common sulphide. Gold in the granite is commonly associated with 'clots' of chlorite; more rarely it fills fractures in feldspar. In the quartz veins sphalerite and galena predominate over pyrite and chalcopyrite. They commonly occur as "lumpy" aggregates.

Glacial Sediments

The thickness of glacial deposits over bedrock varies from a few centimetres thick to about a few metres thick in low depression areas. Thicker overburden cover is present in areas lacking outcrops, around lakes and in valleys. Swampy areas in valleys are often composed of humus and peat layers that could measure a few metres to several tens of metres in thickness.

Soils present in areas of high relief and percentage of bedrock exposure are mainly composed of till, sand and silt of various colours (grey, beige, orange, brown and red). Their distribution is

discontinuous and patchy. The thickness of till, sand and silty soils vary generally from a few centimetres to tens of centimetres near fractures, faulted bedrock and on some bedrock steps. Tills are rare, being generally of grey to pale brown colour, and contain a few cobbles in a clayey matrix. Sand and silt soils are mainly beige, brown, and orange to red. Most of these soil types are transported materials mainly of glacio-fluvial to lacustrine origin. However, a component of the reddish and brown soils may be locally derived from the underlying bedrock based on soil particles observed near the contact with bedrock.

Deposit Types

Introduction

Kian Jensen, with the assistance of the geological personnel of Greater Lenora Resources, developed geological models based upon the known gold and gold-platinum group metal occurrences. These models will assist in the future exploration activities within the Goldfields-Beaverlodge area and to the Greater Beaverlodge area. The understanding of the mineralization and the controls that govern the mineralization will aid in the development of exploration targets and potential of the area.

Box Model

This model is based upon directed geological evidence that the mineralized zone is an altered, granitized coarse grained metasediments and limited granitic intrusives with structurally controlled quartz veining. At least three structural events have occurred to create the hydrothermal conduit system. High gold assays are generally associated with N3150E and N0100E trending quartz veining with sulphide mineralization of pyrite, galena and sphalerite. Along with the two high grade quartz vein orientations, at least three additional quartz vein orientations have been recognized at the Box Mine. This model represents a deposit on the flank of a synclinal fold with the primary faulting/shearing event parallel to the lithological contacts. Other similar type deposits may be located on either the west or east flanks of the Goldfields syncline with similar lithological units or in nearby areas with synclines with faulting parallel or near parallel to the fold axial plane.

Athona Model

It appears that the Athona deposit is spatially related to zones of strong northerly trending faults that are sub parallel to fold axial planes. These faults may have been active during several events. Also, this represents gold deposition near the nose of the synclinal fold. The strongest shearing is located between the West Mine Granite and the Upper Gabbro. The dominant sulphide mineralization is pyrite not only within the quartz veining but also associated with the host rock. Associated sulphide mineralization is pyrrhotite, galena and sphalerite. It has been suggested by several authors and confirmed by Jensen that the Pond Zone is an altered and weakly granitized quartzite.

Exploration

DC/IP Geophysical Survey, 2010

In early 2010, Brigus, as Linear, retained Quantec Geoscience Ltd. ("**Quantec**"), of Toronto, Ontario to carry out a Titan24 DC/IP geophysical survey over Box, Athona and the surrounding area.

Grid lines were established by Durama Enterprises of La Ronge, SK, and consisted of 58.7 line kilometers across 14 lines oriented at 118° Az as shown in Figure 9-1 in the Goldfields Report.

Each line was surveyed using a dipole size of 100 m, with a spread length of 4 km. Each Titan24 spread was surveyed using a pole-dipole configuration. The IP survey was conducted over 803 grid stations at 50 m spacing.

The purpose of the DC/IP survey was to detect zones, and define structures, related to hydrothermal alteration conducive to the emplacement of gold mineralization. This survey is capable of detecting such zones and structures to depths of 750 m with DC resistivity and IP chargeability.

Results of the DC/IP survey, as reported by Quantec (2010), states that, "the 'geo-electrical' characterization of BMG and Athona shows that potential mineralization could be located close to or within strong high resistivity zones with moderate to high chargeability values."

Analysis of the resistivity and chargeability results show several moderate to strong IP anomalies associated with high resistivity zones to a depth of 700 m from surface in all profiles (Quantec, 2010). Eight high resistivity anomalies appear to be related with felsic granitic intrusives or quartz veins that have been identified in the property. Quantec found that the correlation of results from line to line is generally good although the final location of interpreted anomalies require constrained inversion results. Current results present smooth models of resistivity and chargeability distribution.

Drilling

Brigus, 2010

Brigus, then as Linear, conducted a drill program in the Goldfields Project from January to March 2010. The drill program was established to bring areas of lower drill sample data, at the base of Box, into the database for a future resource estimate update, and to test extension along strike of Box.

The drilling carried out by Silverton Drilling, a Uranium City based company, began on January 22, 2010 and was completed by March 27, 2010.

The 2010 drill program consisted of 12 NQ size diamond drill holes totalling 2,858 m. Five (5) of the 12 drill holes intersected the BMG, for a total of 1,333 m of drilling, and encountered several occurrences of elevated gold values. The drill holes are summarized in Table 10-1 and the drill hole location is shown in Figure 10-1.

Table 10-1: 2010 Drill Hole Summary

Drill Hole	Grid Northing	Grid Easting	Elevation (m)	Bearing (°Az)	Dip (°)	Length (m)
B10-303	-365.57	-317.61	227	0	-57	262.9
B10-304	-306.52	-326.12	224	0	-60	267.0
B10-305	-453.25	-338.49	235	0	-60	284.5
B10-306	-228.41	-314.09	231	0	-71	253.0
B10-307	-78.58	-327.84	214	0	-65	266.0
B10-308	1181.30	-12.43	251	339	-55	167.0
B10-309	1455.92	5.26	247	340	-55	413.0
B10-310	1040.15	-325.08	211	335	-84	189.0
B10-311	1222.60	-19.45	254	335	-60	176.0
B10-312	1222.60	-19.45	254	335	-75	129.0
B10-313	1219.66	2.40	254	338	-54	152.0
B10-314	17.19	-353.40	211	335	-89	299.0
Total						**2,858.4**

*Note: Highlighted drill holes intersect Box deposit.

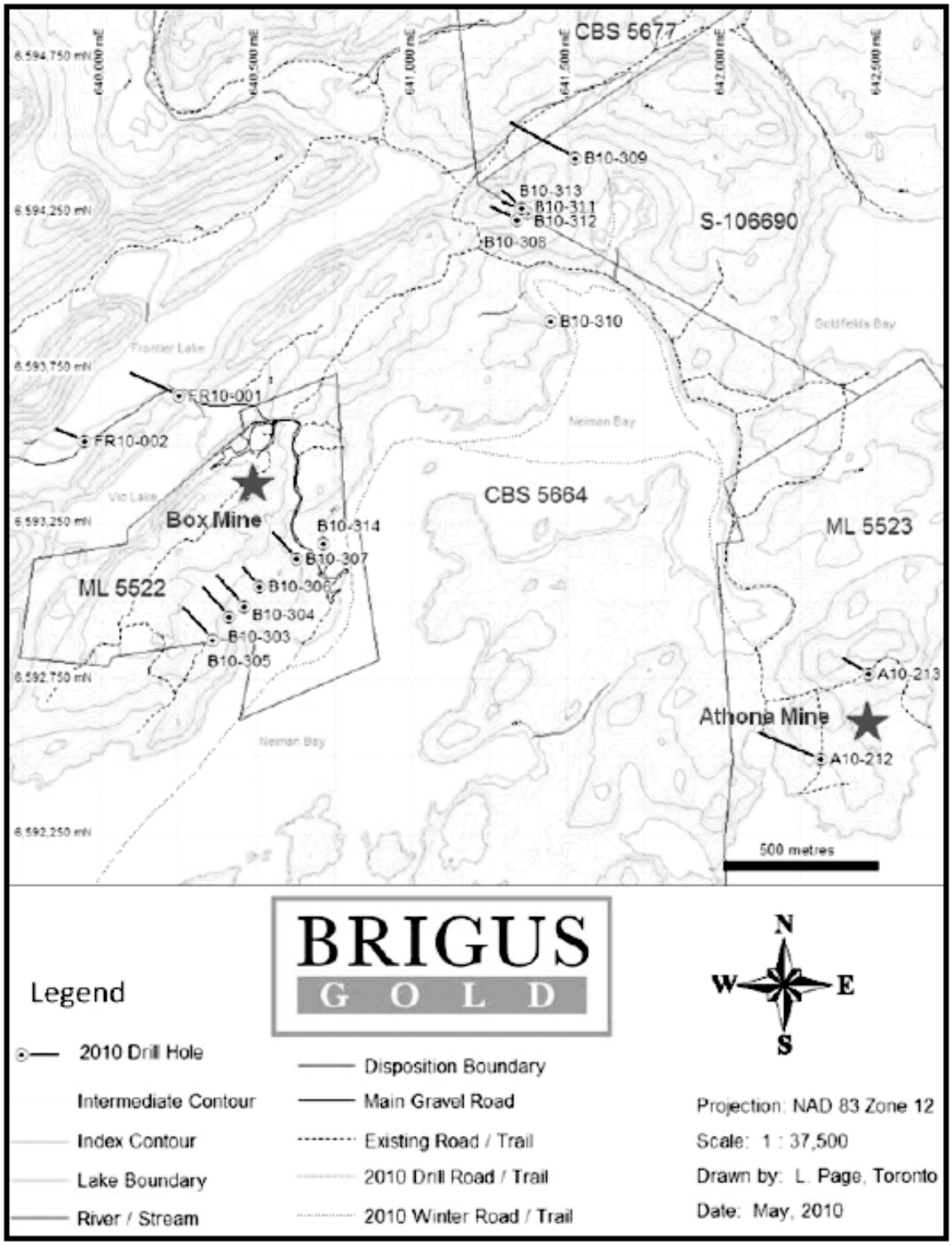


Figure 10-1: Box 2010 Drill Hole Location Map

Piezometer Monitor Drill Holes, 2010

The drilling of piezometer monitor holes began on April 6 and was completed on April 17, 2010. A total of 19 drill holes, HQ size, vertically drilled diamond drill holes were completed totaling 482.4 m. Table 10-2 summarizes the piezometer drill holes and drill hole locations are shown in Figure 10-2.

This phase of drilling was also carried out by Silverton Drilling of Uranium City.

Conditioning and sampling of these wells was conducted from April 18 to April 22, 2010. The water samples collected were shipped to Saskatchewan Research Council Environmental in Saskatoon for analysis.

Table 10-2: Summary of Piezometer Drill Holes, 2010

PZ_Hole_ID	East_83	North_83	Elev_m	Length_m
WM101A	640859	6594647	216	47.0
WM101B	640861	6594647	219	12.0
WM102	641495	6594593	253	13.5
WM103A	641247	6594860	238	42.0
WM103B	641244	6594860	238	37.5
WM104A	640932	6595000	255	27.0
WM104B	640993	6595168	261	12.0
WM104C	641004	6595165	263	42.0
WM105	641650	6595175	275	11.8
WM106A	641775	6594772	265	13.8
WM106B	641779	6594767	271	39.3
WM107	641929	6594913	247	14.8
WM108A	641994	6594083	241	24.5
WM108B	641989	6594071	238	14.3
WM109	641628	6594060	216	14.7
WM110A	641086	6594414	219	21.0
WM110B	641087	6594414	215	12.0
WM111	640776	6593564	225	14.2
WM112	639874	6593422	228	15.0
Total				428.4

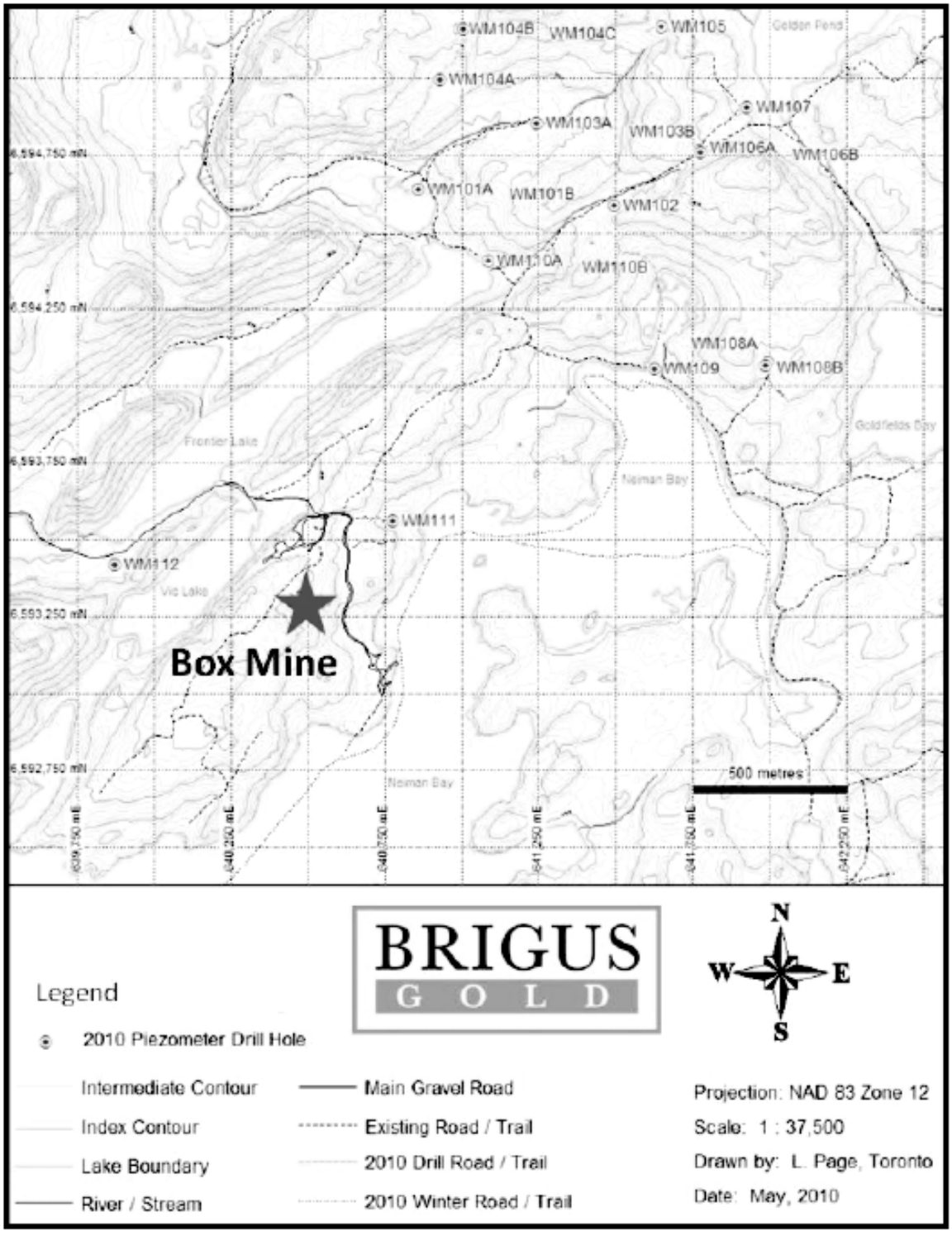


Figure 10-2: 2010 Piezometer Drill Hole Location Map (Brigus, 2010)

Athona 2006 Diamond Drilling Program

No drilling has been completed by Brigus at Athona. The last drilling program was conducted by GLR totalling 1,592 m, on Mining Lease – ML 5523. The diamond drilling program consisted of 16 NQ core size drill holes.

The purpose of the 2006 summer drilling program was to bring Athona up to NI 43-101 standards. As outlined in the 1995 Simons Engineering Study, Athona contains 232,900 ounces of gold in 3.62 million tonnes at a grade of 1.99 g/t. These resource estimates are historical and do not meet the standard terminology criteria of the NI 43-101 or the CIM Standards on Mineral Resources and Reserves. Wardrop has not completed the work necessary to verify this historical estimate. The estimate is no longer relevant and has been replaced by the current estimate prepared by Wardrop outlined in Section 14 of the Goldfields Report. In Wardrop's opinion, the historical estimate should not be relied upon as it is superseded by the current NI 43-101 compliant resource in this report which incorporates the sixteen drill holes completed in 2006.

Wardrop selected 10 drill hole locations for a confirmation diamond drilling program. This program was performed in order to provide confirmation of grade, geology and spatial continuity of the Athona.

In addition, six (6) exploration drill holes were completed to test the extension of gold-bearing quartz veins located outside of the open pit area in order to expand the potential resource.

Sample Preparation, Analysis and Security

Brigus, Box Drill Program, 2010

For the 2010 drill program, the drill core was removed from the drill rig and placed in core boxes. The boxes were covered and sealed as soon as the run was completed. The drill core was trucked from the project site to Brigus' core logging/sampling facility/office in Uranium City twice daily by the crew on each drilling shift.

The core boxes were laid out on tables where the drill core was measured and marked by a geotechnician or geologist. The geotechnician performed the geotechnical logging which included: percent recovery, percent of fracture frequency, and rock quality designation.

The drill core was logged and described by the geologist that included: Lithology, alteration, mineralization, percent veins, and core and vein angles. All drill cores were sampled at 1 m intervals.

Sampling of the drill core was generally restricted to the BMG lithological unit and to the granitic hanging wall above the BMG. Sample numbers were written on the core box and a sample tag inserted at the start of the sample. The sample intervals were entered into an excel spreadsheet by the geologist after sampling of the hole was completed.

The drill core was photographed in a wet and dry state, by the geotechnician after the core was logged by the geologist and before the core was split.

The core was sawed in half by the geotechnician or geologist. Sample bags were pre-labelled with the sample number and half of the sample tag placed into the bag after the sample was cut.

The other half of the sample tag was stapled in the core box. The sampled halves of the drill core were shipped to TSL Laboratories in Saskatoon and the remaining halves returned to the core box. The sample bags were sealed immediately after the half core and tags were inserted.

A blank sample, CDN-BL2 and grading less than 0.01 g/t Au, and; a standard sample, CDN-GS-2B and grading 2.03 ± 0.12 g/t Au, were both inserted within each 20 sample run. Both blank samples and standard samples were purchased from CDN Resource Laboratories Ltd., based in Delta, British Columbia.

Sample bag and sample tag numbers were double checked by geologist. Seven to eight individual samples bags were put into a larger rice bag, on which the sample numbers were identified with a series number, and sealed. A standard TSL Laboratories sample submittal form containing the sample numbers and assaying method was completed and inserted into the first rice bag of the shipment. This submittal form was also emailed to the lab on the day of shipment.

The rice bags were trucked by the geologist to the Pronto Airways office, in Uranium City, where they were weighed and driven to the Uranium City airport by a Pronto Airways official. This is the procedure for all cargo being flown out of Uranium City. The samples were flown out of Uranium City and transported to TSL Laboratories in Saskatoon on one of two weekly flights. Typically, the sample shipment preparation was done the morning of the flight to Saskatoon.

GLR, Athona Drill Program 2006

See the Wardrop NI 43-101 compliant technical report for documentation of the sampling method and approach (Wardrop, 2007).

Brigus Box Mine

Samples taken at Box in the 2010 drill program were assayed by the Screen Metallic method. Since Box is a high nugget, or "nugget", deposit, the Screen Metallic method is known to be more effective for determining the gold value as both positive and negative fractions of the mesh are assayed. The Screen Metallic method eliminates the possibility of a "smearing" effect in the assay result where, due to the malleable nature of native gold, grains do not pass through the mesh and the sample is reported with a lower grade. The "smearing" effect does not render a representative sample result.

The Screen Metallic Assay includes: Crushing the entire sample; Pulverizing the entire sample to 95% passing 150 mesh; Screening the entire sample through 150 mesh; Assaying the entire +150 mesh fraction; Duplicating the -150 mesh fraction assay; Determining the weighted average of gold for entire sample.

Upon return of the assay certificates and results, the geologist inputs the assays into the Excel spreadsheet containing the sample intervals and a quality assurance check was made on the blank and standard samples.

The status of the sample shipment was updated on a separate excel spreadsheet. The drill hole logs were entered into GEMSlogger software program after the drill program was completed.

GLR, Athona

See the Wardrop NI 43-101 compliant technical report for details regarding the sampling preparation, analyses and security (Wardrop, 2007, now filed under "Mistango River Resources Inc.").

Data Verification

Box Mine

Prior to the resource estimate update, Wardrop verified the collar, survey and gold assay data from the 2010 drill program to determine the reliability of the data. The drill holes verified were: B10- 303, -304, -305, -306 and -307.

Wardrop verified the assay data of the five 2010 drill holes from the original laboratory assay certificates from ActLabs. No errors were observed.

A site visit was conducted by Mr. Paul Daigle, on May 11 and 12, 2011. Mr. Daigle was accompanied on the site visit by Mr. John Dixon, Exploration Manager, and Mark McLaren, Project Geologist, with Brigus; and Calvin Andreas, Civil Engineer in Training with March Consulting.

The site visit included an inspection of Brigus' core storage/logging facility in Uranium City and Box gold project site, that is the former Box mine and the five drill sites from the 2010 drill program.

The core logging and sampling facility used by Brigus is located within Uranium City. The warehouse is well suited for the storage, logging and sampling of the drill core and is insulated for year round use.

The drill core is stored in wooden core boxes and the core boxes are stacked on well-built core racks in the facility. The core boxes present in the facility are from the 2010 drill program and that intersect the mineralized zone of Box. Drill core from Brigus' other drill programs were also stored here.

Selected drill core from 2010 drill program were inspected by Wardrop and compared to the drill hole database in the GEMS model. Sample tags are stapled at the end of each sample interval with the sample number imprinted and the drill hole number and the sample interval written in ink.

Some sample tags were noted as having been wet where the drill hole number and sample interval were missing but where the sample number was still visible. Table 12-1 shows the drill core intervals that were verified.

Drill Collar Coordinate Errors

At the Box project site, drill collars from the 2010 drill program were located and their coordinates recorded by a handheld GPS. Overlaying the five 2010 drill holes over the GEMS model found errors of up to 7 m (drill hole B10-304). As the area is tree covered, the GPS unit recorded the coordinates with an estimated error of ±8 m.

The GPS coordinates taken during the site visit of the 2007 drill holes show a maximum error of approximately 15 m; the 2010 drill holes show a maximum error of 7 m.

The verified collar coordinates of the 2010 drill hole collars appear within the error margin of a handheld GPS unit. However, the drill hole collar coordinates of the 2007 drill holes do show a discrepancy in the drill hole survey.

In addition, March Consulting encountered an issue with 13 of the 2007 drill hole collar coordinates. These errors were found in relation to the surveyed Universal Transverse Mercator (UTM) coordinates and their mine grid coordinates.

Five of the 13 errors noted occur outside of the Box pit. These drill holes showed the largest coordinate deviations between 42 m and 75 m. Wardrop did not identify these errors as they occur outside the Box pit and therefore do not affect the resource estimate.

March Consulting found discrepancies with the remaining eight drill holes' coordinates ranging between 0.9 m and 7.3 m.

One source of the error may be that the 2007 drill hole collars were not easily located on the ground as the collar landmarks were not present. Also noted was that five (5) of the 2007 drill holes appear to plot directly on mine grid lines. This may be indicative that the drill hole coordinates in the block model are those of the proposed drill hole locations.

Wardrop is of the opinion that the corrected collar locations will have a minor impact on the overall resource estimate for Box. The effect of correcting the drill hole collars would occur on the block grades at the base of the open pit due to the change in sample support position and, thus, will change the weighting of the samples points used in the estimate. This will also produce a minor difference in the Indicated and Inferred Resources.

No block model update is recommended for the current phase of work. However, it is recommended that the discrepancies in the 2007 collar locations be corrected for any future resource estimate update.

Athona Deposit

Wardrop completed a NI 43-101 compliant technical report in 2007. The data verification is included in Section 14 of that report (Wardrop, 2007).

Tim Maunula conducted a site visit to Athona from August 14 to 18, 2006.

Collar grid-UTM conversion issues were identified for Athona similar to those encountered at Box. Using Wardrop's field notes and GPS readings, a new grid conversion was developed.

The average distance differential between the mine grid and calculated UTM coordinates is -4.1 meters, ranging from -2 meters to -6.4 meters. As the block size is 5m x 5m x 10m, the amount of offset in the conversion should be within the block or immediately adjacent.

Wardrop's recommendation at this point is to use this grid conversion and before moving to feasibility study complete an updated survey of the mine grid to obtain better resolution.

Mineral Resource Estimates

Introduction

Wardrop completed a NI 43-101 compliant resource estimate update of Box. The deposit has been interpreted as a single main mineralized zone with an updated wireframe on the HW and foot wall (FW) of the deposit near the base of the main zone. The effective date of this resource estimate is January 7, 2011.

Database

Brigus supplied all the digital data for the resource estimate. The updated dataset was imported into Gemcom GEMS ^{TM} 6.2.4 resource evaluation software package.

The dataset included information from 469 drill holes, underground chip/channel samples, and surface trench samples. From this dataset, 48 drill holes lie outside the interpreted deposit and, therefore, were not used for the resource estimation of the deposit.

Included in the dataset are 67 trench samples from 13 surface trenches, five of the 13 drill holes from the 2010 drill program, and six drill holes from 2007 GLR drill program; all of which were used for the block model estimation. Note that the trench samples were used previously, by Wardrop in 2008, to update the resource classification only. The original resource estimate was completed in MineSight software by AMEC in 2005.

Specific Gravity

Wardrop did not undertake an independent review of the specific gravity readings therefore the specific gravity for the deposit was taken from AMEC 2005. The average specific gravity used for the BMG wireframe was 2.64. This specific gravity was established by AMEC 2005 and accepted by Wardrop 2008. Table 14-1 in the Goldfields Report shows the specific gravities used and corresponding rock codes used in the resource model.

Exploratory Data Analysis

Exploratory Data Analysis is the application of statistical tools to understand the characteristics of the values in the database. The tools used are descriptive statistics, histograms, probability plots and box plots.

The statistics on the raw assay data are presented in Table 14-2 in the Goldfields Report. Statistics on values greater than zero are shown.

Capping

Cumulative probability plots and Parrish plots were used to determine whether capping was required. Through an independent review, Wardrop determined that the previous capping level of 60 g/t Au was acceptable and this capping level was applied to the updated dataset.

AMEC 2005 determined that the historic underground chip sample assays were considered too high and a weighting factor of 0.66 was applied to these historic assay intervals. Wardrop reviewed the statistics of the historic assay values and determined that the underground assays

do not overtly skew the statistics of the dataset and the weighting factor was not applied to these historic assay values in this resource update.

The cumulative frequency plots for the raw uncapped gold assay values for the Box Mine gold deposit are given in Figure 14-1 in the Goldfields Report.

Composites

Composite lengths were created on 3.0 m intervals within the BMG wireframes (BMG and BMG2). Table 14-5 in the Goldfields Report presents the statistics for 3 m composites (no zeroes).

Geological Interpretation

Solid Wireframes

The previous block model and resource estimate was completed using the interpreted BMG wireframe and served as the base of this resource update. Five (5) additional drill holes from the 2010 drill program allowed several small portions of the HW and FW to be incorporated at the base of the BMG wireframe. These areas were modelled as a separate wireframe labelled BMG2.

The BMG2 wireframe was created by digitizing 3D rings along cross sections at 12.5 m spacing and, where possible, grades of greater than 0.5 g/t Au were included from the five 2010 drill holes as a grade shell (see Figure 14-3 in the Goldfields Report). The 3D rings were joined together by tie lines and the BMG2 solid wireframe was created and validated. The BMG2 wireframe was clipped to the BMG wireframe to eliminate overlap of the two wireframes. Rock codes were assigned to the solid wireframes as shown in Table 14-6 in the Goldfields Report.

Topographic Surface

A wireframe topographic surface was supplied to Wardrop By Brigus.

Mined Out Wireframes

The mined out stopes of Box were created from contour lines taken from the historic Box stope plan and section maps. The mined out stopes, from west to east, were: 309-311 (created as one stope), 508, 505, 302 and 301. A wireframe was also created to connect stopes 309-311 and 508.

Below the mined out stopes, ore passes for each of the four stopes were created from the base of the stopes to the ore pass at the lower drift level. Although these were not shown in the historic stope sections, these were assumed to be in place.

All wireframes were validated and found with no errors.

The wireframes created were based on Wardrop's older mined out wireframes. Stope 301 was clipped with the AMEC (2005) mined out wireframe as to avoid overlaps.

Block Model

A single block model was created to cover the BMG and BMG2 wireframes that make up the Box deposit. A block size of 3 m x 3 m x 3 m was used to estimate the resources. These parameters were the same as those used in the original AMEC block model.

Interpolation and Spatial Analysis

The interpolation methods used for populating the block model and determining resource classification were OK, Inverse Distance Squared (ID2), and Nearest Neighbour (NN). A single pass was used to interpolate blocks for the OK, ID2, and NN methods. The maximum number of samples per drill hole is limited to three.

Variography

With the new data added to the database, new variograms were created for the resource estimate update for Box. Samples used for variography are a function of geological interpretation. The variography was generated using SAGE 2001™ software.

Composited drill hole data was exported as a text file (.csv format) and imported directly into SAGE 2001 ™. Down hole variograms, using a lag distance equal to the composite length, were created for each of the separate domains. From the down-hole variograms, the nugget was estimated at 0.75.

The distance between drill holes ranges from less than 10 m up to 75 m therefore a 10 m lag distance was employed for variography. The number of lags used was 100, which was deemed sufficient to cover 1,250 m, that is, the length of the known deposit. All variograms utilized 22.5° bandwidths, 15° directional increments and 0.5 (50%) tolerance to optimize orientations.

Experimental variography was subsequently used to calculate best-fit modeled variography. If a lag contained less than 100 sample pairs in down-hole variography, or less than 350 pairs for spatial variography, they were ignored. Similarly, calculations were weighted by pairs. Two spherical structures were used for both down hole and spatial modelling and orientations used were customized to GEMS requirements.

Modeled variography results were recorded as a report file, and plot files for visual reference and are listed in Appendix G of the Goldfields Report.

Variography Parameters

In GEMS, the convention used for variography parameters for Kriging profiles is right hand in the Z direction, right hand in the Y direction and right hand rotation in the Z direction. SAGE 2001TM software allows for the anisotropy results and rotation conventions to be output in GEMS format as described.

Mineral Resources Classification

The mineral resource for Box is categorized into Measured, Indicated and Inferred Resources based on drill spacing and sample support.

- Measured Resources are those blocks that lie within 5 m of the historic workings, i.e. rock code 91, and surface trenches.
- Indicated Resources are those blocks that lie within a distance of 25 m from any one drill hole.
- Inferred Resources are those blocks that lie within an average distance of 35 m to a maximum of 40 m from any one drill hole.
- Any isolated Indicated Resource blocks at the edge of the deposit were converted to Inferred.
- Any remaining blocks were left as unclassified material.
- The resulting mineral resource estimates from the OK interpolation method, at 0.5 g/t Au cut-off grade are:
- Measured Resources of 858,000 tonnes at 2.05 g/t Au
- Indicated Resources of 12,966,000 tonnes at 1.63 g/t Au
- Inferred Resources of 3,158,000 tonnes at 1.74 g/t Au.

The OK resource estimates for Box were estimated for a range of gold cut-off grades from 0.125 g/t Au to 4.0 g/t Au and are presented in Table 14-11. No recoveries have been applied to the interpolated estimates.

Table 14-11: Resource Estimate for Box

Gold Cut-off (g/t)	Measured			Indicated			Measured + Indicated			Inferred		
	Tonnes (x000 t)	Au (g/t)	Au oz (x000)	Tonnes (x000 t)	Au (g/t)	Au oz (x000)	Tonnes (x000 t)	Au (g/t)	Au oz (x000)	Tonnes (x000 t)	Au (g/t)	Au oz (x000)
4.0	101	6.26	20	726	5.52	129	827	5.61	149	228	5.99	44
3.5	125	5.79	23	1,072	4.95	171	1,197	5.03	194	315	5.37	54
3.0	161	5.21	27	1,502	4.45	215	1,664	4.53	242	430	4.80	66
2.5	207	4.67	31	2,258	3.88	281	2,464	3.94	312	634	4.13	84
2.0	266	4.13	35	3,291	3.36	356	3,556	3.42	391	877	3.61	102
1.5	383	3.39	42	4,968	2.81	449	5,351	2.85	491	1,227	3.07	121
1.0	585	2.65	50	7,785	2.24	561	8,371	2.27	611	1,881	2.43	147
0.5	**858**	**2.04**	**56**	**12,966**	**1.63**	**681**	**13,824**	**1.66**	**737**	**3,158**	**1.74**	**176**
0.375	939	1.90	57	14,945	1.48	709	15,884	1.50	766	3,636	1.57	183
0.25	1,012	1.79	58	16,952	1.34	729	17,964	1.36	787	4,169	1.41	188
0.125	1,046	1.74	58	18,164	1.26	737	19,210	1.29	795	4,709	1.27	192

Validation

Deposit Volume Comparison

The block model volumes were validated against the wireframe volumes and all differences were found to be within a tolerance of less than 0.10 %.

Statistics Comparison

A comparison was made between the composited values and those populated into the block model. The final resource estimate is based on the OK values, and both ID2 and NN methods

were run as a validation method. The comparison of the mean grades for the capped gold shows no extraneous values.

Visual Comparison

A visual comparison was also made between estimated block grades and the surrounding composite grades used for estimation. This ascertains that estimated grades do not exceed the maximum grade of any one specific 3 m composite.

Athona Deposit

Introduction

Wardrop completed a NI 43-101 compliant resource estimate update of Athona. The effective date of the resource estimate was May 2007. Wardrop determined the mineral resource for Athona using Gemcom [TM] version 6.04. The estimation was completed for gold at Athona using historic data and the 2006 drilling completed by GLR.

Reference the report (Wardrop, 2007) filed under Mistango River Resources Inc. for complete documentation of the resource estimation.

Mineral Resource Classification

On the basis of the criteria outlined in Table 14-14, approximately 85% of the blocks estimated in the Athona model are Indicated Resources and the balance is Inferred Resources.

Table 14-14: Resource Classification Criteria

Measured	Indicated	Inferred
• Not determined	• Minimum of two drill holes • Minimum of four composites • Distance to nearest composite less than 50 m	• Minimum of three composites • Distance to nearest composite less than 90 m

Mineral Resource Tabulation

Table 14-15 shoes Indicated Resources for Athona. Table 14-16 summarizes the Inferred Resources for Athona. The base case is reported on a 0.5 g/t Au cut-off grade.

Table 14-15: Athona Indicated Resources

	Cut-off (g/t Au)	Tonnage (000's t)	Au (g/t)
Indicated	> 3.0	371.4	4.08
	> 2.5	1033.2	3.00
	> 2.0	1870.7	2.43
	> 1.0	3399.8	1.89
	> 0.5	7036.4	1.28

Table 14-16: Athona Inferred Resources

	Cut-off (g/t Au)	Tonnage (000's t)	Au (g/t)
Inferred	> 3.0	50.3	4.45
	> 2.5	88.8	3.46
	> 2.0	213.7	2.44
	> 1.0	558.6	1.69
	> 0.5	1406.4	1.10

Block Model Validation'

The Athona grade models were validated by two methods:

1. Visual comparison of colour-coded block model grades with composite grades on section plots.

2. Comparisons of the global mean block grades for OK, NN and composites.

Visual Comparisons

The visual comparisons of block model grades with composite grades for each of the four zones show a reasonable correlation between the values. No significant discrepancies were apparent from the sections reviewed. Appendix B in the original report (Wardrop, 2007) includes representative Gemcom plots of the comparison between the block model and composite grades.

Global Comparisons

The grade statistics for the OK, inverse distance and NN models (approximated by an Inverse Distance to the fifth power) were compared. The contained metal in the IDW2 model is 0.1% higher than the OK model. The NN model contains 2.6% less metal than the kriged model. There is generally close agreement among all three methods.

Kriged values are slightly higher than the NN, which is a reflection of sample density, with the higher kriged values corresponding to "smearing" of values in areas of lower drillhole density, particularly in the high grade (HG) gold veins along the lake.

Reconciliation

No allowance has been made to subtract tonnage due to mine development drifts, crosscuts or shafts. The exact locations of some of these workings are not known. Previous mining can be visually confirmed at Athona. This mined-out material has been estimated between 10,000 and 15,000 tonnes (Bevan, 1995) which correspond to 0.1 to 0.2% of the Indicated Resource tonnage, respectively. Production was not achieved at Athona.

Mineral Reserve Estimates

General

The mineable reserves were estimated by March Consulting utilizing updated mine pit designs. The updated pit designs were prepared for Box and Athona. The pit designs were based on Whittle pit shells as provided by Brigus and resource models as provided by Wardrop.

Resource Model

The resource models for both Box and Athona were produced by Wardrop. The Box resource models used a 3 m x 3 m x 3 m block size for a block volume of 27 m3 and approximate mass of 72 tonnes and the Athona resource model used a block size of 5 m x 5 m x 10 m for a block volume of 250 m3 and approximate mass of 663 tonnes.

Mining Reserves

Cut Off Grade

The cut off grade (COG) for Box was estimated using the equation in Figure 15-1. The strip ratio and costs used in the COG calculation are preliminary and have been revised throughout the project. Using the current strip ratio of 4.56 for Box would increase the COG but would not affect the marginal cut-off grade (MCOG), resulting in the same total reserves for the project. The updated project information will be used to refine the COG during the next phase of the project. The same COG was used for the analysis and pit design of Box and Athona. Due to the low strip ratio of 1.10 at Athona, a lower COG could be utilized for future revisions of the pit design. LG ore is defined as the ore with grades between the COG and the MCOG. The troy ounce is used in all calculations with a conversion of 31.10 g/oz.

Brigus Gold - Goldfields Project - Box Mine

Given:

Mining Cost ($/t) =	2.60	Stripping Ratio (waste:ore) =	4.04
Marginal Mining Cost ($/t) =	1.00	Mill Portion of G & A (%) =	33.0%
Milling Cost ($/t) =	10.70	gold value ($/oz) =	1250.00
G & A ($/t) =	5.00	gm / troy oz =	31.10

COG Calculation

$$\frac{\text{Gold Value ($/oz)} \times \text{COG (gm/t)}}{\text{31.10 (gm/oz)}} = [\text{Mining Cost ($/t)} \times (1 + \text{Stripping Ratio})] + \text{Milling Cost ($/t)} + \text{G \& A ($/t)}$$

$$\text{COG (gm/t)} = \frac{\{[\text{Mining Cost ($/t)} \times (1 + \text{Stripping Ratio})] + \text{Milling Cost ($/t)} + \text{G \& A ($/t)}\} \times \text{31.10 (gm/oz)}}{\text{Gold Value ($/oz)}}$$

COG (gm/t) = 0.72

Marginal COG Calculation

$$\frac{\text{Gold Value ($/oz)} \times \text{Marginal COG (gm/t)}}{\text{31.10 (gm/oz)}} = [\text{Marginal Mining Cost ($/t)} + \text{Milling Cost ($/t)} + (\text{G \& A ($/t)} \times \text{Mill Portion of G \& A (\%)})]$$

$$\text{Marginal COG (gm/t)} = \frac{[\text{Marginal Mining Cost ($/t)} + \text{Milling Cost ($/t)} + (\text{G \& A ($/t)} \times \text{Mill Portion of G \& A (\%)})] \times \text{31.10 (gm/oz)}}{\text{Gold Value ($/oz)}}$$

Marginal COG (gm/t) = 0.33

Figure 15-1: COG Calculation

Economic and Design Parameters

Mineable reserves for Box are based upon the Measured and Indicated Resources in the computerized 3-D block model. Mineable pit shapes optimize the extraction of the mineral inventory given the Gold Value ($/oz) economic and technical parameters determined for this study.

The Box and Athona pits were designed using a two step process. The first step was to determine the economic mining limits using Gemcom's Whittle program. Whittle Lerchs-Grossman algorithms were utilized to delimit the economic pits for both Athona and Box. This algorithm provided a basic pit shape outline that served as the basis for final pit design. The routine floats an economic cone over all blocks in the 3-D block model to determine what mineralized material can be mined and processed given the economic parameters input. While the Whittle economic pits respect the wall slope angles they do not include the ramp width mining.

The second step required the use of Gemcom's Surpac program to design the mining pits, based on the Whittle economic pit shells, to include smoothing, ramp access, berms and mining benches for Athona and Box. Final mineable reserves were generated from these pit designs.

Mineral Reserves

Box and Athona include 22,333,045 tonnes of proven and probable reserves at an average grade of 1.420 g/t containing 1,020,000 oz of gold. Table 15-2 provides a summary of the proven and probable reserves for Box and Athona.

Box has 16,502,247 tonnes of proven + probable reserves at an average grade of 1.508 g/t containing 800,000 oz of gold. Box has a strip ratio of 4.56 and a mine recovery of 97%. While the resources for Box were calculated using volume adjusted blocks, the reserves were calculated for full blocks. The rational for this is the degree of accuracy of the diamond drill holes, the accuracy of the drill collar surveys, and the mining unit size in relation to the 3 metre cubic resource model blocks does not justify the use of volume adjusted blocks at this level of study.

Athona has 5,830,798 tonnes of probable reserves at an average grade of 1.172 g/t containing 220,000 oz of gold. Athona has a strip ratio of 1.10 and a mine recovery of 61%. Part of the Athona resource is located in close proximity to the shore of Lake Athabasca. This ore cannot be economically extracted using underground mining techniques. Further study is required to determine the economic and environmental impacts of extending the pit towards Lake Athabasca to increase mine recovery.

Table 15-2: Mineable Reserves for Box and Athona

Description	Ore (t)	Grade (g/t)	Gold (oz)	Waste (t)
Box				
Proven	1,227,726	1.900	75,000	
Probable	15,274,521	1.477	725,000	
Proven + Probable	16,502,247	1.508	800,000	75,228,132
Athona				
Proven				
Probable	5,830,798	1.172	220,000	
Proven + Probable	5,830,798	1.172	220,000	6,423,778
Total				
Proven	1,227,726	1.900	75,000	
Probable	21,105,319	1.392	945,000	
Proven + Probable	22,333,045	1.420	1,020,000	81,651,910

Mining Methods

General

Ore has been classified into two categories – HG and LG. The HG ore, consisting of grades greater than or equal to the economic cut-off grade (COG) of 0.72 g/t, will be hauled directly to the mill. The LG ore, which will be stockpiled, consists of grades less than the COG and greater than or equal to the MCOG of 0.33 g/t. The stockpiled LG ore will be processed at the end of the mine life.

An ore grade control program will be necessary to delineate the waste from the two ore categories. Geological bench plans are to be supplemented with blasthole sampling, pit mapping and visual distinguishing of the ore bearing rock. A satisfactory grade control program will reduce mining losses and minimize ore dilution.

Slope Stability

The design parameters used for Box are based on the recommendations of the draft report by Klohn Crippen Ltd. entitled "Box Mine Project; Preliminary Open Pit Slope Design - June 1995". This draft report indicated that a HW inter-ramp angle of 55 degrees and a FW inter-ramp angle of 42 degrees would be a conservative estimate. Athona has no apparent footwall so 55 degrees was used as the inter-ramp slope angle on all sides of the pit.

A 9 m bench height was selected. The 9 m height is approximately 60% of the reach of the selected hydraulic shovel and should provide acceptable dilution control.

Selective Mining

The mining activities at Athona and Box will require the appropriate separation of ore and waste to minimize dilution. This requires proper identification of the ore and waste and efficient and effective loading.

Additionally, sampling and analysis of blasthole drill cuttings will be used to confirm and define the zones of HG mineralization, LG mineralization and waste within the Box and Athona granite structures.

The inherent physical characteristics of the zones of mineralization at the Goldfields Project are suited to front end loaders or hydraulic shovels. It was determined that a 13 m3 bucket capacity should be used for ore and waste loading. Either of these loading units will allow for appropriate HG ore, LG ore and waste separation.

Treatment of Previous Underground Extraction Zones

To minimize the impact of these pre-existing stopes, the large voids will be filled with LG ore, prior to their interception by the open pit mining. Blasthole drills will be used to intercept and confirm the dimensions of the underground stopes. A pattern of drill holes will be used to develop a drop raise connecting these voids to the surface. The resulting surface depression will be backfilled with previously mined LG to permit uninterrupted mining of the current benches. It is anticipated that 80% of the LG used for backfilling will be separated during recovery and trucked to the LG stockpile. The balance of the LG backfill will blend with the ore within these areas and be fed with the HG to the mill. The use of LG, rather than waste, for backfilling the existing workings will minimize the impact of dilution during subsequent recovery of ore within these areas.

Mine Production Schedule

The mine production schedule is presented in Table 16-2 in the Goldfields Report. Due to the existing underground workings, the mine schedule accommodates the requirement to develop drop raises into the old stopes and backfill these with LG ore. It was assumed that 80% of the LG would be recovered to the LG stockpile and 20% would account for dilution of the HG ore.

The total mill feed is made up of four product streams: HG ore from Box; HG ore from Athona; LG ore dilution from Box stopes; and LG ore from stockpile.

HG Ore from Box would be processed in Years 1 – 7. Year 1 is represented as a half year based on the current construction schedule that estimates production would commence at the end of the second quarter of the final year of construction. Athona ore would come on stream in the last half of Year 7 and continue to Year 9. Processing from the LG stockpile would take place from Years 9 – 13. Figure 16-1 indicates the contributions to total mill feed from the four sources of ore. The LG ore feed in years 2 – 5 represents the contribution from the LG ore dilution from mining the backfilled stopes. The LG feed from Years 9 – 13 represents the processing of the LG stockpile.

The annual gold production is represented in Figure 16-2 in the Goldfileds Report. The annual average gold production is 81,965 oz/year, with an average of 108,840 oz/year in Years 1 – 9 of operation prior to processing the LG ore stockpile. Figure 16-2 also indicates the average gold grade per year of operation ranging from a high of 2.27 g/t in Year 1 to 0.51 g/t in Years 10 - 13 for a LOM average of 1.42 g/t.

The annual LG ore production and the LG stockpile balance is represented in Figure 16-3 in the goldfileds Report. The annual production of LG ore in Years 1 – 4 has been reduced by the quantity (1,065,824 t) required to backfill the existing stopes. The LG ore stockpile is estimated to reach approximately 7 million tonnes during Year 9 of operation.

Box will generate 75,228,132 tonnes of waste for a LOM strip ratio of 4.56. The Box waste has been classified as waste associated with production and waste associated with expansion. Total production waste is 41,001,831 tonnes and total capitalized development waste is 34,226,304 tonnes. The cross section also illustrates the ore body and its relation to the production phases.

Athona will generate 6,423,778 tonnes of waste for a LOM strip ratio of 1.10. Due to the low strip ratio at Athona, the waste was all classified as production waste.

Total waste production for the Goldfields Project is 81,651,910 tonnes for a project strip ratio of 3.66. Figure 16-5 shows the annual waste production from Box and Athona. Years 10 – 13 of operations have no waste generation since the process feed is from the LG stockpile.

Mining Equipment

The mining equipment was selected based on the total daily open pit production of ore and waste. Table 16-3 shows pit production is highest in Year 1 with an average of 65,500 t/d reducing to 20,600 t/d in Year 7 and 9,500 t/d in Year 9. Mining equipment was selected to meet these production targets.

Equipment Cycle Times

Equipment cycle times were calculated to assist with the selection of mining equipment. The cycle times include a fixed and a variable portion. Fixed cycle times include the loading and unloading activities that remain constant throughout the operation. The variable cycle time applies to the hauling portion which increases as the pit becomes deeper and the WRSA becomes higher.

In order to determine the fixed cycle times, it was assumed that the equipment for loading would require four passes to fill each truck. The required time per pass was determined from the manufacturer's equipment specifications. The truck unloading time is also included in the fixed cycle time. The fixed cycle time was assumed to be consistent for the LOM.

The variable cycle time is made up of three segments to determine the haul time: open pit ramp length, haul distance, and WRSA height. The time required to transit the haul road is consistent for LOM, but the other two sections are variable and increasing throughout. During initial operations the variable cycle time is at a minimum due to the shallow pit and minimal height of the WRSA. At the end of life the variable cycle time is at a maximum.

Equipment Selection

Ninety tonne capacity haul trucks were selected based on production requirements and professional experience. Caterpillar's 777F haul truck was selected for this analysis and its selection dictated the specifications for the other mining equipment. To match the capacity of the haul trucks Hitachi's EX1900 hydraulic shovel, which has the capacity to meet the four pass loading requirement, was selected. Caterpillar's representatives recommended the 992K wheel loader for back-up to the main loading equipment, the D10T tracked dozer to handle the stockpile maintenance, and the 16M grader for haul road maintenance.

Haul profiles were generated for each material type, bench and destination or stockpile. Production cycle times, which were calculated for all of these, were used to determine the quantity of haul trucks and primary loading units required.

The equipment required for the first year of operation includes nine 777F trucks, two EX1900 shovels, one 16M grader, one 844K wheel dozer, and one D10T tracked dozer. Due to the remote location of the project, redundancy for critical equipment is required. The operational redundancy will include:

- a CAT992K loader to provide primary loading and mill feed back-up
- a CAT 14M grader for light vehicle road maintenance and back up haul road maintenance
- a D10T tracked dozer for back-up at the WRSA and ore stockpiles

The blasthole drills were sized based on the drilling and bench requirements. Two types of blasthole drills were specified for the project to provide versatility:

- Single-pass blasthole drill (1) – Sandvik D55SP
- 100 – 200 mm DTH Crawler (2) – Sandvik QXR 1320 DTH

Recovery Methods

Mill Process Plant

Introduction

The mill facility will be located in a natural valley northeast of Vic Lake. Site drainage from all mill facilities will report to Vic Lake. To minimize site preparation costs and to take advantage of the natural terrain, the mill facility is separated into three components: crushing, crushed ore

storage, and grinding and leaching. Separating facilities minimizes the fill required for the building foundations.

The mill will be designed to operate 365 days per year with an annual availability of 94%. The mill will process gold ore from Box with an average grade of 1.97 grams of gold per tonne milled (g/t) up to Year 7 of operations. The Athona average grade is 1.61 g/t for Years 7 – 9. At the end of mine life for Athona, the LG stockpile with an average grade of 0.51 g/t will be processed. The target annual throughput is 1,825,000 tonne with overall gold recovery of 91% for Box and 89% for Athona.

The general production specifications are summarized in Table 17-1 in the Goldfields Report.

Crushing

Ore from the open pit or stockpiles will be transported by haul truck to a static primary grizzly with a 914 mm opening. A hydraulic rock breaker (2,710 Nm class, 37 kW hydraulic) is stationed at the grizzly to disperse oversize lumps. A 1,219 mm x 4,877 mm vibrating grizzly feeder directs the coarse ore from the hopper to the jaw crusher (1,280 MM X 1,550 MM, 260 kW). The fines bypass the jaw crusher and discharge directly to the crusher discharge belt. The crusher has a capacity of 484 tonnes per hour (t/h) and discharges 150 mm (F80) product to the crusher discharge belt to the radial ore stacker. The stacker distributes the ore to the 20,000 tonne crushed ore stockpile. A tramp steel magnet and metal detector are installed to protect the belt conveyors.

The specifications for Crushing are shown in Table 17-2 in the Goldfields Report.

Grinding

Ore will be reclaimed from the crushed ore stockpile with a front-end loader and dumped into the 440 tonne apron feeder hopper. The apron feeder hopper holds approximately two hours of storage to guard against any potential loader downtime. The apron feeder (4.5 m) discharges into a transfer conveyor at a controlled rate of 220 tph. The transfer conveyor is equipped with a belt scale that measures the feed rate going to the SAG mill.

Process water is added to the SAG mill (6.0 m x 3.3 m, 1,700 kW) to discharge the ground material at 67% solids (w/w). The SAG mill uses 127 mm (5 inch) steel balls as a grinding media.

The ground material discharges through a trommel, the undersize material (U/S) drops to the pump-box and the oversize material (O/S) is returned to the SAG mill via a conveyor belt recycle loop.

The trommel U/S at 53% solids (w/w) along with ball mill discharge material is pumped to the cyclone cluster consisting of two 660 mm diameter units. The cyclone overflow (O/F) at 35% solids (w/w) and consisting of material with a P80 of 150 microns is directed to the agitated flotation conditioning tank.

The cyclone underflow (U/F) at 70% solids (w/w) feeds a ball mill (4.5 m x 7.3 m, 2,300 kW), which completes the grinding circuit. Since this material could contain coarse gold, the ball mill discharge is passed through a riffle box before it is directed to the pump-box and mixes with the SAG trommel U/S. Any coarse gold recovered in the riffle is placed in a drum for transport to the

gold refining process. Process water is added to the ball mill to maintain 67% solids (w/w) discharge. The ball mill uses 38.1 mm (1.5 inch) steel balls as a grinding media.

The specifications for Grinding are presented in 17-3 in the Goldfields Report.

Flotation/Regrind

The cyclone overflow from grinding flows by gravity to the agitated flotation conditioner tank where the promoter and xanthate reagents are added. The conditioner tank discharges into the rougher feed box connected to the first stage of the rougher flotation bank where MIBCfrother is added.

The rougher flotation stage consists of six 20 m^3 agitated tank style cells operating in series. Rougher flotation concentrate representing about 10% of the feed is pumped to cleaner flotation cells for further separation of the gangue and concentrate.

The tailings from the rougher flotation stage proceeds to six 20 m^3 scavenger cells for recovery of gold that did not float during the roughing stage. The discharge from the last scavenger tank is pumped to the rejects thickener. The concentrate from the scavenger flotation stage is pumped back to the first rougher flotation tank.

The cleaner flotation stage consists of two 5.1 m^3 re-cleaner DR style tank cells and four 5.1 m^3 cleaner DR tank cells. The concentrate from the rougher stage enters the intermediate box between the cleaner and the re-cleaner banks for polishing. The concentrate from the cleaner cells is fed to the re-cleaner cells for further polishing. The tailings from the cleaner cells are returned to the rougher flotation feed. The concentrate from the cleaner cells enters the re-cleaner bank through the feed box.

The concentrate from this bank is reground in the flotation regrind ball mill (2.2 m x 4.5 m, 224 kW) to ensure additional liberation of the gold prior to cyanidation. The tailings from the re-cleaner bank go to the cleaner bank as feed to the cleaning stage. The regrind mill discharge together with the re-cleaner concentrate is classified in a cyclone and the overflow is directed to the concentrate thickener. The cyclone underflow is returned to the regrind mill for further grinding.

The specifications for Regrind are presented in Table 17-4 in the Goldfields Report. The specifications for Flotation are shown in Table 17-5 in the Goldfields Report.

Rejects Thickener

The tailings from the scavenger flotation are pumped to the rejects thickener (20 m, high rate, bolted) to recover water for recycling and to thicken the solids prior to pumping waste to the WRSA. The thickener overflow is returned to the process water tank for re-use in the mill. To expedite the settling of solids, flocculant is added to the thickener feed. The thickener underflow is pumped to the WRSA via the waste rock storage tank. The rejects thickener will be located outside the mill and will require freeze control measures like insulation, cladding, and covers to prevent freezing.

The specifications for Reject Thickener are presented in Table 17-6 in the Goldfields Report.

Concentrate Thickening

The feed to the concentrate thickener (7 m, high rate, bolted) consists of the flotation cyclone O/F, vacuum disk filter filtrate and flocculant. The clear O/F from the thickener is recycled to the process water tank and the U/F which contains about 70% solids (w/w) is pumped to the concentrate vacuum disk filter. The filtrate is returned to the concentrate thickener. The filter cake, at approximately 80% solids (w/w) is re-pulped to approximately 55% solids (w/w) and pumped to the pre-aeration tank in the leaching circuit.

The specifications for Concentrate Thickener are presented in Table 17-7 in the Goldfields Report.

Cyanide Leaching

The re-pulped slurry is received in the pre-aeration mix tank (4.2 m x 4.9 m) where lime is added to adjust the pH prior to adding the sodium cyanide lixiviant. The slurry overflows the pre-aeration mix tank to six (6) mechanically agitated leach tanks (4.2 m x 4.9 m) in series. Air is added to each tank to maintain oxidizing condition in the tanks. Provisions are made for adding lime and sodium cyanide to the first and fourth tanks in the series.

The leached slurry discharges to the cyanidation thickener (7m, high rate, bolted) for separation of the pregnant solution and the leached residue. The thickener underflow which is approximately 65% solids (w/w) is pumped to the drum filter #1 surge tank. The solution overflow is pumped to the unclarified pregnant tank for further clarification of the solution.

The specifications for Cyanide Thickening are presented in Table 17-8 in the Goldfields Report.

Leach Filtration

The cyanidation thickener underflow is received in the drum filter #1 surge mix tank and fed to the cyanide tailings drum filter #1. Barren solution washes the gold bearing solution from the filter cake. This washing process is done twice to ensure maximum recovery of the dissolved gold in the solution before the residue is pumped to the cyanide destruction circuit. Water is substituted for barren solution as required to maintain a solution balance.

The filtrate from the first and second drum filters are combined and returned to the cyanidation thickener.

The specifications for Leach Filtration are presented in Table 17-9 in the Goldfields Report.

Clarification

The unclarified cyanidation thickener overflow is stored in the unclarified pregnant tank where it is fed to one of the two pre-coat filter presses. This step is essential to ensure the solution has minimum amount of suspended solids prior to the gold precipitation stage. Two pre-coat filter presses are required to provide continuous feed to the Merrill Crowe process as this filtration operation is a semi-continuous process. The clarified solution is stored in the clarified solution surge tank for feeding the Merrill Crowe de-aeration packed tower.

The specifications for Leach Filtration are presented in Table 17-10 in the Goldfields Report.

Merrill Crowe Process

The clarified pregnant solution is passed through the Merrill Crowe deaeration tower to remove dissolved air which adversely affects the precipitation of gold. Zinc dust, added to the clarified, de-aerated pregnant solution, cements the gold.

The slurry containing the precipitate is filtered in two filter presses; one unit filters while the other is cleaned. The filter cake at 80% solids (w/w) is removed from the filter once the unit pressure rises to a pre-determined value. The cake drops to the product precipitate boat for transport to the gold room. The filtrate is directed to the barren tank for re-use in the process.

The specifications for Merrill Crowe are presented in Table 17-11 in the Goldfields Report.

Gold Refining

The filter cake from the filter press boat is dried in an oven. The dry filter cake is mixed with fluxes and fed to the crucible furnace (diesel fired) where separation of the gold from the impurities takes place. Doré bars are poured for shipment to a refinery. Slag will contain some gold and will be partially reprocessed by hand and returned to the process.

The specifications for Gold Refining are presented in Table 17-12 in the Goldfields Report.

Water Requirements

The preliminary mine-site water requirements are shown in Table 17-13 in the Goldfields Report. Water will be supplied from Lake Athabasca. A dedicated pump house will be installed to provide the site water requirements. Two water storage tanks will be located in close proximity to the mill.

Energy Use

Power will be supplied by a refurbished SaskPower distribution line that previously serviced the Goldfields town site. The supplied power is 115 kV that will be stepped down to 15 kV for site distribution at a dedicated site substation. Transformers will be installed to provide 600 V and 4,130 V to each facility as required by equipment demands. Table 17-14 in the Goldfields Report summarizes the total project power requirements.

Process Materials

The estimated consumables listed in Table 17-15 in the Goldfields Report are required to support the operation of the process plant annually. Materials necessary to maintain the plant equipment in good operating order are not included in the list.

Project Infrastructure

Site Infrastructure Layout

The preliminary site layout outlines the proposed locations of the WRSA, facilities, stockpiles, and pit locations as illustrated in Figure 18-1.

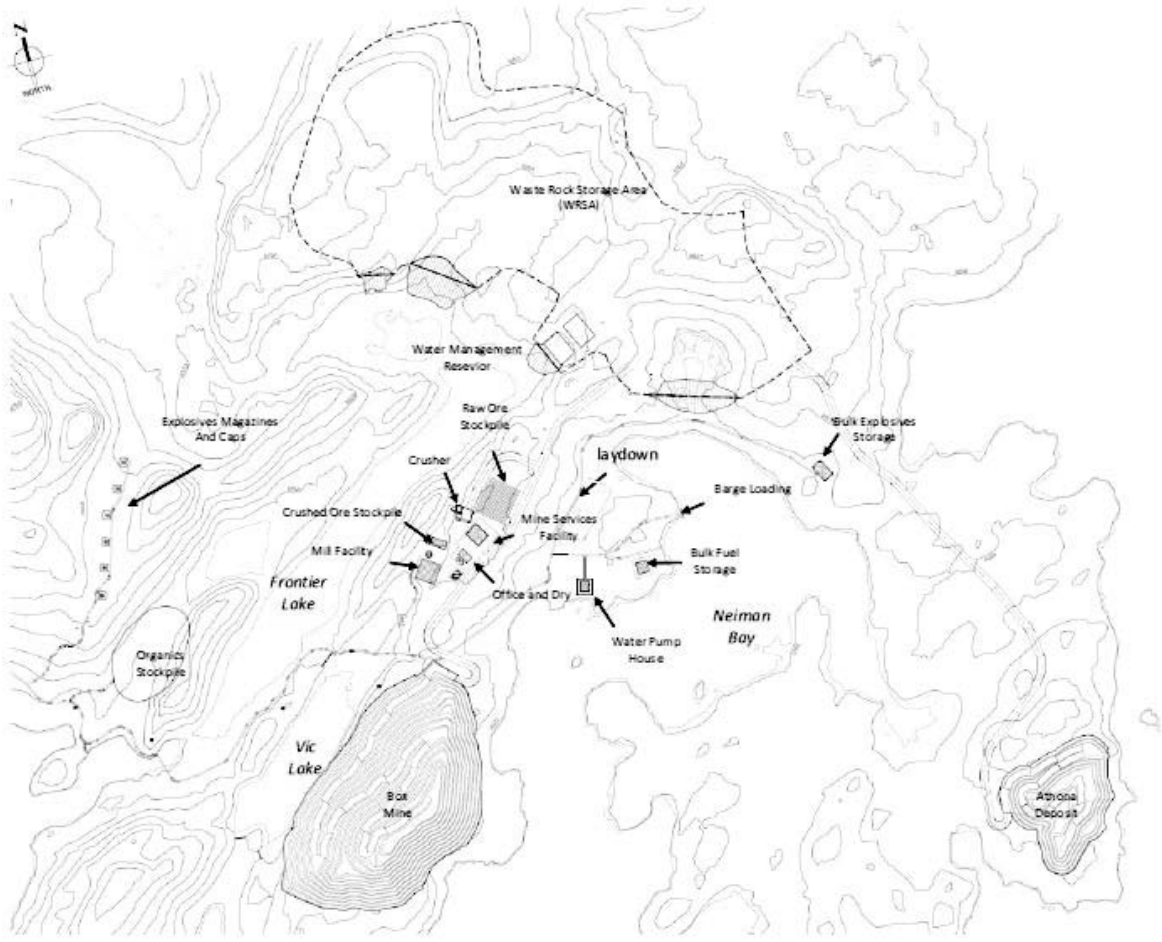


Figure 18-1: Infrastructure General Layout

Mill Building

The mill building will incorporate the grinding, leaching, and processing areas and will be located in the valley northeast of Vic Lake. The building's foundation will be a concrete slab that is cast on backfill and bedrock. The backfill will be a blend of waste rock and valley overburden. The bedrock will come from blasting into the east valley slope and creating a flat surface for the concrete foundation. This area of the mill building will house the SAG and ball mills to minimize foundation shifting and concrete stresses and strains. The building will be a pre-engineered steel building with dimensions of 60 m x 60 m x 20 m. The building will have metal cladding with insulated walls suitable for northern climates.

All precipitation runoff from the mill building and crushed ore stockpile will go to the TMF. Facility heating will be provided by diesel fired boilers complete with heat recovery and air make-up units. The water system will be supplied from the fresh water storage tank. All waste water will be temporarily stored in above ground insulated and heat traced septic tanks and transferred to the TMF. Electrical power will come to the facility by overhead distribution.

Mine Service Complex

The mine service complex will include the maintenance shop and warehouse facilities and will be located on the ridge above the mill. The mine service complex will be a 55 m x 46 m x 14 m pre-engineered steel building. The building will have a concrete foundation that is cast on waste rock backfill and bedrock.

The mine service complex will include: repair bays (895 m^2), welding bay (99 m^2), office area (58 m^2), tool room (79 m^2), wash bay (254 m^2), maintenance shop (155 m^2), electrical and instrumentation shop (155 m^2), heated warehouse (625 m^2), parts office (20 m^2), and ambulance and fire truck garage (142 m^2). The second level will include: storage (753 m^2), mechanical room (79 m^2), and lunch room and washroom (58 m^2). A 20 tonne overhead hoist will span over the four repair bays. The building will have metal cladding with insulated walls suitable for northern climates.

Facility heating will be provided by diesel fired boilers complete with heat recovery and air make-up units. The water system will be supplied from the fresh water storage tank. All waste water will be temporarily stored in above ground insulated and heat traced septic tanks and transferred to the TMF. Electrical power will come to the facility by overhead distribution.

Waste Storage Area

The WRSA is located approximately 1,100 m from the Box pit. The WRSA will use engineered berms and the natural terrain to contain the waste rock, gravity rejects, and runoff from precipitation. The WRSA will cover approximately 105 hectares and will consist of four impermeable berms, three catch ponds for runoff control, and a water management reservoir with two settling ponds. There will be approximately 450,000 m^3 of waste rock material used to build the berms and settling ponds. The required waste rock will be generated during the construction and operations periods. The elevation of the WRSA is expected to reach a peak of 320 m ASL.

The waste rock will be placed in 10 m lifts with each subsequent lift inset from the previous lift. This inset interrupts surface runoff paths on the side slope of the stockpile and will help to retain suspended solids from the runoff. The overall stockpile side slopes will be 2H:1V to provide long term slope stability.

All water in the WRSA will report to the water management reservoir settling ponds where it will be monitored to verify compliance with the MMERrequirements prior to discharge. The storage ponds and settling ponds will be designed to handle a 100 year rain event in addition to the water contained in the gravity rejects from the mill facility. The settling ponds will have vertical baffles controlling the flow of water, allowing adequate retention time for suspended solids to settle and for the natural destruction of ammonia blasting residue if required. Water discharge from the water management reservoirs will be continuously discharged to Frontier Lake based on the results of upstream monitoring.

Tailings Management Facility

Tailings from the milling process will be deposited into the Vic Lake TMF through sub-aqueous deposition. Vic Lake is naturally contained by the local terrain with intermittent flow to Frontier Lake during periods of high runoff. Frontier Lake is located northwest of Vic Lake and is approximately 3 m lower in elevation than Vic Lake.

Two control structures are required to permit the operation of the Vic Lake TMF at an elevation of 220 m. All elevations are ASL. The north outlet structure will control the release of water to Frontier Lake. It will be constructed with waste rock material and lined with an impermeable liner system that is sealed to the bedrock. The outlet structure will have a top elevation of 221 m, to provide a 1 m free-board. The on-site light vehicle road will traverse the outlet structure as the main point of access to the mine site. A monitoring pond at the base of the outlet structure will permit sampling prior to release to Frontier Lake. At the south end of Vic Lake, a dyke will be constructed to prevent out flow to Box Bay, Lake Athabasca. This dyke will be constructed using waste rock material and will be lined with an impermeable liner system that will be sealed to bedrock.

Pipelines

The raw water pipeline will run from Neiman Bay to two storage tanks located outside the mill. One storage tank will be used for process water and the other used for the water requirements of the other facilities. The raw water pipeline is 8" diameter high density polyethylene (HDPE) that will be insulated and heat traced. The raw water pipeline is 1,200 meters in length.

The tailings pipeline from the mill to the Vic Lake TMFwill be 2" diameter HDPE that will be insulated and heat traced. The tailings pipeline will be 500 meters long.

The gravity rejects pipeline transfers the gravity rejects slurry (approximately 60% solids) from the mill to the WRSA. The gravity rejects pipeline will be 10" HDPE that is insulated and heat traced and will be 1,800 meters long.

In the WRSA, the water (precipitation and gravity rejects water) will be transferred from within the waste rock pile to the water management reservoirs for monitoring and release to Frontier Lake. A portable diesel pump and 8" aluminum piping will be used to transfer the water as required.

If required, a diesel fuel transfer pipeline from the barge loading facility to the bulk fuel storage would be approximately 500 meters long and will be constructed of 3" diameter Schedule 40 carbon steel pipe.

All four pipeline systems will be located above ground due to the natural terrain. This will allow ease of visual inspection. Pile and service utilidors are not planned for any of the pipelines.

Mine Office and Dry Facility

The mine office and dry facility at site will be pre-manufactured modular buildings and will be located adjacent to the mine service complex. The office facilities will be located on the second floor above the dry facility. This will minimize the overall footprint and provide a structure that is more energy efficient.

The dry facility will accommodate 250 lockers on each of the clean and dirty sides. The dry will include men's and women's separate washroom and shower facilities and also a laundry facility for washing work clothing.

The first aid center (25 m^2) will have storage cabinets for typical first aid equipment and supplies and an area for treating two (2) patients. The first aid center will include two beds, a toilet, and sink. It will be located on the first level with double (1,830 mm) wide exterior doors and steps.

Operations office space close to the deployment point (dry area) will be approximately 60 m^2. Administration & technical office space will be approximately 200 m^2 on the second floor and will have separate washroom facilities.

The facility's heating requirements will be by fuel oil and all waste water will be collected in an above ground insulated and heat traced septic tank and hauled to the TMF. Electrical power will come to the facility by overhead distribution.

Project Residence

The project residence will be located in Uranium City on existing Brigus Goldfields property.

The facility will have a capacity of up to 150 and the site can accommodate one additional dorm if required during the construction period. The site will have a large parking lot behind the facility and a small lot off the street front. The camp facility will tie into town services.

Power

Electricity for the Goldfields Project will be provided by SaskPower.

The power distribution system at the mine site will be a combination of overhead lines and cable trays. Underground cabling is not a feasible option due to the mine site terrain being mainly bedrock. The overhead lines will include the 15 kV main power and 600 V emergency power to each facility. Step down transformers will be installed to suit the loads for each facility. The emergency power will be supplied by an on-site diesel generator. Emergency power will be designed to operate the key electrical loads to prevent damage to the operation in the event of a power outage. This will include essential pumps, agitators, heat trace, and facility heating.

Bulk Fuel Storage

A bulk fuel storage facility will be installed with a total capacity of three million liters of diesel fuel. Fuel will be stored in dual walled Envirotanks. Total capacity is determined based on four months supply. Fuel shipments would be received in the winter via ice road and in the summer via barge service. The four months storage bridges the gap between the ice road and barge services. Only diesel fuel will be stored on site and all equipment will be specified to operate on diesel fuel including facility heating equipment. For equipment that is not available for use with diesel fuel, gasoline will be supplied through current storage and distribution located in Uranium City.

Roads

Off-Site Road

The Goldfields Project, located 13 kilometers southeast of Uranium City, is accessible by an existing 25 kilometer all-season road. A portion of the road is a portage point for the winter ice road from Lake Athabasca to Beaverlodge Lake. The existing road will be upgraded with a target average travel speed of 60 km/hr.

On-Site Haul Road

The haul road will be constructed with waste rock generated during the construction period. The road will be 25 meters in width with safety berms as required, will have a maximum gradient of 10%, and will accommodate two-way traffic. The road will have a typical ditch and culvert system to allow the natural flow of water runoff. The haul road distance from the Box pit to the mill crusher is approximately 1,100 m and also approximately 1,100m to the WRSA. The haul road distance from Athona will be approximately 2,400 m to the center of the WRSA and approximately 2,500 m to the mill crusher.

On-Site Light Vehicle Road

The light vehicle roads run throughout the site and will connect the off-site road to all the site areas. Light vehicle roads will be designed and constructed taking into consideration the volume and weight of expected traffic. Total length of light vehicle roads is 3,500 meters.

Barge Loading Facility

The mine site will include a facility for the loading and off-loading of barges. The facility will consist of a removable barge dock plus a transition ramp to the shoreline. The barge facility will be available during the open water season, which is typically June – October depending on weather conditions. The dock will be removed from the water when Lake Athabasca freezes over and barge transport is no longer feasible. The barge loading facility will be located near the bulk fuel storage and the site laydown area since the majority of material will be stored in these two locations and the shoreline is appropriate for the intended purpose.

Landfill

A project specific landfill will be established approximately four kilometers from the mine site. The landfill will be designed to accept all municipal solid waste and approved industrial and construction waste. The area is a low sloped valley and is surrounded by bedrock. Existing overburden is sand and gravel to bedrock. The area will be fenced to control litter and to control wildlife. Piezometers will be installed to monitor ground water and surface runoff from the landfill. Brigus will operate this landfill until the mine closes and reclamation is complete.

Explosives and Cap Magazines

Pre-manufactured explosive and cap magazines with capacity to store a four month supply of packaged explosives will be installed west of the mine so that the facilities are compliant with the Quantity-Distance criteria of the Explosives Regulatory Division of Natural Resources Canada, Minerals and Metals Sector, and Explosives Safety & Security Branch.

The packaged explosives magazines will be type 4 units measuring 3.65 m x 12.2 m with a per unit capacity of 37,200 kg. Six of these pre-manufactured explosive magazines are required. Berms will be constructed around the magazines. The separation distance (D2) is 83 m between magazines, 275 m (D4) from very lightly traveled roads (from 20 to 500 vehicles per day), and 760 m (D7) from inhabited buildings.

The single detonator magazine will be a type 4 unit measuring 3.05 m x 6.09 m with a capacity for 720 cases of detonators. It will be located adjacent to the magazine site road before the explosive magazines.

Access to the explosives & detonator magazines road will be controlled with a lockable gate.

Bulk Explosives Storage

The bulk explosives plant will be located between the WRSA and Athona. The location of the plant satisfies the Quantity-Distance criteria of the Explosives Regulatory Division of Natural Resources Canada, Minerals and Metals Sector, and the Explosives Safety & Security Branch.

Communication Network

Telephone service for the project residence and office in Uranium City would be provided by Sasktel through existing networks. Telephone service for the mine site would be supplied through voice over internet protocol (VoIP) service.

The internet service requirements for the project residence and office in Uranium City and the mine site will be supplied through a very small aperture terminal (VSAT)satellite based system. The VoIP service would connect through the VSAT.

On-site communication would be provided through the citizen band (CB) radio frequencies.

Organics and Topsoil Stockpile

To prepare for mine reclamation at the end of operation, some of the organics and topsoil that is removed during construction will be stockpiled for future use. The stockpile will be located on the west end of the property for easy access. Trees, organics, and topsoil will be collected and stored.

Preliminary Construction Schedule

The preliminary construction schedule was developed based on a three year construction duration. The assumption was that detailed design would be completed in parallel with the year 1 construction. The construction activities planned for year 1 are the preparation activities that do not require substantial engineering prior to commencement. The schedule is dependent on the approval of construction applications by the Saskatchewan Ministry of Environment. An approved EIS exists.

Based on the preliminary schedule, operations would commence in the second half of the year 3 construction period. Total construction duration is estimated at 26 months.

YEAR 1 CONSTRUCTION

The onset of site construction would be scheduled to commence in May of the first year of construction. The initial construction season would be utilized to prepare the mine site for the installation of the site infrastructure.

This would incorporate the following tasks:

- Clearing and grubbing
- Off site roads, on-site temporary roads and light vehicle roads
- Site grading
- Dewatering Vic Lake
- Barge loading facility installation
- Upgrade Lodge Bay causeway

- Prepare landfill
- Residence Facility
- Bulk Fuel Storage

YEAR 2 CONSTRUCTION

Year 2 would encompass the majority of the infrastructure construction. During this construction period the processing facilities, environmental containments, and general site infrastructure would be constructed.

This would include the following major tasks:

- Construction contractor mobilization
- Concrete foundations
- Mill superstructure
- Mine service complex
- Mill equipment
- Pipelines
- Electrical
- Bulk explosives storage
- Dykes and berms

YEAR 3 CONSTRUCTION

During the final construction season, the construction of the milling facilities would be completed in the first quarter. The construction tasks estimated for the first quarter of year 3 include the following:

- Complete mine services facilities
- Complete mechanical installation
- Complete the electrical installation
- Install the crushing area equipment
- Build the cell #1 dyke containment area
- Haul road

The second quarter construction on the site would include:

- Geo-synthetic installation
- Cell #2 dyke,
- Commissioning
- Demobilization of contactors

Markets Studies and Contracts

Markets

Markets for the gold produced by the Goldfields operation are readily available. These are mature, global markets with reputable smelters and refiners located throughout the world. Demand is presently high with prices for gold showing remarkable increases during recent times. The 36-month average London PM gold price fix through July 2011 was US$1,129/oz.

Contracts

Brigus currently has contracts with consulting and service companies to complete the pre-feasibility engineering work, environmental work, process test work, exploration drilling, and pit wall slope studies. Currently there are no contracts material to the issuer that are required for property development, including construction, mining, concentrating, smelting, refining, transportation, handling, sales and hedging, and forward sales contracts or arrangements.

Environmental Studies, Permitting, and Social or Community Impact

Summary

An Environmental Base Line Study, a Rare Plant Study and a hydrogeological study were completed for the Goldfields Project.

The climate of the study area is characterized by short, cool summers and extremely cold winters. The average temperatures are typically below freezing from November through April. Total mean annual precipitation over the latest 30 year period at Uranium City was approximately 360 mm. Wind measurements taken at the Uranium City meteorological station show that prevailing winds were from the east, with an average wind speed of approximately 11 km/h.

Water quality data were collected from each water body in the Project Study Area (PSA). The pH levels in the PSA were near neutral or slightly alkaline, with all values meeting the Canadian Environmental Quality Guidelines(CEQG). Water chemistry data showed that the majority of the study water bodies were characterized as oligotrophic (low nutrient concentrations), consistent with other lakes found throughout northern Saskatchewan. Concentrations of aluminum, cadmium, copper, iron, and uranium exceeded the SSWQO and CEQG in some water bodies within the PSA. Deadman Lake, historically an unimpacted lake, showed concentrations of aluminum, cadmium and iron above these guidelines indicating a naturally high occurrence of these elements in the environment.

The concentration of metals in the sediments in the Small Lake's study area were generally low, with the mean sediment concentrations of copper, lead, zinc, vanadium, and arsenic exceeding either the Interim Sediment Quality Guidelines the Lowest Effects Level or the Probable Effects Level guidelines.

Sedges were collected from three lakes and four bays on Lake Athabasca in the Goldfields PSA for chemical analyses of whole plants. The mean concentrations of aluminum, cadmium, copper, nickel, selenium, and titanium, were notably higher in Small Lake compared to both Frontier Lake and Deadman Lake. The concentrations of analytes in the sampled bays of Lake Athabasca were highly variable.

A fish community survey was completed in August 2010 for Deadman Lake and Goldfields Bay of Lake Athabasca. Flesh samples were collected from water bodies in the PSA for chemical analyses. Mean metal, trace element, and radionuclide concentrations/activities in fish flesh were generally near or below analytical test detection limits.

A fish habitat survey was also conducted in August 2010 for Deadman Lake and Goldfields Bay of Lake Athabasca. There were a variety of habitat types identified in both water bodies that potentially provide spawning, rearing, feeding, and overwintering habitat for fish. In general,

many areas were identified as marginal or moderate spawning habitat and four habitat sections were each rated as highly suitable spawning habitat for northern pike, walleye, lake whitefish, and lake trout.

Rare plant surveys were conducted in July and September, 2010. Two hundred and ninety-nine plant species, including 31 rare species, were observed. None of the 31 rare species observed in the study area are protected under the Species at Risk Act (SARA) or the Wildlife Act.

Incidental wildlife recorded during the 2010 rare plant surveys included two federally protected species. A common nighthawk nest and numerous northern leopard frogs were observed. The common nighthawk is listed as threatened under SARA Schedule 1 and the Committee on the Status of Endangered Wildlife in Canada .The western boreal/prairie population of northern leopard frogs are listed as a species of special concern under SARA Schedule 1 and COSEWIC.

Brigus is committed to a strategic impact reduction and mitigation approach that extends through all project phases, from design to decommissioning. All aspects of Brigus' strategic approach conform to (meet or exceed) the requirements of the approved EIS and the associated Ministerial Approval. It is anticipated that most impacts to rare plants, native vegetation, and rare wildlife species will be temporary.

Application of Brigus's company strategy for impact reduction and mitigation is anticipated to reduce the extent and duration of impacts to rare plants, native vegetation, and wildlife species at risk that occur in the Goldfields PSA. The impact on surface waters is also expected to be temporary. There are currently no environmental issues known to the proponent that could materially impact the ability to extract the mineral resources or mineral reserves.

Site Waste Management

The WRSA will be used to store all waste rock that is not needed for site construction. Gravity rejects from the mill process will also be stored in the WRSA together with the waste rock. Water will be transferred by a portable diesel powered pump. All pumps and pipes will be contained within the outline of the WRSA to eliminate the possibility of an accidental discharge to the environment. The water management system will consist of a settling reservoir and a monitoring reservoir located within the WRSA.

Water management in the WRSA will provide effective control over the release of water to the environment. The drainage basin that reports to Neiman Bay, Lake Athabasca will be controlled with an impermeable structure that will contain all surface runoff from the WRSA. This water will be transferred to the water management system for monitoring and release to Frontier Lake. All discharge to Frontier Lake will meet MMER requirements.

At the south end of Vic Lake, an engineered control structure will be constructed that will control out flow from the lake into Box Bay, Lake Athabasca. This dyke will be constructed using waste rock as the structure, lined with an impermeable liner system and will have a top elevation of 221 m, giving a 1 m free-board above the maximum lake level.

At the north end of the lake, overflow into Frontier Lake will be controlled by an outlet structure that will allow water above the 220 m elevation to flow through. Prior to mill operation, Vic Lake will be pumped down to an elevation of 215 m. This will still allow minimum tailings coverage of 3 m of water and will allow adequate retention time to ensure natural destruction of cyanide. The

lake's elevation will not reach 220 m until approximately Year 3 of milling. During this time, water quality will be monitored, allowing Brigus to determine treatment alternatives as mentioned earlier. In the event cyanide concentrations exceed MMER requirements, cyanide destruction contingency measures including accelerated evaporation, recycling to mill for further treatment, or the installation of a remote cyanide destruction plant at the discharge to Frontier Lake will be considered.

Water released to the environment from process activities, impoundment areas, and waste management facilities will be subject to a comprehensive monitoring and control program in accordance with MMER and Saskatchewan Ministry of Environment (MOE) requirements. Currently there are active piezometers around potential outflows of Vic Lake and also at the base of the valleys at the proposed WRSA, where water flow and samples can be measured and taken for testing during construction and mine operation.

The proponent is also committed to complying with other environmental monitoring required by regulation, project permitting, or government approvals.

An offsite sanitary landfill will be established in accordance with regulatory requirements and expectations.

Permitting

The permitting and licensing requirements for the Goldfields Project are expected to be similar to those for other non-uranium mines operating in Northern Saskatchewan. A staged approach commensurate with the level of progress on the project will be adopted for licensing and permitting applications.

Permits that are required for construction of the mine, operation of the mine and establishing suitable access from Uranium City will be completed as required.

Environmental, Permitting and Social Factors

The environmental assessment studies have been completed and the EIS for the Goldfields Project received Ministerial Approval on May 28, 2007. The Goldfields Project will house its workforce in Uranium City, SK located approximately 25 km from the site and plans to erect a project residence with the associated support facilities within the town site. The Goldfields Project has the potential to provide much needed employment and economic stimuli for local contractors and businesses in the area.

Prior to starting construction, permits will be required from Saskatchewan MOE.

Mine Closure

Mine Closure and decommissioning will include contouring general site areas and abandoned areas to blend with background landscape, minimize soil erosion, and encourage vegetation re-growth. Re-vegetation activities will be carried out using techniques conventional and proven effective for northern sites. All water bodies, natural drainage areas and shorelines that may have been disturbed will be rehabilitated to the pre-disturbed condition whenever possible.

All old mining facilities will be dismantled and removed. The debris will be cleaned up and the vent raises from the old mine will be plugged. The old tailings at the Vic Lake northern shore will be decommissioned with the newly placed tailings from the proposed project.

The road surfaces will be broken and contoured to match those of the surrounding landscape. Former road bed within the surface lease will then be re-vegetated.

At project closure, parts of the WRSA will be reclaimed and re-vegetated. The expected goal for the waste rock deposit is not 100% top soil and vegetative cover; rather, a preferred approach will be to re-contour the deposit surface in a manner that creates microenvironments which – following ecological succession – will provide a greater diversity of plant and animal habitats. Currently, large surface outcroppings of bedrock on site do not support the accumulation of top soil or vegetation, other than lichen.

The pits will be secured to prevent any unauthorized entry and warning signs will be posted. To prevent unauthorized access via the haul ramp, the roadway will be trenched immediately prior to descending into the pit. Upon completion of the mining, the pits will be left open to allow natural flooding. In the long term it will create a body of water with an areas up to 30 ha. In areas of steep wall, where it would not be possible to climb out of the water, the pit rim will be contoured to minimize risks of entrapment and drowning. The pits will be monitored with regards to Acid Rock Drainage and nitrate concentration in the water.

Pipelines will be dismantled, decontaminated, and buried in the WRSA. All on site power lines, electrical substation, and diesel generators will be removed from site. All waterworks, freshwater intakes, culverts, docks and any other installations in water bodies will be removed, unless otherwise approved by an appropriate regulatory agency.

At the cessation of milling operations, monitoring of TMF water quality, water balance, and water height will continue annually. By the fifth year after cessation of active tailings discharge, the water in the TMF is likely to meet water quality objectives for discharge into Frontier Lake. Water quality will continue to be monitored to evaluate the effectiveness of natural degradation until the water quality objectives are being met.

The causeway crossing Lodge Bay will be removed, effectively limiting unauthorized access during summer months, and provide for long term unobstructed fish passage from inner Lodge Bay to Lake Athabasca. Signage will be posted surrounding the mine site to prevent access from the lake side, or by snowmobile traffic in winter.

The Goldfields site will be returned to the institutional control of the Province of Saskatchewan after all required decommissioning, reclamation, and monitoring has been completed and approval for abandonment has been received from the appropriate regulatory agencies.

An irrevocable letter of credit will be registered with the Saskatchewan MOE to cover the estimated cost of closure, decommissioning and abandonment.

Community Relations

The proponent will continue facilitating, hosting, and documenting consultations in neighboring communities that are close to the Goldfields PSA. The Goldfields Project has met the Saskatchewan government's interim guidelines for "Duty to Consult" as part of the EIS approval process. Additional community consultations will be held as the project progresses.

Capital and Operating Costs

Capital Cost Estimate

Introduction

March Consulting prepared a pre-feasibility level capital cost estimate for the Goldfields Project. The estimate includes costs associated with the construction of the Box mine and mill infrastructure. It was assumed that when Athona is ready for operation it would use the site infrastructure and equipment developed for Box.

Basis of Estimate

The main components of the Basis of Estimate (BOE) are listed in Table 21-1 below.

Table 21-1: Main Components of the BOE

Item	BOE
Geographical location	Actual
Maps and surveys	Maps available, survey at 1 m contours
Geotechnical testwork	Not available
Process definitions	
Process selection	Provided by Brigus
Design criteria	Pre-feasibility stage
Flowsheets/plant capacity	Provided by Brigus
Bench-scale tests	Various
Pilot plant test	Various
Mass balance	Provided by EHA Engineering
Mill equipment list	Provided by EHA Engineering
Process facilities design	General arrangement drawings by March Consulting
Infrastructure definition	Provided by March Consulting
Capital cost estimating methodology	Provided by March Consulting
Direct Costs	
Productivity	Productivity factor of 1.2
Site work	Quantities determined from site layouts
	Fill material created from local blasting
Clearing and grubbing	Areas determined from site layout

Item	BOE
Site grading	Load, haul, place, compact to specifications
	Minimize blasting requirements by following natural terrain
Demolition of Government Building	Based on quotations
Dykes and berms	Load, haul, place, compact to specifications
	WRSA berms #1 & 2 included in cost estimate
	Vic Lake will be used as TMF
Roads	Load, haul, place, compact to specifications
	Minimize blasting requirements by following natural terrain
Geo-synthetics	Quantities based on site layout
	Costs based on supplier quotes
Site power	Refurbishment of existing SaskPower 115 kV transmission line
	On-site 15 kV substation
	600 V emergency diesel generator
Site pipelines	Lengths determined from site layout
	Surface run, no utilidors, insulated and heat traced as required
Barge loading facility	Allowance for floating dock and shore improvements
Mine and site equipment	Based on budgetary quotations from suppliers
Foundations	Concrete volumes based on building footprints
Project residence	Modular construction
	Costs based on quotes from suppliers for supply and install
Mine office and dry facility	Modular construction
	Costs based on quotes from suppliers for supply and install
Building packages	Preliminary sizing from CAD model
	Costs are based on supplier quotes factored for building size
Equipment support and interior structure	Cost based on estimated weight of steel from models
Building Services	Costs are factored based on building volume
Architectural	4% of total building cost including: foundation, building package, interior structural steel, and building services
HVAC	Costs based on supplier quotes and historical estimates
Mechanical equipment	Major equipment costs based on supplier quotes
	Pumps, tanks, agitators, and conveyors are estimated based on historical information
Chutes, launders and ducts	Costs are based on a 4% factor of the equipment costs
Installed mechanical equipment	Mechanical equipment plus chutes, launders, and ducts
Piping	17% of installed mechanical equipment

Item	BOE
Electrical	17% of installed mechanical equipment
Instrumentation & controls	9% of installed mechanical equipment
Total installed mechanical equipment	Sum of installed mechanical equipment, piping, electrical, and instrumentation and controls
Indirect Costs	
EPCM	11% of total direct costs excluding mine and site equipment
Construction temporary facilities	1% of total direct costs
Fuel & other consumables	2% of total direct costs
Flying, room & board	9% of total direct costs
Freight allowance	3.7% of total direct costs plus 20% contingency to cover unaccounted loads
Contingency	10% for supplier quotes, 15% for independently reviewed, 20% for estimates and allowances
Owner's costs	
Miscellaneous owner costs	0.6% of total directs including risk insurance, fees, permits, legal expenses, public relations, and government liaison
Staff labour and expenses	Allowance of 3 months for salaried employees
First fills	Allowance of 30 days of consumables
Site equipment spares	1.3% of site equipment direct costs
	Mine equipment spares are on consignment from suppliers
Mill mechanical equipment spares	2.7% of total installed mechanical costs
Commissioning & 3rd party reviews	1.2% of total installed mechanical costs
Currency exchange rates	$ CAD = 0.96 USD
	$ CAD = 1.07 AUD
	$ CAD = 0.70 EURO
Project costs	Based on 2010 – 4th quarter $ CAD
Estimate accuracy	AACE Class 4, +30%/-20%

Mine

Pit Pioneering

The ore body at Box is exposed at surface. Minimal preproduction and pit pioneering is scheduled to occur in the six months prior to production. HG ore mined during this period will be stockpiled adjacent to the crusher, LG ore will be used for stope backfill and waste rock will be used for haul road and WRSA berm construction.

Costs associated with this phase have been included under the civil costs in the site infrastructure section.

Mobile Equipment

The scope of the mobile equipment capital cost estimate includes all equipment necessary for the mining operations including drilling, excavating, hauling, grading, employee transportation, mine services, mill services, site services and emergency response.

The mobile equipment cost estimate was completed based on supplier quotes. The total capital cost for all equipment was determined as presented in Table 21-2 in the Goldfields Report. Lease options for major equipment were investigated to determine the impact on capital and operating costs. Since lease payments would commence during the construction period and extend into operations, an average of six months of payments for all major equipment and 12 months for the project residence was included in the capital cost estimate. The remaining lease costs were included in the operating costs. Quoted lease terms for mining equipment ranged from three to four years with zero down payment. The lease term for the project residence was quoted at eight years.

Total capital cost for the mobile equipment is estimated at $46,498,000 compared to a cost for leasing the mining equipment of $11,741,000. The difference between the purchase cost and lease cost of $34,757,000 was applied to the operating costs including interest associated with the lease.

Mill Process Plant

The capital cost estimate for the mill is divided into sections correlating to the specific areas of the mill processes. The costs for each process area of the mill are detailed in Table 21-3 in the Goldfields Report.

Site Infrastructure

The site infrastructure costs were calculated from quotations from contractors and suppliers for labour, materials, and equipment. Table 21-4 in the Goldfields Report shows the costs associated with site infrastructure.

Indirect and Owner Cost

Indirect costs were calculated as a percentage of the total directs as indicated in Table 21-5 in the Goldfields Report.

First Fills Criteria

The first fills were calculated as the consumables and fuel required for the first thirty days of operation. The first fill consumables are included in Table 21-6 in the Goldfields Report.

Contingency

Total project contingency was determined based on the confidence level of the costs associated with all parts of the capital cost estimate. Table 21-7 in the Goldfields Report summarizes the contingency for each area. Total project contingency of 14% is a weighted average of all

individual contingencies. Each project area was assigned a contingency level that was representative of the confidence level of the quotes and estimates. The following contingency guidelines were used for assigning contingency. The contingencies do not include allowances for scope changes, extraordinary events such as strikes or natural disasters, or escalation or exchange rate fluctuations.

- 10 % - direct costs are based on quotes for equipment with stable price history
- 15 % - direct costs are based on estimates and allowances and have undergone an independent review
- 20 % - direct costs are based on estimates and allowances

Summary

Table 21-8 summarizes the total capital cost for the Goldfields Project. The capital cost was estimated at $159,235,000. This cost includes leasing a portion of the mobile equipment plus the project residence in Uranium City. The remainder of the lease payments is accounted for during the operations period.

Table 21-8: Capital Cost Summary

	Description	Total Capital ($000s)
Directs	Infrastructure	$44,535
	Mine	$12,956
	Mill	$44,838
	Subtotal	$102,329
Indirects	Construction Indirects	$27,379
	Freight Indirects	$5,249
	Owners Costs	$5,119
	Subtotal	$37,747
Contingency	Contingency	$19,159
	Subtotal	$19,159
	Total Capital Cost	**$159,235**

Operating Cost Estimates

The operating costs were determined based on the project details developed for Box. For the economic analysis operating costs for Athona and the recovery of ore stockpiles were derived from the Box costs using factors based on haul distance cycle times and mineable ore and waste volumes. A summary of Athona and ore stockpile recovery operating costs is included in Table 21-26 in the Goldfields Report.

The basis of estimate, the mine operating cost estimate (which incorporated the cost of operations based on the labor, materials, consumables and equipment required), the milling operating costs, the consumable costs, the process equipment maintenance costs, the power costs, the HVAC costs, the general and administrative (G&A) costs, the labour costs, the office costs, the employee and transportation costs, the project residence costs, the refining costs, the sustaining capital expenditures, the capital costs associated with establishing Athona are described in details in the Goldfields Report.

Summary

Table 21-27 provides a summary of the operating costs for the LOM costs for the Goldfields Project. Operating costs were calculated for Box, Athona, and stockpile recovery. The Athona and stockpile recovery costs were determined for use in the economic analysis. Mining costs per tonne milled were based on a strip ratio of 4.56 for Box and 1.10 for Athona.

The total operating cost for Box was $30.17/t milled. This included a mining cost for ore and waste of $2.60/t mined, a milling cost of $10.70/t milled, and a G&A cost of $4.99/t milled.

The total operating cost for Athona was $19.55/t milled. This included a mining cost for ore and waste of $1.97/t mined, a milling cost of $10.70/t milled, and a G&A cost of $4.70/t milled. The lower total operating cost for Athona, even though the haul distance is higher, is due to the low strip ratio and reduced manpower for mining.

The total operating cost for the recovery of the LG stockpile was $15.37/t milled. This included a transport cost for ore of $0.73/t mined, a milling cost of $10.70/t milled, and a G&A cost of $3.94/t milled. The lower G&A cost is due to the reduction of mining personnel and the associated reduction in camp and flight costs.

Process cost variations between the processing of Box, Athona, and LG stockpile ore were not considered in this analysis. Further process test work is required to determine if any process changes are required. For the purpose of the study the process costs were assumed to be constant.

Table 21-27: Operating Cost Summary

Description	BOX			ATHONA			LG STOCKPILE RECOVERY		
	$/t milled	$/t mined	Annual Costs ($000s)	$/t milled	$/t mined	Annual Costs ($000s)	$/t milled	$/t mined	Annual Costs ($000s)
Mine									
Mine Labour	$ 5.22	$0.94	$ 9,533	$ 1.36	$ 0.65	$ 2,482	$ 0.12	$ 0.12	$ 213
Mine Equipment	$ 9.25	$1.66	$ 16,882	$ 2.79	$ 1.33	$ 5,088	$ 0.61	$ 0.61	$ 1,117
Subtotal	**$ 14.47**	**$2.60**	**$ 26,415**	**$ 4.15**	**$1.97**	**$ 7,570**	**$ 0.73**	**$ 0.73**	**$ 1,330**
Mill									
Mill Labour	$ 2.42	-	$ 4,425	$ 2.42	-	$ 4,425	$ 2.42	-	$ 4,425
Mill Equipment	$ 1.11	-	$ 2,024	$ 1.11	-	$ 2,024	$ 1.11	-	$ 2,024
Mill Consumables	$ 7.17	-	$ 13,085	$ 7.17	-	$ 13,085	$ 7.17	-	$ 13,085
Subtotal	**$ 10.70**	**-**	**$ 19,533**	**$ 10.70**	**-**	**$19,533**	**$ 10.70**	**-**	**$19,533**
G&A									
Labour	$ 1.22	-	$ 2,227	$ 1.22	-	$ 2,227	$ 1.22	-	$ 2,227
Equipment	$ 0.43	-	$ 786	$ 0.43	-	$ 786	$ 0.43	-	$ 786
G&A Costs	$ 3.20	-	$ 5,839	$ 2.91	-	$ 5,317	$ 2.21	-	$ 4,031
Refining Costs	$ 0.14	-	$ 255	$ 0.14	-	$ 255	$ 0.08	-	$ 146
Subtotal	**$ 4.99**	**-**	**$ 9,106**	**$ 4.70**	**-**	**$ 8,584**	**$ 3.94**	**-**	**$ 7,189**
Total	**$ 30.17**	**-**	**$ 55,055**	**$ 19.55**	**-**	**$ 35,688**	**$ 15.37**	**-**	**$ 28,053**

Economic Analysis

Basis of Analysis

The economic analysis was conducted using a base case discounted cash flow model. The IRR, NPV, and payback period were determined on a before tax basis for Box, Athona, and the overall project.

For the purposes of the economic analysis the costs required for the preparation of the Athona EIS and establishment of haul roads and pit pioneering were estimated. Minimal capital was included in the economic analysis to establish Athona since existing infrastructure and process equipment would be used for the Athona operations.

Economic Model Parameters

The cost and production information that was developed during the study was used to perform the economic analysis. The mine production schedule in Table 16-2 provided the quantities of ore and waste rock and average grades. The analysis included Box, Athona, and LG stockpile recovery.

The capital cost summary is included in Table 21-8 above. The total capital cost was $159,235,000.

Operating costs were determined for Box, Athona, and LG stockpile recovery. The operating cost summary is located in Table 21-27 above.

The economic analysis included a lease payment schedule for the equipment and project residence. The sustaining capital and estimated capital expenditures for Athona were also included as summarized in Table 21-24 in the Goldfields Report. Table 22-1 summarizes other criteria used in the economic analysis.

Table 22-1: Economic Analysis Criteria

Revenue Parameters	
Time frame validity	2010, fourth quarter
Gold price	$1250 per troy ounce
Gold recovery	
Box	91%
Athona	89%
Royalties	2% - Franco Nevada
Environmental bond	Carrying cost of $300,000 over LOM
Closure costs	Estimated at $2,500,000 at end of mine life
Taxes	Excluded
Sustaining Capital	Cost were averaged over entire mine life

Summary

An economic analysis was conducted to determine the NPV, IRR, payback period, and cash cost per ounce for the Goldfields Project. For the economic analysis, an average gold price of $1,250/troy oz was used. The economic indicators are presented in Table 22-2. The NPV at a 5% discount rate was $144,308,000 with an IRR of 19.6%. The cash cost per ounce was $601.

Table 22-2: Economic Analysis Results

Variable	Location	Values
NPV @ 5%	**Project**	**$144,308,000**
	Box	$80,110,000
	Athona	$64,197,000
IRR	**Project**	**19.6%**
	Box	15.5%
	Athona	151.1%
Cash Cost ($/oz)	**Project**	**$601**
	Box	$605
	Athona	$585
Total Cost ($/oz)	**Project**	**$940**

Sensitivity Awards

A sensitivity analysis was completed for the project economics to determine which variable had the greatest impact on the project economics. It was determined that of the four variables that were anlysed, process recovery was the most sensitive followed closely by gold price. Operating cost and capital cost were found to be less sensitive.

Operating Period Cashflow

Table 22-3 summarizes the operating period cashflow. Payback period was calculated at five years from the start of operations. A cashflow shift of 25% has been incorporated into the economic analysis. The cashflow shift represents the potential delay between the production of gold and the realization of income from the gold sales. The total annual cashflow is presented after the cashflow shift has been applied.

Table 22-3: Operating Period Cashflow

	Operating Period ($000s)												
Year of Operation	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**
Net Revenue													
Box	$73,156	$130,047	$127,433	$126,779	$121,551	$128,740	$87,742	$0	$12,767	$33,328	$33,328	$15,670	$0
Athona	$0	$0	$0	$0	$0	$0	$32,483	$102,901	$62,694	$0	$0	$17,261	$24,257
Total	**$73,156**	**$130,047**	**$127,433**	**$126,779**	**$121,551**	**$128,740**	**$120,225**	**$102,901**	**$75,461**	**$33,328**	**$33,328**	**$32,941**	**$24,257**
Costs													
Operating Costs													
Box	$42,001	$63,405	$64,717	$68,838	$46,714	$44,357	$30,420	$0	$10,745	$28,050	$28,050	$13,196	$0
Athona	$0	$0	$0	$0	$0	$0	$15,189	$39,395	$24,163	$0	$0	$14,854	$20,874
Total	**$42,001**	**$63,405**	**$64,717**	**$68,838**	**$46,714**	**$44,357**	**$45,609**	**$39,395**	**$34,908**	**$28,050**	**$28,050**	**$28,050**	**$20,874**
Capitalized Development Waste	$9,047	$26,755	$22,305	$13,342	$23,306	$5,848	$1,528	$0	$0	$0	$0	$0	$0
Athona Capital Expenditures	$0	$0	$800	$0	$160	$2067	$1,300	$0	$0	$0	$0	$0	$0
Sustaining Capital	$0	$3692	$3692	$3692	$3692	$3692	$3692	$3692	$3692	$3692	$3692	$3692	$3692
Environmental Bond	$25	$25	$25	$25	$25	$25	$25	$25	$25	$25	$25	$25	$0
Reclamation/ Closure	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$2,500
Total Annual Cashflow	**-$12,687**	**$27,298**	**$36,875**	**$42,076**	**$43,431**	**$70,366**	**$70,513**	**$62,567**	**$42,575**	**$10,380**	**$1,562**	**$1,271**	**($1,586)**

Adjacent Properties

The Goldfields Project lies in the historical uranium mining camp of Eldorado, Goldfields and Beaverlodge Lake. There are currently no operating mines in the Uranium City area. Most of the closed and abandoned mines were primarily uranium mines such as the Eldorado, Gunnar, Lorado, and Beaverlodge uranium mines.

The Goldfields Project encompasses the historic Box, Athona, and Frontier gold mines and the Golden Pond gold occurrence. All these deposits lie within a three kilometre radius of the Box.

There are no known significant gold occurrences adjacent to the Goldfields Project; however, the claim group is surrounded by several mineral claims, held by companies and individuals, mainly for uranium exploration. The mineral claims adjacent to the Goldfields Project group are held by Canalaska Uranium Ltd. (Canalaska) and Red Rock Energy Inc. (Red Rock) to the south; JNR Resources Inc. and Red Rock to the west; Red Rock and Mr. Rod Dubnick to the north and northeast, and; Canalaska to the east.

The Goldfields Report contains an extract from the technical report prepared in 2009 for the Goldfields entitled "Technical Report Pursuant to National Instrument 43-101 of the Canadian Securities Administrators" prepared for Linear by Bikerman Engineering & Technology Associates, Inc. pertaining to the Frontier Mine, the "Bearcat" Gold Showing (Cold Property), Murmac Showing, Northwest Minerals Showings (Hazel Showings), Yah Showings and Neely Lake (Borealis Syndicate)

Other Relevant Data and Information

There is no other relelvant data or information required for the Goldfields Report.

Interpretation and Conclusions

The Goldfields Project has progressed to the point of defined resources and reserves. The capital and operating costs have been determined and are found to provide acceptable project economics. At $1,250/oz gold price the NPV at 5% discount rate was $144 million with an IRR of 19.6%. Cash cost was estimated at $601/oz and total cost was $940/oz. The capital cost was determined to be $160 million with an estimated construction duration of three years. Operations are scheduled to commence in the second half of the third year of construction. An EIS for the Goldfields Project was approved on May 28, 2008.

Recommendations

Based on the results of the pre-feasibility study the following opportunities were identified for the Goldfields Project:

- Continue exploration drilling in relevant areas of both deposits to enhance the resource estimate
- Conduct project specific process test work and optimize process recovery
- Complete the geotechnical assessment and update the ore reserve models to reflect the potential revised pit design
- Advance the project planning and design to minimize potential execution risks.

Estimated cost for these recommendations was $1.8 million.

Other Properties

Ixhuatán Project, Mexico

Property Description and Location

In September 2010, Brigus reduced its property concessions from owing 100% of the mineral rights on four contiguous exploration concessions covering 98,044 hectares down to one concession (Rio Negro) covering 4,176 hectares representing the Ixhuatán Project in northern Chiapas State, Mexico. The Rio Negro concession covers all of the mineralized occurrences discovered by Linear in the region. The majority of the surface rights to the Ixhuatán concessions are controlled by various ejidos (government created local farm communities) and private owners.

An agreement was signed with the local community holding surface rights to the Campamento gold-silver deposit as well as significant other surface lands within the concession. The agreement grants access rights to drilling for a period of three years covering all areas within the terrain of the community

The Ixhuatán Project is located immediately southwest of the Santa Fe mine owned by Minera Frisco. The Ixhuatán Project is accessible by unimproved roads running 5 km east of the town of Rayon, Chiapas. Rayon is situated two hours south of Villahermosa, Tabasco, on an all season federal highway. Access within the Ixhuatán Project is difficult and attained primarily through trails and small dirt roads.

The area is one of dense tropical vegetation, covered by thick soils, rugged topography with incised rivers making travel difficult. Maximum elevation in the general area is 2,470 m above sea level.

All required environmental permits for the Ixhuatán Project have been acquired and to date, all the conditions of grant have been adhered to. Under terms of the environmental drilling permit, any significant disruption to the land surface caused by drilling activities must be reclaimed.

The Santa Fe/La Victoria gold deposits are located to the immediate east-northeast of the Ixhuatán Project. Property boundaries are common. Physiographically the area is underlain by the Chiapas Northern Range and Chiapas Highlands geological sub-provinces. The original discovery was made during the later stages of the nineteenth century and over the years Mexican, British and French mining companies have carried out limited mining activity in the area. The Santa Fe deposits have been mined since the beginning of the 20th century by a number of companies, both foreign and domestic, and although no historical production records exist, it is assumed that the richest surface ore shoots were exploited. The La Victoria deposits were discovered more recently and records suggests exploitation from 1966 to 1970 by Minera Corzo, S.A. who commenced operation in 1966 but soon ceased as a result of the company's poor economic situation.

History

The Ixhuatán Project was acquired by Linear in 2000, following completion of a stream sediment geochemical orientation study carried out in the northern part of Chiapas state by Mount Isa Mines ("**MIM**"). The study covered an area in the general proximity of the Santa Fe poly-metallic deposits, a former gold, silver and copper producer.

Pursuant to an option agreement signed on October 22, 2007 ("**Kinross Option Agreement**"), Kinross Gold Corporation ("**Kinross**") became the operator of the Ixhuatán Project and had the right to earn up to a 70% interest in Ixhuatán by incurring exploration expenditures of US$15 million over a 24-month period and making cash payments of up to US$115 million to Linear.

In December 2009, Kinross notified Linear that the option would not be exercised. Pursuant to the terms of the Kinross Option Agreement, Kinross paid Linear US$3.4 million, representing the difference between the minimum required expenditures and the actual expenditures incurred by Kinross during the option period. Accordingly, Brigus holds a 100% interest in the Ixhuatán Project.

In 2011, Brigus signed an option agreement (the "**Cangold Option Agreement**") with Cangold Limited ("**Cangold**"), whereby Cangold was to acquire a 75% interest in the Ixhuatán Project. Pursuant to the terms of the Cangold Option Agreement, Cangold paid Brigus Cdn$1.0 million and issued 6.0 million Cangold shares, which were subject to an escrow agreement, such that 10% of the shares were released on October 14, 2011 with the remainder to be released from escrow on a pre-determined basis. Cangold was also required to pay Brigus $1.0 million and issue 6.0 million Cangold shares 12 months after the Cangold Option Agreement was signed, and pay an additional $3.0 million and issue 4.0 million Cangold shares within 24 months of signing the Cangold Option Agreement.

To exercise its option, Cangold was required to pay an additional $5 million and issue 4.0 million Cangold shares as well as complete an independent third-party feasibility study on the Campamento Deposit within 36 months of the signing of the Cangold Option Agreement. Following the exercise of the purchase option, Cangold and Brigus would hold 75% and 25% interests, respectively, and would be responsible for their pro-rata costs in jointly developing the Ixhuatán Project. Brigus would retain a 2% Net Smelter Return royalty over the Ixhuatán Project and upon commencement of commercial production will receive a payment of $5.00 per ounce of gold in the Proven and Probable category included in the feasibility study.

On September 10, 2012, Cangold provided notice to Brigus that they were terminating the Cangold Option Agreement. Cangold is no longer obligated to make any further payments to Brigus. Brigus retained the $1.0 million deposit and 6.0 million shares received in Q4 2011 when the option was signed.

Geology

As defined by Consejo de Recursos Minerales of Mexico ("**CRM**"), the Ixhuatán - Santa Fe region is underlain by folded sedimentary units intruded by Tertiary intrusives of possible economic interest included within the Chiapas Fold and Fault Belt. A volcanic/plutonic igneous complex crosscuts the deformed underlying sedimentary basement.

Geological mapping by Linear in the south-central portion of the Ixhuatán Project has outlined a volcanic/plutonic complex of andesitic to syenitic porphyritic intrusive rocks, lahars, tuffs and volcaniclastic breccias of Pliocene age developed in and on a sequence of Eocene-Pliocene aged carbonates, siltstones and sandstones. The volcanic sequence is intruded by Tertiary age syenites, diorites and granodiorites. Mineralization appears to be related to hydrothermal alteration associated with multiple phases of the younger intrusive activity.

Exploration

Linear followed by exploration work by Kinross, completed extensive stream sediment, soil, and rock sampling programs over the Ixhuatán Project. Approximately 1,950 stream sediment samples, 7,895 soil samples and 7,258 rock samples have been collected. The detailed surface sampling has outlined gold and copper anomalies over an area of 4 by 5 kilometres, associated with the volcanic/plutonic complex that trends northeast southwest through the area. Detailed soil sampling has identified numerous gold and copper soil anomalous areas in excess of 400 x 400 m in area. All of the anomalies, including the Campamento, Cerro la Mina, San Isidro, Caracol (formerly Northern), Laguna Grande, Western, Laguna Chica, Central, and Cacate areas display the alteration and mineralization characteristics typical of porphyry intrusive related districts.

Follow-up surface exploration by Kinross from October 2007 to September 2009 included geological mapping and rock sampling focusing mainly on the known anomalies. An in-fill 482 sample, soil geochemical survey (Caracol Road), covering the area between the Cerro la Mina and Caracol anomalies has defined an elongate cluster of anomalous gold values centered on the Central Zone and extending 200 m to the south as well as a gold anomaly to the north. In addition, soil geochemical surveys were conducted in an area to the south and the east of San Isidro.

Linear initiated a drilling program in early 2004, and this drilling program continued without interruption, with approximately 89,707 m of drilling in 342 drill holes being completed through to the end of September 2009. No drilling or exploration work has been conducted at Ixhuatán since September, 2009.

Early-stage drilling by Linear focused on the San Isidro (drill holes IX-01-04, 06), Buenos Aires (drill hole IX-05), Cerro la Mina (drill hole IX-07) and Central (drill hole IX-08) anomalies before making the first significant gold discovery at the Campamento Zone with drill hole IX-09. Drilling subsequently focused on the Campamento Zone and has extended to the Cerro la Mina, Caracol, Laguna Grande and Laguna Chica areas. Kinross focused on defining the Cerro la Mina anomaly and the north-northwest structure, as well as, testing the Laguna Chica, San Isidro, Central and Caracol anomalies. No further drilling or exploration work has been conducted at Ixhuatán since September, 2009.

All core samples were split in half using a saw, hydraulic splitter or manually with samples taken at continuous two metre intervals. Samples and embedded internal and commercial standards are shipped by air freight to the ALS Chemex labs in Guadalajara, Mexico where gold is analyzed by 30 or 50 gram digestion with a fire assay-AA finish, with samples greater than 10 gptby gravimetric finish. Silver and base metals were analyzed by Induction Coupled Plasma spectrometry (ICP). Check analyses were performed on both pulps and bulk reject material at ALS Chemex and BSI Inspectorate Labs of Reno, Nevada. Review of assays from internal standards and check assays verified the quality of the analytical results.

Huizopa Project, Mexico

The Huizopa Project is located in the Sierra Madres in Chihuahua, Mexico.

On December 23, 2010, Brigus entered into an agreement (the "**Huizopa Agreement**") to sell 100% of Minera Sol de Oro and Minas de Argonautas (collectively, "**MSO**"), which include the Huizopa Project to Cormack Capital Group LLC ("**Cormack**"). The Huizopa Agreement provided

Cormack with an option until December 31, 2011 to return the Huizopa Project to Brigus and retain a 20% carried interest in the Huizopa Project. Under the Huizopa Agreement, Brigus retained certain rights over the voting shares of Minera Sol de Oro and Minas de Argonauts until the end of the marketing period, which was identified as December 31, 2011.

In December 2011, Brigus revised the terms of the Huizopa Agreement with Cormack. Based on the revised terms, Cormack was required to pay $3.0 million, payable in eight escalating annual installments of $0.05 million, $0.08 million, $0.1 million, $0.3 million, $0.4 million, $0.6 million, $0.7 million and $0.8 million (the "**Annual Payments**") commencing in June 2012 with the final installment due in June 2019. Cormack could also elect to pay up to 50% of the purchase price through the issuance of common shares in a publicly traded company listed on a recognized U.S. or Canadian national stock exchange. In addition, Brigus was entitled to receive a production bonus payment of $4.0 million within one year of the commencement of commercial production at the Huizopa Project. The revised terms extended the marketing period to June 15, 2013.

On May 23, 2013, Brigus signed an amended and restated agreement with Cormack. Brigus agreed to waive all payments owing to Brigus under the agreement dated December 21, 2011 and transferred 100% of the issued share capital of Minera Sol de Oro and Minas de Argonautas, including the interest in the Huizopa Project to Cormack. Brigus retained a 2% NSR over future production from the Huizopa Project and a production bonus of $4.0 million payable over two years from the date commercial production commences. Cormack may reduce the NSR to 1% by making a $1.0 million payment to Brigus. Brigus is entitled to 20% of the proceeds of disposal of the Huizopa Project, if it is disposed of prior to reaching commercial production.

Dominican Republic Projects

The Ampliación Pueblo Viejo, Ponton and La Cueva concessions are located in the Dominican Republic and are subject to the option agreement (the "**Everton Option Agreement**") among Brigus, Brigus Gold ULC, Everton Resources Inc. ("**Everton**") and Linear Gold Caribe, S.A., whereby, subject to the approval of the TSX Venture Exchange (the "**TSXV**"), Everton can acquire Brigus' interests in the Dominican Republic Projects via the acquisition by Everton of all of the issued and outstanding shares of Linear Gold Caribe, S.A. (the "**Acquisition**"). The Everton Option Agreement, requires Everton to issue 15.0 million treasury common shares (the "**Everton Shares**") to Brigus to acquire the option. Everton can acquire Brigus' remaining interest in the Dominican Republic Projects by paying Brigus Cdn$0.5 million in cash and an additional Cdn$0.5 million in cash or Everton Shares with a value of $0.5 million. Brigus will also receive a sliding Net Smelter Return royalty on the Dominican Republic Projects equal to 1.0% when the price of gold is less than US$1,000 per ounce, 1.5% when the price of gold is between US$1,000 and US$1,400 per ounce and 2% when the price of gold is above US$1,400 per ounce. In addition, Everton will issue Brigus a promissory note equal to the greater of Cdn$5.0 million or 5.0 million Everton Shares. The promissory note will be subject to the completion of a NI 43-101 compliant measured and indicated resource estimate on the Dominican Republic Projects of a minimum of one million ounces of gold equivalent (at an average grade of 2.5 gpt or higher for Ampliación Pueblo Viejo and 1.5 gpt or higher for Ponton and La Cueva) or actual gold production from the Dominican Republic Projects plus a NI 43-101 compliant measured and indicated resource estimate on the Dominican Republic Projects (at an average grade of 2.5 gpt gold equivalent for APV and 1.5 gpt gold equivalent or higher for Ponton and La Cueva) exceeding one million ounces of gold equivalent.

The Everton Shares will be released from escrow to Brigus (or, if the Arrangement is completed, to Fortune) as follows:

1. One share certificate representing 2,500,000 Everton Shares within three (3) business days following the date on which Everton receives the final approval of the TSXV to complete the Acquisition (the "**Approval Date**");

2. One share certificate representing 4,500,000 Everton Shares on or before the date that is six (6) months following the closing date;

3. One share certificate representing 4,000,000 Everton Shares on or before the date that is twelve (12) months following the closing date; and

4. One share certificate representing 4,000,000 Everton Shares on or before the date that is eighteen (18) months following the closing date.

The Everton Shares will be issued on a pre-consolidated basis. On October 25, 2013, Everton announced its intention to consolidate its common shares on a five (5) for one (1) basis.

On October 4, 2013, the Everton Option Agreement was revised, such that Brigus was to receive $175,000 in cash, and 6 million Everton Shares as opposed to $0.5 million in cash and $0.5 million in cash or shares. The terms of the sliding-scale net smelter returns royalty and the promissory note remained the same. On November 28, 2013, Everton exercised its option and a final purchase and sale agreement was signed between the parties. The transaction is now final, subject to the receipt of final approval from the TSXV and payment of the remaining consideration to Brigus by Everton.

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Available Funds

Pursuant to the terms of the Arrangement Agreement, assuming completion of the Arrangement, it is anticipated that Fortune will have available cash of approximately $10 million.

See in this Appendix "F", "Schedule "5A" Management's Discussion and Analysis – For the Period from Incorporation on December 12, 2013 to December 31, 2013": "Overall Performance", "Liquidity and Capital Resources and Requirements" and "Proposed Transactions"; and see in the Circular, "The Meeting — The Arrangement — Principal Steps of the Arrangement".

Principal Purposes

The following table summarizes expenditures anticipated by Fortune required to achieve its business objectives during the 18 months following completion of the Arrangement and the proposed listing of the Fortune Shares on a stock exchange (*see in this Appendix "F", "Business Objectives and Milestones",* which follows).

Principal Purpose	Amount
Project expenditures for the Goldfields Project [(1)]: • Continue exploration drilling in relevant areas of both deposits to enhance the resource estimate • Conduct project specific process test work and optimize process recovery • Complete the geotechnical assessment and update the ore reserve models to reflect the potential revised pit design	$1,800,000
Project expenditures for the Ixhuatán Project	$250,000
General & administrative expenses for 18 months	$1,500,000
Total:	$3,550,000

[(1)] *For more information see in this Appendix "F", "Material Properties" - The Goldfields Project," and "Other Properties - The Ixhuatán Project, Mexico*".

Fortune intends to spend the funds available to it as stated in the table above. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary for Fortune to achieve its objectives or to pursue other exploration and development and/or business opportunities. *See in this Appendix "F", "Risks Associated with Fortune".*

BUSINESS OBJECTIVES AND MILESTONES

With the funds available to it as described above under the heading "Available Funds and Principal Purposes", Fortune intends to continue exploration of the Goldfields Project, to expand its portfolio of exploration properties as suitable opportunities are identified, or pursue other business opportunities, if the management of Fortune determines that it is in the best interests of Fortune to change Fortune's primary business focus.

SELECTED FINANCIAL INFORMATION

Financial Statements

Included as Schedule "4A" to this Appendix "F" are audited financial statements of Fortune for the period from incorporation on December 12, 2013 to December 31, 2013, comprised of a statement of comprehensive income, a statement of changes in equity, a statement of cash flow, a statement of financial position as of December 31, 2013 and notes to such statements. The financial statements of Fortune were prepared in accordance with International Financial Reporting Standards.

Upon completion of the Arrangement, the Fortune Assets will be transferred to Fortune and will form the primary business of Fortune. As a result, included as Schedule "4B" to this Appendix "F" are the audited consolidated financial statements of the Exploration Properties Business of Fortune for the financial years ended December 31, 2013, 2012 and 2011, comprised of a statement of comprehensive income, a statement of changes in equity and a statement of cash flows for the years ended December 31, 2013, 2012 and 2011; a statement of financial position for the years ended December 31, 2013, 2012 and 2011 and notes to such statements.

Included as Schedule "6" to this Appendix "F" are the unaudited pro-forma consolidated financial statements of Fortune in respect of Fortune after giving effect to the Arrangement and the acquisition by Fortune of the Fortune Assets comprised of a pro-forma balance sheet as at December 31, 2013; pro-forma income statement for the year ended December 31, 2013 and pro-forma earnings per share for the year ended December 31, 2013.

Selected Unaudited Pro Forma Financial Information

The following tables set out the unaudited pro forma consolidated financial information for Fortune as at December 31, 2013 assuming the Arrangement occurred on December 31, 2013, all of which is qualified by the more detailed information contained in the unaudited pro-forma consolidated financial statements of Fortune as at December 31, 2013 included as Schedule "6" to this Appendix "F".

Fortune Bay Corp. Select Pro-Forma Consolidated Financial Statement Information Statement of Financial Position as at December 31, 2013	
Assets	
Current Assets	
Cash and Cash Equivalents	$10,000,000
Other current assets	$1,138,149
Total Current Assets	**$11,138,149**
Property and Equipment	$225,564
Exploration and evaluation assets	$13,718,998
Other assets	$36,677
Total Assets	**$25,119,388**
Liabilities and Shareholders Equity	
Total current liabilities	$161,936
Total other liabilities	$115,440
Total Shareholders equity	$24,842,012
Total Liabilities and Shareholders Equity	**$25,119,388**

Fortune Bay Corp. Select Pro-Forma Consolidated Financial Statement Information Combined Statement of Comprehensive Loss for the Year ended December 31, 2013	
Operating expenses	$49,738,036
Loss before income taxes	$49,738,036
Income tax recovery	$9,847,145
Net loss for the year	$39,890,891
Comprehensive loss for the year	$40,040,891
Net loss per share	$1.52

MANAGEMENT'S DISCUSSION AND ANALYSIS

Included as Schedule "5A" to this Appendix "F" is Management's Discussion and Analysis—Fortune for the period from incorporation on December 12, 2013 to December 31, 2013. It includes financial information from, and should be read in conjunction with, the audited

consolidated financial statements of Fortune and the notes thereto, which are attached as Schedule "4A" to this Appendix "F", as well as the disclosure contained throughout this Appendix "F" and the Circular.

Included as Schedule "5B" to this Appendix "F" is Management's Discussion and Analysis — Exploration Properties Business for the fiscal years ended December 31, 2013, 2012 and 2011. It includes financial information from, and should be read in conjunction with, the audited consolidated carve-out financial statements of the Exploration Properties Business of Fortune and the notes thereto, prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("**IASB**"), which are attached as Schedule"4B" to this Appendix "F", as well as the disclosure contained throughout this Appendix "F" and the Circular.

DESCRIPTION OF SECURITIES DISTRIBUTED

Fortune's authorized share capital consists of an unlimited number of common shares without par value, of which one Fortune Share (held by Brigus) is issued and outstanding as fully paid and non-assessable as of the date of the Circular. Assuming completion of the Arrangement and pursuant to its terms, approximately 26,177,504 Fortune Shares (assuming no exercise of Brigus Warrants) or approximately 27,766,136 Fortune Shares (assuming all Brigus Warrants are exercised) will be issued and outstanding as fully paid and non-assessable on completion of the Arrangement, all of which will be distributed to the Brigus Shareholders. *For further details with respect to the distribution of the Fortune Shares on completion of the Arrangement, see in the Circular, "The Meeting — The Arrangement", "Principal Steps of the Arrangement", "Procedure for Exchange of Brigus Shares", "No Fractional Shares to be Issued", "Cancellation of Rights After Six Years" and "Risks Associated with the Arrangement".*

Fortune Shares

Fortune Shares are not subject to any future call or assessment and do not have any pre-emptive, conversion or redemption rights, and all have equal voting rights. There are no special rights or restrictions of any nature attached to any of the Fortune Shares, all of which rank equally as to all benefits which might accrue to the holders of the Fortune Shares. All holders of Fortune Shares are entitled to receive a notice of any general meeting to be convened by Fortune. At any general meeting of Fortune, subject to the restrictions on joint registered owners of Fortune Shares, every Shareholder has one vote for each Fortune Share of which he or she is the registered owner. Voting rights may be exercised in person or by proxy.

The holders of Fortune Shares are entitled to share pro rata in any: (i) dividends if, as and when declared by the board of directors of Fortune (the "**Fortune Board**"), and (ii) such assets of Fortune as are distributable to shareholders upon liquidation of Fortune. The aggregate Fortune Shares outstanding upon completion of the Arrangement will be fully paid and non-assessable.

Stock Options

As of the date of the Circular, Fortune has adopted the Fortune Option Plan (*see in this Appendix "F", "Options and Other Rights to Purchase Securities of Fortune - Stock Option Plan"*). The Fortune Board does not intend to grant any incentive stock options until such time following listing of the Fortune Shares on an exchange in order that the trading price of the Fortune Shares will have stabilized such that a fair market value exercise price for options can be determined.

Listing of Fortune Shares

Fortune intends to apply to have the Fortune Shares listed for trading; however, there can be no assurances as to if, or when, the Fortune Shares will be listed or traded on a stock exchange.

As at the date of the Circular, there is no market through which the Fortune Shares to be distributed pursuant to the Arrangement may be sold and Brigus Shareholders may not be able to resell the Fortune Shares to be distributed to them pursuant to the Arrangement. This may affect the pricing of the Fortune Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Fortune Shares, and the extent of issuer regulation.

As at the date of the Circular, Fortune does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on a U.S. marketplace, or a marketplace outside Canada and the United States of America.

See in this Appendix "F", "Risks Associated with Fortune".

DIVIDENDS OR DISTRIBUTIONS

Fortune has not paid dividends since its incorporation. While there are no restrictions precluding Fortune from paying dividends, it has no source of cash flow and anticipates using all available cash resources toward its stated business objectives. At present, Fortune's policy is to retain earnings, if any, to finance its business operations. The Fortune Board will determine if and when dividends should be declared and paid in the future based on Fortune's financial position at the relevant time.

CONSOLIDATED CAPITALIZATION

The following table sets out the share and loan capital of Fortune. The table should be read in conjunction with the unaudited pro-forma consolidated financial statements attached as Schedule "6" to this Appendix "F", as well as with the other disclosure contained in this Appendix and in the Circular. *See also in this Appendix "F", "Description of Securities Distributed" and "Prior Sales".*

Capital	Authorized	Amount outstanding as of December 31, 2013[1]	Amount outstanding as of the date of the Circular[1]	Amount outstanding assuming completion of the Arrangement[2][3]
Fortune Shares	Unlimited	1 share	1 share	26,177,504 Fortune Shares
Long term debt	N/A	Nil	Nil	Nil

[1] *See in this Appendix "F", "Prior Sales".*

[2] These figures are extracted from the unaudited pro-forma consolidated financial statements of Fortune attached to this Appendix "F" as Schedule "6", which are presented on the basis that the Arrangement completed as at December 31, 2013. *See in this Appendix "F", "Description of Securities Distributed". See also in the Circular, "The Meeting — The Arrangement — Principal Steps of the Arrangement" and "The Meeting — The Arrangement— Procedure for Exchange of Brigus Shares".*

[3] Assumes no Brigus Warrants or Brigus Options are exercised. This number would increase to 29,705,174 if all the Brigus Warrants and Brigus Options were exercised.

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES OF FORTUNE

Stock Option Plan

The Fortune Board, with the approval of Brigus as Fortune's sole shareholder, has adopted a stock option incentive plan (the "**Fortune Option Plan**"), a copy of which is set out in Appendix “H” to this Circular. As of the date of the Circular, Fortune has not granted any incentive stock options under the Fortune Option Plan, or otherwise, nor has it issued any other rights or securities to purchase Fortune Shares. The Fortune Board does not intend to grant any incentive stock options until such time following listing of the Fortune Shares on an exchange in order that the trading price of the Fortune Shares will have stabilized, such that a fair market value exercise price for options can be determined.

The following is a summary of the principal terms of the Fortune Option Plan.

Purpose

The purpose of the Fortune Option Plan is to attract and motivate directors, officers, employees of and service providers to Fortune and its subsidiaries and thereby advance Fortune's interests by affording such persons an opportunity to acquire an equity interest in Fortune through the stock options.

Administration

The Fortune Board or, in the Fortune Board's discretion, a committee appointed by the Fortune Board and consisting of no fewer than three members of the Fortune Board administers the Fortune Option Plan, has authority under the Fortune Option Plan to fix the terms and conditions of individual agreements with participants, including the duration of the award and any vesting requirements, subject to requirements of applicable regulatory authorities. The Fortune Option Plan permits the Fortune Board to grant options for the purchase of Fortune Shares for a term of up to ten years.

Authorized Shares; Limits on Awards.

Under the proposed Fortune Option Plan, the number of Fortune Shares, which may be issued pursuant to the Fortune Option Plan, may not exceed 10% of the issued and outstanding Fortune Shares, from time to time, provided that in any fiscal year, Fortune will limit the number of options issued to a maximum of 3.33% of its issued and outstanding Fortune Shares at the beginning of the fiscal year such that the maximum is based on the number of Fortune Shares outstanding at the previous fiscal year end. The number of securities issuable to insiders, at any time and within any one year period, under all security based compensation arrangements, cannot exceed 10% of the issued and outstanding Fortune Shares. The number of Fortune Shares reserved for issuance to any one person pursuant to the grant of options under the Fortune Option Plan or otherwise may not exceed 5% of the issued and outstanding Fortune Shares. In addition, the issuance of Fortune Shares to any insider and his or her associates under the Fortune Option Plan, within a one-year period, cannot exceed 5% of the issued and outstanding Fortune Shares.

Eligible Participants

Persons eligible to receive awards under the Fortune Option Plan include directors, executive officers, employees and consultants of Fortune and its affiliates.

Term of Option/Vesting

The Fortune Board can fix the term of the option which term shall not be for more than ten years from the date the option is granted. The Fortune Board has discretion to determine any vesting schedule to which an option is subject.

Extension of Options Expiring During Black-Out Period

If at any time the ending date of a term of option should be determined to occur either during a black out period (being the period during which designated employees of Fortune cannot trade the Fortune Shares pursuant to Fortune's policy respecting restrictions on employee trading which is in effect at that time) or within 10 business days following such period, the ending date of the term of the option shall be deemed to be the date that is the tenth business day following such period.

Pricing of Awards

In accordance with the provisions of the Fortune Option Plan, the option price and the terms and conditions on which the options may be exercised are set out in written stock option agreements, in the form approved by the Fortune Board, entered into by Fortune and each option holder. Under the Fortune Option Plan, the option price is determined by the Fortune Board and shall not be lower than the closing price on the trading day prior to the date of the grant.

Transfer Restrictions; Termination of Awards

The options are not transferable and nonassignable and terminate on the earlier of the expiry date and the date that the optionee ceases to be eligible for any reason whatsoever, other than death. In the event of death, the option is fully exercisable by the optionee's legal representative on the earlier of the expiry date and one year from the date of death. Option agreements approved by the Fortune Board may provide that all or any part of the options that are outstanding upon the occurrence of a change of control may continue to be exercised by the holder for such extended period up to and including the normal expiry date of such options.

Loans

Subject to compliance with applicable corporate and securities laws, the Fortune Board may at any time authorize Fortune to loan money to a participant in order to assist him or her to exercise options granted under the Fortune Option Plan. Such loan shall be provided on a non-recourse basis, shall be non-interest bearing and shall be on such other terms and conditions to be determined from time to time by the Fortune Board. The Fortune Board has not loaned any money to participants and has no intention to do so in the future.

Amendments to the Fortune Option Plan

The Fortune Board may amend or discontinue the Fortune Option Plan at any time upon receipt of requisite regulatory approval; provided, however, that without the approval of the Fortune Shareholders, no such amendment may: (a) increase the maximum number of Fortune Shares

issuable under the Fortune Option Plan or a change from a fixed maximum number of Fortune Shares to a fixed maximum percentage of issued and outstanding Fortune Shares; (b) a reduction in the exercise price of outstanding options or a cancellation for the purpose of exchange for reissuance at a lower option price to the same person; (c) an extension of the expiry date of an option; (d) an expansion of the transferability or assignability of options, other than to permitted assigns, pursuant to paragraph 8 (i) of the Fortune Option Plan, or for estate planning or estate settlement purposes. All other amendments to the Fortune Option Plan will not require shareholder approval. Such amendments may for example include, without limitation, amendments related to: (a) the provisions of a "housekeeping" or "clerical" nature; (b) the vesting provisions of the Fortune Option Plan or any option under the Fortune Option Plan; (c) the early termination provisions of the Fortune Option Plan or any option granted under the Fortune Option Plan (provided that the change does not entail an extension beyond the original expiry date of such option); (d) the addition of any form of financial assistance by Fortune for the acquisition by all or certain categories of participants, and the subsequent amendment of any such provision which is more favourable to such participants; (e) the addition or modification of any cashless exercise feature, payable in cash or Fortune Shares; (f) any adjustments in event of change in structure of capital/change of control; (g) any addition to or deletion or alteration of the provisions of the Fortune Option Plan that are reasonably necessary to allow participants to receive fair and favourable tax treatment under relevant tax legislation; (h) the mechanics of exercise of the options, such as changing the form to be used to give notice of exercise and the person to whom the notice of exercise is to be directed; and (i) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable laws.

Warrants

As of the date of this Circular, Fortune does not have any warrants other than the approximately 15,886,317 Brigus Warrants for which the Brigus warrantholders will receive, upon exercise of the Brigus Warrants, the number of Fortune Shares which the Brigus warrantholders would have been entitled to receive as a result of the Arrangement, if immediately prior to the effective date of the Arrangement, the Brigus warrantholders had exercised their Brigus Warrants. If all of the Brigus Warrants were exercised prior to the expiration, it would result in the issuance of approximately 1,588,632 Fortune Shares.

PRIOR SALES

During the 12 months prior to the date of the Circular, the following Fortune Shares have been issued:

Date	Number of Fortune Shares	Issue price per Fortune Share
December 12, 2013	1	$1.00

See also in this Appendix "F", "Description of Securities Distributed" and "Consolidated Capitalization".

PRINCIPAL SECURITYHOLDERS

As of the date of the Circular, Brigus holds 100% of the issued Fortune Shares.

Assuming completion of the Arrangement and to the knowledge of Fortune's directors and officers, no person will beneficially own, directly or indirectly, or exercise control or direction over more than 10% of the then issued Fortune Shares.

ESCROWED SECURITIES

To the knowledge of Fortune, as of the date of the Circular, no securities of Fortune are held in escrow or are anticipated to be held in escrow following the Effective Date.

DIRECTORS AND EXECUTIVE OFFICERS

Name, Address, Occupation and Security Holdings

The directors of Fortune will be elected annually at each annual general meeting of the Fortune shareholders and will hold office until the next annual general meeting unless a director's office is earlier vacated in accordance with the Articles of Fortune or he or she becomes disqualified to serve as a director. As at the date of the Circular, the directors and executive officers of Fortune hold no Fortune Shares. Assuming completion of the Arrangement and based on the number of Brigus Shares and securities convertible into Brigus Shares beneficially owned, directly or indirectly, or over which control or direction is exercised by all of the directors and officers of Fortune as a group as at the date of the Circular, the number and percentage of Fortune Shares that will be beneficially owned, directly or indirectly, or over which control or direction will be exercised by all of the directors and executive officers of Fortune as a group will be approximately 2.32% of the then issued and outstanding Fortune Shares. *See in the Circular, "The Meeting — The Arrangement – Lock-up Agreements".*

The following table sets forth the name, province or state and country of residence, position with Fortune and principal occupation during the previous five years for the proposed directors and executive officers of Fortune.

Name and place of residence	Principal occupation[(1)]
Dawe, Wade K. Halifax, Nova Scotia, Canada *Chairman & CEO*	Chairman & CEO for Brigus since January 2013. Chairman, President & CEO for Brigus from June 2010 to January 2013. Chairman, CEO & President of predecessor company Linear Gold Corp. from October 2003 to June 2010. Chairman, Stockport Exploration Inc. from May 2006 to present.
Legatto, Jon Dartmouth, Nova Scotia, Canada *Chief Financial Officer*	CFO for Brigus since September 2012. Vice President Finance for Brigus from April 2011to September 2012. Senior Manager Compliance and Performance Improvement for Homburg Canada REIT from November 2010 to April 2011. Senior Manager for Ernst & Young LLP from September 2006 to November 2010.
Gill, Derrick [(2) (3)] St John's, Newfoundland, Canada *Director*	Executive VP & Principal Consultant of Strategic Concepts Inc. since 1990. Executive VP & Director of Vale Inco Newfoundland Limited from 1995 to December 2009. Director of predecessor company Linear Gold Corp. since 2004.
Gross, Michael [(2) (3)] Halifax, Nova Scotia, Canada *Director*	Professor of Surgery at Dalhousie University since 1987. Independent consultant since 1987. Founder & Chairman of the board of NWest Energy prior to 2008 and CEO of LNB Oil. Director of predecessor company Linear Gold Corp. since 2002.

Peat, David W.[2] Fernandina Beach, Florida, USA *Director*	Financial Consultant since March 2009. Vice President and CFO of Frontera Copper Corp. from June 2006 to February 2009. Director of predecessor company Apollo Gold since 2006.

[1] The information as to principal occupation has been furnished by each director and/or officer individually.
[2] Proposed member of the Nominations and Compensation Committee.
[3] Proposed member of the Audit Committee.

See in this Appendix "F", "Audit Committee" and "Corporate Governance - Board Committees".

CEASE TRADE ORDERS, BANKRUPTCIES, PENALTIES OR SANCTIONS

Corporate Cease Trade Orders

As at the date of the Circular, no director or executive officer of Fortune is, or within the ten years prior to the date of the Circular has been, a director, chief executive officer or chief financial officer of any company (including Fortune), that while that person was acting in that capacity:

(A) was subject to:

(1) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or

(2) an order similar to a cease trade order, or

(3) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days (an "**Order**"); or

(B) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

Bankruptcy

To the knowledge of Fortune, as at the date of the Circular no director, executive officer, or shareholder holding a sufficient number of securities of Fortune to affect materially the control of Fortune is, or within the ten years prior to the date of the Circular has:

(a) been a director or executive officer of any company (including Fortune) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or

compromise with creditors, or had a receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

Penalties and Sanctions

To the knowledge of Fortune, as at the date of the Circular no director, executive officer, or shareholder holding a sufficient number of securities of Fortune to affect materially the control of Fortune has been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of Fortune will be subject in connection with the business of Fortune. In particular, certain of the proposed directors and/or officers of Fortune serve as directors and/or officers of other mineral exploration companies whose business may, from time to time, be in direct or indirect competition with Fortune. Conflicts, if any, will be subject to and governed by laws applicable to directors' and officers' conflicts of interest, including the procedures and remedies available under the *Canada Business Corporations Act* (the "**CBCA**"). The CBCA provides that, in the event that a director has an interest in a contract or proposed contract or agreement, the director shall disclose his interest in such contract or agreement and shall refrain from voting on any matter in respect of such contract or agreement unless otherwise provided by the CBCA. As at the date of the Circular, Fortune is not aware of any existing or potential material conflicts of interest between Fortune and any current or proposed director or officer of Fortune. *See in this Appendix "F", "Risk Factors — Conflicts of Interest".*

EXECUTIVE COMPENSATION

For purposes of this section, the term "Named Executive Officers" refers to the Chief Executive Officer and the Chief Financial Officer of Fortune.

Compensation Discussion and Analysis

Fortune's approach to executive compensation is to provide suitable compensation for executives that is internally equitable, externally competitive and reflects individual achievement. Fortune will attempt to maintain compensation arrangements that will attract and retain highly qualified individuals who are able and capable of carrying out the objectives of Fortune. Fortune's compensation arrangements for the Named Executive Officers will, in addition to salary, include compensation in the form of bonuses and, over a longer term, benefits arising from the grant of stock options. Given the stage of development of Fortune's, compensation of the Named Executive Officers is expected to include the granting of meaningful stock option awards so as to attract and retain management and, to a certain extent, to conserve cash. This policy may be re-evaluated in the future to instead emphasize increased base salaries and cash bonuses with a reduced reliance on option awards, depending upon the

future development of Fortune's and other factors which may be considered relevant by the board of directors from time to time.

During the period commencing on December 12, 2013 (the date of incorporation of Fortune) and ending on December 31, 2013, no salaries were paid to the executive officers of Fortune. The Nominations and Compensation Committee and the Fortune Board will establish and review Fortune's overall compensation philosophy and its general compensation policies with respect to executive officers, including the corporate goals and objectives and the annual performance objectives relevant to such officers. The Fortune Board, with input from the Nominations and Compensation Committee, will evaluate each executive officer's performance in light these goals and objectives and, based on its evaluation, determine and approve the salary, bonus, options and other benefits for such officers. In determining compensation matters, the Fortune Board may consider a number of factors, including Fortune's performance, the value of similar incentive awards to officers performing similar functions at comparable companies, the awards given in past years and other factors it considers relevant. With respect to any bonuses or incentive plan grants which may be awarded to executive officers in the future, Fortune has not currently set any objective criteria and will instead rely upon any recommendations and discussion at the Fortune Board level with respect to the above-noted considerations and any other matters which the Fortune Board may consider relevant on a going-forward basis, including the cash position of Fortune.

Options may be granted to directors, management, employees and certain service providers as long-term incentives to align the individual's interests with those of Fortune. The size of the option awards is anticipated to be in proportion to the deemed ability of the individual to make an impact on Fortune success, as determined by the Fortune Board. *See in this Appendix "F", "Options and Other Rights to Purchase Securities of Fortune"*.

Compensation of Executives

As at the date of the Circular, no remuneration or other compensation has been paid or provided by Fortune to its executive officers for their services. Fortune expects to enter into employment agreements with its Named Executive Officers pursuant to which the Named Executive Officers will provide management and administrative services to, and be compensated for those services by, Fortune.

Employment Agreements

Fortune will enter into executive employment agreements with each of its Named Executive Officers, Wade Dawe and Jon Legatto, who will serve as the Chief Executive Officer and Chief Financial Officer, respectively, following the Effective Time.

Compensation of Directors

Pursuant to its Articles of Incorporation, Fortune may have a minimum of 1 and a maximum of 10 directors. At the Effective Time, Fortune expects to have four directors. *See in this Appendix "F", "Directors and Executive Officers"*. No remuneration has been paid to the directors for their services as directors to the date hereof.

Fortune expects to set directors' fees, which will commensurate with an issue at stage of development of Fortune. In addition, each of the directors will be entitled to participate in the Fortune Option Plan as more fully described under the heading *"Options and Other Rights to*

Purchase Securities of Fortune — Authorized Shares; Limits on Awards" in this Appendix "F". Directors who are employed by Fortune will not be entitled to any additional directors' fees.

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Since its incorporation and as of the date of the Circular, no director or officer of Fortune, or any associate or affiliate of such person, is or ever has been indebted to Fortune with respect to the purchase of securities or otherwise; nor has any such person's indebtedness to any other entity been the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by Fortune.

AUDIT COMMITTEE

Audit Committee Charter

The Audit Committee will be responsible for the integrity of Fortune internal accounting and control systems. The Audit Committee will receive and review the financial statements of Fortune and will make recommendations thereon to the Fortune Board prior to their approval by the full Fortune Board. The Audit Committee will oversee the work of the external auditor and communicates directly with Fortune's external auditor in order to discuss audit and related matters whenever appropriate. It is anticipated that the Fortune Board will adopt an Audit Committee Charter, substantially in the form attached to this Appendix "F" as Schedule "2", mandating the role of the Fortune Audit Committee in supporting the Fortune Board in meeting its responsibilities to its shareholders.

Audit Committee Members

All of the members of the Audit Committee will be "independent" directors as defined in Multilateral Instrument 52-110 — *Audit Committees* ("**MI 52-110**"), and the initial members of the Audit Committee will be David Peat (Chairman), Michael Gross and Rick Gill. Each member of the Audit Committee will be considered to be "financially literate" within the meaning of MI 52-110, which includes the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of Fortune's financial statements.

Relevant Education and Experience

The education and experience of each audit committee member relevant to the performance of his responsibilities as an audit committee member is outlined below:

David W. Peat – Mr. Peat has over 30 years of executive experience in financial leadership in support of mining corporations. Mr. Peat has held multiple executive positions including as Vice President and Chief Financial Officer of Frontera Copper Corporation from 2006 through 2009; Vice President and Global Controller of Newmont Mining Corporation from 2002 through 2004; and Vice President of Finance and Chief Financial Officer of Homestake Mining from 1999 through 2002. Mr. Peat began his career at Price Waterhouse in Toronto and he has been a member of the Institute of Chartered Accountants of Ontario since 1978. He is currently a director and chairman of the Audit Committee of Brigus, a director and chairman of the Audit Committee of Gabriel Resources Ltd. and a director and chairman of the Audit Committee of the Sunshine Silver Mines Corporation, a privately held silver exploration and development company. Mr. Peat received his bachelor's degree in economics from the University of Western

Ontario, and a bachelor's degree in commerce, with honours in business administration, from the University of Windsor, Ontario.

Derrick Gill – Mr. Gill is co-founder and a director of Strategic Concepts and SCI Software, which provides strategic planning, financial modeling and business development consultation to major mining and oil and gas projects in Canada. He is also a member of the advisory board of the Atlantic Canada Opportunities Agency's Atlantic Innovation Fund. Mr. Gill's 30-year career has included executive roles at Voisey's Bay Nickel, Diamond Fields Resources and Bristol Communications. Mr. Gill received his undergraduate degree in business administration from Memorial University.

Michael Gross – Dr. Gross has extensive capital markets experience, having served as either an executive or as a director with a number of venture stage companies. Dr. Gross was a founder and chairman of the board of NWest Energy Corp. prior to its successful initial public offering in 2008. A Professor of Orthopaedic surgery for over 20 years, he consults extensively in design and implantation techniques with the Orthopaedic manufacturing industry. Dr. Gross is also the founder of companies specializing in proprietary medical devices. He received his degree in medicine from the University of Newcastle Upon Tyne in England. He obtained a Fellowship in Surgery in London and a Canadian Fellowship in Orthopaedic Surgery in 1981. Dr. Gross has completed the Rotman Directorship program and is a member of the Institute of Directors.

Pre-Approved Policies and Procedures for Non-Audit Services

Under its mandate, the Audit Committee will be required to review and pre-approve the objectives and scope of the audit work to be performed by Fortune's external auditors and their proposed fees. In addition, the Audit Committee will be required to review and pre-approve all non-audit services which Fortune's external auditors are to perform.

External Auditor Service Fees

Since Fortune's incorporation on December 12, 2013, no fees, audit or otherwise, have been billed to Fortune by its auditor, Deloitte LLP, Chartered Accountants.

The fees billed to Fortune by its auditor since its incorporation on December 12, 2013, by category, are as follows:

	Audit Fees	Audit Related Fees	Tax Fees	All Other Fees
December 12, 2013 — December 31, 2013	Nil	Nil	Nil	Nil

CORPORATE GOVERNANCE

Statement of Corporate Governance Practices

National Policy 58-201 — *Corporate Governance Guidelines* ("**NP 58-201**") of the Canadian Securities Administrators sets out a series of guidelines for effective corporate governance (the "**Guidelines**"). The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. National Instrument 58-101 — *Disclosure of*

Corporate Governance Practices ("**NI 58-101**") requires the disclosure by each listed corporation of its approach to corporate governance with reference to the Guidelines as it is recognized that the unique characteristics of individual corporations will result in varying degrees of compliance.

Set out below is a description of Fortune's approach to corporate governance in relation to the Guidelines.

The Board of Directors

NI 58-101 defines an "independent director" as a director who has no direct or indirect material relationship with the corporation. A "material relationship" is in turn defined as a relationship which could, in the view of the board of directors, be reasonably expected to interfere with such member's independent judgement. At the Effective Time, the Fortune Board is expected to be comprised of four members, three of which the fortune Board has determined will be "independent directors" within the meaning of NI 58-101.

At the Effective Time, Messrs. Gross, Peat and Gill will be considered independent directors since they are each independent of management and free from any material relationship with Fortune. The basis for this determination is that, since the date of incorporation of Fortune, none of the independent directors have worked for Fortune, received remuneration from Fortune or had material contracts with or material interests in Fortune, which could interfere with their ability to act with a view to the best interests of Fortune.

The Fortune Board believes that it will function independently of management. To enhance its ability to act independent of management, the Fortune Board may in the future meet in the absence of members of management or may excuse such persons from all or a portion of any meeting where an actual or potential conflict of interest arises or where the Fortune Board otherwise determines is appropriate.

Other Directorships

Certain of the directors of Fortune are also directors of other issuers that are "reporting issuers" as that term is defined in and for the purposes of securities legislation, which positions are summarized as follows:

Name of Director	Other Reporting Issuer	Market	Position
Wade Dawe	Stockport Exploration Inc.	TSX	Chairman and Director
	ImmunoVaccine Inc.	TSXV	Director
David Peat	Gabriel Resources Ltd.	TSX	Director

Orientation and Continuing Education

As it was only recently incorporated, Fortune has not yet developed an official orientation or training program for new directors, and this has not, to date, been necessary as the directors of Fortune are also directors of Fortune and familiar with the role of a director of a publicly listed mineral resource company. However, going forward, new directors will be provided the

opportunity to become familiar with Fortune by meeting with the other directors and with officers and employees. Orientation activities will be tailored to the particular needs and experience of each director and the overall needs of the Fortune Board. Potential candidates will be provided with publicly available materials in order to acquaint themselves with Fortune, including recent press releases, financial reports and other relevant materials. Upon being appointed, a new director will be provided with a Fortune Board of Directors' Manual containing additional information on Fortune and its business and operations.

The Fortune Board will encourage each of the directors to stay current on developing corporate governance requirements through continuous improvement and education. Directors will be routinely provided information and publications on developing regulatory issues.

In addition, the Nominations and Compensation Committee will be responsible for developing and overseeing the process to assess the effectiveness of the Chairman, the Fortune Board, the Fortune Board committees, Chairs of the committees and individual directors.

Ethical Business Conduct

The Fortune Board will adopt a written Code of Business Conduct and Ethics (the "**Code**"), which is attached to this Appendix "F" as Schedule "1" and which will be filed under Fortune's profile on SEDAR at www.sedar.com following completion of the Arrangement. The purpose of the Code is, among other things, to: (a) promote the avoidance of conflicts of interest; (b) promote full, fair, accurate, timely and understandable disclosure; (c) promote compliance with laws and regulations applicable to Fortune; (d) promote accountability for adherence to the Code; and (e) foster a culture of honesty and accountability. Moreover, pursuant to the Code, Fortune personnel are encouraged to report violations of the Code in accordance with the procedures set forth in the Code and are afforded protection from retribution as a result of any such disclosure.

In addition, the Fortune Board has determined that the fiduciary obligations placed on directors pursuant to Fortune governing statute and the common law restrictions, which limit the participation of directors in Fortune Board decisions in which the director has an interest will be sufficient to ensure that the Fortune Board operates independently of management and in the best interests of Fortune.

Board Committees

The Fortune Board will have an Audit Committee and a Nominations and Compensation Committee. The proposed members of these committees are listed on page 90 of this Appendix "F" under the heading "Audit Committee" and below, under the heading "Nominations and Compensation Committee". It is anticipated that the Fortune Board will adopt an Audit Committee Charter, substantially in the form attached to this Appendix "F" as Schedule "2". The Fortune Board intends to adopt a charter for its Nominations and Compensation Committee prior to the Effective Time.

Nomination of Directors

Prior to their standing for election, new nominees to the Fortune Board will be reviewed by the entire Fortune Board. The Nominations and Compensation Committee will have the responsibility of making recommendations to the Fortune Board with respect to the new nominees and for assessing directors on an on-going basis.

Compensation

The Nominations and Compensation Committee will review and make recommendations to the Fortune Board on the compensation packages for the chief executive officer ("**CEO**") and other senior officers, as well as evaluating annually the performance of the CEO. The Nominations and Compensation Committee will meet at least annually to discuss compensation issues but will also meet from time to time as necessary.

In addition, the Fortune Board will review the adequacy and form of compensation for directors and officers on a regular basis. This review will be completed with reference to each individual corporate officer's performance, Fortune overall performance and comparable compensation paid to similarly-situated directors and officers in comparable companies.

Audit Committee

On or before the Effective Date, Fortune will establish an Audit Committee comprised of directors considered to be independent and financially literate in accordance with applicable securities laws. It is anticipated that the Fortune Board will adopt an Audit Committee Charter, substantially in the form attached to this Appendix "F" as Schedule "2". *See in this Appendix "F", "Audit Committee".*

Other Board Committees

Other than the Audit Committee and the Nominations and Compensation Committee, it is not anticipated that Fortune will have any additional Board Committees immediately following the Effective Time. The Fortune Board may, however, establish additional committees after the Effective Time, depending on the needs of Fortune.

Board Mandate

The Fortune Board has adopted a written mandate (the "**Board Mandate**"), a copy of which is attached as Schedule "3" to this Appendix "F".

Position Descriptions

The Fortune Board will have formal position descriptions for the Chair of each Fortune Board Committees. At the Effective Time, the Fortune Board will adopt charters for each of the Audit Committee and the Nominations and Compensation Committee, each of which will provide for a Chair to be appointed and to act in such capacity.

The Fortune Board will not develop a formal position description for the CEO. Formal corporate objectives will be outlined in the Fortune's corporate plan and budget and will be reviewed and approved by the Fortune Board on an annual basis. The CEO will be responsible for presenting these objectives and meeting these objectives. The Fortune Board and the CEO will engage in regular dialogue regarding the performance of the senior management team in achieving Fortune's strategic objectives as determined by the management and the Fortune Board.

Assessments

The Fortune Board does not consider that formal assessments would be useful at this stage of Fortune's development. The Fortune Board, at least annually, will conduct informal assessments

of the Fortune Board's effectiveness, the individual directors and reports from each committee representing its own effectiveness. As part of the amendments, the Fortune Board or the individual committee may review their respective mandate or charter and conduct reviews of applicable policies.

RISKS ASSOCIATED WITH FORTUNE

An investment in Fortune Shares, as well as Fortune's prospects, are highly speculative due to the high-risk nature of its business and the present stage of its development. Shareholders of Fortune may lose their entire investment. The risks described below are not the only ones facing Fortune. Additional risks not currently known to Fortune, or that Fortune currently deems immaterial, may also impair Fortune's operations. If any of the following risks actually occur, Fortune's business, financial condition and operating results could be adversely affected.

Brigus Shareholders should consult with their professional advisors to assess the Arrangement and their resulting investment in Fortune. In evaluating Fortune and its business and whether to vote in favour of the Arrangement, Brigus Shareholders should carefully consider, in addition to the other information contained in the Circular and this Appendix "F", the risk factors which follow, as well as the risks associated with the Arrangement (*see in the Circular, "The Meeting — The Arrangement - Risks Associated with the Arrangement")*. These risk factors may not be a definitive list of all risk factors associated with the Arrangement, an investment in Fortune or in connection with Fortune's business and operations.

Listing of Fortune Shares

The Fortune Shares are not currently listed on any stock exchange. Although Fortune intends to make an application for listing of the Fortune Shares, there is no assurance when, or if, the Fortune Shares will be listed on a stock exchange. Until the Fortune Shares are listed on a stock exchange, shareholders of Fortune may not be able to sell their Fortune Shares. Even if a listing is obtained, ownership of Fortune Shares will involve a high degree of risk.

Qualification under the Tax Act for a Registered Plan

If the Fortune Shares are not listed on a designated stock exchange in Canada before the due date for Fortune's first income tax return or if Fortune does not otherwise satisfy the conditions in the Tax Act to be a "public corporation", the Fortune Shares will not be considered to be a qualified investment for a Registered Plan from their date of issue. Where a Registered Plan acquires a Fortune Share in circumstances where the Fortune Share is not a qualified investment under the Tax Act for the Registered Plan, adverse tax consequences may arise for the Registered Plan and the annuitant under the Registered Plan, including that the Registered Plan may become subject to penalty taxes, the annuitant of such Registered Plan may be deemed to have received income therefrom or be subject to a penalty tax or, in the case of a registered education savings plan, such plan may have its tax exempt status revoked.

Limited Business History

Fortune has a short history of operations and has no history of earnings. The likelihood of success of Fortune must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any business. Fortune has limited financial resources and there is no assurance that funding over

and above the initial cash subscription amount will be available to it when needed. There is also no assurance that Fortune can generate revenues, operate profitably, or provide a return on investment, or that it will successfully implement its plans.

Unknown Environmental Risks for Past Activities

Exploration and mining operations incur risks of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at the Fortune Exploration Properties do not exist.

Indemnified Liability Risk

Pursuant to the Arrangement Agreement, Fortune has covenanted and agreed that, following the Effective Time, it will indemnify Primero, Brigus and their subsidiaries from all losses suffered or incurred by Primero, Brigus or their subsidiaries as a result of or arising directly or indirectly out of or in connection with an Indemnified Liability (as such term is defined in this Circular).

Any liability of Brigus for Tax cannot be determined for certain at this time because Brigus' tax liability will depend on the fair market value of the Fortune Shares on the Effective Date and other factors including, but not limited to, the other deductions or credits available to Brigus such as loss carry forwards in the taxation year of Brigus that includes the distribution of the Fortune Shares. A successful indemnification claim made by Primero, Brigus or their subsidiaries against Fortune pursuant to the Arrangement Agreement could have a material adverse effect on Fortune.

Acquisitions and Joint Ventures

Fortune will evaluate from time to time opportunities to acquire and joint venture mining assets and businesses. These acquisitions and joint ventures may be significant in size, may change the scale of Fortune's business and may expose it to new geographic, political, operating, financial and geological risks. Fortune's success in its acquisition and joint venture activities will depend on its ability to identify suitable acquisition and joint venture candidates and partners, acquire or joint venture them on acceptable terms and integrate their operations successfully with those of Fortune. Any acquisitions or joint ventures would be accompanied by risks, such as the difficulty of assimilating the operations and personnel of any acquired companies; the potential disruption of Fortune's ongoing business; the inability of management to maximize the financial and strategic position of Fortune through the successful incorporation of acquired assets and businesses or joint ventures; additional expenses associated with amortization of acquired intangible assets; the maintenance of uniform standards, controls, procedures and policies; the impairment of relationships with employees, customers and contractors as a result of any integration of new management personnel; dilution of Fortune's present shareholders or of its interests in its subsidiaries or assets as a result of the issuance of shares to pay for acquisitions or the decision to grant earning or other interests to a joint venture partner; and the

potential unknown liabilities associated with acquired assets and businesses. There can be no assurance that Fortune would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions or joint ventures. There may be no right for shareholders to evaluate the merits or risks of any future acquisition or joint venture undertaken except as required by applicable laws and regulations.

Uncertainty of Mineral Resource Estimates

Mineral resource figures are only estimates. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. While Fortune believes that the mineral resource estimates included are established and reflect management's best estimates, the estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from Fortune's estimates. Estimated mineral resources may have to be re-estimated based on changes in gold prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates. Mineral resources are not mineral reserves and there is no assurance that any mineral resource estimate will ultimately be reclassified as proven or probable mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Economics of Developing Mineral Properties

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of an ore body may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines. There is no assurance that the Fortune's gold deposits are commercially mineable.

Should any mineral resources and reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (a) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (b) availability and costs of financing; (c) ongoing costs of production; (d) gold prices, which are historically cyclical; (e) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (f) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

The ability to sell, and profit from the sale of any eventual mineral production from any property will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The

global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral products. Many of these factors are beyond the control of a mining company and therefore represent a market risk which could impact the long term viability of the company and its operations.

Factors Beyond the Control of Fortune

The potential profitability of mineral properties is dependent upon many factors beyond Fortune's control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined ore (assuming that such mineral deposits are known to exist) may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways Fortune cannot predict and are beyond Fortune's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of Fortune.

Regulatory Requirements

The current or future operations of Fortune, including development activities and possible commencement of production on its properties, requires permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which Fortune may require for the development and construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project which Fortune might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments or changes to current laws, regulations government policies and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Fortune and cause increases in costs or require abandonment or delays in the development of new mining properties.

The development of mines and related facilities is contingent upon governmental approvals that are complex and time consuming to obtain and which, depending upon the location of the project, involve multiple governmental agencies. The duration and success of such approvals are subject to many variables outside Fortune's control. Any significant delays in obtaining or renewing such permits or licenses in the future could have a material adverse effect on Fortune.

Insurance

Fortune's business is capital intensive and subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, earthquakes, pit wall failures and cave-ins) and encountering unusual or unexpected geological conditions. Many of the foregoing risks and hazards could result in damage to, or destruction of: Fortune's mineral properties or future processing facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of their exploration or development activities, delay in or inability to receive regulatory approvals to transport their gold concentrates, or costs, monetary losses and potential legal liability and adverse governmental action. Fortune may be subject to liability or sustain loss for certain risks and hazards against which they do not or cannot insure or which it may reasonably elect not to insure because of the cost. This lack of insurance coverage could result in material economic harm to Fortune.

Environmental Risks and Hazards

All phases of Fortune's operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the general, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect Fortune's operations. Environmental hazards may exist on the properties which are unknown to Fortune at present and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures estimated by management may differ from the actual expenditures required.

Fortune is not insured against most environmental risks. Insurance against environmental risks (including potential liability for pollution and other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. Fortune will periodically evaluate the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance.

Without such insurance, and if Fortune becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds Fortune has to pay such liabilities and result in bankruptcy. Should Fortune be unable to fund fully the remedial cost of an environmental problem, Fortune might be required to enter into interim compliance measures pending completion of the required remedy.

Costs of Land Reclamation Risk

It is difficult to determine the exact amounts which will be required to complete all land reclamation activities in connection with the properties in which Fortune holds an interest. Reclamation bonds and other forms of financial assurance represent only a portion of the total amount of money that will be spent on reclamation activities over the life of a mine. Accordingly, it may be necessary to revise planned expenditures and operating plans in order to fund reclamation activities. Such costs may have a material adverse impact upon the financial condition and results of operations of Fortune.

No Assurance of Title to Property

There may be challenges to title to the mineral properties in which Fortune holds a material interest. If there are title defects with respect to any properties, Fortune might be required to compensate other persons or perhaps reduce its interest in the affected property. Also, in any such case, the investigation and resolution of title issues would divert management's time from ongoing exploration and development programs.

Risk of Amendments to Laws

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on Fortune and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Commodity Prices

The price of the Fortune Shares, Fortune's financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of gold or other minerals. The price of gold or other minerals fluctuates widely and is affected by numerous factors beyond Fortune's control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of gold or other minerals could cause continued development of and commercial production from Fortune's properties to be impracticable. Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient and Fortune could be forced to discontinue production and may lose its interest in, or may be forced to sell, some of its properties. Economic viability of future production from Fortune's mining properties, if any, is dependent upon the prices of gold and other minerals.

In addition to adversely affecting any reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Foreign Countries and Regulatory Requirements

Fortune has investment in properties and projects located in foreign countries, including Mexico. The carrying values of these properties and Fortune's ability to advance development plans or bring the projects to production may be adversely affected by whatever political instability and legal and economic uncertainty might exist in such countries. These risks may limit or disrupt Fortune's projects, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization, expropriation or other means without fair compensation.

There can be no assurance that industries which are deemed of national or strategic importance in countries in which Fortune has operations or assets, including mineral exploration, production and development, will not be nationalized. The risk exists that further government limitations, restrictions or requirements, not presently foreseen, will be implemented. Changes in policy that alter laws regulating the mining industry could have a material adverse effect on Fortune. There can be no assurance that Fortune's assets in these countries will not be subject to nationalization, requisition or confiscation, whether legitimate or not, by an authority or body.

In addition, in the event of a dispute arising from foreign operations, Fortune may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. Fortune also may be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for Fortune to accurately predict such developments or changes in laws or policy or to the extent to which any such developments or changes may have a material adverse effect on Fortune's operations.

Acquisitions and Integration

From time to time, it can be expected that Fortune will examine opportunities to acquire additional exploration and/or mining assets and businesses. Any acquisition that Fortune may choose to complete may be of a significant size, may change the scale of Fortune's business and operations, and may expose Fortune to new geographic, political, operating, financial and geological risks. Fortune's success in its acquisition activities depends upon its ability to identify suitable acquisition candidates, negotiate acceptable terms for any such acquisition, and integrate the acquired operations successfully with those of Fortune. Any acquisitions would be accompanied by risks. In the event that Fortune chooses to raise debt capital to finance any such acquisitions, Fortune's leverage will be increased. If Fortune chooses to use equity as consideration for such acquisitions, existing shareholders may suffer dilution. Alternatively, Fortune may choose to finance any such acquisitions with its existing resources. There can be no assurance that Fortune would be successful in overcoming these risks or any other problems encountered in connection with such acquisitions.

Internal Controls

Internal controls over financial reporting are procedures designed to provide reasonable assurance that transactions are properly authorized, assets are safeguarded against unauthorized or improper use, and transactions are properly recorded and reported. A control system, no matter how well designed and operated, can provide only reasonable, and not absolute, assurance with respect to the reliability of financial reporting and financial statement preparation. Fortune has a very limited history of operations and has not made any assessment as to the effectiveness of its internal controls. Though Fortune intends to put into place a system

of internal controls appropriate for its size, and reflective of its level of operations, there are limited internal controls currently in place.

Conflicts of Interest

Some of the directors and officers of Fortune are directors and officers of other companies, some of which are in the same business as Fortune. Some of Fortune's directors and officers will continue to pursue the acquisition, exploration and, if warranted, the development of mineral resource properties on their own behalf and on behalf of other companies, and situations may arise where they will be in direct competition with Fortune. Fortune's directors and officers are required by law to act in the best interests of Fortune. They may have the same obligations to the other companies in respect of which they act as directors and officers. Discharge of their obligations to Fortune may result in a breach of their obligations to the other companies and, in certain circumstances, this could expose Fortune to liability to those companies. Similarly, discharge by the directors and officers of their obligations to the other companies could result in a breach of their obligation to act in the best interests of Fortune. Such conflicting legal obligations may expose Fortune to liability to others and impair its ability to achieve its business objectives.

Influence of Third Party Stakeholders

The lands in which Fortune holds an interest, or the exploration equipment and roads or other means of access which Fortune intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third party individuals, groups or companies. In the event that such third parties assert any claims, Fortune's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for Fortune.

Fluctuation in Market Value of Fortune Shares

Assuming the Fortune Shares are listed on an exchange, the market price of the Fortune Shares, as a publicly traded stock, can be affected by many variables not directly related to the corporate performance of Fortune, including the market in which it is traded, the strength of the economy generally, the availability and attractiveness of alternative investments, and the breadth of the public market for the stock. The effect of these and other factors on the market price of Fortune Shares in the future cannot be predicted. The lack of an active public market could have a material adverse effect on the price of Fortune Shares.

Substantial Number of Authorized but Unissued Fortune Shares

Fortune has an unlimited number of Fortune Shares which may be issued by the Fortune Board without further action or approval of Fortune's shareholders. While the Fortune Board is required to fulfill its fiduciary obligations in connection with the issuance of such shares, Fortune Shares may be issued in transactions with which not all shareholders agree, and the issuance of such shares will cause dilution to the ownership interests of Fortune's shareholders.

See also in the Circular, "The Meeting — The Arrangement — Risks Associated with the Arrangement".

PROMOTERS

Brigus took the initiative of founding and organizing Fortune and its business and operations and, as such, may be considered to be the promoter of Fortune for the purposes of applicable securities legislation. As at the date of the Circular, Brigus is the sole (100%) shareholder of Fortune and has transferred or will transfer assets to Fortune in conjunction with the reorganization of its business to allow Fortune to hold and operate the Fortune Exploration Properties and as contemplated by the terms of the Arrangement. *See in this Appendix "F", "General Development of Fortune's Business", "Material Properties" and "Prior Sales". See also in the Circular, "The Meeting — The Arrangement — Background to the Arrangement', "The Meeting — The Arrangement — Reasons for the Arrangement" and "Information Concerning Brigus".*

The claims comprising the Fortune Exploration Properties have associated costs with their capital as reflected in the consolidated financial statements of Brigus incorporated by reference in the Circular and the pro forma financial statements of Fortune attached to this Appendix "F as Schedule "6".

During the 10 years prior to the date of the Circular, Brigus has not been subject to:

(a) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), or

(b) an order similar to a cease trade order, or

(c) an order that denied the relevant company access to any exemption under securities legislation,

that was in effect for a period of more than 30 consecutive days; nor has Brigus been subject to:

(a) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision;

nor has Brigus become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver manager or trustee appointed to hold its assets.

LEGAL PROCEEDINGS

There are no legal proceedings outstanding, threatened or pending, as of the date of the Circular, by or against Fortune or which Fortune is a party or to which the Fortune Exploration Properties or any other of the Fortune Assets is subject, nor to Fortune's knowledge are any such legal proceedings contemplated, which could become material to the shareholders of the outstanding Brigus Shares or a shareholder of Fortune.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Since Fortune's incorporation, no director, executive officer, or shareholder who beneficially owns, or controls or directs, directly or indirectly, more than 10% of the outstanding Fortune Shares, or any known associates or affiliates of such persons, has or has had any material interest, direct or indirect, in any transaction or in any proposed transaction that has materially affected or is reasonably expected to materially affect Fortune other than Brigus in connection with Fortune's incorporation (*see in this Appendix "F", "Corporate Structure" and "Promoters"*), the entering into of the Arrangement Agreement (*see in the Circular, "The Meeting — The Arrangement*"), and the transfer of assets to Fortune in connection with the Arrangement (*see in this Appendix "F", "Business of Fortune"*). *See also in this Appendix "F", "Material Contracts"* below.

Certain directors and officers of Brigus are also the directors and officers of Fortune. *See in the Circular, "The Meeting — "The Arrangement" "Background to the Arrangement", "Recommendation of the Brigus Board", "Reasons for the Arrangement", "Fairness Opinion" and "Lock-up Agreements".*

AUDITORS, TRANSFER AGENTS AND REGISTRARS

The auditor of Fortune is Deloitte LLP, Chartered Accountants of Halifax, Nova Scotia.

The registrar and transfer agent of Fortune and for the Fortune Shares is Computershare Investor Services Inc. in Halifax, Nova Scotia.

INTERESTS OF EXPERTS

The Goldfields Report was prepared by March Consulting Associates Inc. and endorsed by Cliff Lusby, P.Eng., Kyle Krushelniski, P.Eng., Dan A. Mackie, P.Eng., Al Hayden, P.Eng, Tim Maunula, P.Geo. and Paul Daigle, P.Geo., each of whom is a "qualified person" as defined in NI 43-101.

To the best knowledge of Brigus and Fortune, none of the aforementioned persons hold any securities of Brigus or of any associate or affiliate of Brigus or held any such securities when they prepared the reports referred to above or following the preparation of such reports nor did they receive any direct or indirect interest in any securities of Brigus or of any associate or affiliate of Brigus in connection with the preparation of such reports. None of the aforementioned persons has a direct or indirect interest in Brigus, any of its associates or affiliates or in the Fortune Exploration Properties or are currently expected to be elected, appointed or employed as a director, officer or employee of Fortune or of any associate or affiliate of Fortune.

Deloitte LLP, the auditors for Fortune, has confirmed that they are independent with respect to Fortune within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Nova Scotia.

Certain legal matters relating to the Arrangement and Fortune will be passed upon by Fogler, Rubinoff LLP, Toronto, Ontario, legal counsel to Fortune.

Other than as described above, none of the aforementioned persons nor any directors, officers, employees or partners, as applicable, of each of the aforementioned companies and partnerships, has received or will receive as a result of the Arrangement a direct or indirect

interest in a property of Fortune or any associate or affiliate of Fortune, nor is currently expected to be elected, appointed or employed as a director, officer or employee of Fortune or any associate or affiliate of Fortune.

MATERIAL CONTRACTS

Since its incorporation, Fortune has entered into the Arrangement Agreement and a number of agreements pursuant to which it will acquire the Fortune Assets, however, the only contracts that will be considered, pursuant to applicable securities legislation, to be material to Fortune upon completion of the Arrangement is the Arrangement Agreement dated as of December 16, 2013, among Fortune, Brigus and Primero (*see in the Circular, "The Meeting - The Arrangement"*).

A copy of the Arrangement Agreement may be inspected by Brigus Shareholders at the registered office of Fortune at 77 King Street West, TD Centre, Suite 3000, Toronto, Ontario Canada M5K 1G8, or at Fortune's head office at during normal business hours prior to the Meeting, or at the Meeting.

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

FINANCIAL STATEMENTS

See in this Appendix "F", "Selected Financial Information " and Schedules "4A","4B", "5A", "5B" and "6".

SCHEDULE "1"
FORTUNE BAY CORP.
CODE OF BUSINESS CONDUCT AND ETHICS

1. INTRODUCTION

This Code of Business Conduct and Ethics ("**Code**") has been adopted by our board of directors (the "**Board of Directors**") to summarize the standards of business conduct that must guide our actions. This Code applies to all directors, officers, and employees of Fortune Bay Corp. and its subsidiaries (the "**Corporation**"). The Corporation has issued this Code to deter wrongdoing and to promote:

- honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- avoidance of conflicts of interest with the interests of the Corporation, including disclosure to an appropriate person of any material transaction or relationship that reasonably could be expected to give rise to such a conflict;
- confidentiality of corporate information;
- protection and proper use of corporate assets and opportunities;
- compliance with applicable government laws, rules and regulations;
- the prompt internal reporting of any violations of this Code to an appropriate person or person identified in the Code; and
- accountability for adherence to the Code.

This Code provides guidance to you on your ethical and legal responsibilities. We expect all directors, officers and employees to comply with the Code, and the Corporation is committed to taking prompt and consistent action against violations of the Code. Violation of the standards outlined in the Code may be grounds for disciplinary action up to and including termination of employment or other business relationships. Employees, officers and directors who are aware of suspected misconduct, illegal activities, fraud, abuse of the Corporation's assets or violations of the standards outlined in the Code are responsible for reporting such matters.

Because rapid changes in the business and regulatory environment constantly pose new ethical and legal considerations, no set of guidelines should be considered to be the absolute last word under all circumstances.

2. BASIC OBLIGATIONS

Under the Corporation's ethical standards, directors, officers and employees share certain responsibilities. It is your responsibility to (a) become familiar with, and conduct Corporation business in compliance with, applicable laws, rules and regulations and this Code; (b) treat all Corporation employees, customers and business partners in an honest and fair manner; (c) avoid situations where your personal interests are, or appear to be, in conflict with the Corporation interests; and (d) safeguard and properly use the Corporation's proprietary and

confidential information, assets and resources, as well as those of the Corporation's customers and business partners.

Certain of the Corporation's policies are complemented by specific responsibilities set forth in documents such as the Corporation's Insider Trading Policy and the Corporation's Disclosure Policy. Those polices should be separately consulted by the Corporation directors, officers and employees and are not incorporated by reference into this Code.

3. RAISING CONCERNS

If you should learn of a potential or suspected violation of the Code, you have an obligation to promptly report the violation. You may do so orally or in writing and, if preferred, anonymously. You have several options for raising concerns:

1. raise your concerns with your superior or manager, if any;

2. raise your concerns with the Corporation's Chief Executive Officer or Chief Financial Officer, if any; or

3. raise your concerns with the Chair of the Corporations Audit Committee.

4. POLICY AGAINST RETALIATION

The Corporation prohibits any director or employee from retaliating or taking adverse action against anyone for raising in good faith suspected conduct violations or helping to resolve a conduct concern. Any individual who has been found to have engaged in retaliation against a Corporation director, officer or employee for raising, in good faith, a conduct concern or for participating in the investigation of such a concern may be subject to discipline, up to and including termination of employment or other business relationships. If any individual believes that he or she has been subjected to such retaliation, that person is encouraged to report the situation as soon as possible to one of the people detailed in the "Raising Concerns" section above.

5. CONFLICTS OF INTEREST

Directors, officers and employees should not engage in any activity, practice or act which conflicts with the interests of the Corporation. A conflict of interest occurs when a director, officer or employee places or finds himself or herself in a position where his/her private interests conflict with the interests of the Corporation or have an adverse effect on the employee's motivation or the proper performance of their job. Examples of such conflicts could include, but are not limited to:

- accepting outside employment with, or accepting personal payments from, any organization which does business with the Corporation or is a competitor of the Corporation;

- accepting or giving gifts of more than modest value to or from vendors or clients of the Corporation;

- competing with the Corporation for the purchase or sale of property, services or other interests or taking personal advantage of an opportunity in which the Corporation has an interest;

- personally having immediate family members who have a financial interest in a firm which does business with the Corporation; and

- having an interest in a transaction involving the Corporation or a customer, business partner or supplier (not including routine investments in publicly traded companies).

Directors, officers and employees must not place themselves or remain in a position in which their private interests conflict with the interests of the Corporation.

If the Corporation determines that an employee's outside work interferes with performance or the ability to meet the requirements of the Corporation, as they are modified from time to time, the employee maybe asked to terminate the outside employment if he or she wishes to remain employed by the Corporation. To protect the interests of both the employees and the Corporation, any such outside work or other activity that involves potential or apparent conflict of interest may be undertaken only after disclosure to the Corporation by the employee and review and approval by management.

6. CONFIDENTIALITY CONCERNING CORPORATION AFFAIRS

It is the Corporation's policy that business affairs of the Corporation are confidential and should not be discussed with anyone outside the organization except for information that has, already been made available to the public. As a prerequisite and condition of employment, all employees and officers must sign a written agreement confirming this obligation.

7. COMPETITION AND FAIRDEALING

We seek to outperform our competition fairly and honestly. We seek competitive advantages through superior performance, not through unethical or illegal business practices. Information about other companies and organizations, including competitors, must be gathered using appropriate methods. Illegal practices such as trespassing, burglary, misrepresentation, wiretapping and stealing are prohibited. Each employee and officer should endeavour to respect the rights of, and deal fairly with, our customers, suppliers, competitors and employees. No employee, officer or director should take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair business practice.

8. INSIDER TRADING

The Corporation encourages all employees to become shareholders on a long-term investment basis. However, management, employees, members of the Board of Directors and others who are in a "special relationship" with the Corporation from time to time, may become aware of corporate developments or plans which may affect the value of the Corporation's shares (inside information) before these developments or plans are made public. Black Out periods occur certain times throughout the year and during this time, all Corporation employees, officers and directors are prohibited from buying or selling the Corporation's securities on the TSX. In order to avoid civil and criminal insider trading violations, the Corporation has established an Insider

Trading Policy. As a prerequisite and condition of employment, all employees and officers must sign an acknowledgment by which they agree to adhere to this policy.

9. TELECOMMUNICATIONS

Telecommunications facilities of the Corporation such as telephone, cellular phones, facsimile, internet and email are Corporation property. Use of these facilities imposes certain responsibilities and obligations on all employees, officers and directors. Usage must be ethical and honest with a view to preservation of and due respect for Corporation's intellectual property, security systems, personal privacy, and freedom of others from intimidation, harassment, or unwanted annoyance.

10. DISCLOSURE

The Corporation is committed to providing timely, consistent and credible dissemination of information, consistent with disclosure requirements under applicable securities laws. The goal of our Disclosure Policy is to raise awareness of the Corporation's approach to disclosure among the board of directors, officers and employees and those authorized to speak on behalf of the Corporation.

The Disclosure Policy extends to all employees and officers of the Corporation, its Board of Directors and those authorized to speak on its behalf. It covers disclosures in documents filed with the securities regulators and written statements made in the Corporation's annual and quarterly reports, news releases, letter to shareholders, presentations by senior management, information contained on the Corporation's web site and other electronic communications. It extends to oral statements made in meetings and telephone conversations with members of the investment community (which includes analysts, investors, investment dealers, brokers, investment advisers and investment managers), interviews with the media as well as speeches and conference calls. As a prerequisite and condition of employment, all employees must sign an acknowledgment by which they agree to adhere to this policy, which is provided to the new hire prior to his/her start date.

11. ACCURACY OF CORPORATION RECORDS

Canadian public companies are required to record and publicly report all internal and external financial records in compliance with International Financial Reporting Standards (IFRS). Therefore, you are responsible for ensuring the accuracy of all books and records within your control and complying with all Corporation policies and internal controls. All Corporation information must be reported accurately, whether in internal personnel, safety, or other records or in information we release to the public or file with government agencies.

12. FINANCIAL REPORTING AND DISCLOSURE CONTROLS

Canadian public companies are required to file periodic and other reports with certain securities commissions and make certain public communications. For so long as we are a public company we will be required by these securities commissions to maintain effective "disclosure controls and procedures" so that financial and non-financial information is reported timely and accurately both to our senior management and in the filings we make. You are expected, within the scope of your employment duties, to support the effectiveness of our disclosure controls and procedures.

13. COMPLIANCE WITH ALL LAWS, RULES AND REGULATIONS

The Corporation is committed to compliance with all laws, rules, and regulations, including laws and regulations applicable to the Corporation's securities and trading in such securities, as well as any rules promulgated by any exchange on which the Corporation's shares may be listed.

14. HEALTH AND SAFETY

The Corporation is committed to making the work environment safe, secure and healthy for its employees and others. The Corporation complies with all applicable laws and regulations relating to safety and health in the workplace. We expect each of you to promote a positive working environment for all. You are expected to consult and comply with all Corporation rules regarding workplace conduct and safety. You should immediately report any unsafe or hazardous conditions or materials, injuries, and accidents connected with our business and any activity that compromises Corporation security to your supervisor. You must not work under the influence of any substances that would impair the safety of others. All threats or acts of physical violence or intimidation are prohibited.

15. RESPECT FOR OUR EMPLOYEES

The Corporation's employment decisions will be based on reasons related to our business, such as job performance, individual skills and talents, and other business-related factors. The Corporation policy requires adherence to all national, provincial or other local employment laws. In addition to any other requirements of applicable laws in a particular jurisdiction, the Corporation policy prohibits discrimination in any aspect of employment based on race, color, religion, sex, national origin, disability or age, within the meaning of applicable laws.

16. ABUSIVE OR HARASSING CONDUCT PROHIBITED

The Corporation prohibits abusive or harassing conduct by our employees and officers toward others, such as unwelcome sexual advances, comments based on ethnicity, religion or race, or other non- business, personal comments or conduct that make others uncomfortable in their employment with us. We encourage and expect you to report harassment or other inappropriate conduct as soon as it occurs.

17. PRIVACY

The Corporation, and companies and individuals authorized by the Corporation, collect and maintain personal information that relates to your employment, including compensation, medical and benefit information. The Corporation follows procedures to protect information wherever it is stored or processed, and access to your personal information is restricted. Your personal information will only be released to outside parties in accordance with the Corporation's policies and applicable legal requirements. Employees, officers and directors who have access to personal information must ensure that personal information is not disclosed in violation of the Corporation's policies or practices.

18. WAIVERS AND AMENDMENTS

Only the Board of Directors may waive application of or amend any provision of this Code. A request for such a waiver should be submitted in writing to the Board of Directors for its consideration. The Corporation will promptly disclose to investors all substantive amendments

to the Code, as well as all waivers of the Code granted to directors or officers in accordance with applicable laws and regulations.

19. NO RIGHTS CREATED

This Code is a statement of the fundamental principles and key policies and procedures that govern the conduct of our business. It is not intended to and does not, in any way, constitute an employment contract or an assurance of continued employment or create any rights in any employee, director, client, supplier, competitor, shareholder or any other person or entity.

SCHEDULE "2"
FORTUNE BAY CORP.
AUDIT COMMITTEE CHARTER

1. INTRODUCTION

The Audit Committee (the "**Committee**" or the "**Audit Committee**") of Fortune Bay Corp. (the "**Corporation**") is a committee of the Board of Directors (the "**Board**"). The Committee shall oversee the accounting and financial reporting practices of the Corporation and the audits of the Corporation's financial statements and exercise the responsibilities and duties set out in this Mandate.

2. MEMBERSHIP

Number of Members

The Committee shall be composed of three or more members of the Board.

Independence of Members

Each member of the Committee must be independent. "Independent" shall have the meaning, as the context requires, given to it in National Instrument 52-110 Audit Committees, as may be amended from time to time, subject to any exemptions or relief that may be granted from such requirements.

Chair

At the time of the annual appointment of the members of the Audit Committee, the Board shall appoint a Chair of the Audit Committee. The Chair shall be a member of the Audit Committee, preside over all Audit Committee meetings, coordinate the Audit Committee's compliance with this Mandate, work with management to develop the Audit Committee's annual work-plan and provide reports of the Audit Committee to the Board.

Financial Literacy of Members

At the time of his or her appointment to the Committee, each member of the Committee shall have, or shall acquire within a reasonable time following appointment to the Committee, the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements.

Term of Members

The members of the Committee shall be appointed annually by the Board. Each member of the Committee shall serve at the pleasure of the Board until the member resigns, is removed, or ceases to be a member of the Board. Unless a Chair is elected by the Board, the members of the Committee may designate a Chair by majority vote of the full Committee membership.

3. MEETINGS

Number of Meetings

The Committee may meet as many times per year as necessary to carry out its responsibilities.

Quorum

No business may be transacted by the Committee at a meeting unless a quorum of the Committee is present. A majority of members of the Committee shall constitute a quorum.

Calling of Meetings

The Chair, any member of the Audit Committee, the external auditors, the Chairman of the Board, or the Chief Executive Officer or the Chief Financial Officer may call a meeting of the Audit Committee by notifying the Corporation's Corporate Secretary who will notify the members of the Audit Committee. The Chair shall chair all Audit Committee meetings that he or she attends, and in the absence of the Chair, the members of the Audit Committee present may appoint a chair from their number for a meeting.

Minutes; Reporting to the Board

The Committee shall maintain minutes or other records of meetings and activities of the Committee in sufficient detail to convey the substance of all discussions held. Upon approval of the minutes by the Committee, the minutes shall be circulated to the members of the Board. However, the Chair may report orally to the Board on any matter in his or her view requiring the immediate attention of the Board.

Attendance of Non-Members

The external auditors are entitled to attend and be heard at each Audit Committee meeting. In addition, the Committee may invite to a meeting any officers or employees of the Corporation, legal counsel, advisors and other persons whose attendance it considers necessary or desirable in order to carry out its responsibilities.

Meetings without Management

The Committee shall hold unscheduled or regularly scheduled meetings, or portions of meetings, at which management is not present.

Procedure

The procedures for calling, holding, conducting and adjourning meetings of the Committee shall be the same as those applicable to meetings of the Board.

Access to Management

The Committee shall have unrestricted access to the Corporation's management and employees and the books and records of the Corporation.

4. DUTIES AND RESPONSIBILITIES

The Committee shall have the functions and responsibilities set out below as well as any other functions that are specifically delegated to the Committee by the Board and that the Board is authorized to delegate by applicable laws and regulations. In addition to these functions and responsibilities, the Committee shall perform the duties required of an audit committee by any exchange upon which securities of the Corporation are traded, or any governmental or regulatory body exercising authority over the Corporation, as are in effect from time to time (collectively, the "**Applicable Requirements**").

Financial Reports

(a) General

The Audit Committee is responsible for overseeing the Corporation's financial statements and financial disclosures. Management is responsible for the preparation, presentation and integrity of the Corporation's financial statements and financial disclosures and for the appropriateness of the accounting principles and the reporting policies used by the Corporation. The auditors are responsible for auditing the Corporation's annual consolidated financial statements and for reviewing the Corporation's unaudited interim financial statements.

(b) Review of Annual Financial Reports

The Audit Committee shall review the annual consolidated audited financial statements of the Corporation, the auditors' report thereon and the related management's discussion and analysis of the Corporation's financial condition and results of operation ("**MD&A**"). After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the annual financial statements and the related MD&A.

(c) Review of Interim Financial Reports

The Audit Committee shall review the interim consolidated financial statements of the Corporation, the auditors' review report thereon and the related MD&A. After completing its review, if advisable, the Audit Committee shall approve and recommend for Board approval the interim financial statements and the related MD&A.

(d) Review Considerations

In conducting its review of the annual financial statements or the interim financial statements, the Audit Committee shall:

(i) meet with management and the auditors to discuss the financial statements and MD&A;

(ii) review the disclosures in the financial statements;

(iii) review the audit report or review report prepared by the auditors;

(iv) discuss with management, the auditors and internal legal counsel, as requested, any litigation claim or other contingency that could have a material effect on the financial statements;

(v) review the accounting policies followed and critical accounting and other significant estimates and judgments underlying the financial statements as presented by management;

(vi) review any material effects of regulatory accounting initiatives or off-balance sheet structures on the financial statements as presented by management, including requirements relating to complex or unusual transactions, significant changes to accounting principles and alternative treatments under Canadian GAAP;

(vii) review any material changes in accounting policies and any significant changes in accounting practices and their impact on the financial statements as presented by management;

(viii) review management's report on the effectiveness of internal controls over financial reporting;

(ix) review the factors identified by management as factors that may affect future financial results; and

(x) review any other matters, related to the financial statements, that are brought forward by the auditors, management or which are required to be communicated to the Audit Committee under accounting policies, auditing standards or Applicable Requirements.

(e) Approval of Other Financial Disclosures

The Audit Committee shall review and, if advisable, approve and recommend for Board approval financial disclosure in a prospectus or other securities offering document of the Corporation, press releases disclosing, or based upon, financial results of the Corporation and any other material financial disclosure, including financial guidance provided to analysts, rating agencies or otherwise publicly disseminated.

Auditors

(a) General

The Audit Committee shall be responsible for oversight of the work of the auditors, including the auditors' work in preparing or issuing an audit report, performing other audit, review or attest services or any other related work.

(b) Nomination and Compensation

The Audit Committee shall review and, if advisable, select and recommend for Board approval the external auditors to be nominated and the compensation of such external auditor. The Audit Committee shall have ultimate authority to approve all audit engagement terms and fees, including the auditors' audit plan.

(c) Resolution of Disagreements

The Audit Committee shall resolve any disagreements between management and the auditors as to financial reporting matters brought to its attention.

(d) Discussions with Auditors

At least annually, the Audit Committee shall discuss with the auditors such matters as are required by applicable auditing standards to be discussed by the auditors with the Audit Committee.

(e) Audit Plan

At least annually, the Audit Committee shall review a summary of the auditors' annual audit plan. The Audit Committee shall consider and review with the auditors any material changes to the scope of the plan.

(f) Quarterly Review Report

The Audit Committee shall review a report prepared by the auditors in respect of each of the interim financial statements of the Corporation.

(g) Independence of Auditors

At least annually, and before the auditors issue their report on the annual financial statements, the Audit Committee shall obtain from the auditors a formal written statement describing all relationships between the auditors and the Corporation; discuss with the auditors any disclosed relationships or services that may affect the objectivity and independence of the auditors; and obtain written confirmation from the auditors that they are objective and independent within the meaning of the applicable Rules of Professional Conduct/Code of Ethics adopted by the provincial institute or order of chartered accountants to which the auditors belong and other Applicable Requirements. The Audit Committee shall take appropriate action to oversee the independence of the auditors.

(h) Evaluation and Rotation of Lead Partner

At least annually, the Audit Committee shall review the qualifications and performance of the lead partner(s) of the auditors and determine whether it is appropriate to adopt or continue a policy of rotating lead partners of the external auditors.

(i) Requirement for Pre-Approval of Non-Audit Services

The Audit Committee shall approve in advance any retainer of the auditors to perform any non-audit service to the Corporation that it deems advisable in accordance with Applicable Requirements and Board approved policies and procedures. The Audit Committee may delegate pre-approval authority to a member of the Audit Committee. The decisions of any member of the Audit Committee to whom this authority has been delegated must be presented to the full Audit Committee at its next scheduled Audit Committee meeting.

(g) Approval of Hiring Policies

The Audit Committee shall review and approve the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

(k) Financial Executives

The Committee shall review and discuss with management the appointment of key financial executives and recommend qualified candidates to the Board, as appropriate.

Internal Controls

(a) General

The Audit Committee shall review the Corporation's system of internal controls.

(b) Establishment, Review and Approval

The Audit Committee shall require management to implement and maintain appropriate systems of internal controls in accordance with Applicable Requirements, including internal controls over financial reporting and disclosure and to review, evaluate and approve these procedures. At least annually, the Audit Committee shall consider and review with management and the auditors:

(i) the effectiveness of, or weaknesses or deficiencies in, the design or operation of the Corporation's internal controls (including computerized information system controls and security); the overall control environment for managing business risks; and accounting, financial and disclosure controls (including, without limitation, controls over financial reporting), non-financial controls, and legal and regulatory controls and the impact of any identified weaknesses in internal controls on management's conclusions;

(ii) any significant changes in internal controls over financial reporting that are disclosed, or considered for disclosure, including those in the Corporation's periodic regulatory filings;

(iii) any material issues raised by any inquiry or investigation by the Corporation's regulators;

(iv) the Corporation's fraud prevention and detection program, including deficiencies in internal controls that may impact the integrity of financial information, or may expose the Corporation to other significant internal or external fraud losses and the extent of those losses and any disciplinary action in respect of fraud taken against management or other employees who have a significant role in financial reporting; and

(v) any related significant issues and recommendations of the auditors together with management's responses thereto, including the timetable for implementation of recommendations to correct weaknesses in internal controls over financial reporting and disclosure controls.

Compliance with Legal and Regulatory Requirements

The Audit Committee shall review reports from the Corporation's Corporate Secretary and other management members on: legal or compliance matters that may have a material impact on the Corporation; the effectiveness of the Corporation's compliance policies; and any material communications received from regulators. The Audit Committee shall review management's evaluation of and representations relating to compliance with specific applicable law and guidance, and management's plans to remediate any deficiencies identified.

Audit Committee Hotline Whistleblower Procedures

The Audit Committee shall establish procedures for (a) the receipt, retention, and treatment of complaints received by the Corporation regarding accounting, internal accounting controls, or auditing matters; and (b) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters. Any such complaints or concerns that are received shall be reviewed by the Audit Committee and, if the Audit Committee determines that the matter requires further investigation, it will direct the Chair of the Audit Committee to engage outside advisors, as necessary or appropriate, to investigate the matter and will work with management and the general counsel to reach a satisfactory conclusion.

Audit Committee Disclosure

The Audit Committee shall prepare, review and approve any audit committee disclosures required by Applicable Requirements in the Corporation's disclosure documents.

Delegation

The Audit Committee may, to the extent permissible by Applicable Requirements, designate a sub-committee to review any matter within this mandate as the Audit Committee deems appropriate.

5. NO RIGHTS CREATED

This Mandate is a statement of broad policies and is intended as a component of the flexible governance framework within which the Audit Committee, functions. While it should be interpreted in the context of all applicable laws, regulations and listing requirements, as well as in the context of the Corporation's By-laws, it is not intended to establish any legally binding obligations.

6. MANDATE REVIEW

The Committee shall review and update this Mandate annually and present it to the Board for approval.

SCHEDULE "3"
FORTUNE BAY CORP.
CHARTER OF THE BOARD OF DIRECTORS

(1) Purpose

The Board of Directors ("**Board**") of Fortune Bay Corp. ("**Fortune**") is responsible for the stewardship of Fortune's business and affairs.

(2) Composition of the Board

(a) The Board shall consist of no less than three (3) Directors, a majority of whom shall be independent;

(b) The Board shall appoint a Chair from amongst its directors; and

(c) If the Chair is not independent then a Lead Independent Director should be appointed from the ranks of the Independent Directors. The Chair shall be tasked with ensuring the Board's agenda enables the Board to successfully carry out its responsibilities to Fortune.

(3) Duties and Responsibilities of the Board

The Board has the following duties and responsibilities, which may be initially reviewed by the applicable committees of the Board before being recommended to the full Board for approval:

(a) Strategic Planning

(i) Ensuring that a company-wide strategic planning process is in place and approving the resulting business plan on at least an annual basis. This business plan should take into account, at a minimum the short and longer term opportunities and risks of the business;

(ii) Approving Fortune's annual operating and capital budgets; and

(iii) Reviewing performance results in relation to the business plan and budgets.

(b) Risk Management and Internal Controls

(i) Identifying and assessing the principal risks of Fortune's business and ensuring the implementation of systems to mitigate these risks;

(ii) Ensuring the integrity of Fortune's internal control and management information systems and the safeguarding of Fortune's assets;

(iii) Reviewing, approving, and as required, overseeing compliance with Fortune's Disclosure Policy by Directors, Officers, senior management and other employees;

(iv) Reviewing, approving and overseeing Fortune's disclosure, controls and procedures; and

(v) Reviewing and approving the Code of Business Conduct of Fortune with the purpose of promoting integrity and deterring wrongdoing, and encouraging and promoting a culture of ethical business conduct, and as required, overseeing compliance with Fortune's Code of Business Conduct by Directors, Officers, senior management and other employees.

(c) Chief Executive Officer and Senior Management

(i) Appointing the Chief Executive Officer ("**CEO**") of Fortune and determining the terms and conditions of his appointment;

(ii) Developing, along with the CEO, a written position description for the role of the CEO;

(iii) Satisfying itself as to the integrity of the CEO; and

(iv) Providing attention to succession planning, including the appointment, training, monitoring and continuing education of the CEO, Officers and senior management.

(d) Governance

(i) Developing Fortune's approach to governance practices, including expectations and responsibilities of individual Directors, including expectations for attendance at meetings and the level of engagement that is expected of members of the Board;

(ii) Approving the nomination of Directors to the Board, as well as:

(I) determining which Directors, in the reasonable opinion of the Board, are independent pursuant to applicable legislation and regulatory requirements;

(II) developing qualifications and criteria for the selection of Directors; and

(III) appointing the Board Chair, Lead Independent Director, if applicable, and the Chair and members of each Committee of the Board in consultation with the relevant Committee.

(iii) Determining that Audit Committee members meet all applicable legislative, regulatory and listing qualifications, including financial literacy and independence;

(iv) providing an orientation program for new Directors and continuing education opportunities for all Directors.

(v) Assessing annually the effectiveness of the Board Chair and/or Lead Independent Director, each Committee of the Board and their respective Chairs, as well as individual Directors;

(vi) Developing position descriptions for the Chair, the Lead Independent Director and for each Committee Chair so that they may be evaluated objectively; and

(vii) Appointing and removing Fortune's Secretary.

(e) Financial Reporting, Auditors and Transactions

(i) Reviewing and approving, as required, Fortune's financial statements and related financial information;

(ii) Appointing, subject to the approval of shareholders, and removing the external auditor;

(iii) Appointing and removing of Fortune's Chief Financial Officer ("**CFO**"); and

(iv) Delegating, to the extent permitted by law, to the CEO, other Officers and senior management appropriate powers to manage the business affairs of Fortune.

(f) Legal Requirements and Communication

(i) Overseeing the adequacy of Fortune's processes to ensure compliance by Fortune with applicable legal and regulatory requirements;

(ii) Developing and implementing measures through which the Board can receive feedback from security holders; and

(iii) Performing any other function that is prescribed by law that has not been delegated by the Board to a Committee of the Board or to management.

(g) Oversight of Fortune's Environmental Risks

(i) Review and monitor Fortune's environment policy and environmental management system.

(4) Duties and Responsibilities of the Board Chair and Lead Independent Director

The Board Chair and/or Lead Independent Director shall lead the Board in all aspects of its work and are responsible to effectively managing the affairs of the Board and ensuring that the Board is properly organized and functions efficiently. As appropriate the Chair and/or the Lead Independent Director will advise the CEO in matters concerning the Board, including the relationship between management and the Board.

Specifically, the Board Chair shall:

(a) Provide the leadership necessary to enable the Board to carry out its duties and responsibilities described in this Board Charter;

(b) Work with the CEO, other Officers and senior management to monitor progress on the Business Plan, annual budgets, policy implementation and succession planning;

(c) Provide advice, counsel and mentorship to the CEO and fellow members of the Board;

(d) Foster an effective working relationship between the Board and management;

(e) Chair the Board meetings;

(f) Determine, in consultation with the CEO, the Secretary, the Chairs of Committees, the frequency, dates and location of meetings of the Board, the Committees of the Board, and of the shareholders;

(g) Review the meeting agendas to ensure that all required business comes before the Board so that it may effectively and efficiently carry out its duties and responsibilities;

(h) Ensure that all items requiring Board and Committee approval are tabled as appropriate;

(i) Ensure the proper flow of information to the Board;

(j) Review, with the Secretariat and CEO, the adequacy and timing of information and materials in support of management proposals to the Board; and

(k) In conjunction with the relevant Committee of the Board and its Chair, review and assess individual Director's meeting attendance records and the effectiveness and performance of the Board, its Committees, Committee Chairs and individual Directors;

(l) Act for the CEO and exercise his/her authority in the event that the CEO is absent and is unable to act where action by the CEO is necessary to protect the interests of Fortune;

(m) Attend Committee meetings in a non-voting capacity as deemed appropriate by the Board Chair;

(n) Ensure that an opportunity exists at each regular meeting for the Independent Directors to meet separately without non-Independent Directors and management personnel present; and

(o) Carry out other functions or assignments as requested by the Board.

If there is a Lead Independent Director, he or she shall:

(a) Chair meetings of Independent Directors and relay comments or recommendations to the Chair of the Board and CEO; and

(b) Set procedure for meetings of Independent Directors.

(c) Act as Chair of the Board at any meeting where the Chair of the Board is absent; and

(d) Carry out other functions or assignments as requested by the Board.

SCHEDULE "4A"
AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF FORTUNE BAY CORP.
FROM INCORPORATION TO DECEMBER 31, 2013

Financial Statements of

FORTUNE BAY CORP.

Period ended December 31, 2013

(Expressed in Canadian Dollars)

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Brigus Gold Corp.

We have audited the accompanying financial statements of Fortune Bay Corp., which comprise the statement of financial position as at December 31, 2013 and the statement of operations and comprehensive loss, statement of changes in equity and statement of cash flows for the period from the date of incorporation of December 13, 2013 to December 31, 2013, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Fortune Bay Corp. as at December 31, 2013 and its financial performance and its cash flows from the

date of incorporation of December 13, 2013 to December 31 in accordance with International Financial Reporting Standards.

Emphasis of matters

Without qualifying our opinion, we draw attention to note 1 in the consolidated financial statements which describes matters and conditions that indicate the existence of material uncertainties that may cast significant doubt about Fortune Bay Corp.'s ability to continue as a going concern.

Chartered Accountants
January 27, 2014
Halifax, Canada

FORTUNE BAY CORP.
Statement of Operations and Comprehensive Loss

Expressed in Canadian dollars	Period from Incorporation on December 13, 2013 to December 31, 2013
Operating expenses	$ -
Professional fees	1,550
Total operating expenses	1,550
Net loss and comprehensive loss for the year	$ (1,550)
Net loss per share, basic and diluted	$ (1,550)
Weighted average shares outstanding	1

The accompanying notes are an integral part of these financial statements.

Approved on behalf of the Board of Directors on January 24, 2014

"Wade. K. Dawe"

Director

FORTUNE BAY CORP.
Statement of Financial Position

Expressed in Canadian dollars	December 31 2013
Assets	
Current assets	
Due from related party (note 6)	$ 1
Total assets	$ 1
Liabilities and Equity	
Current liabilities	
Due to related party (note 5)	$ 1,550
Total liabilities	$ 1,550
Equity	
Share capital (note 6)	1
Accumulated deficit	(1,550)
Total equity	$ (1,549)
Total liabilities and equity	$ 1

The accompanying notes are an integral part of these financial statements.

FORTUNE BAY CORP.
Statement of Changes Equity

Expressed in Canadian dollars	Share Capital Number of shares	Amount	Accumulated Deficit	Total Equity
Balance, December 13, 2013 (date of incorporation)	-	$ -	$ -	$ -
Shares issued to parent company	1	1	-	1
Net loss for the period	-	-	(1,550)	(1,550)
Balance, December 31, 2013	1	$ 1	$ (1,550)	$ (1,549)

The accompanying notes are an integral part of these financial statements.

FORTUNE BAY CORP.
Statement of Cash Flows

Expressed in Canadian dollars	Period from Incorporation on December 13, 2013 to December 31, 2013
Operating activities	
Net loss for the period	$ (1,550)
Changes in non-cash operating working capital:	
Due to related party	1,550
Net cash used in operating activities	$ -
Increase in cash	-
Cash, beginning or period	-
Cash, end of period	$ -
Non-cash investing and financing activities	
Shares issued to parent company	1

The accompanying notes are an integral part of these financial statements.

1. NATURE OF OPERATIONS AND CONTINUANCE OF COMPANY

8724385 Canada Limited was incorporated under the *Canadian Business Corporations Act* (the "CBCA") on December 13, 2013, as a wholly owned subsidiary of Brigus Gold Corp. ("Brigus"). Subsequently, on January 13, 2014, 8724385 Canada Limited's name was changed to Fortune Bay Corp. ("Fortune Bay" or the "Company"). Its principal business activity is the acquisition, exploration and development of mineral properties in Canada and Mexico.

These financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future. As at December 31, 2013, the Company had not yet generated any revenues from operations. On December 16, 2013, Brigus, Primero Mining Corp ("Primero") and Fortune Bay entered into an arrangement agreement (the "Arrangement Agreement"), whereby Primero will acquire all outstanding common shares of Brigus pursuant to a plan of arrangement of Brigus under the CBCA (the "Arrangement"). Pursuant to the Arrangement, Primero will acquire each outstanding Brigus common share for 0.175 of a Primero common share. In addition, Brigus shareholders will receive 0.1 of a common share in Fortune Bay for each Brigus common share. Prior to the completion of the Arrangement, Brigus' exploration projects in Saskatchewan, Canada, Mexico and the Dominican Republic, as well as certain other assets of Brigus (collectively, the "Exploration Properties Business"), will be transferred to Fortune Bay through an internal reorganization. Fortune Bay will be capitalized with approximately $10 million in cash. The shareholders of Brigus will hold 90.1% of Fortune Bay's issued and outstanding shares with the remaining 9.9% being held by Primero (refer to note 8). The completion of this transaction is subject to uncertainty which may raise significant doubt about the Company's ability to continue as a going concern. These financial statements do not include any adjustments to assets and liabilities should the Company be unable to continue as a going concern.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these financial statements, except as discussed below.

a) Statement of Compliance and Basis of Presentation

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The financial statements have been prepared on a historical cost basis. The financial statements are presented in Canadian dollars, which is the Company's functional currency.

b) Income Taxes

Current income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in the Statement of Equity and not in the Statement of Operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The Company recognizes interest and penalties, if any, related to uncertain tax positions in income tax expense.

Deferred income taxes

Deferred income taxes are calculated using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a Company combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses, can be utilized, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a Company combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside of profit or loss is recognized outside of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

c) Financial Instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of a financial instrument. Financial assets and financial liabilities are initially measured at fair value. Financial assets are classified into one of the following specified categories: fair value through profit or loss ("FVTPL"), held-to-maturity, available-for-sale ("AFS") and loans and receivables. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified as FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the Statement of Operations.

Financial Assets

Subsequent to initial recognition, financial assets held to maturity and loans and receivables are measured at amortized cost, AFS instruments are measured at fair value with unrealized gains and losses recognized in the Statement of Comprehensive Loss, and instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in the Statement of Operations.

The fair value of financial instruments traded in active markets (such as FVTPL and AFS securities) is based on quoted market prices at the date of the Statement of Financial Position. The quoted market price used for financial assets held by the Company is the current bid price.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been affected.

Financial Liabilities and Equity Instruments

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities. Financial liabilities classified as FVTPL are measured at fair value with unrealized gains and losses recognized in the Statement of Operations.

Derivative financial instruments

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the Statement of Operations immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported on the Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

d) Earnings Per Share

Earnings per share calculations are based on the weighted average number of common shares issued and outstanding during the period. Diluted earnings per share are calculated using the treasury stock method, in which the assumed proceeds from the potential exercise of those stock options, warrants and restricted share units whose average exercise price is below the average market price of the underlying shares are used to purchase the Company's common shares at their average market price for the period.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires that the Company's management make estimates and judgements about future events that affect the amounts reported in the financial statements and related notes to the financial statements. Actual results may differ from those estimates. Estimates and judgements are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates are accounted for prospectively.

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company assets and liabilities are as follows:

a) Income taxes

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period of changes.

Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable income are affected by, among other things, the market price for gold, production costs, quantities of proven and probable reserves, interest rates and foreign currency exchange rates.

b) Fair values and fair value hierarchy

IFRS 7, *Financial Instruments: Disclosures,* establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs.)

When the fair value of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs into these models are taken from observable markets where possible but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

4. RECENT ACCOUNTING PRONOUNCEMENTS

The Company has adopted the following new standards effective January 1, 2013. These changes were made in accordance with the applicable transitional provisions.

IFRS 10 Consolidated Financial Statements

IFRS 10 *Consolidated Financial Statements* ("IFRS 10") replaces the consolidation guidance in IAS 27 *Consolidated and Separate Financial Statements* ("IAS 27") and SIC-12 *Consolidation — Special Purpose Entities* by introducing a single consolidation model for all entities based on control, irrespective of the nature of the investee (i.e., whether an entity is controlled through voting rights of investors or through other contractual arrangements as is common in special purpose entities). Under IFRS 10, control is based on whether an investor has power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns. The Company conducted a review of the new standard and determined that the adoption of IFRS 10 did not result in any change to the Financial Statements.

IFRS 11 Joint Arrangements

IFRS 11 *Joint Arrangements* ("IFRS 11") introduces new accounting requirements for joint arrangements, replacing IAS 31 *Interests in Joint Ventures*. IFRS 11 removes the option to apply the proportional consolidation method when accounting for jointly controlled entities and eliminates the concept of jointly controlled assets. IFRS 11 now only differentiates between joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control have rights to the assets and obligations for the liabilities. A joint venture is a joint arrangement whereby the parties that have joint control have rights to the net assets. The Company conducted a review of the new standard and determined that the adoption of IFRS 11 did not result in any change to the Financial Statements.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 *Disclosure of Interests in Other Entities* ("IFRS 12") requires enhanced disclosures about both consolidated entities and unconsolidated entities in which an entity has involvement. The objective of IFRS 12 is to provide financial statement users with information to evaluate the basis of control, any restrictions on consolidated assets and liabilities, risk exposures arising from involvement with unconsolidated structured entities and non-controlling interest holders' involvement in the activities of consolidated entities. The Company conducted a review of the new standard and determined that the adoption of IFRS 12 did not result in any change to the Financial Statements.

IFRS 13 Fair Value Measurement

IFRS 13 *Fair Value Measurement* ("IFRS 13") replaces existing IFRS guidance on fair value with a single standard. IFRS 13 defines fair value, provides guidance on how to determine fair value and outlines required disclosures about fair value measurements. IFRS 13 does not change the requirements regarding which items should be measured or disclosed at fair value. The Company conducted a review of the new standard and determined that the adoption of IFRS 13 resulted in disclosure around fair value measurement which has been included in the Financial Statements.

New Accounting Standards Issued But Not Yet Effective

IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments* ("IFRS 9") introduces new requirements for the classification, measurement and derecognition of financial assets and financial liabilities. Specifically, IFRS 9 requires all recognized financial assets that are within the scope of IAS 39 *Financial Instruments*: *Recognition and Measurement* to be subsequently measured at amortized cost or fair value. As part of the limited amendments to IFRS 9, the IASB tentatively decided to defer the mandatory effective date of IFRS. The Company is currently assessing the impact of applying the amendments of IFRS 9.

5. DUE TO RELATED PARTY

Brigus, the parent company, paid for the incorporation costs associated with Fortune Bay's incorporation.

6. SHARE CAPITAL

Common Shares

Authorized share capital of the Company consists of an unlimited number of fully paid common shares without par value.

On December 13, 2013, the Company issued one common share for proceeds of $1 to Brigus.

7. FAIR VALUE OF FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Capital Management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns to shareholders and benefits to other stakeholders.

The Company considers the items included in the statement of shareholder's equity as capital. The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may issue new shares through equity offerings or return capital to shareholders. The Company is not subject to externally imposed capital requirements.

b) Fair Values of Financial Instruments

The fair value of financial instruments approximate their carrying values due to the relatively short-term maturity of these instruments.

c) Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company has not had any credit losses in the past. The Company has no financial assets that are due or impaired due to credit risk defaults. The primary source of credit risk for the Company arises from its account receivable.

d) Currency and Interest Rate Risk

The Company is not exposed to any significant foreign exchange rate risk or interest rate risk.

e) Liquidity Risk

Liquidity risk is the risk that the Company will not meet its financial obligations as they become due. The Company is dependent on the completion of the Plan of Arrangement between Brigus Gold and Primero Mining to continue operations (refer to note 8). In the long term, the Company may have to issue additional equity to ensure there is sufficient capital to meet long term objectives.

8. SUBSEQUENT EVENT

Pursuant to an Arrangement Agreement among Brigus, Primero and Fortune Bay dated December 16, 2013, Primero will acquire all outstanding common shares of Brigus pursuant to the Arrangement. Prior to the Effective Time, as defined in the management information circular dated January 27, 2014 (the "Management Information Circular"), Brigus shall effect an internal reorganization (the "Reorganization") pursuant to the master reorganization agreement between Brigus and Fortune Bay, such that Fortune Bay will acquire the Exploration Properties Business, and also includes any further reorganization.

Under the plan of arrangement, commencing at the effective time, the following principal steps shall occur and shall be deemed to occur without any further act or formality, but in the order and with the timing set out in the plan of arrangement:

(a) Primero will lend to Brigus $10 million (the "Loan Amount") by way of a non-interest bearing demand promissory note.

(b) Brigus will subscribe for such number of additional Fortune Bay shares as would result in Brigus holding, after completion of the Reorganization and distribution of the Fortune Bay shares to Brigus shareholders, 9.9% of the outstanding Fortune Bay shares, in consideration for payment to Fortune Bay of cash subscription proceeds equal to the Loan Amount (with the amount, if any, by which such cash subscription proceeds exceed the fair market value of the Fortune Bay shares so issued being a contribution to the capital of Fortune Bay).

(c) Brigus shall effect a reorganization of its capital as follows: (i) the authorized share capital of Brigus will be amended by the creation of one new class of shares consisting of an unlimited number of Brigus Class A Shares, and the articles of incorporation of Brigus shall be deemed to be amended accordingly; (ii) each outstanding Brigus share will be exchanged (without any further act or formality on the part of the Brigus shareholder) free and clear of all liens for one (1) Brigus Class A Share and 0.1 of a Fortune Bay share, and such Brigus shares shall thereupon be cancelled, and:

    (i) the holders of such Brigus shares shall cease to be the holders thereof and to have any rights or privileges as holders of such Brigus shares;

    (ii) such holders' names shall be removed from the register of the Brigus shares maintained by or on behalf of Brigus; and

    (iii) each Brigus shareholder shall be deemed to be the holder of the Class A Shares and Fortune Bay shares (in each case, free and clear of any liens) exchanged for the Brigus shares and shall be entered in the register of Brigus or Fortune Bay, as the case may be, as the registered holder thereof.

(d) All Brigus Class A Shares shall be assigned and transferred to Primero, free and clear of any liens, and each holder thereof shall receive 0.175 of a Primero share and $0.000001 in exchange for each Brigus Class A Share, and:

    (i) the holders of such Brigus Class A Shares shall cease to be the holders thereof and to have any rights as holders of such Class A Shares other than the right to be paid 0.175 of a Primero share and $0.000001 share per Brigus Class A Share in accordance with this plan of arrangement;

    (ii) such holders' name shall be removed from the register of the Class A Shares maintained by or on behalf of Brigus; and

    (iii) Primero shall be deemed to be the transferee and the legal and beneficial holder of such Class A Shares (free and clear of all liens) and shall be entered as the registered holder of such Class A Shares in the register of the Class A Shares maintained by or on behalf of Brigus.

SCHEDULE"4B"
AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF
THE EXPLORATION PROPERTIES BUSINESS OF FORTUNE BAY CORP.
FOR THE YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

Consolidated Carve-out Financial Statements of

THE EXPLORATION PROPERTIES BUSINESS OF FORTUNE BAY CORP.

(as defined in Note 1)

Years ended December 31, 2013, 2012 and 2011

(Expressed in Canadian Dollars)

Deloitte.

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INDEPENDENT AUDITOR'S REPORT

To the Directors of Brigus Gold Corp.

We have audited the accompanying consolidated carve-out financial statements of the entities that will be transferred into Fortune Bay Corp. (Brigus Gold ULC, 71539645 Canada Inc., Linear Gold Caribe SA, Linear Gold Holdings Inc., Linear Gold Mexico, Servicios Ixhautan Linear Gold Minciaco, together "the exploration business"), which comprise the consolidated carve-out statements of financial position as at December 31, 2013, December 31, 2012 and December 31, 2011, and the consolidated carve-out statements of operations and comprehensive loss, consolidated carve-out statements of changes in equity and consolidated carve-out statements of cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Carve-out Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated carve-out financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated carve-out financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated carve-out financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated carve-out financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated carve-out financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated carve-out financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated carve-out financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated carve-out financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated carve-out financial statements present fairly, in all material respects, the carve-out financial position of the entities that will be transferred into Fortune Bay Corp. as at December 31, 2013, December 31, 2012 and December 31, 2011, and its carve-out financial performance and its carve-out cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of matters

Without modifying our opinion, we draw attention to the fact that, as described in note 1 to the consolidated carve-out financial statements, Fortune Bay Corp. did not operate as a separate entity prior to December 13, 2013. The consolidated carve-out financial statements for the period up to December 31, 2013 are, therefore, not necessarily indicative of results that would have occurred if Fortune Bay Corp. had been a separate stand-alone entity during the years presented or of future results of Fortune Bay Corp.

Without qualifying our opinion, we draw attention to note 2 in the consolidated financial statements which describes matters and conditions that indicate the existence of material uncertainties that may cast significant doubt about the exploration business' ability to continue as a going concern.

Deloitte LLP

Chartered Accountants
January 27, 2014
Halifax, Canada

THE EXPLORATION PROPERTIES BUSINESS OF FORTUNE BAY CORP.
Consolidated Carve-out Statements of Operations and Comprehensive Loss

Expressed in Canadian dollars	December 31 2013	December 31 2012	December 31 2011
Operating expenses			
Office, travel and promotion	$ 80,120	$ 88,996	$ 100,732
Depreciation	25,912	60,949	67,961
Professional fees	169,429	65,083	100,000
Salaries and benefits	220,972	221,759	234,179
Impairment of property and equipment (Note 7)	2,734,769	-	-
Impairment of assets held for sale (Note 8)	3,018,234	1,431,006	-
Impairment of exploration and evaluation assets (Note 9)	42,823,760	6,682,238	137,000
Loss on disposal of exploration and evaluation assets (Note 16)	650,893	-	-
Loss on disposal of equipment	4,106	34,127	12,240
Foreign exchange loss (gain)	8,291	(1,957)	21,245
Total operating expenses	49,736,486	8,582,201	673,357
Other income (expenses)			
Gain on termination of option agreement (Note 6)	-	1,565,812	-
Gain on sale of available-for-sale investments	-	-	12,585
Equity loss on investment in associate (Note 6)	-	(164,802)	(41,010)
Loss before income taxes	(49,736,486)	(7,181,191)	(701,782)
Income tax recovery (Note 11)	9,847,145	423,011	371,198
Net loss for the year	$(39,889,341)	$(6,758,180)	$(330,584)
Other comprehensive (loss) income			
Realized gain on available-for-sale investments	-	-	(12,585)
Unrealized (losses) gains on available-for-sale investments (Note 6)	(150,000)	180,000	(11,165)
Comprehensive loss for the year	$(40,039,341)	$(6,578,180)	$(354,334)

The accompanying notes are an integral part of these consolidated carve-out financial statements.

Approved on behalf of the Board of Directors on January 24, 2014

"David Peat" "Wade. K. Dawe"

Director Director

THE EXPLORATION PROPERTIES BUSINESS OF FORTUNE BAY CORP.
Consolidated Carve-out Statements of Financial Position

Expressed in Canadian dollars	December 31 2013	December 31 2012	December 31 2011
Assets			
Current assets			
Cash	$ 63,686	$ 197,374	$ 355,919
Accounts receivable	19,441	13,322	175,870
Prepaids	28,707	29,879	55,686
Investments (Note 6)	390,000	540,000	-
Assets held for sale (Note 8)	700,000	3,709,154	5,131,773
Total current assets	1,201,834	4,489,729	5,719,248
Reclamation deposit	36,677	36,677	36,314
Investments (Note 6)	-	-	13,406,623
Property and equipment (Note 7)	225,564	3,006,876	3,117,423
Exploration and evaluation assets (Note 9)	13,718,998	56,866,348	63,188,088
Total assets	$15,183,073	$ 64,399,630	$ 85,467,696
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued liabilities	$ 160,386	$ 246,440	$ 710,306
Total current liabilities	160,386	246,440	710,306
Derivative liability (Note 10)	-	-	14,447,633
Deferred tax liability (Note 11)	115,440	9,962,585	10,385,596
Total liabilities	275,826	10,209,025	25,543,535
Equity			
Net investment from parent	14,877,247	54,010,605	59,924,161
Accumulated other comprehensive income	30,000	180,000	-
Total equity	14,907,247	54,190,605	59,924,161
Total liabilities and equity	$15,183,073	$ 64,399,630	$ 85,467,696

Commitments and contingencies (Note 15)

The accompanying notes are an integral part of these consolidated carve-out financial statements.

THE EXPLORATION PROPERTIES BUSINESS OF FORTUNE BAY CORP.
Consolidated Carve-out Statements of Changes in Equity

Expressed in Canadian dollars	Net Investment from Parent	Accumulated Other Comprehensive Income	Total Equity
Balance, December 31, 2010	$53,723,735	$ 23,750	$ 53,747,485
Net contributions and advances from parent	6,531,010	-	6,531,010
Realized gain on available-for-sale investments	-	(12,585)	(12,585)
Unrealized loss on available-for-sale investments	-	(11,165)	(11,165)
Net loss for the year	(330,584)	-	(330,584)
Balance, December 31, 2011	$59,924,161	$ -	$ 59,924,161
Net contributions and advances from parent	844,624	-	844,624
Unrealized gain on available-for-sale investments	-	180,000	180,000
Net loss for the year	(6,758,180)	-	(6,758,180)
Balance, December 31, 2012	$54,010,605	$ 180,000	$ 54,190,605
Net contributions and advances from parent	755,983	-	755,983
Unrealized loss on available-for-sale investments	-	(150,000)	(150,000)
Net loss for the year	(39,889,341)	-	(39,889,341)
Balance, December 31, 2013	$14,877,247	$ 30,000	$ 14,907,247

The accompanying notes are an integral part of these consolidated carve-out financial statements.

THE EXPLORATION PROPERTIES BUSINESS OF FORTUNE BAY CORP.
Consolidated Carve-out Statements of Cash Flows

Expressed in Canadian dollars	December 31 2013	December 31 2012	December 31 2011
Operating activities			
Net loss for the year	$(39,889,341)	$(6,758,180)	$(330,584)
Non-cash items:			
Depreciation	25,912	60,949	67,961
Gain on termination of option agreement	-	(1,565,812)	-
Loss on disposal of equipment	4,106	34,127	12,240
Loss on disposal of evaluation and exploration assets	650,893	-	-
Gain on sale of available-for-sale investments	-	-	(12,585)
Impairment of property and equipment	2,734,769	-	-
Impairment of assets held for sale	3,018,234	1,431,006	-
Impairment of evaluation and exploration assets	42,823,760	6,682,238	137,000
Deferred income taxes	(9,847,145)	(423,011)	(371,198)
Equity loss on investment in associate	-	164,802	41,010
Net change in non-cash operating working capital (Note 12)	(91,001)	(275,874)	(1,654,671)
Net cash used in operating activities	(569,813)	(649,755)	(2,110,827)
Investing activities			
Additions to property and equipment	-	(2,881)	(124,810)
Additions to exploration and evaluation assets	(319,858)	(350,533)	(2,925,742)
Proceeds from sale of available-for-sale investments	-	-	76,335
Net cash used in investing activities	(319,858)	(353,414)	(2,974,217)
Financing activities			
Net contributions and advances from parent	755,983	844,624	4,237,070
Proceeds from option agreement (Note 6)	-	-	1,000,000
Net cash provided by financing activities	755,983	844,624	5,237,070
(Decrease) increase in cash	(133,688)	(158,545)	152,026
Cash, beginning of year	197,374	355,919	203,893
Cash, end of year	$ 63,686	$ 197,374	$ 355,919

The accompanying notes are an integral part of these consolidated carve-out financial statements.

1. TRANSFER OF ASSETS AND BASIS OF PRESENTATION

On December 16, 2013, Brigus Gold Corp ("Brigus"), Primero Mining Corp ("Primero") and Fortune Bay Corp. ("Fortune Bay") entered into an arrangement agreement (the "Arrangement Agreement") whereby Primero will acquire all outstanding common shares of Brigus pursuant to a plan of arrangement of Brigus (the "Arrangement") under the *Canada Business Corporations Act (the "CBCA")*. Pursuant to the Arrangement, Primero will acquire each outstanding Brigus common share for 0.175 of a Primero common share. In addition, Brigus shareholders will receive 0.1 of a common share in a newly incorporated company, Fortune Bay for each Brigus common share. Prior to the Arrangement, Brigus' exploration projects in Saskatchewan, Canada, Mexico, and the Dominican Republic (the "Exploration Properties Business"), as well as certain other assets and liabilities related to the operation and exploration of the Exploration Properties Business, will be transferred to Fortune Bay through an internal reorganization. For further clarity, this transfer will not include the assets and liabilities of the Black Fox Complex. Fortune Bay will be capitalized with approximately $10 million in cash. The shareholders of Brigus will hold 90.1% of Fortune Bay's issued and outstanding shares with the remaining 9.9% being held by Primero.

These consolidated carve-out financial statements have been prepared for inclusion in Brigus' management information circular dated January 27, 2014 (the "Management Information Circular"). They reflect the financial position, statement of operations and comprehensive loss, equity and cash flows of the Exploration Properties Business which will be transferred to Fortune Bay on a continuity of interest basis of accounting. As Brigus has not historically prepared financial statements for the Exploration Properties Business, the consolidated carve-out financial statements have been prepared from the financial records of Brigus on a carve-out basis. The Consolidated Carve-out Statements of Financial Position include all assets and liabilities directly attributable to the Exploration Properties Business. Where the assets and liabilities attributable to the Exploration Properties Business could not be specifically identified from the financial records of Brigus, management has made adjustments to eliminate any portion of the assets and liabilities not relating to the Exploration Properties Business from the Consolidated Carve-out Statement of Financial Position. The Consolidated Carve-out Statement of Operations and Comprehensive Loss for each of the years ended December 31, 2013, 2012 and 2011 reflect all expenses and other income directly attributable to the Exploration Properties Business and an allocation of Brigus' general and administrative expenses incurred in each of those years, as these expenditures were shared by the Exploration Properties Business and Brigus. In some instances, certain expenses were not allocated as they would have related directly to Brigus. The allocation of general and administrative expenses was based on the ratio of the total assets relating to the Exploration Properties Business as compared to the total assets of Brigus in each of the years presented, adjusted for the head count associated with the resources dedicated to these assets. The Exploration Properties Business consists of several wholly owned subsidiaries, each of which is a separate legal entity. As such, each legal entity has filed separate tax returns for the periods presented. Income taxes have been calculated and reflected based on the returns filed for each of the entities within the Exploration Properties Business. The Exploration Properties Business opening equity at January 1, 2011 has been calculated by applying the same allocation principles outlined above to the cumulative transactions related to the transferred mineral properties from the date of acquisition of the properties by Brigus.

These consolidated carve-out financial statements have been prepared based upon the historical cost amounts recorded by Brigus. These consolidated carve-out financial statements may not be indicative of the Exploration Properties Business financial performance and do not necessarily reflect what its results of operations, financial position and cash flows would have been had the Exploration Properties Business operated as an independent entity during the years presented.

2. DESCRIPTION OF BUSINESS AND NATURE OF OPERATIONS

The Exploration Properties Business' principal activity is the acquisition, exploration and development of exploration and evaluation interests. To date, the Exploration Properties Business has not generated any revenues from operations and is considered to be in the exploration stage. The Exploration Properties Business' registered office is 77 King Street West, TD Center, North Tower, Suite 3000, Toronto, Ontario Canada M5K 1G8.

The Exploration Properties Business is in the process of exploring and evaluating its mineral properties in Canada and Mexico. The recoverability of amounts spent for the acquisition, exploration and development of the mineral properties is dependent upon the discovery of economically recoverable reserves, the ability of the Exploration Properties Business to obtain the necessary financing to complete the exploration and development of its properties, and upon future profitable production or proceeds from disposition of the properties. The operations of the Exploration Properties Business will require various licences and permits from various governmental authorities which are or may be granted subject to various conditions and may be subject to renewal from time to time. There can be no assurance that the Exploration Properties Business will be able to comply with such conditions and obtain or retain all necessary licences and permits that may be required to carry out exploration, development, and mining operations at its projects. Failure to comply with these conditions may render the licences liable to forfeiture.

These consolidated carve-out financial statements have been prepared on a going concern basis which assumes that the Exploration Properties Business will be able to realize its assets and discharge its liabilities in the normal course of operations for the foreseeable future. Continued operation of the Exploration Properties Business is dependent on its ability to develop its exploration and evaluation assets, receive continued financial support, complete equity financings, or generate profitable operations in the future. These consolidated carve-out financial statements do not include any adjustments to assets and liabilities should the Exploration Properties Business be unable to continue as a going concern.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated carve-out financial statements, except as discussed below.

a) Statement of Compliance and Basis of Consolidation

The consolidated carve-out financial statements of the Exploration Properties Business and all its subsidiaries have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These consolidated carve-out financial statements include certain assets, liabilities and results of operations directly attributable to the Exploration Properties Business, including the following subsidiaries of Brigus:

Subsidiary	Principal Activity	Country of Incorporation
Brigus Gold ULC	Administrative services	Canada
7153945 Canada Inc.	Exploration	Canada
Linear Gold Holdings Corp.	Holding company	Canada
Linear Gold Mexico, S.A. de C.V.	Exploration	Mexico
Linear Gold Caribe, S.A.	Exploration	Panama
Linear Gold Mineraçao Ltda.	Exploration	Brazil
Servicios Ixhuatán, S.A. de C.V.	Exploration	Mexico

The financial results of the subsidiaries above, which are controlled by the Exploration Properties Business, are consolidated in the consolidated carve-out financial statements from the date that control commences until the date whereby control ceases. Control exists when an investor has power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns. All subsidiaries have the same year end. All intercompany balances, revenue and expense transactions are eliminated upon consolidation.

The consolidated carve-out financial statements have been prepared on a historical cost basis and net realizable value, except for derivative financial instruments and investments that have been measured at fair value. The consolidated carve-out financial statements are presented in Canadian dollars.

b) Investments in Associates

The Exploration Properties Business accounts for investments in associates using the equity method. An associate is an entity in which the Exploration Properties Business has a significant influence. Under the equity method, the investment in the associate is recorded on the Statement of Financial Position at cost plus post acquisition changes in the Exploration Properties Business' share of net assets of the associate. The Statement of Operations reflects the Exploration Properties Business' share of the associate's operations.

The financial statements of the associate are prepared using the same accounting policies as the Exploration Properties Business. When necessary, adjustments are made to bring the accounting policies of the associate in line with those of the Exploration Properties Business.

At each reporting date, the Exploration Properties Business determines whether there is any objective evidence that the investment in the associate is impaired. If an impairment is deemed to exist, the amount of the impairment is recognized in the Statement of Operations. The amount of impairment is calculated as the difference between the recoverable amount of the investment in the associate and its carrying value.

Upon loss of significant influence over an associate, the Exploration Properties Business measures and recognizes any remaining investment at fair value. Any difference between the carrying amount of the investment in the associate and the fair value of the retained investment plus proceeds from disposal is recognized in the Statement of Operations.

c) Foreign Currency Translation

The Canadian dollar is the functional and presentation currency of the Exploration Properties Business, as this is the principal currency of the economic environment in which the Exploration Properties Business operates.

Foreign currency transactions are translated as follows: (i) monetary assets and liabilities denominated in currencies other than the Canadian dollar are translated into Canadian dollars at the exchange rate prevailing at the Statement of Financial Position date; (ii) non-monetary assets and liabilities denominated in foreign currencies and measured in terms of historic costs are translated using rates of exchange at the transaction dates; and (iii) non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are translated using the rates of exchange at the dates those fair values are determined.

d) Employee Benefits

The Exploration Properties Business accrues liabilities for employee benefits such as wages, salaries, bonuses, paid vacation, and other benefits at their nominal amounts as these are the amounts expected to be paid when the liabilities are settled.

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions.

e) Income Taxes

Current income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Exploration Properties Business operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in the Statement of Changes in Equity and not in the Statement of Operations. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. The Exploration Properties Business recognizes interest and penalties, if any, related to uncertain tax positions in income tax expense.

Deferred income taxes

Deferred income taxes are calculated using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences, except:

- when the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of taxable temporary differences associated with investments in subsidiaries and associates, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, the carryforward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carryforward of unused tax credits and unused tax losses, can be utilized, except:

- when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and

- in respect of deductible temporary differences associated with investments in subsidiaries and associates, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognized outside of profit or loss is recognized outside of profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

f) Long Lived Assets

Property and equipment

Property and equipment, excluding land, are recorded at cost less accumulated depreciation and accumulated impairment losses. Land is recorded at cost less accumulated impairment losses and is not depreciated. The initial cost of an asset is comprised of its purchase price or construction cost, any costs directly attributable to bringing the asset into operation, the initial estimate of the reclamation obligation and, for qualifying assets, borrowing costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

The Exploration Properties Business depreciates the cost of property and equipment over their estimated useful lives at the following annual rates using the declining balance method:

Computer and office equipment	30%
Leasehold improvements	over term of related lease
Field equipment	25-30%

Subsequent costs are included in the asset's carrying amount when it is probable that future economic benefits associated with the asset will flow to the Exploration Properties Business and the costs can be measured reliably. This would include costs related to the refurbishment or replacement of major parts of an asset. Costs relating to the refurbishment of a major part are capitalized since the refurbishment will typically result in a significant extension in the physical life of that part. All other repairs and maintenance costs are charged to the Statement of Operations during the period in which they are incurred.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Exploration and evaluation expenditures

Exploration and evaluation expenditures include costs such as exploratory drilling, sample testing and the costs of pre-feasibility studies. These costs are capitalized on a project-by-project basis pending determination of the technical feasibility and commercial viability of the project. The technical feasibility and commercial viability of a project is considered to be determinable when the proposed efficiency and viability of project is assessed and the costs are expected to be recovered in full through the successful development and exploration of the identified property. All capitalized exploration and evaluation expenditures are monitored for indications of impairment, to ensure that commercial quantities of reserves exist or that exploration activities related to the property are continuing or planned for the future. If an exploration property does not prove viable, all unrecoverable costs associated with the project are expensed.

Exploration and evaluation assets are not depreciated. These amounts are reclassified from exploration and evaluation assets to mine development costs once the work completed to date supports the future development of the property and such development receives the appropriate approval. All subsequent expenditures to ready the property for production are capitalized within mine development costs, other than those costs related to the construction of property and equipment. Once production has commenced, all assets included in mine development costs are reclassified to mining properties.

Exploration and evaluation expenditures incurred prior to the Exploration Properties Business obtaining the right to explore are recorded as expense in the period in which they are incurred.

Mineral rights

Mineral rights include the cost of obtaining unpatented and patented mining claims and the cost of acquisition of properties. Significant payments related to the acquisition of land and mineral rights are capitalized. If a mineable ore body is discovered, such costs are amortized when saleable minerals are produced from the ore body using the unit-of-production method based on proven and probable reserves. If no mineable ore body is discovered or such rights are otherwise determined to have no value, such costs are expensed in the period in which it is determined the property has no future economic value.

g) Impairment of Long Lived Assets

At the end of each reporting period, the Exploration Properties Business reviews the carrying amounts of its long lived assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Exploration Properties Business estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. Value in use is determined by discounting the estimated future cash flows to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in the Statement of Operations.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, however the revised carrying amount cannot exceed the asset's (or cash-generating unit's) original cost before impairment. A reversal of an impairment loss is recognized immediately in the Statement of Operations.

h) Non-current Assets Held for Sale

Non-current assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use and the following criteria have been met, the sale is highly probable, the asset is available for immediate sale in its present condition, management is committed to the sale, and the transaction is expected to be completed within one year from the date of classification.

Property and equipment classified as held for sale is not depreciated or amortized.

i) Other Income

Other income is recognized when it is probable that the economic benefits will flow to the Exploration Properties Business and the amount can be measured reliably. Other income is recognized on an accrual basis.

j) Leases

Operating lease payments are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

k) Financial Instruments

Financial assets and financial liabilities are recognized when the Exploration Properties Business becomes a party to the contractual provisions of a financial instrument. Financial assets and financial liabilities are initially measured at fair value. Financial assets are classified into one of the following specified categories: fair value through profit or loss ("FVTPL"), held-to-maturity, available-for-sale ("AFS") and loans and receivables. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities classified as FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities classified as FVTPL are recognized immediately in the Statement of Operations.

The Exploration Properties Business' financial instruments are classified and subsequently measured as follows:

Asset / Liability	Classification	Subsequent Measurement
Cash	Loans and receivables	Amortized cost
Accounts receivable	Loans and receivables	Amortized cost
Investments	Available-for-sale	Fair value through other comprehensive income
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Derivative liabilities	Fair value through profit or loss	Fair value through profit or loss

Financial Assets

Subsequent to initial recognition, financial assets held to maturity and loans and receivables are measured at amortized cost, AFS instruments are measured at fair value with unrealized gains and losses recognized in the Statement of Comprehensive Income, and instruments classified as FVTPL are measured at fair value with unrealized gains and losses recognized in the Statement of Operations.

The fair value of financial instruments traded in active markets (such as FVTPL and AFS securities) is based on quoted market prices at the date of the Statement of Financial Position. The quoted market price used for financial assets held by the Exploration Properties Business is the current bid price.

Impairment of financial assets

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial asset have been affected.

Financial Liabilities and Equity Instruments

Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities. Financial liabilities classified as FVTPL are measured at fair value with unrealized gains and losses recognized in the Statement of Operations.

Derivative financial instruments

Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in the Statement of Operations immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported on the Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

4. SIGNIFICANT ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the consolidated carve-out financial statements requires that the Exploration Properties Business' management make estimates and judgments about future events that affect the amounts reported in the consolidated carve-out financial statements and related notes to the consolidated carve-out financial statements. Actual results may differ from those estimates. Estimates and judgments are reviewed on an ongoing basis based on historical experience and other factors that are considered to be relevant under the circumstances. Revisions to estimates are accounted for prospectively.

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Exploration Properties Business assets and liabilities are as follows:

a) Economic recoverability and probability of future economic benefits of exploration and evaluation costs

The Exploration Properties Business has determined that exploration drilling, evaluation, development and related costs incurred which have been capitalized are economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geological and metallurgical information, history of conversion of mineral deposits to proven and probable reserves, scoping and feasibility studies, accessible facilities, and existing permits.

b) Impairment of assets

At the end of each reporting period, the Exploration Properties Business assesses each cash generating unit to determine whether any indication of impairment exists. Where an indicator of impairment exists, a formal estimate of the recoverable amount is made, which is considered to be the higher of the fair value less costs to sell and value in use. The impairment analysis requires the use of estimates and assumptions such as long-term commodity prices, discount rates, future capital requirements, exploration potential, and operating performance. Fair value of exploration and evaluation properties is generally determined as the present value of estimated future cash flows arising from the continued use of the asset, which includes estimates such as the cost of future expansion plans and eventual disposal, using assumptions that an independent market participant may take into

account. Cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Management has assessed its cash generating units as being an individual development project, which is the lowest level for which cash inflows are largely independent of those other assets.

c) Income taxes

The Exploration Properties Business is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period of changes.

Each period, the Exploration Properties Business evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable income are affected by, among other things, the market price for gold, development costs, quantities of proven and probable reserves, interest rates and foreign currency exchange rates.

d) Contingencies

Due to the size, complexity and nature of the Exploration Properties Business' operations, various legal and tax matters are outstanding from time to time. In the event that management's estimate of the future resolution of these matters changes, the Exploration Properties Business will recognize the effects of the changes in its financial statements on the date that such changes occur.

e) Fair values and fair value hierarchy

When the fair value of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, their fair value is determined using valuation techniques including discounted cash flow models. The inputs into these models are taken from observable markets where possible but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

5. RECENT ACCOUNTING PRONOUNCEMENTS

The Exploration Properties Business has adopted the following new standards effective January 1, 2013. These changes were made in accordance with the applicable transitional provisions.

IFRS 10 Consolidated Financial Statements

IFRS 10 *Consolidated Financial Statements* ("IFRS 10") replaces the consolidation guidance in IAS 27 *Consolidated and Separate Financial Statements* ("IAS 27") and SIC-12 *Consolidation — Special Purpose Entities* by introducing a single consolidation model for all entities based on control, irrespective of the nature of the investee (i.e., whether an entity is controlled through voting rights of investors or through other contractual

arrangements as is common in special purpose entities). Under IFRS 10, control is based on whether an investor has power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns. The Exploration Properties Business conducted a review of the new standard and determined that the adoption of IFRS 10 did not result in any change to the consolidated carve-out financial statements.

IFRS 11 Joint Arrangements

IFRS 11 *Joint Arrangements* ("IFRS 11") introduces new accounting requirements for joint arrangements, replacing IAS 31 *Interests in Joint Ventures*. IFRS 11 removes the option to apply the proportional consolidation method when accounting for jointly controlled entities and eliminates the concept of jointly controlled assets. IFRS 11 now only differentiates between joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control have rights to the assets and obligations for the liabilities. A joint venture is a joint arrangement whereby the parties that have joint control have rights to the net assets. The Exploration Properties Business conducted a review of the new standard and determined that the adoption of IFRS 11 did not result in any change to the consolidated carve-out financial statements.

IFRS 12 Disclosure of Interests in Other Entities

IFRS 12 *Disclosure of Interests in Other Entities* ("IFRS 12") requires enhanced disclosures about both consolidated entities and unconsolidated entities in which an entity has involvement. The objective of IFRS 12 is to provide financial statement users with information to evaluate the basis of control, any restrictions on consolidated assets and liabilities, risk exposures arising from involvement with unconsolidated structured entities and non-controlling interest holders' involvement in the activities of consolidated entities. The Exploration Properties Business conducted a review of the new standard and determined that the adoption of IFRS 12 did not result in any change to the consolidated carve-out financial statements.

IFRS 13 Fair Value Measurement

IFRS 13 *Fair Value Measurement* ("IFRS 13") replaces existing IFRS guidance on fair value with a single standard. IFRS 13 defines fair value, provides guidance on how to determine fair value and outlines required disclosures about fair value measurements. IFRS 13 does not change the requirements regarding which items should be measured or disclosed at fair value. The Exploration Properties Business conducted a review of the new standard and determined that the adoption of IFRS 13 resulted in disclosure around fair value measurement which has been included in the consolidated carve-out financial statements.

New Accounting Standards Issued But Not Yet Effective

IFRS 9 Financial Instruments

IFRS 9 *Financial Instruments* ("IFRS 9") introduces new requirements for the classification, measurement and derecognition of financial assets and financial liabilities. Specifically, IFRS 9 requires all recognized financial assets that are within the scope of IAS 39 *Financial Instruments*: *Recognition and Measurement* to be subsequently measured at amortized cost or fair value. As part of the limited amendments to IFRS 9, the IASB tentatively decided to defer the mandatory effective date of IFRS 9. This amendment was released in connection with IFRS 7 *Financial Instruments: Disclosures – Transition Disclosures* ("IFRS 7") which outlines that, with the

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amendments to IFRS 9, entities applying IFRS 9 do not need to restate prior periods but are required to apply modified disclosures. The Exploration Properties Business is currently assessing the impact of applying the amendments of IFRS 9 and IFRS 7.

6. INVESTMENTS

	December 31 2013	December 31 2012	December 31 2011
Investment receivable	$ -	$ -	$11,287,633
Investment in associate	-	-	2,118,990
Available-for-sale investments	390,000	540,000	-
	$ 390,000	$ 540,000	$13,406,623

Investment Receivable

During the year ended December 31, 2011, Brigus entered into an agreement with Cangold Limited ("Cangold"), whereby Cangold could acquire an option to purchase a 75% interest in Brigus' subsidiary, Linear Gold Mexico, S.A. de C.V. ("Linear Gold Mexico"), which held the Ixhuatán Project. Under the terms of the agreement, Cangold could acquire the option in exchange for: $1.0 million and 6.0 million Cangold shares upon signing, $1.0 million and 6.0 million Cangold shares 12 months after signing, and $3.0 million and 4.0 million Cangold shares 24 months after signing (the "Option Consideration"). Upon receipt of the Option Consideration, Cangold could exercise the option by remitting $5.0 million and issuing 4.0 million Cangold shares to Brigus and completing an independent third-party feasibility study on the Ixhuatán Project within 36 months after signing the option.

Upon signing of the option agreement and receipt of the first payment of the Option Consideration, Brigus acquired significant influence over Cangold by virtue of its significant ownership interest in Cangold's common shares and its membership on Cangold's board of directors. For the year ended December 31, 2011, the Exploration Properties Business recorded the following amounts on the Consolidated Carve-out Statement of Financial Position relating to the agreement:

- $2.1 million investment in associate relating to the Exploration Properties Business ownership interest in Cangold, accounted for on an equity basis;
- $11.3 million investment receivable relating to the remaining Option Consideration to be received; and
- $14.4 million derivative liability relating to the Exploration Properties Business' obligation to deliver the shares of Linear Gold Mexico upon exercise of the option.

The fair value of the derivative liability and the investment receivable were determined based on the net present value of the consideration to be received, since a reliable measure of the fair value of the consideration to be delivered could not be determined as the shares of Linear Gold Mexico are not publically traded.

During the second quarter of 2012, the Exploration Properties Business concluded that the investment in associate and the investment receivable were impaired due to a significant and prolonged decline in the market value of Cangold's shares. For the year ended December 31, 2012, the Exploration Properties Business recorded impairment charges of $1.4 million on the investment in associate and $3.6 million on the investment receivable in the Consolidated Carve-out Statement of Operations.

During the third quarter of 2012, Cangold terminated the option agreement and therefore was no longer required to remit the remaining Option Consideration to Brigus. For the year ended December 31, 2012, the Exploration

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Properties Business recorded a gain of $1.6 million relating to the termination of the agreement in the Consolidated Carve-out Statement of Operations.

The following is a reconciliation of the gain recorded in the Consolidated Carve-out Statement of Operations relating to the termination of the Cangold option:

Impairment of investment receivable and investment in associate	$ (5,024,150)
Loss recognized on reclassification of investment in associate to available-for-sale	(210,038)
Gain on termination of option derivative liability and investment receivable	6,800,000
Gain on termination of option agreement	$ 1,565,812

Investment in Associate

During the third quarter of 2012, Brigus concluded that it no longer had significant influence over Cangold, as it no longer held, or had a right to, a significant portion of the outstanding common shares of Cangold and Brigus no longer had representation on Cangold's board of directors. The Exploration Properties Business reclassified the fair value of its remaining investment in Cangold to available-for-sale as at the date the Exploration Properties Business ceased to exert significant influence. For the year ended December 31, 2012, the Exploration Properties Business recorded a loss of $0.2 million in the Consolidated Carve-out Statement of Operations.

The following is a reconciliation of the investment in associate before it was reclassified:

Initial value of investment in associate	$ 2,160,000
Equity loss in investment in associate	(205,812)
Impairment of investment in associate	(1,384,150)
Carrying value of investment in associate before loss of significant influence	570,038
Fair value of available-for-sale investment	360,000
Loss recognized	$ (210,038)

The following tables contain summarized financial information of the Exploration Properties Business' investment in Cangold during the period in which Brigus had significant influence:

	December 31 2013	December 31 2012	December 31 2011
Total assets	$ -	$ -	$6,073,000
Total liabilities	-	-	75,000
Net assets	$ -	$ -	$5,998,000
Exploration Properties Business' share of net assets of associate	$ -	$ -	$1,020,000

	December 31 2013	December 31 2012	December 31 2011
Total revenue	$ -	$ -	$ -
Total net loss	-	(938,000)	(236,000)
Equity loss pick-up of associate	$ -	$ (164,802)	$ (41,010)
Exploration Properties Business' share of comprehensive income	$ -	$ -	$ -

(expressed in Canadian dollars except share data)

Available-for-sale investments

For the year ended December 31, 2011, the Exploration Properties Business realized a gain of $12,585 on the Consolidated Carve-Out Statement of Operations and recorded proceeds of $76,335 on the Consolidated Carve-out Statement of Cash Flows relating to the disposal of available-for-sale investments.

During the third quarter of 2012, Brigus no longer had significant influence over Cangold and therefore ceased accounting for this investment on an equity basis and reclassified the Exploration Properties Business' equity investment in Cangold to available-for-sale. The fair market value of the available-for-sale investment on initial recognition was $0.4 million, based on the quoted market price for the underlying security.

For the years ended December 31, 2013, 2012 and 2011, the Exploration Properties Business recognized an unrealized loss of $150,000, an unrealized gain of $180,000, and an unrealized loss of $11,165 in the Consolidated Carve-out Statement of Operations and Comprehensive Loss, respectively, relating to the change in the fair value of the available-for-sale investments.

7. PROPERTY AND EQUIPMENT

	Land and building	Computer and office equipment	Leasehold improvements	Field equipment	Total
Cost					
As at December 31, 2010	$2,210,409	$ 192,482	$ 2,373	$ 462,745	$2,868,009
Additions	688,593	80,689	35,885	-	805,167
Disposals	-	(31,836)	-	(247,870)	(279,706)
As at December 31, 2011	2,899,002	241,335	38,258	214,875	3,393,470
Additions	-	2,826	-	-	2,826
Disposals	-	(94,624)	-	(123,332)	(217,956)
As at December 31, 2012	2,899,002	149,537	38,258	91,543	3,178,340
Disposals	-	(6,964)	-	-	(6,964)
As at December 31, 2013	$2,899,002	$ 142,573	$ 38,258	$ 91,543	$3,171,376

	Land and building	Computer and office equipment	Leasehold improvements	Field equipment	Total
Accumulated depreciation and impairment					
As at December 31, 2010	$ -	$ 87,663	$ 497	$ 374,603	$ 462,763
Additions	-	47,124	15,309	30,557	92,990
Disposals	-	(31,836)	-	(247,870)	(279,706)
As at December 31, 2011	-	102,951	15,806	157,290	276,047
Additions	-	39,676	18,367	31,199	89,242
Disposals	-	(70,493)	-	(123,332)	(193,825)
As at December 31, 2012	-	72,134	34,173	65,157	171,464
Additions	-	21,827	4,085	15,985	41,897
Disposals	-	(2,318)	-	-	(2,318)
Impairment	2,734,769	-	-	-	2,734,769
As at December 31, 2013	$2,734,769	$ 91,643	$ 38,258	$ 81,142	$2,945,812

(expressed in Canadian dollars except share data)

	Land and building	Computer and office equipment	Leasehold improvements	Field equipment	Total
Carrying amount					
As at December 31, 2011	$2,899,002	$138,384	$22,452	$ 57,585	$3,117,423
As at December 31, 2012	$2,899,002	$ 77,403	$ 4,085	$ 26,386	$3,006,876
As at December 31, 2013	$ 164,233	$ 50,930	$ -	$ 10,401	$ 225,564

During 2013, management conducted a review of the Goldfields Project and determined that certain costs were impaired. Refer to Note 9 for further details of this impairment charge.

The Exploration Properties Business have made commitments to acquire property and equipment totalling $15.0 million at December 31, 2013.

8. ASSETS HELD FOR SALE

In 2011, Brigus signed a letter of intent with Everton Resources Inc. ("Everton") whereby Everton could acquire Brigus' 50% interest in the Ampliación Pueblo Viejo, Ponton and La Cueva concessions in the Dominican Republic (the "Concessions"), in exchange for 15 million Everton shares. The option would be exercised by delivering the following additional consideration:

- $0.5 million in cash and an additional $0.5 million in cash or common shares with a value of $0.5 million;
- a sliding net smelter return royalty on the Concessions equal to 1.0% when the price of gold is less than US$1,000 per ounce, 1.5% when the price of gold is between US$1,000 and US$1,400 per ounce and 2% when the price of gold is above US$1,400 per ounce; and
- a promissory note equal to the greater of $5.0 million or 5 million common shares of Everton. The promissory note will be subject to the completion of a NI 43-101 compliant measured and indicated resource estimate on the Concessions of a minimum of one million ounces of gold equivalent (at an average grade of 2.5 gpt or higher for Ampliación Pueblo Viejo and 1.5 gpt or higher for Ponton and La Cueva) or actual gold production from the Concessions plus a NI 43-101 compliant measured and indicated resource estimate on the Concessions (at an average grade of 2.5 gpt gold equivalent for APV and 1.5 gpt gold equivalent or higher for Ponton and La Cueva) exceeding one million ounces of gold equivalent.

On October 4, 2013, the option agreement was revised such that the consideration to be obtained in order to exercise the option was changed to $175,000 in cash, and 6 million common shares as opposed to $0.5 million in cash and an additional $0.5 million in cash or shares, as per the original agreement. The terms of the sliding-scale net smelter returns royalty and the promissory note remained the same. On November 28, 2013, Everton exercised its option and a final purchase and sale agreement was signed. The transaction is now final pending receipt of final approval from the TSX Venture Exchange and payment of any outstanding consideration.

As a result of the agreement, the Exploration Properties Business have presented the Concessions as Assets Held for Sale since 2011. The assets held for sale are measured at the lower of carrying value and fair value less costs to sell. As at December 31, 2013 and 2012, the Exploration Properties Business identified that the carrying value exceeded the fair value less costs to sell and therefore recorded the previously noted impairment charges. During the year ended December 31, 2013 the Exploration Properties Business recorded an impairment on assets held for sale of $3.0 million, compared to $1.4 million for the year ended December 31, 2012 and nil for the year ended December 31, 2011.

(expressed in Canadian dollars except share data)

9. EXPLORATION AND EVALUATION ASSETS

	Goldfields	Ixhuatán	Huizopa	Dominican Republic	Total
Cost					
As at December 31, 2010	$ 45,757,341	$13,646,518	$ 983,273	$ 5,122,962	$65,510,094
Additions	2,945,178	42,778	-	8,811	2,996,767
Reclassification to assets held for sale	-	-	-	(5,131,773)	(5,131,773)
Disposals	-	(50,000)	-	-	(50,000)
As at December 31, 2011	48,702,519	13,639,296	$ 983,273	-	63,325,088
Additions	169,604	190,894	-	-	360,498
As at December 31, 2012	48,872,123	13,830,190	$ 983,273	-	63,685,586
Additions	150,420	176,883	-	-	327,303
Disposals	-	-	(983,273)	-	(983,273)
As at December 31, 2013	$ 49,022,543	$14,007,073	$ -	$ -	$63,029,616

	Goldfields	Ixhuatán	Huizopa	Dominican Republic	Total
Impairments					
As at December 31, 2010	$ -	$ -	$ -	$ -	$ -
Additions	-	-	137,000	-	137,000
As at December 31, 2011	-	-	137,000	-	137,000
Additions	-	6,486,858	195,380	-	6,682,238
As at December 31, 2012	-	6,486,858	332,380	-	6,819,238
Additions	37,409,335	5,414,425	-	-	42,823,760
Disposal	-	-	(332,380)	-	(332,380)
As at December 31, 2013	$37,409,335	$11,901,283	$ -	$ -	$ 49,310,618

	Goldfields	Ixhuatán	Huizopa	Dominican Republic	Total
Carrying amount					
As at December 31, 2011	$ 48,702,519	$13,639,296	$ 846,273	$ -	$63,188,088
As at December 31, 2012	$ 48,872,123	$ 7,343,332	$ 650,893	$ -	$56,866,348
As at December 31, 2013	$ 11,613,208	$ 2,105,790	$ -	$ -	$13,718,998

During the year ended December 31, 2012, due to the termination of the option agreement with Cangold, the Exploration Properties Business reviewed the fair value less costs to sell of the Ixhuatán Project. The Exploration Properties Business concluded that the carrying value was impaired and recorded an impairment charge of $6.5 million for the year ended December 31, 2012, representing the difference between the Exploration Properties Business' estimate of the fair value less costs to sell and its carrying value. Fair Value Less Costs to Sell ("FVLCS") was measured by assessing the market value of similar properties held by comparable companies in similar jurisdictions.

As at December 31, 2013, the Exploration Properties Business reviewed the carrying value of the Exploration and Evaluation Assets and identified that sufficient data existed to indicate that the carrying amount of the Goldfields and Ixhuatán properties were unlikely to be recovered in full from successful development or by sale, which is an indicator of impairment. As an indicator of impairment was identified, an impairment test was performed and the recoverable amount of the Exploration and Evaluation Assets were compared to their carrying values. The recoverable amount is the greater of the Exploration and Evaluation Assets' FVLCS and its Value in Use.

(expressed in Canadian dollars except share data)

The fair value of the Goldfields Project was determined using the FVLCS approach, using discounted cash flows. The FVLCS assessment was based on assumptions regarding total estimated production, estimated capital costs, future operating costs, future metal prices and discount rate. The majority of the estimates were taken from the most recently completed NI 43-101 report on the Goldfields Project, which included capital costs, future operating costs, future estimated production and future metal prices. Cash flows were discounted to a present value, using a post-tax discount rate equal to the estimated weighted average costs of capital for the project which included estimates for risk-free interest rates, the market value of the Company's equity, the market return on equity, share volatility and debt-to-equity financing ratio. A discount rate of 19% was used in the impairment assessment on the Goldfields exploration project. Based on the analysis performed, the carrying value exceeded the FVLCS, and therefore an impairment of $40.1 million has been recorded on the Consolidated Carve-out Statement of Operations and Comprehensive Loss for the year ended December 31, 2013 ($37.4 million relating to exploration and evaluation assets and $2.7 million relating to property and equipment). The inputs into the calculation were determined to be level 3 inputs.

The FVLCS of the Ixhuatán Project was determined by assessing the market value of similar properties held by comparable companies in similar jurisdictions. Based on this analysis, the carrying value exceeded FVLCS, and therefore an impairment charge of $5.4 million has been recorded on the Consolidated Carve-out Statement of Operations and Comprehensive Loss for the year ended December 31, 2013. The inputs into the calculation were determined to be level 3 inputs.

10. DERIVATIVE LIABILITIES

The derivative liabilities recorded on the Consolidated Carve-out Statement of Financial Position are as follows:

	December 31 2013	December 31 2012	December 31 2011
Cangold option (note 6)	$ -	$ -	$14,447,633

The following is the assumption used in calculating the fair value of the derivative liability relating to the Cangold option:

	December 31 2013	December 31 2012	December 31 2011
Discount rate	-	-	10%

(expressed in Canadian dollars except share data)

11. INCOME TAXES

	December 31 2013	December 31 2012	December 31 2011
Current income tax expense	$ -	$ -	$ -
Deferred income tax recovery	9,847,145	423,011	371,198

The provision for income taxes reported differs from the amounts computed by applying the cumulative Canadian federal and provincial income tax rates to the net income before tax provision due to the following:

	December 31 2013	December 31 2012	December 31 2011
Loss before income taxes	$49,736,486	$7,181,191	$701,782
Statutory rate	31.00%	28.75%	30.38%
Tax recovery at statutory rate	15,418,311	2,064,592	213,201
Recovery for losses and deductible temporary differences not recognized in current and prior years	(5,531,567)	(1,639,686)	161,428
Permanent differences and other	(39,599)	(1,895)	(3,431)
Income tax recovery	$ 9,847,145	$ 423,011	$371,198

The tax effects of temporary differences that would give rise to significant portion of the deferred tax assets and liabilities at December 31, 2013, 2012 and 2011 were as follows:

	December 31 2013	December 31 2012	December 31 2011
Deferred tax assets			
Net operating losses carried forward	$ 677,181	$ 2,651,154	$ 3,752,795
Deductible temporary differences and other	-	147,169	2,288,476
Exploration and development	316,564	92,435	92,437
Property and equipment	-	11,708	83,543
	$ 993,745	$ 2,902,466	$ 6,217,251
Deferred tax liabilities			
Property and equipment	$ -	$ -	2,814
Investment receivable	-	-	1,580,294
Exploration and development	1,109,185	12,865,051	15,019,739
	$1,109,185	$12,865,051	$16,602,847
Net deferred tax liability	$ 115,440	$ 9,962,585	$10,385,596

The change in the net deferred tax liability can be explained as follows:

	December 31 2013	December 31 2012	December 31 2011
Balance, beginning of year	$ 9,962,585	$10,385,596	$10,756,794
Deferred tax recovery	(9,847,145)	(423,011)	(371,198)
Balance, end of year	$ 115,440	$ 9,962,585	$10,385,596

(expressed in Canadian dollars except share data)

At December 31, 2013, the Exploration Properties Business has unused non-capital losses of $24.6 million (December 31, 2012 - $21.0 million; December 31, 2011 - $26.6 million) available for carryforward purposes which expire from 2014-2033. The Exploration Properties Business also has non-capital loss carryforwards of $1.3 million (December 31, 2012 - $1.2 million; December 31, 2011 - $1.2 million) that have no expiration date, however, the use of these carryforwards is restricted to 30% of annual taxable income. Deferred tax assets have been recognized in respect of non-capital losses and deductible temporary differences to the extent of taxable temporary differences that reverse within the carryforward period of these attributes. The Exploration Properties Business has unrecognized deferred tax assets of $31.3 million (December 31, 2012 - $15.8 million; December 31, 2011 - $15.5 million) in respect of loss carryforwards, deductible temporary differences and unused tax credits.

At December 31, 2013, the Exploration Properties Business has no unrecognized deferred tax liabilities (December 31, 2012 - $nil; December 31, 2011 - $nil) for taxes that would be payable on unremitted earnings.

There are no income tax consequences attached to the payment of dividends in 2013, 2012 or 2011 by the Exploration Properties Business to its shareholders as the Exploration Properties Business did not pay dividends during this period.

12. SUPPLEMENTAL CASH FLOW INFORMATION

Net changes in non-cash operating working capital items are as follows:

	December 31 2013	December 31 2012	December 31 2011
Accounts receivable	$ (6,119)	$ 162,185	$ 37,939
Prepaids	1,172	25,807	18,282
Accounts payable and accrued liabilities	(86,054)	(463,866)	(1,710,892)
	$ (91,001)	$ (275,874)	$(1,654,671)

Non-cash transactions not reflected in the Consolidated Carve-out Statements of Cash Flows are as follows:

	December 31 2013	December 31 2012	December 31 2011
Capitalized depreciation	$ 15,985	$ 18,352	$ 21,024
Property and equipment addition paid with parent shares	-	-	688,593

13. FAIR VALUE OF FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Capital Management

The primary objective of managing the Exploration Properties Business' capital is to ensure that there is sufficient available capital to support the long-term growth strategy of the Exploration Properties Business in a way that optimizes the cost of capital and ensures the Exploration Properties Business remains in sound financial position.

(expressed in Canadian dollars except share data)

The capital of the Exploration Properties Business consists of items included in equity, net of cash as follows:

	December 31 2013	December 31 2012	December 31 2011
Equity	$14,907,247	$54,190,605	$59,924,161
Less: cash	(63,686)	(197,374)	(355,919)
	$14,843,561	$53,993,231	$59,568,242

The Exploration Properties Business manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Exploration Properties Business may issue equity or return capital to shareholders. No changes were made in the objectives, policies or processes for managing capital during the year ended December 31, 2013.

b) Fair Values of Financial Instruments

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The following is a comparison of the carrying amounts and fair value of the Exploration Properties Business' financial instruments:

	December 31, 2013		December 31, 2012		December 31, 2011	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets						
Cash	$ 63,686	$ 63,686	$197,374	$ 197,374	$ 355,919	$ 355,919
Accounts receivable	19,441	19,441	13,322	13,322	175,870	175,870
Investment	390,000	390,000	540,000	540,000	13,406,623	13,406,623
Financial Liabilities						
Accounts payable and accrued liabilities	160,386	160,386	246,440	246,440	710,306	710,306
Derivative liabilities	-	-	-	-	14,447,633	14,447,633

c) Financial Risk Management Objectives

The Exploration Properties Business examines the various financial instrument risks to which it is exposed and assesses the impact and likelihood of those risks. These risks may include market risk, credit risk, liquidity risk, currency risk, interest rate risk, and commodity price risk. Where material, these risks are reviewed and monitored.

d) Market Risk

Gold prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and worldwide political and economic conditions. The viability of the Exploration Properties Business is directly related to the market price of gold.

There has been no change to the Exploration Properties Business' exposure to market risks or the manner in which these risks are managed and measured.

(expressed in Canadian dollars except share data)

e) Credit Risk

Credit risk on financial instruments arises from the potential for counterparties to default on their obligations to the Exploration Properties Business.

The Exploration Properties Business' maximum exposure to credit risk is represented by the carrying amount of the Exploration Properties Business' cash and accounts receivable. Cash is placed with high-credit quality financial institutions. The balance of accounts receivable owed to the Exploration Properties Business in the ordinary course of business is not significant. The fair value of accounts receivable approximates carrying value due to their relatively short periods to maturity. There are no material financial assets that the Exploration Properties Business considers to be past due.

At each reporting date, the Exploration Properties Business assesses whether there has been an impairment of financial assets. The Exploration Properties Business has not recorded an impairment on any financial assets during the year ended December 31, 2013.

f) Liquidity Risk

Liquidity risk is the risk that the Exploration Properties Business will not meet its financial obligations as they become due. The Exploration Properties Business have a planning and budgeting process to monitor operating cash requirements including amounts projected for the existing capital expenditure program and plans for expansion, which are adjusted as input variables change. These variables include, but are not limited to, funding requirements of exploration and evaluation assets, general and administrative requirements of the Exploration Properties Business and the availability of capital markets. As these variables change, liquidity risks may necessitate the need for the Exploration Properties Business to issue equity or obtain debt financing.

Accounts payables and accrued liabilities are paid in the normal course of business generally according to their terms.

In the normal course of business, the Exploration Properties Business enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the remaining contractual maturities of the Exploration Properties Business' financial liabilities. The amounts included in this table may or may not result in an actual obligation of the Exploration Properties Business as the requirement for the Exploration Properties Business to settle certain of these amounts may, in some cases, be contingent on the occurrence of certain events that may or may not transpire:

	Payments due by period as of December 31, 2013				
	Within 1 year	2-3 years	4-5 years	Over 5 years	Total
Accounts payable and accrued liabilities	$ 160,386	$ -	$ -	$ -	$ 160,386
Operating lease obligations	139,095	281,655	249,480	-	670,230
Contractual commitments	14,982,159	-	-	-	14,982,159
	$15,281,640	$281,655	$249,480	$ -	$15,812,775

(expressed in Canadian dollars except share data)

g) Currency Risk

The Exploration Properties Business is exposed to currency risk on its United States dollar, Mexican Peso, and Dominican Peso cash, accounts receivable and accounts payable and accrued liabilities, in addition to some of its operating costs.

h) Fair Value Measurements Recognized in the Statement of Financial Position

The Exploration Properties Business has certain financial assets and liabilities that are held at fair value. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices). Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

At December 31, 2013, 2012 and 2011, the levels in the fair value hierarchy into which the Exploration Properties Business' financial assets and liabilities are measured and recognized on the Consolidated Carve-out Statement of Financial Position at fair value are categorized as follows:

	December 31, 2013		
	Level 1 Input	Level 2 Input	Level 3 Input
Financial Assets			
Investment (Note 6)	$ 390,000	$ -	$ -

	December 31, 2012		
	Level 1 Input	Level 2 Input	Level 3 Input
Financial Assets			
Investment (Note 6)	$ 540,000	$ -	$ -

	December 31, 2011		
	Level 1 Input	Level 2 Input	Level 3 Input
Financial Liabilities			
Derivative liability (Note 10)	$ -	$ -	$14,447,633

There were no transfers between levels during the period. During the years ended December 31, 2013, 2012 and 2011, the Exploration Properties Business recognized an unrealized loss of $150,000, an unrealized gain of $180,000, and an unrealized loss of $11,165 in other comprehensive (loss) income related to the Level 1, 2 or 3 financial instruments.

(expressed in Canadian dollars except share data)

14. SEGMENT INFORMATION

The Exploration Properties Business owns the Goldfields Project in Canada and other exploration properties in Mexico and the Dominican Republic. The segments are determined on a property by property basis and therefore the Exploration Properties Business' operating segments are represented by geography. No properties are currently in production.

	Canada	Mexico	Huizopa	Dominican Republic	Total
As at December 31, 2011					
Assets held for sale	$ -	$ -	$ -	$5,131,773	$ 5,131,773
Property and equipment	3,107,721	9,702	-	-	3,117,423
Evaluation and exploration assets	48,702,519	13,639,296	846,273	-	63,188,088
	$ 51,810,240	$13,648,998	$ 846,273	$5,131,773	$71,437,284
Capital expenditures	$ 3,750,345	$ 42,778	$ -	$ 8,811	$ 3,801,934

	Canada	Mexico	Huizopa	Dominican Republic	Total
As at December 31, 2012					
Assets held for sale	$ -	$ -	$ -	$3,709,154	$ 3,709,154
Property and equipment	3,006,876	-	-	-	3,006,876
Evaluation and exploration assets	48,872,123	7,343,332	650,893	-	56,866,348
	$51,878,999	$ 7,343,332	$ 650,893	$3,709,154	$63,582,378
Capital expenditures	$ 172,430	$ 190,894	$ -	$ 8,387	$ 371,711

	Canada	Mexico	Huizopa	Dominican Republic	Total
As at December 31, 2013					
Assets held for sale	$ -	$ -	$ -	$ 700,000	$ 700,000
Property and equipment	225,564	-	-	-	225,564
Evaluation and exploration assets	11,613,208	2,105,790	-	-	13,718,998
	$11,838,772	$ 2,105,790	$ -	$ 700,000	$14,644,562
Capital expenditures	$ 150,420	$ 176,883	$ -	$ 9,080	$ 336,383

15. COMMITMENTS AND CONTINGENCIES

The Exploration Properties Business' exploration activities are subject to various federal, provincial and state laws and regulations governing the protection of the environment. The Exploration Properties Business conducts its operations so as to protect public health and environment and it believes its operations are materially in compliance with all applicable laws and regulations. The Exploration Properties Business have made, and expect to make in the future, expenditures to comply with such laws and regulations.

The Exploration Properties Business is from time to time involved in various claims, legal proceedings and complaints arising in the ordinary course of business. The Exploration Properties Business does not believe that adverse decisions in any pending or threatened proceedings related to any matter, or any amount which it may be

required to pay by reason thereof, will have a material effect on the financial conditions or future results of operations of the Exploration Properties Business.

Certain of the Exploration Properties Business' exploration and evaluation properties are subject to royalty obligations based on minerals produced from the properties. Royalty obligations for the Goldfields Project may arise upon mine production relating to these properties.

As at December 31, 2013, the Exploration Properties Business had approximately $15.0 million of contractual commitments for the development of the Goldfields Project.

16. HUIZOPA PROJECT

On December 23, 2010, Brigus entered into an agreement to sell 100% of Minera Sol de Oro and Minas de Argonautas, including the Huizopa Project (collectively, "Huizopa") to Cormack Capital Group, LLC ("Cormack"). Under the terms of the agreement, the agreement could be cancelled by Cormack at their sole discretion until December 31, 2011.

In December 2011, the terms of the agreement were revised, such that in order to complete the sale, Cormack was required to pay US$3.0 million in eight escalating annual installments of (all in US$) $0.05 million, $0.08 million, $0.1 million, $0.3 million, $0.4 million, $0.6 million, $0.7 million and $0.8 million commencing in June 2012 with the final installment due in June 2019. Brigus retained a 2% net smelter royalty over future production from Huizopa, which Cormack could reduce to 1% by making a US$1.0 million payment. Cormack could also elect to pay up to 50% of the purchase price through the issuance of common shares in a publicly traded company listed on a recognized U.S. or Canadian national stock exchange. In addition, Brigus was entitled to receive a production bonus payment of US$4.0 million within one year of the commencement of commercial production at Huizopa.

On May 23, 2013, Brigus entered into an amended and restated agreement with Cormack under which Brigus agreed to waive all payments owing under the initial agreement and transfer 100% of the issued share capital of Minera Sol de Oro and Minas de Argonautas, including the interest in Huizopa to Cormack. Brigus retained the 2% net smelter royalty over future production from Huizopa and the right to receive a production bonus of US$4.0 million over two years from the date commercial production commences. Cormack retained the right to reduce the net smelter royalty to 1% by making a US$1.0 million payment. Brigus also received the right to 20% of the proceeds of disposal of Huizopa if it is disposed of prior to reaching commercial production.

During the year ended December 31, 2013, the Exploration Properties Business recognized a loss of $0.7 million on the disposal of Huizopa. No proceeds were assigned to the disposal of the property as the consideration is contingent on the future development and success of the property.

17. SUBSEQUENT EVENTS

Pursuant to an Arrangement Agreement among Brigus, Primero and Fortune Bay dated December 16, 2013, Primero will acquire all outstanding common shares of Brigus pursuant to the Arrangement. Prior to the Effective Time, as defined in the Management Information Circular, Brigus shall effect an internal reorganization (the "Reorganization") pursuant to the master reorganization agreement between Brigus and Fortune Bay, such that Fortune Bay will acquire the Exploration Properties Business, and also includes any further reorganization.

Under the plan of arrangement, commencing at the effective time, the following principal steps shall occur and shall be deemed to occur without any further act or formality, but in the order and with the timing set out in the plan of arrangement:

(a) Primero will lend to Brigus $10 million (the "Loan Amount") by way of a non-interest bearing demand promissory note.

(b) Brigus will subscribe for such number of additional Fortune Bay shares as would result in Brigus holding, after completion of the Reorganization and distribution of the Fortune Bay shares to Brigus shareholders, 9.9% of the outstanding Fortune Bay shares, in consideration for payment to Fortune Bay of cash subscription proceeds equal to the Loan Amount (with the amount, if any, by which such cash subscription proceeds exceed the fair market value of the Fortune Bay shares so issued being a contribution to the capital of Fortune Bay).

(c) Brigus shall effect a reorganization of its capital as follows: (i) the authorized share capital of Brigus will be amended by the creation of one new class of shares consisting of an unlimited number of Brigus Class A Shares, and the articles of incorporation of Brigus shall be deemed to be amended accordingly; (ii) each outstanding Brigus share will be exchanged (without any further act or formality on the part of the Brigus shareholder) free and clear of all liens for one (1) Brigus Class A Share and 0.1 of a Fortune Bay share, and such Brigus shares shall thereupon be cancelled, and:

    (i) the holders of such Brigus shares shall cease to be the holders thereof and to have any rights or privileges as holders of such Brigus shares;

    (ii) such holders' names shall be removed from the register of the Brigus shares maintained by or on behalf of Brigus; and

    (iii) each Brigus shareholder shall be deemed to be the holder of the Class A Shares and Fortune Bay shares (in each case, free and clear of any liens) exchanged for the Brigus shares and shall be entered in the register of Brigus or Fortune Bay, as the case may be, as the registered holder thereof.

(d) All Brigus Class A Shares shall be assigned and transferred to Primero, free and clear of any liens, and each holder thereof shall receive 0.175 of a Primero share and $0.000001 in exchange for each Brigus Class A Share, and:

    (i) the holders of such Brigus Class A Shares shall cease to be the holders thereof and to have any rights as holders of such Class A Shares other than the right to be paid 0.175 of a Primero share and $0.000001 share per Brigus Class A Share in accordance with this plan of arrangement;

    (ii) such holders' name shall be removed from the register of the Class A Shares maintained by or on behalf of Brigus; and

    (iii) Primero shall be deemed to be the transferee and the legal and beneficial holder of such Class A Shares (free and clear of all liens) and shall be entered as the registered holder of such Class A Shares in the register of the Class A Shares maintained by or on behalf of Brigus.

SCHEDULE"5A"
MANAGEMENT'S DISCUSSION AND ANALYSIS
FORTUNE BAY CORP. FOR THE PERIOD OF DECEMBER 12, 2013 TO DECEMBER 31, 2013

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fortune Bay Corp. for the Period of December 12, 2013 to December 31, 2013

Management's Discussion and Analysis — from incorporation on December 12, 2013 to December 31, 2013

*The following Management's Discussion and Analysis ("**MD&A**") is as at January 27, 2014 and covers the period from Fortune Bay Corp.'s incorporation on December 12, 2013 to December 31, 2013. It includes financial information from, and should be read in conjunction with, the audited financial statements of Fortune Bay Corp. and the notes thereto, which are attached as Schedule "4A" to Appendix "F" of the management information circular of Brigus Gold Corp. ("**Brigus**") dated January 27, 2014 (the "**Circular**"), as well as the disclosure contained throughout Appendix "F" and the Circular. All dollar amounts in this MD&A are expressed in Canadian dollars unless otherwise indicated.*

Overall Performance

Fortune Bay Corp. ("**Fortune**" or the "**Company**") was incorporated under the name 8724385 Canada Limited pursuant to the CBCA on December 12, 2013. Articles of Amendment were signed on January 13, 2014 to change the name of the Company to Fortune Bay Corp. Since the date of incorporation, Fortune's sole business focus has been to (i) complete the arrangement (the "**Arrangement**") pursuant to the terms of the arrangement agreement among Brigus, Primero Mining Corp. and the Company dated December 16, 2013 (the "**Arrangement Agreement**"); and (ii) make application to list the common shares of the Company (the "**Fortune Shares**") on the Toronto Stock Exchange (the "**TSX**"). To that end, Fortune entered into the Arrangement Agreement with Brigus and Primero (see in the Circular, "The Meeting - The Arrangement"). Fortune has made no other significant acquisitions or dispositions since incorporation, other than those included in the Arrangement Agreement.

Upon the completion of the Arrangement, it is anticipated that Fortune will pursue the advancement of the Goldfields project located in Uranium City, Saskatchewan. See in Appendix "F", "Material Properties – The Goldfields Project".

As of the date of this MD&A, Fortune's costs and operations have been funded by its sole shareholder, Brigus. Upon completion of the Arrangement Agreement, Fortune will have available funds of approximately $10 million, which management believes will be sufficient for all of Fortune's needs in the first 18 months following listing on the TSX. See in Appendix "F", "Available Funds and Principal Purposes". Fortune may seek to raise additional funds through public or private equity funding, bank debt financing or from other sources.

Selected Annual Information

The financial statements included in the Circular reflect Fortune's start-up costs and initial operations to the date of the respective statements.

The following table sets forth selected financial information with respect to Fortune, which information has been derived from and should be read in conjunction with the audited consolidated financial statements of Fortune for the period from its incorporation on December 12, 2013 to December 31, 2013 (attached to Appendix "F" as Schedule "4A").

Fortune Bay Corp.
Select Financial Statement Information
as at December 31, 2013

Assets	
Due from related party	$1
Total Assets	**$1**
Liabilities and Shareholders Equity	
Due to related party	$1,550
Total Liabilities	**$1,550**
Share Capital	$1
Accumulated Deficit	($1,550)
Total Equity	**($1,549)**
Total Liabilities and Shareholders Equity	**$1**

Fortune Bay Corp.
Select Financial Statement Information
For the Period from Incorporation on December 12, 2013 to December 31, 2013

Operating expenses	
Professional fees	$1,550
Total operating expenses	$1,550
Net loss and comprehensive loss for the year	$1,550
Net loss per share – basic and diluted	$1,550
Weighted average shares outstanding	1

Significant Acquisitions and Significant Dispositions

Other than the planned acquisition of the Fortune Assets (as defined in Appendix "F") pursuant to the Arrangement, Fortune has made no significant acquisitions or dispositions since incorporation.

Results of Operations

For the period ended December 31, 2013, Fortune had administration expenses of $1,550, being professional fees incurred in connection with its incorporation.

Liquidity and Capital Resources and Requirements

To date, Fortune's operations have been funded by Brigus, its sole shareholder. As at December 31, 2013, Fortune had share capital of $1 and a working capital deficiency of $1,549.

Fortune has no source of revenue, income or cash flow. It is, as of the date of this MD&A, wholly dependent upon its sole shareholder, Brigus, for the advance of funds or upon raising monies through the sale of Fortune Shares to finance its business operations. Fortune also needs to have adequate working capital for TSX listing purposes, being sufficient funds to cover a minimum 18 months of general and administrative expenses (estimated to be $1.5 million for the first 18 months of operations following completion of the Arrangement and the proposed listing of the Fortune Shares on the TSX). Upon completion of the Arrangement, it is anticipated that Fortune will have available funds of approximately $10 million, which management estimates to be sufficient for all of Fortune's needs in the first 18 months following listing of the Fortune Shares on the TSX. See in Appendix "F", "Available Funds and Principal Purposes" and "Risks Associated With Fortune".

Disclosure Controls and Procedures

See in Appendix “F”, “Schedule 5B – Management’s Discussion and Analysis – Exploration Properties Business – Disclosure Controls and Procedures”.

Internal Controls Over Financial Reporting

See in Appendix “F”, “Schedule 5B – Management’s Discussion and Analysis – Exploration Properties Business – Internal Controls over Financial Reporting”.

Limitations of Controls and Procedures

See in Appendix “F”, “Risks Associated with Fortune – Internal Controls”.

Transactions with Related Parties

Fortune is party to the Arrangement Agreement (see in the Circular "The Meeting — The Arrangement —The Arrangement Agreement"). Fortune will be party to various property and share transfer and assignment agreements pursuant to which it will acquire the Fortune Assets.

As at the date of the Circular, Fortune is Brigus’ wholly-owned subsidiary and the directors and certain officers of Fortune are also the directors and officers of Brigus. See in Appendix "F", "Directors and Executive Officers".

Proposed Transactions

Fortune is a party to the Arrangement Agreement and will apply to the TSX for listing of the Fortune Shares on the TSX. Upon completion of the Arrangement and satisfaction of all of the outstanding listing requirements of the TSX, management of Fortune anticipates Fortune will be a publicly-traded company, with a portfolio of assets, as well as an experienced board of directors and management team and, in the view of its management, capitalization sufficient to achieve its business objectives in the near term.

In order to become effective, the Arrangement must be approved by (i) a majority of no less than two-thirds of the votes cast on the resolution by the Brigus shareholders present in person or by proxy at the meeting, and (ii) a majority of the votes attached to the Brigus shares held by Brigus shareholders present in person or represented by proxy at the meeting excluding for this purpose votes attached to Brigus shares held by persons described in items (a) through (d) of section 8.1(2) of MI 61-101 (see in the Circular "The Meeting – The Arrangement"). The Arrangement must also be sanctioned by the court, which will consider the fairness of the Arrangement to Brigus shareholders. In addition, completion of the Arrangement is subject to customary closing conditions, all of which are described in the Circular. See in the Circular, "The Meeting - The Arrangement". See also in Appendix "F", "Business Objectives and Milestones".

Other than the Arrangement and the transactions proposed to be completed prior thereto, as at the date of this MD&A, Fortune has no proposed asset or business acquisitions or dispositions.

Disclosure of Outstanding Share Data

Fortune has one class of shares outstanding, being common shares without par value (as previously defined herein, the "**Fortune Shares**"). As at the date of this MD&A and the date of the Circular, one Fortune Share was issued and outstanding. See in Appendix "F", "Description of Securities Distributed", "Prior Sales" and "Consolidated Capitalization".

As of the date of this MD&A, Fortune has not granted any incentive stock options under the Company's stock option plan, or otherwise, nor has it issued any other rights or securities to purchase Fortune Shares. The board of directors of Fortune does not intend to grant any incentive stock options until such time following listing as the trading price of the Fortune Shares on the TSX has stabilized such that a fair market value exercise price for options can be determined. *See in Appendix "F", "Options and Other Rights to Purchase Securities of Fortune".*

Business Risks and Uncertainties

See in Appendix "F", "Risks Associated with Fortune" for additional information, risks and uncertainties associated with Fortune, its business and operations, and the Fortune Shares. In addition, see in the Circular, "The Meeting — The Arrangement — Risks Associated with the Arrangement".

Contractual Obligations

Fortune presently has no contractual obligations other than the Arrangement Agreement. The Arrangement Agreement provides that Fortune shall indemnify Primero, Brigus and its subsidiaries, their affiliates, directors, officers, partners, employees, advisors, shareholders and agents (each an "**Indemnified Party**") from all losses suffered or incurred by an Indemnified Party as a result of or arising directly or indirectly out of or in connection with an Indemnified Liability (as such term is defined in the Circular). *See in Appendix "F", "Risks Associated with Fortune — Indemnified Liability Risk"*.

Financial Instruments and Risk Management

See Note 7 to Fortune's audited consolidated financial statements for the period ended December 31, 2013, which are attached as Schedule "4A" to, and form part of, Appendix "F".

Off-Balance Sheet Arrangements

Fortune does not have any off-balance sheet arrangements.

Critical Accounting Estimates

The significant assumptions about the future and other major sources of estimation uncertainty as at the end of the reporting period that have a significant risk of resulting in a material adjustment to the carrying amounts of the Company assets and liabilities are as follows:

Income taxes

The Company is periodically required to estimate the tax basis of assets and liabilities. Where applicable tax laws and regulations are either unclear or subject to varying interpretations, it is possible that changes in these estimates could occur that materially affect the amounts of deferred income tax assets and liabilities recorded in the financial statements. Changes in deferred tax assets and liabilities generally have a direct impact on earnings in the period of changes.

Each period, the Company evaluates the likelihood of whether some portion or all of each deferred tax asset will not be realized. This evaluation is based on historic and future expected levels of taxable income, the pattern and timing of reversals of taxable temporary timing differences that give rise to deferred tax liabilities, and tax planning initiatives. Levels of future taxable income are affected by, among other things, the market price for gold, production costs, quantities of proven and probable reserves, interest rates and foreign currency exchange rates.

Fair values and fair value hierarchy

IFRS 7, *Financial Instruments: Disclosures,* establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs.)

When the fair value of financial assets and financial liabilities recorded in the Statement of Financial Position cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs into these models are taken from observable markets where possible but where this is not feasible, a degree of judgement is required in establishing fair values. The judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Changes in Accounting Policies and New Accounting Pronouncements

The Company has adopted the following new standards effective the date of incorporation on December 12, 2013. These changes were made in accordance with the applicable transitional provisions.

IFRS 10 Consolidated Financial Statements ("**IFRS 10**") replaces the consolidation guidance in IAS 27 Consolidated and Separate Financial Statements ("**IAS 27**") and SIC-12 Consolidation — Special Purpose Entities by introducing a single consolidation model for all entities based on control, irrespective of the nature of the investee (i.e., whether an entity is controlled through voting rights of investors or through other contractual arrangements as is common in special purpose entities). Under IFRS 10, control is based on whether an investor has power over the investee, exposure, or rights, to variable returns from its involvement with the investee and the ability to use its power over the investee to affect the amount of the returns. The Company conducted a review of the new standard and determined that the adoption of IFRS 10 did not result in any change to the Financial Statements.

IFRS 11 Joint Arrangements ("**IFRS 11**") introduces new accounting requirements for joint arrangements, replacing IAS 31 Interests in Joint Ventures. IFRS 11 removes the option to apply the proportional consolidation method when accounting for jointly controlled entities and eliminates the concept of jointly controlled assets. IFRS 11 now only differentiates between joint operations and joint ventures. A joint operation is a joint arrangement whereby the parties that have joint control have rights to the assets and obligations for the liabilities. A joint venture is a joint arrangement whereby the parties that have joint control have rights to the net assets. The Company conducted a review of the new standard and determined that the adoption of IFRS 11 did not result in any change to the Financial Statements.

IFRS 12 Disclosure of Interests in Other Entities ("**IFRS 12**") requires enhanced disclosures about both consolidated entities and unconsolidated entities in which an entity has involvement. The objective of IFRS 12 is to provide financial statement users with information to evaluate the basis of control, any restrictions on consolidated assets and liabilities, risk exposures arising from involvement with unconsolidated structured entities and non-controlling interest holders' involvement in the activities of consolidated entities. The Company conducted a review of the new standard and determined that the adoption of IFRS 12 did not result in any change to the Financial Statements.

IFRS 13 Fair Value Measurement ("**IFRS 13**") replaces existing IFRS guidance on fair value with a single standard. IFRS 13 defines fair value, provides guidance on how to determine fair value and outlines required disclosures about fair value measurements. IFRS 13 does not change the requirements regarding which items should be measured or disclosed at fair value. The Company conducted a review of the new standard and determined that the adoption of IFRS 13 resulted in disclosure around fair value measurement which has been included in the Financial Statements.

New Accounting Standards Issued But Not Yet Effective

IFRS 9 Financial Instruments ("**IFRS 9**") introduces new requirements for the classification, measurement and derecognition of financial assets and financial liabilities. Specifically, IFRS 9 requires all recognized financial assets that are within the scope of IAS 39 Financial Instruments: Recognition and Measurement to be subsequently measured at amortized cost or fair value. As part of the limited amendments to IFRS 9, the IASB tentatively decided to defer the mandatory effective date of IFRS. The Company is currently assessing the impact of applying the amendments of IFRS 9.

SCHEDULE"5B"
MANAGEMENT'S DISCUSSION AND ANALYSIS
THE EXPLORATION PROPERTIES BUSINESS OF FORTUNE BAY CORP.
FOR THE PERIOD OF DECEMBER 31, 2013, 2012 AND 2011

The Exploration Properties Business
Fiscal Years ended December 31, 2013, 2012 and 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis ("MD&A") provides a review of the performance of the Exploration Properties Business (as hereinafter defined) of Brigus Gold Corp. ("Brigus") and should be read in conjunction with the audited Consolidated carve-out financial statements for the Exploration Properties Business of Brigus (the "Consolidated Carve-out Financial Statements") for the years ended December 31, 2013, 2012 and 2011, which are attached as Schedule "4B" to Appendix "F" of the management information circular of Brigus dated January 27, 2014 (the "Circular").

The information presented in this MD&A is as of January 24, 2014. The reporting currency for the Exploration Properties Business is the Canadian dollar. All of the financial information presented herein is expressed in Canadian dollars ("Cdn dollars" or "Cdn"), unless otherwise stated. United States dollars are indicated by the symbol "US$". The first, second, third, and fourth quarters of the Exploration Properties Business' fiscal year are referred to as "Q1", "Q2", "Q3", and "Q4", respectively. The Exploration Properties Business reports its financial position, results of operations, and cash flows in accordance with International Financial Reporting Standards ("IFRS").

This MD&A contains "forward-looking statements" that are subject to risk factors set out in a cautionary note contained herein. The reader is cautioned not to place undue reliance on forward-looking statements.

BASIS OF PRESENTATION

On December 16, 2013, Brigus, Primero Mining Corp. ("Primero") and Fortune Bay Corp. ("Fortune Bay") entered into an arrangement agreement (the "Arrangement Agreement"), whereby Primero will acquire all outstanding common shares of Brigus pursuant to a plan of arrangement of Brigus under the Canada Business Corporations Act (the "Arrangement"). Pursuant to the Arrangement, Primero will acquire each outstanding Brigus common share for 0.175 of a Primero common share. In addition, Brigus shareholders will receive 0.1 of a common share in Fortune Bay for each Brigus common share. Prior to the completion of the Arrangement, Brigus' exploration projects in Saskatchewan, Canada, Mexico and the Dominican Republic, as well as certain other assets of Brigus (collectively, the "Exploration Properties Business"), will be transferred to Fortune Bay through an internal reorganization. For further clarity, the assets and liabilities of the Black Fox Complex will not be transferred to Fortune Bay. Fortune Bay will be capitalized with approximately $10 million in cash. The shareholders of Brigus will hold 90.1% of Fortune's issued and outstanding shares with the remaining 9.9% being held by Primero.

The Arrangement has been approved by the board of directors of Brigus and is subject to approval by two-thirds of the votes cast by holders of Brigus common shares, voting as a single class, at a special meeting of Brigus shareholders scheduled for February 27, 2014.

The Consolidated Carve-out Financial Statements have been prepared for inclusion in the Circular. They reflect the financial position, statement of operations and comprehensive loss, equity and cash flows of the Exploration Properties Business that will be transferred to Fortune Bay on a continuity of interest basis of accounting. As Brigus has not historically prepared financial statements for the Exploration Properties Business, they have been prepared from the financial records of Brigus on a carve-out basis. The Consolidated Carve-out Statements of Financial Position include all assets and liabilities directly attributable to the Exploration Properties Business. Where the assets and liabilities attributable to the Exploration Properties Business could not be specifically identified from the financial records of Brigus, management has made adjustments to eliminate any portion of the assets and liabilities not relating to the Exploration Properties Business from the Consolidated Carve-out Statement of Financial Position. The Consolidated Carve-out Statement of Operations and Comprehensive Loss for each of the years ended December 31, 2013, 2012 and 2011 reflect all expenses and other income directly

attributable to the Exploration Properties Business and an allocation of Brigus' general and administrative expenses incurred in each of those years, as these expenditures were shared by the Exploration Properties Business and Brigus. The allocation of general and administrative expenses was based on the ratio of the total assets relating to the Exploration Properties Business as compared to the total assets of Brigus in each of the years presented, adjusted for the head count associated with the resources dedicated to the assets. The Exploration Properties Business consists of several wholly owned subsidiaries, each of which is a separate legal entity. As such, each legal entity has filed separate tax returns for the periods presented. Income taxes have been calculated and reflected based on the returns filed for each of the entities within the Exploration Properties Business. The Exploration Properties Business opening equity at January 1, 2011 has been calculated by applying the same allocation principles outlined above to the cumulative transactions related to the transferred mineral properties from the date of acquisition of the properties by Brigus.

These Consolidated Carve-out Financial Statements have been prepared based upon the historical cost amounts recorded by Brigus. These Consolidated Carve-out Financial Statements may not be indicative of the Exploration Properties Business financial performance and do not necessarily reflect what its results of operations, financial position and cash flows would have been had the Exploration Properties Business operated as an independent entity during the years presented.

OVERVIEW OF THE PROPERTIES

The Goldfields project (the "Goldfields Project"), located in northern Saskatchewan, is the Exploration Properties Business' material property. The Exploration Properties Business' primary focus will be the advancement of the Goldfields Project. Upon completion of the Arrangement, the Exploration Properties Business will have $10 million in cash available to fund the development of the Goldfields Project. The Exploration Properties Business will finance future exploration and development through existing funds as well as equity financing, by way of joint venture, option agreements or any other means deemed appropriate by management.

Goldfields

The Goldfields Project is situated approximately 60 km south of the Saskatchewan and Northwest Territory boundary and approximately 75 km east of the Saskatchewan and Alberta boundary. The property forms a rough triangle approximately 23.3 km southwest, 17.6 km northeast and 23.3 km southeast of Uranium City, Saskatchewan. The Goldfields Project consists of 31 contiguous mining claims plus five mining leases, covering 25,685 hectares in the Beaverlodge Lake area in the Northern Mining District of Saskatchewan. The Goldfields Project consists of two deposits, the Box and Athona deposits.

Both the Box and Athona deposits are envisioned as large tonnage, open pit mining operations, using a central 5,000 tpd mill processing facility. The deposits are approximately two km apart. The Box deposit is located on a peninsula west of Neiman Bay on Lake Athabasca. The Athona deposit is located approximately 0.6 km southeast of Neiman Bay.

Franco-Nevada Corporation has a 2% NSR for the Box and Athona deposits. The royalty covers an area of interest of 16 kms extending inward from the external property boundaries of the Box property, Athona property, Fish Hook Bay property and the Nicholson Bay property. The Box area is also subject to a 1.5% NSR on all production beneath 50 m below the mean sea level on the original Cominco mining claims. This royalty does not apply to the current Box mine plan since it is above the minus 50 m below sea level elevation.

Access to the Goldfields Project site is via a network of gravel and dirt roads from Uranium City. Uranium City is serviced by regular scheduled flights originating from Saskatoon. Charter air service is also available from the northern communities of Prince Albert, La Ronge and Stony Rapids. Heavy equipment and supplies may be transported by barge service operating from Stony Rapids, Saskatchewan to the communities along the shore of Lake Athabasca from mid-May to early October.

Proposed mine development and future mill processing would use water from surrounding bodies of water. Electric power for the Goldfields site will be supplied by SaskPower via an existing power line and right of way.

Goldfields – History

The Goldfields Project derived its name from the former mining town of Goldfields located between the historic Box gold mine to the west and the historic Athona gold mine to the southeast. Gold was first discovered in Saskatchewan in the North Saskatchewan River near Prince Albert in 1859. Saskatchewan began producing gold in small quantities in the early 1900s and possibly earlier from panning and dredging operations on the North Saskatchewan River and its tributaries.

On June 27, 1939, the historic Box mine went into production at a low tonnage after reported expenditures of $4 million. The milling rate stepped up to over 1,200 tpd in December 1939. The first gold brick (then worth $30,000) was poured on August 15, 1939. A total of 8,000 ounces of gold (then valued at $288,000) was produced at an operating cost of $1.81 per tonne in 1939. During 1940, the milling rate averaged 1,400 tpd. The historic Box mine shut down in 1942. During its life, the historic Box mine produced 64,066 ounces of gold from 1.29 million tonnes of ore at an average grade of 1.54 gpt.

In the late 1980s, there was significant gold exploration in the province. In 1987, Lenora Exploration Ltd. and Mary Ellen Resources Ltd. (later to become GLR Resources Inc. ("GLR") (now Mistango River Resources Inc.)), jointly optioned the Box and Athona properties. Between 1987 and 1994, additional drilling was completed by GLR.

On August 20, 2009, Linear Gold Corp ("Linear"), a predecessor to Brigus, completed the acquisition of a 100% interest in the Goldfields Project from GLR. Linear paid GLR $5.0 million in cash and issued 727,272 common shares then valued at $1.95 per Linear share, as consideration for the 100% interest in the Goldfields Project. In addition to the cash payment and shares issued, Linear assumed equipment construction contracts previously entered into by GLR.

On January 25, 2011, Brigus and GLR reached an agreement regarding the reimbursement by Brigus to GLR in connection with certain equipment originally ordered by GLR for the Goldfields Project. Pursuant to the agreement, Brigus issued 1,396,134 common shares of Brigus to GLR and made three $20,000 cash payments in 2011.

Goldfields – Technical Reports

In September 2009, Bikerman Engineering & Technology Associates, Inc. ("Bikerman") completed an updated NI 43-101 Technical Report for the Box deposit, initially dated June 2007 and revised on May 12, 2008 ("Box-Goldfields Technical Report"). Bikerman also completed a pre-feasibility study in a NI 43-101 Technical Report of the Athona deposit dated September 25, 2009 ("Athona-Goldfields Technical Report"). Bikerman had previously produced NI 43-101 technical reports for the previous owner of the Goldfields Project.

Subsequently, Brigus completed a further review of the capital and operating cost estimates included in the Box-Goldfields Technical Report, adjusting for increased industry costs, potential changes in scope, and changes to the currency exchange rates, which while not conclusive, indicate that costs will likely exceed the estimates provided in the reports and accordingly could impact the value of the Goldfields Project.

In 2010, Brigus retained March Consulting Associates Inc. and Tetra Tech to complete additional engineering and design work and an updated resource model. The work was completed in the fourth quarter of 2011 and compiled in the technical report entitled "Brigus Gold Corp. Goldfields Project NI 43-101 Technical Report Pre-feasibility Study" (the "2011 Goldfields Technical Report") dated October 6, 2011.

Goldfields – Mineral Reserves and Resources

The Goldfields Project's estimated gold mineral reserves and resources from the Box-Goldfields Technical Report and Athona-Goldfields Technical Report are summarized in the table below.

2011 Goldfields Technical Report Estimated Gold Mineral Reserves and Resources	Ore (t)	Grade (gpt)	Gold (oz)
Box Mine Proven + Probable	16,502,247	1.508	800,000
Athona Deposit Proven + Probable	5,830,798	1.172	220,000
Total	**22,333,045**	**1.420**	**1,020,000**

The average gold grade for Proven and Probable Reserves is adjusted for dilution while Measured and Indicated Resources is not. Contained metal in estimated reserves remains subject to metallurgical recovery losses. Goldfields reserves and resources are based on CAD$1,250/oz Au and 2% NSR. Goldfields' Box deposit's resources reflect a gold cut off grade (COG) of 0.50 gpt and reserves reflect a COG of 0.72 gpt with a marginal COG of 0.33 gpt. Goldfields' Athona deposit's resources reflect a COG of 0.50 gpt and reserves reflect a COG of 0.72 gpt with a marginal COG of 0.33 gpt. The NI 43-101 Technical Reports for the Box and Athona deposits, which comprise the Goldfields Project, were prepared by March Consulting Associates Inc., October 2011.

The Goldfields Project includes 22,333,045 tonnes of ore at an average gold grade of 1.420 gpt for a total of 1,020,000 ounces of gold. Total waste rock moved from the Goldfields Project is 81,651,910 tonnes over the 13 year life of mine (LOM) resulting in a strip ratio of 4.56 at Box and 1.10 at Athona.

Future Plans

The 2011 Goldfields Technical Report identified several actions required to advance the Goldfields Project, which include:

- continuation of the exploration drilling in relevant areas of both deposits to enhance the resource estimate;
- performance of project specific process test work and optimization of the process recovery;
- completion of the geotechnical assessment and updating the ore reserve models to reflect the potential revised pit design; and
- advancement of the project planning and design to minimize potential execution risks.

The cost of these procedures is estimated to be approximately $1.8 million, which would be funded by the Exploration Properties Business' $10 million cash balance.

Ixhuatán

Ixhuatán – Property Description and Location

The Exploration Properties Business has a 100% ownership interest in the Ixhuatán project (the "Ixhuatán Project"), which consists of the Rio Negro concession that covers 4,176 hectares in northern Chiapas State, Mexico. The Ixhuatán Project is located immediately southwest of the Santa Fe mine. The Ixhuatán Project is accessible by unimproved roads running five km east of the town of Rayon, Chiapas. Rayon is situated two hours south of Villahermosa, Tabasco, on an all season federal highway. Access within the Ixhuatán Project is difficult and attained primarily through trails and small dirt roads. The area is one of dense tropical vegetation, covered by thick soils, rugged topography with incised rivers making travel difficult. Maximum elevation in the general area is 2,470 m above sea level.

All required environmental permits for the Ixhuatán Project have been acquired and to date, all the conditions of grant have been adhered to. Under terms of the environmental drilling permit, any significant disruption to the land surface caused by drilling activities must be reclaimed.

History

The Ixhuatán Project was acquired by Linear in 2000, following completion of a stream sediment geochemical orientation study carried out in the northern part of Chiapas state by Mount Isa Mines ("MIM"). The study covered an area in the general proximity of the Santa Fe poly-metallic deposits, a former gold, silver and copper producer.

Pursuant to an option agreement signed on October 22, 2007, Kinross Gold Corporation ("Kinross") became the operator of the Ixhuatán Project and had the right to earn up to a 70% interest in Ixhuatán by incurring exploration expenditures of US$15 million over a 24-month period and making cash payments of up to US$115 million to Linear.

In December 2009, Kinross notified Linear that the option would not be exercised. Pursuant to the terms of the Option Agreement, Kinross paid Linear US$3.4 million, representing the difference between the minimum required expenditures and the actual expenditures incurred by Kinross during the option period. Accordingly, the Exploration Properties Business holds a 100% interest in the Ixhuatán Project.

The Santa Fe/La Victoria gold deposits are located to the immediate east-northeast of the Ixhuatán Project. Physiographically the area is underlain by the Chiapas Northern Range and Chiapas Highlands geological sub-provinces. The original discovery was made during the later stages of the nineteenth century and over the years Mexican, British and French mining companies have carried out limited mining activity in the area. The Santa Fe deposits have been mined since the beginning of the 20th century by a number of companies, both foreign and domestic, and although no historical production records exist, it is assumed that the richest surface ore shoots were exploited. The La Victoria deposits were discovered more recently and records suggests exploitation from 1966 to 1970 by Minera Corzo, S.A. which commenced operation in 1966 but soon ceased as a result of the company's poor economic situation.

On April 26, 2011, Brigus announced that it had signed a letter of intent with Cangold Limited ("Cangold") whereby Cangold could acquire a 75% interest in the Ixhuatán Project. Pursuant to the terms of the transaction, Cangold paid Brigus $1.0 million and issued 6.0 million Cangold shares at signing. The Cangold shares were subject to an escrow agreement, such that 10% of the shares were released on October 14, 2011 with the remainder to be released from escrow on a pre-determined basis. Cangold was also required to pay Brigus $1.0 million and issue 6.0 million Cangold shares 12 months after the agreement was signed and an additional $3.0 million and issue 4.0 million Cangold shares within 24 months of signing the agreement.

To exercise its option Cangold was required to pay an additional $5 million and issue 4.0 million Cangold shares as well as complete an independent third-party feasibility study on the Ixhuatán Project's Campamento Deposit within 36 months of the signing the agreement. Following the exercise of the purchase option, Cangold and Brigus would hold 75% and 25% interests, respectively, and would be responsible for their pro-rata costs in jointly developing the Ixhuatán Project. Brigus would retain a 2% net smelter return royalty over the Ixhuatán Project and upon commencement of commercial production would receive a payment of $5.00 per ounce of gold in the Proven and Probable category included in the feasibility study.

In 2012, Cangold cancelled the option, citing difficulties with advancing the Ixhuatán Project due to poor relations with the community. As such, the option was terminated and Brigus did not receive the remaining option consideration.

Ixhuatán – Future Plans

Upon completion of the Arrangement, the Exploration Properties Business will evaluate alternatives for the development and advancement of the Ixhuatán Project.

SELECTED CONSOLIDATED FINANCIAL RESULTS

The following financial data is derived from the Consolidated Carve-out Financial Statements of the Exploration Properties Business for the fiscal years ended December 31, 2013, 2012 and 2011:

	2013	2012	2011
Total Revenues	nil	nil	nil
Net loss for the year	($ 39,889,341)	($ 6,758,180)	($ 330,584)
Comprehensive loss for the year	($ 40,039,341)	($ 6,578,180)	($ 354,334)
Total Assets	$ 15,183,073	$ 64,399,630	$ 85,467,696
Total Liabilities	$ 275,826	$ 10,209,025	$ 25,543,535

REVIEW OF FINANCIAL RESULTS FOR THE FISCAL YEARS ENDED DECEMBER 31, 2013, 2012 AND 2011

For the year ending December 31, 2013, the Exploration Properties Business incurred a net loss of $39,889,341, compared to a net loss of $6,758,180 for the year ending December 31, 2012 and $330,584 for the year ending December 31, 2011. The increase in the loss recorded in 2013 is mainly a result of impairment charges recorded on the Exploration Properties Business' exploration and evaluation assets. Similarly, the increase in the net loss for the year ending December 31, 2012 as compared to the year ended December 31, 2011 was also the result of impairment charges recorded on the Exploration Properties Business' exploration and evaluation assets.

Operating Expenses

For the year ending December 31, 2013, office, travel and promotion expenses totaled $80,120, compared to $88,996 for the year ending December 31, 2012 and $100,732 for the year ending December 31, 2011. Office, travel and promotion expenses decreased by $11,736 for the year ending December 31, 2012 compared to the year ending December 31, 2011 due to the reduction in office expenses relating to the consolidation of corporate operations following the merger between Apollo Gold Corp. ("Apollo") and Linear. Office, travel and promotion expenses were comparable for the year ending December 31, 2013 and the year ended December 31, 2012.

For the year ending December 31, 2013, salaries and benefits expense totaled $220,972, compared to $221,759 for the year ending December 31, 2012 and $234,179 for the year ending December 31, 2011. Salaries expense decreased by $12,420 for the year ending December 31, 2012 compared to the year ending December 31, 2011 due to additional costs relating to the consolidation of operations following the merger between Apollo and Linear. Salaries expense for the year ended December 31, 2013 remained consistent with the year ended December 31, 2012.

Professional fees totaled $169,429 for the year ending December 31, 2013, compared to $65,083 for the year ending December 31, 2012 and $100,000 for the year ending December 31, 2011. Professional fees increased by $104,346 for the year ending December 31, 2013 compared to the same period in 2012 due to the payment of fees and taxes in 2013 relating to the Ixhuatán Project, for which there were no comparable balances in 2012.

For the year ending December 31, 2013, depreciation expenses totaled $25,912, compared to $60,949 for the year ending December 31, 2012 and $67,961 for the year ending December 31, 2011. Depreciation expense decreased by $35,037 for the year ending December 31, 2013 compared to the year ending December 31, 2012 as some assets were fully depreciated and certain other assets were disposed of in 2013. Depreciation expense for fiscal 2012 was consistent with fiscal 2011.

In 2011, Brigus signed a letter of intent with Everton Resources Inc. ("Everton"), whereby Everton could acquire Brigus' 50% interest in the Ampliación Pueblo Viejo, Ponton and La Cueva concessions in the Dominican

Republic (the "Concessions"), for 15 million Everton common shares. Everton could then exercise its option by delivering the following additional consideration:

- paying $0.5 million and an additional $0.5 million in cash or common shares with a value of $0.5 million;
- granting Brigus a sliding net smelter return royalty on the Concessions equal to 1.0% when the price of gold is less than US$1,000 per ounce, 1.5% when the price of gold is between US$1,000 and US$1,400 per ounce and 2% when the price of gold is above US$1,400 per ounce; and
- issuing a promissory note equal to the greater of $5.0 million or 5 million common shares of Everton. The promissory note will be subject to the completion of a NI 43-101 compliant measured and indicated resource estimate on the Concessions of a minimum of one million ounces of gold equivalent (at an average grade of 2.5 gpt or higher for Ampliación Pueblo Viejo and 1.5 gpt or higher for Ponton and La Cueva) or actual gold production from the Concessions plus a NI 43-101 compliant measured and indicated resource estimate on the Concessions (at an average grade of 2.5 gpt gold equivalent for APV and 1.5 gpt gold equivalent or higher for Ponton and La Cueva) exceeding one million ounces of gold equivalent.

On October 4, 2013, the agreement with Everton was revised, such that Brigus was to receive $175,000 in cash, and 6 million common shares of Everton as opposed to $0.5 million in cash and $0.5 million in cash or shares, as per the original agreement. The terms of the sliding-scale net smelter returns royalty and the promissory note remained the same. On November 28, 2013, Everton exercised its option and a final Purchase and Sale Agreement was signed between the parties. The transaction is now final, subject to the receipt of final approval from the TSX Venture Exchange and payment of the remaining consideration.

As a result of the agreement with Everton, the Exploration Properties Business has presented the Concessions as Assets Held for Sale since 2011. Assets held for sale are measured at the lower of carrying value and fair value less costs to sell. As at December 31, 2013 and 2012, the Exploration Properties Business identified that the carrying value exceeded the fair value less costs to sell and therefore recorded an impairment on assets held for sale of $3.0 million, compared to $1.4 million for the year ended December 31, 2012 and nil for the year ended December 31, 2011.

During the year ended December 31, 2011, Brigus entered into an agreement with Cangold, whereby Cangold could acquire an option to purchase a 75% interest in the Ixhuatán Project. Under the terms of the agreement, Cangold could acquire the option in exchange for: $1.0 million and 6.0 million Cangold shares upon signing, $1.0 million and 6.0 million Cangold shares 12 months after signing, and $3.0 million and 4.0 million Cangold shares 24 months after signing (the "Option Consideration"). Upon receipt of the Option Consideration, Cangold could exercise the option by remitting Cdn$5.0 million and issuing 4.0 million Cangold shares to Brigus and completing an independent third-party feasibility study on the Ixhuatán deposit within 36 months of signing. Pursuant to the terms of the agreement with Cangold, Brigus received $1 million in cash and 6 million Cangold shares from Cangold in 2011.

Upon signing of the agreement and receipt of the first payment of the Option Consideration, Brigus acquired significant influence over Cangold by virtue of its significant ownership interest in Cangold's common shares and its membership on Cangold's board of directors. For the year ended December 31, 2011, the Exploration Properties Business recorded the following amounts on the Consolidated Carve-out Statement of Financial Position relating to the agreement:

- $2.1 million investment in associate relating to the Exploration Properties Business ownership interest in Cangold, accounted for on an equity basis;
- $11.3 million investment receivable relating to the remaining Option Consideration to be received; and
- $14.4 million derivative liability relating to the Exploration Properties Business' obligation upon exercise of the option.

The fair value of the derivative liability and the investment receivable were determined based on the net present value of the consideration to be received, since a reliable measure of the fair value of the consideration to be delivered could not be determined as the shares of Linear Gold Mexico, S.A. de C.V. Mexico are not publically traded.

During the second quarter of 2012, the Exploration Properties Business concluded that the investment in associate and the investment receivable were impaired due to a significant and prolonged decline in the market value of Cangold's shares.

During the third quarter of 2012, Cangold terminated the option agreement citing issues with the further development of the Ixhuatán Project resulting from poor relations with the community and therefore was no longer required to remit the remaining Option Consideration to the Exploration Properties Business. For the year ended December 31, 2012, the Exploration Properties Business recorded a gain of $1.6 million relating to the termination of the agreement in the Consolidated Carve-out Statement of Operations.

The following is a reconciliation of the gain recorded in the Consolidated Carve-out Statement of Operations relating to the termination of the Cangold option:

Impairment of investment receivable and investment in associate	$ (5,024,150)
Loss recognized on reclassification of investment in associate to available-for-sale	(210,038)
Gain on termination of option derivative liability and investment receivable	6,800,000
Gain on termination of option agreement	$ 1,565,812

On December 23, 2010, Brigus entered into an agreement to sell 100% of Minera Sol de Oro and Minas de Argonautas, including the Huizopa Project (collectively, "Huizopa") to Cormack Capital Group, LLC ("Cormack").

In December 2011, the terms of the agreement were revised, such that in order to complete the sale, Cormack was required to pay US$3.0 million in eight escalating annual installments of (all in US$) $0.05 million, $0.08 million, $0.1 million, $0.3 million, $0.4 million, $0.6 million, $0.7 million and $0.8 million commencing in June 2012 with the final installment due in June 2019. Brigus retained a 2% net smelter royalty over future production from Huizopa, which Cormack could reduce to 1% by making a US$1.0 million payment. Cormack could also elect to pay up to 50% of the purchase price through the issuance of common shares in a publicly traded company listed on a recognized U.S. or Canadian national stock exchange. In addition, Brigus was entitled to receive a production bonus payment of US$4.0 million within one year of the commencement of commercial production at Huizopa.

On May 23, 2013, Brigus entered into an Amended and Restated Agreement with Cormack, under which Brigus agreed to waive all payments owing under the initial agreement and transfer 100% of the issued share capital of Minera Sol de Oro and Minas de Argonautas, including the interest in Huizopa, to Cormack. Brigus retained the 2% net smelter royalty over future production from Huizopa and the right to receive a production bonus of US$4.0 million over two years from the date commercial production commences. Cormack retained the right to reduce the net smelter royalty to 1% by making a US $1.0 million payment. Brigus also received the right to 20% of the proceeds of disposal of Huizopa if it is disposed of prior to reaching commercial production.

During the year ended December 31, 2013, the Exploration Properties Business recognized a loss of $0.7 million on the disposal of Huizopa. No proceeds were assigned to the disposal of Huizopa as the consideration is contingent on the future development and success of the property.

As at December 31, 2013, the Exploration Properties Business reviewed the carrying value of the Exploration and Evaluation Assets and identified that sufficient data existed to indicate that the carrying amount of the Goldfields and Ixhuatán properties were unlikely to be recovered in full from successful development or by sale, which is an indicator of impairment. As an indicator of impairment was identified, an impairment test was performed and the recoverable amount of the Exploration and Evaluation Assets were compared to their carrying values. The

recoverable amount is the greater of the Exploration and Evaluation Assets' Fair Value Less Costs to Sell ("FVLCS") and its Value in Use.

The fair value of the Goldfields Project was determined using the FVLCS approach, using discounted cash flows. The FVLCS assessment was based on assumptions regarding total estimated production, estimated capital costs, future operating costs, future metal prices and discount rate. The majority of the estimates were taken from the most recently completed NI 43-101 report on the Goldfields Project, which included capital costs, future operating costs, future estimated production and future metal prices. Cash flows were discounted to a present value, using a post-tax discount rate equal to the estimated weighted average costs of capital for the project which included estimates for risk-free interest rates, the market value of the Company's equity, the market return on equity, share volatility and debt-to-equity financing ratio. A discount rate of 19% was used in the impairment assessment on the Goldfields exploration project. Based on the analysis performed, the carrying value exceeded the FVLCS, and therefore an impairment of $40.1 million has been recorded on the Consolidated Carve-out Statement of Operations and Comprehensive Loss for the year ended December 31, 2013 ($37.4 million relating to exploration and evaluation assets and $2.7 million relating to property and equipment).

The FVLCS of the Ixhuatán Project was determined by assessing the market value of similar properties held by comparable companies in similar jurisdictions. Based on this analysis the carrying value exceeded FVLCS, and therefore an impairment charge of $5.4 million has been recorded on the Consolidated Carve-out Statement of Operations and Comprehensive Loss for the year ended December 31, 2013.

The impairment loss for the year ending December 31, 2012 mainly consists of impairment on the Ixhuatán Project. Due to the termination of the option agreement with Cangold in 2012, the Exploration Properties Business reviewed the FVLCS of its Ixhuatán exploration property.

For the year ended December 31, 2013, the Exploration Properties Business recorded losses on disposal of equipment of $4,106, compared to $34,127 for the year ended December 31, 2012 and $12,240 for the year ended December 31, 2011. The losses relate to equipment disposals as the Exploration Properties Business disposed of redundant and excess equipment.

For the year ended December 31, 2011, the Exploration Properties Business recorded a loss on foreign exchange of $21,245, compared to a foreign exchange gain of $1,957 for the year ended December 31, 2012 and a loss of $8,291 for the year ended December 31, 2013. The change in the balance of the foreign exchange gain / loss is a function of the fluctuation of exchange rates between currencies, notably between Canadian and US Dollars, as well as Mexican Pesos and Dominican Pesos converting to Canadian Dollars.

Other Income

For the year ended December 31, 2011, the Exploration Properties Business recorded a gain on the sale of available-for-sale investments of $12,585, in relation to the sale of available-for-sale marketable securities. The Exploration Properties Business did not dispose of any available-for-sale investments in either the years ending December 31, 2012 or December 31, 2013, therefore there are no comparable balances during these periods. As of December 31, 2013, the available-for-sale investments consist of shares of Cangold and Everton held by the Exploration Properties Business.

The Exploration Properties Business recorded equity losses on its investment in associate of $41,010 for the year ended December 31, 2011 and $164,802 for the year ended December 31, 2012. These losses were incurred due to a decrease in the value of the Cangold investment in 2011, and a further decrease in value in 2012. As the Cangold option was terminated in 2012, there was no investment in associate in 2013, and therefore no resulting gain or loss.

Income tax recoveries for the year ended December 31, 2013 were $9,847,145, an increase from $423,011 for the year ended December 31, 2012, and $371,198 for the year ended December 31, 2011. The significant increase for

the year ended December 31, 2013 compared to the year ended December 31, 2012 is mainly due to the impairment loss recorded during the year.

STATEMENT OF FINANCIAL POSITION

Balance sheet discussion

As of December 31, 2013, the cash balance attributable to the Exploration Properties Business was $63,686, compared to $197,374 as of December 31, 2012 and $355,919 as at December 31, 2011. The decrease in cash from 2011 to 2012, and from 2012 to 2013 is a result of funding maintenance and upkeep on the exploration properties, as well as corporate administration and general expenses.

As at December 31, 2013, the accounts receivable balance was $19,441, compared to $13,322 as at December 31, 2012 and $175,870 at December 31, 2011. The $162,548 decrease from 2011 to 2012 is the result of the collection of a significant sales taxes recoverable balance at the end of 2011.

As at December 31, 2013, the balance of prepaid expenses was $28,707, compared to $29,879 as at December 31, 2012 and $55,686 as at December 31, 2011. The decrease in the balance of prepaid expenses between 2011 and 2012 is related to the reduced activity in 2012 resulting from the consolidation of the corporate function following the merger of Apollo and Linear.

As at December 31, 2013, the Exploration Properties Business had $390,000 in investments, compared to $540,000 as at December 31, 2013 and $nil as at December 31, 2011. The investments balance consists of 6 million shares of Cangold acquired in the Ixhuatán transaction. The Cangold shares are classified as an available for sale financial instrument and therefore are recorded at fair market value at each reporting period, according to the market price of Cangold's publicly listed shares.

Assets held for sale relate to the Exploration Properties Business' interest in the concessions in the Dominican Republic subject to the purchase and sale agreement with Everton. The balance of the assets held for sale as of December 31, 2013 was $700,000, compared to $3,709,154 as of December 31, 2012 and $5,131,773 as at December 31, 2011. The decrease in the value of the assets held for sale is the result of impairment charges recorded as a result of a decline in the net recoverable value of the assets compared to their carrying value.

As at December 31, 2013, the Exploration Properties Business has a reclamation deposit of $36,677, compared to $36,677 as at December 31, 2012 and $36,314 as at December 31, 2011. There has been no change to the reclamation work required or to the related funding requirements.

As at December 31, 2011, the Exploration Properties Business recorded an investment balance of $13.4 million, in relation to Option Consideration to be received from Cangold. The investment receivable balance as at December 31, 2011 represented the fair value of the consideration receivable. As the agreement was terminated in 2012, Cangold was no longer required to deliver the additional consideration, therefore there are no comparable balances as at December 31, 2012 and 2013.

Property and equipment is comprised of land, buildings, computer and office equipment, leasehold improvements and field equipment. As at December 31, 2013, the balance of plant, property and equipment totaled $0.2 million, compared to $3.0 million as at December 31, 2012 and $3.1 million as at December 31, 2011. The balance of property and equipment decreased by $2.8 million from 2012 to 2013 as a result of impairment charges related to the Goldfields Project.

As at December 31, 2013, the Exploration Properties Business had exploration and evaluation assets totaling $13.7 million, compared to $56.9 million in 2012 and $63.2 million in 2011. The balance of exploration and evaluation properties decreased by $43.2 million between 2013 and 2012 due to impairment charges of $42.8 million, of which $37.4 million related to the Goldfields Project and $5.4 million related to the Ixhuatán Project.

The balance of exploration and evaluation properties decreased by $6.3 million between 2012 and 2011 due to a $6.7 million impairment on the Ixhuatán Project recorded as a result of the fair value assessment of the Ixhuatán Project performed in 2012. This decreased was offset by additions of $0.4 million, of which $0.2 million related to the Goldfields Project, and $0.2 million related to the Ixhuatán Project.

As of December 31, 2013, the balance of the Exploration Properties Business' accounts payable and accrued liabilities was $160,386 compared to $246,440 as at December 31, 2012 and $710,306 as of December 31, 2011. The fluctuations from year to year are a result of variances between when the amount is recorded and when it is paid.

As at December 31, 2011, the Exploration Properties Business had recorded a derivative liability relating to its obligation to dispose of its interest in the Ixhuatán Project of $14.4 million. This balance was eliminated in 2012 upon the termination of the agreement by Cangold, and as a result there are no comparable balances in 2012 and 2013.

Deferred tax liabilities have decreased from $10.4 million in 2011 to $10.0 million in 2012, and to $0.1 million in 2013. The decrease from 2012 to 2013 is a result of the impairment charges recorded in 2013, which resulted in future income tax recoveries of $9.8 million.

LIQUIDITY AND CAPITAL RESOURCES

As the Exploration Properties Business has dealt entirely with the development of exploration properties, it has never had any operating revenues and has relied exclusively on funding from Brigus. Under the Arrangement, the Exploration Properties Business will be funded with approximately $10 million. Management expects that these funds will be sufficient to support operations in the near term. On a longer term outlook, the Exploration Properties Business may need additional financing to ensure there is sufficient capital to meet long term objectives.

The Exploration Properties Business has no debt. The only long-term lease commitments are the operating leases for office premises and office equipment.

COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Exploration Properties Business enters into contracts that give rise to commitments for future minimum payments. The following table summarizes the remaining contractual maturities of the Exploration Properties Business' financial liabilities as at December 31, 2013. The amounts included in this table may or may not result in an actual obligation of the Exploration Properties Business as the requirement for the Exploration Properties Business to settle certain of these amounts may, in some cases, be contingent on the occurrence of certain events that may or may not transpire.

	Payments due by period as of December 31, 2013				
	Within 1 year	2-3 years	4-5 years	Over 5 years	Total
Accounts payable and accrued liabilities	$ 160,386	$ -	$ -	$ -	$ 160,386
Operating lease obligations	139,095	281,655	249,480	-	670,230
Contractual commitments	14,982,159	-	-	-	14,982,159
	$15,281,640	$281,655	$249,480	$ -	$15,812,775

OFF-BALANCE SHEET ARRANGEMENTS

The Exploration Properties Business has no off-balance sheet arrangements.

PROPOSED TRANSACTIONS

At present there are no transactions pending other than those proposed under the Arrangement Agreement.

FINANCIAL INSTRUMENTS AND OTHER INSTRUMENTS

Credit Risk

Credit risk on financial instruments arises from the potential for counterparties to default on their obligations to the Exploration Properties Business.

The Exploration Properties Business' maximum exposure to credit risk is represented by the carrying amount of the Exploration Properties Business' cash and accounts receivable. Cash is placed with high-credit quality financial institutions. The balance of accounts receivable owed to the Exploration Properties Business in the ordinary course of business is not significant. The fair value of accounts receivable approximates carrying value due to their relatively short periods to maturity. There are no material financial assets that the Exploration Properties Business considers to be past due.

At each reporting period, the Exploration Properties Business assesses whether there has been an impairment of financial assets. The Exploration Properties Business has not recorded an impairment on any financial assets during the year ended December 31, 2013.

Liquidity Risk

Liquidity risk is the risk that the Exploration Properties Business will not meet its financial obligations as they become due. The Exploration Properties Business has a planning and budgeting process to monitor operating cash requirements including amounts projected for the existing capital expenditure program and plans for expansion, which are adjusted as input variables change. These variables include, but are not limited to, funding requirements of mineral properties, general and administrative requirements of the Exploration Properties Business and the availability of capital markets. As these variables change, liquidity risks may necessitate the need for the Exploration Properties Business to issue equity or obtain debt financing.

Accounts payable and accrued liabilities are paid in the normal course of business generally according to their terms.

Currency Risk

The Exploration Properties Business is exposed to currency risk on its United States dollar, Mexican Peso, and Dominican Peso cash, accounts receivable and accounts payable and accrued liabilities, in addition to some of its operating costs. For the year ended December 31, 2013, the sensitivity of the Exploration Properties Business' net income due to changes in the exchange rate between the aforementioned currencies and the Canadian dollar would have impacted net income by a negligible amount as there are minimal funds held, receivable, or owing in these currencies.

RISK FACTORS

The Exploration Properties Business' operations contain significant risk due to the nature of mining, exploration and development activities. Certain risk factors below are related to the mining industry in general, while others are specific to the Exploration Properties Business. Included in the risk factors below are details on how management seeks to mitigate the risks wherever possible.

Unknown Environmental Risks for Past Activities

Exploration and mining operations incur risks of releases to soil, surface water and groundwater of metals, chemicals, fuels, liquids having acidic properties and other contaminants. In recent years, regulatory requirements and improved technology have significantly reduced those risks. However, those risks have not been eliminated, and the risk of environmental contamination from present and past exploration or mining activities exists for mining companies. Companies may be liable for environmental contamination and natural resource damages relating to properties that they currently own or operate or at which environmental contamination occurred while or before they owned or operated the properties. No assurance can be given that potential liabilities for such contamination or damages caused by past activities at the Exploration Properties Business do not exist.

Uncertainty of Mineral Resource Estimates

Mineral resource figures are only estimates. Such estimates are expressions of judgment based on knowledge, mining experience, analysis of drilling results and industry practices. While the Exploration Properties Business believes that the mineral resource estimates included are established and reflect management's best estimates, the estimating of mineral resources is a subjective process and the accuracy of mineral resource estimates is a function of the quantity and quality of available data, the accuracy of statistical computations, and the assumptions used and judgments made in interpreting available engineering and geological information. There is significant uncertainty in any mineral resource estimate and the actual deposits encountered and the economic viability of a deposit may differ materially from the Exploration Properties Business' estimates. Estimated mineral resources may have to be re-estimated based on changes in gold prices, further exploration or development activity or actual production experience. This could materially and adversely affect estimates of the volume or grade of mineralization, estimated recovery rates or other important factors that influence mineral resource estimates. Mineral resources are not mineral reserves and there is no assurance that any mineral resource estimate will ultimately be reclassified as proven or probable mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Economics of Developing Mineral Properties

Mineral exploration and development is speculative and involves a high degree of risk. While the discovery of an ore body may result in substantial rewards, few properties which are explored are commercially mineable and ultimately developed into producing mines. There is no assurance that the Exploration Properties Business' gold deposits are commercially mineable.

Should any mineral resources and reserves exist, substantial expenditures will be required to confirm mineral reserves which are sufficient to commercially mine and to obtain the required environmental approvals and permitting required to commence commercial operations. The decision as to whether a property contains a commercial mineral deposit and should be brought into production will depend upon the results of exploration programs and/or feasibility studies, and the recommendations of duly qualified engineers and/or geologists, all of which involves significant expense. This decision will involve consideration and evaluation of several significant factors including, but not limited to: (1) costs of bringing a property into production, including exploration and development work, preparation of production feasibility studies and construction of production facilities; (2) availability and costs of financing; (3) ongoing costs of production; (4) metal prices, which are historically cyclical; (5) environmental compliance regulations and restraints (including potential environmental liabilities associated with historical exploration activities); and (6) political climate and/or governmental regulation and control. Development projects are also subject to the successful completion of engineering studies, issuance of necessary governmental permits, and availability of adequate financing. Development projects have no operating history upon which to base estimates of future cash flow.

The ability to sell, and profit from the sale of any eventual mineral production from any property will be subject to the prevailing conditions in the minerals marketplace at the time of sale. The global minerals marketplace is subject to global economic activity and changing attitudes of consumers and other end-users' demand for mineral

products. Many of these factors are beyond the control of a mining company and therefore represent a market risk which could impact the long term viability of the company and its operations.

Factors Beyond the Control of the Exploration Properties Business

The potential profitability of mineral properties is dependent upon many factors beyond the Exploration Properties Business' control. For instance, world prices of and markets for minerals are unpredictable, highly volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of minerals from mined ore (assuming that such mineral deposits are known to exist) may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Profitability also depends on the costs of operations, including costs of labour, equipment, electricity, environmental compliance or other production inputs. Such costs will fluctuate in ways the Exploration Properties Business cannot predict and are beyond the Exploration Properties Business' control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of the Exploration Properties Business.

Regulatory Requirements

The current or future operations of Exploration Properties Business, including development activities and possible commencement of production on its properties, requires permits from various federal and local governmental authorities, and such operations are and will be governed by laws and regulations governing prospecting, development, mining, production, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental protection, mine safety and other matters. Companies engaged in the development and operation of mines and related facilities generally experience increased costs and delays in production and other schedules as a result of the need to comply with the applicable laws, regulations and permits. There can be no assurance that all permits which the Exploration Properties Business may require for the development and construction of mining facilities and conduct of mining operations will be obtainable on reasonable terms or that such laws and regulations would not have an adverse effect on any mining project that the Exploration Properties Business might undertake.

Failure to comply with applicable laws, regulations and permitting requirements may result in enforcement actions including orders issued by regulatory or judicial authorities causing operations to cease or be curtailed, and may include corrective measures requiring capital expenditures, installation of additional equipment or remedial actions. Parties engaged in mining operations may be required to compensate those suffering loss or damage by reason of the mining activities and may have civil or criminal fines or penalties imposed upon them for violation of applicable laws or regulations.

Amendments or changes to current laws, regulations government policies and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Exploration Properties Business and cause increases in costs or require abandonment or delays in the development of new mining properties.

The development of mines and related facilities is contingent upon governmental approvals that are complex and time consuming to obtain and which, depending upon the location of the project, involve multiple governmental agencies. The duration and success of such approvals are subject to many variables outside the Exploration Properties Business' control. Any significant delays in obtaining or renewing such permits or licenses in the future could have a material adverse effect on the Exploration Properties Business.

Insurance

The Exploration Properties Business is capital intensive and subject to a number of risks and hazards, including environmental pollution, accidents or spills, industrial and transportation accidents, labour disputes, changes in the regulatory environment, natural phenomena (such as inclement weather conditions, earthquakes, pit wall failures and cave-ins) and encountering unusual or unexpected geological conditions. Many of the foregoing risks and hazards could result in damage to, or destruction of the Exploration Properties Business' mineral properties or future processing facilities, personal injury or death, environmental damage, delays in or interruption of or cessation of its exploration or development activities, or costs, monetary losses and potential legal liability and adverse governmental action. The Exploration Properties Business may be subject to liability or sustain loss for certain risks and hazards against which they do not or cannot insure or which it may reasonably elect not to insure because of the cost. This lack of insurance coverage could result in material economic harm to the Exploration Properties Business.

Environmental Risks and Hazards

All phases of the Exploration Properties Business' operations are subject to environmental regulation in the jurisdictions in which it operates. These regulations mandate, among other things, the maintenance of air and water quality standards and land reclamation. They also set forth limitations on the general, transportation, storage and disposal of solid and hazardous waste. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulation, if any, will not adversely affect the Exploration Properties Business' operations. Environmental hazards may exist on the properties that are unknown to the Exploration Properties Business at present, and which have been caused by previous or existing owners or operators of the properties. Reclamation costs are uncertain and planned expenditures estimated by management may differ from the actual expenditures required.

The Exploration Properties Business is not insured against most environmental risks. Insurance against environmental risks (including potential liability for pollution and other hazards as a result of the disposal of waste products occurring from exploration and production) has not been generally available to companies within the industry. The Exploration Properties Business will periodically evaluate the cost and coverage of the insurance against certain environmental risks that is available to determine if it would be appropriate to obtain such insurance.

Without such insurance, and if the Exploration Properties Business becomes subject to environmental liabilities, the payment of such liabilities would reduce or eliminate its available funds or could exceed the funds the Exploration Properties Business has to pay such liabilities and result in bankruptcy. Should the Exploration Properties Business be unable to fund fully the remedial cost of an environmental problem, the Exploration Properties Business might be required to enter into interim compliance measures pending completion of the required remedy.

Costs of Land Reclamation Risk

It is difficult to determine the exact amounts that will be required to complete all land reclamation activities in connection with the properties in which the Exploration Properties Business holds an interest. Reclamation bonds and other forms of financial assurance represent only a portion of the total amount of money that will be spent on reclamation activities over the life of a property. Accordingly, it may be necessary to revise planned expenditures and operating plans in order to fund reclamation activities. Such costs may have a material adverse impact upon the financial condition and results of operations of the Exploration Properties Business.

No Assurance of Title to Property

There may be challenges to title to the mineral properties in which the Exploration Properties Business holds a material interest. If there are title defects with respect to any properties, the Exploration Properties Business might be required to compensate other persons or perhaps reduce its interest in the affected property. Also, in any such case, the investigation and resolution of title issues would divert management's time from ongoing exploration and development programs.

Risk of Amendments to Laws

Amendments to current laws, regulations and permits governing operations and activities of mining companies, or more stringent implementation thereof, could have a material adverse impact on the Exploration Properties Business and cause increases in capital expenditures or production costs or reduction in levels of production at producing properties or require abandonment or delays in development of new mining properties.

Commodity Prices

The Exploration Properties Business' financial results and exploration, development and mining activities may in the future be significantly adversely affected by declines in the price of gold or other minerals. The price of gold or other minerals fluctuates widely and is affected by numerous factors beyond the Exploration Properties Business' control such as the sale or purchase of commodities by various central banks and financial institutions, interest rates, exchange rates, inflation or deflation, fluctuation in the value of the United States dollar and foreign currencies, global and regional supply and demand, the political and economic conditions of major mineral-producing countries throughout the world, and the cost of substitutes, inventory levels and carrying charges. Future serious price declines in the market value of gold or other minerals could cause continued development of and commercial production from the Exploration Properties Business' properties to be impracticable. Depending on the price of gold and other minerals, cash flow from mining operations may not be sufficient and the Exploration Properties Business could be forced to discontinue production and may lose its interest in, or may be forced to sell, some of its properties. Economic viability of future production from the Exploration Properties Business' mining properties, if any, is dependent upon the prices of gold and other minerals.

In addition to adversely affecting any reserve estimates and its financial condition, declining commodity prices can impact operations by requiring a reassessment of the feasibility of a particular project. Such a reassessment may be the result of a management decision or may be required under financing arrangements related to a particular project. Even if the project is ultimately determined to be economically viable, the need to conduct such a reassessment may cause substantial delays or may interrupt operations until the reassessment can be completed.

Foreign Countries and Regulatory Requirements

The Exploration Properties Business has investment in properties and projects located in foreign countries, including Mexico. The carrying values of these properties and the Exploration Properties Business' ability to advance development plans or bring the projects to production may be adversely affected by whatever political instability and legal and economic uncertainty might exist in such countries. These risks may limit or disrupt the Exploration Properties Business' projects, restrict the movement of funds or result in the deprivation of contractual rights or the taking of property by nationalization, expropriation or other means without fair compensation.

There can be no assurance that industries which are deemed of national or strategic importance in countries in which the Exploration Properties Business has operations or assets, including mineral exploration, production and development, will not be nationalized. The risk exists that further government limitations, restrictions or requirements, not presently foreseen, will be implemented. Changes in policy that alter laws regulating the mining industry could have a material adverse effect on the Exploration Properties Business. There can be no assurance that the Exploration Properties Business' assets in these countries will not be subject to nationalization, requisition or confiscation, whether legitimate or not, by an authority or body.

In addition, in the event of a dispute arising from foreign operations, the Exploration Properties Business may be subject to the exclusive jurisdiction of foreign courts or may not be successful in subjecting foreign persons to the jurisdiction of courts in Canada. The Exploration Properties Business also may be hindered or prevented from enforcing its rights with respect to a governmental instrumentality because of the doctrine of sovereign immunity. It is not possible for the Exploration Properties Business to accurately predict such developments or changes in laws or policy or to the extent to which any such developments or changes may have a material adverse effect on the Exploration Properties Business' operations.

DISCLOSURE CONTROLS AND PROCEDURES

At the end of the period covered by this report, an evaluation of the design of disclosure controls and internal controls over financial reporting was carried out under the supervision of the Exploration Properties Business' management, including the Chief Executive Officer and Chief Financial Officer. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls were designed effectively as of December 31, 2013, the end of the period covered by this report, to ensure that information required to be disclosed in reports that it files or submits to regulatory authorities, is recorded, processed, summarized and reported within the time periods specified by regulation, and is accumulated and communicated to management to allow for timely decisions regarding required disclosures.

There were no significant changes in the Exploration Properties Business' internal control over financial reporting during the twelve months ended December 31, 2013 that have materially affected, or are reasonably likely to materially affect, the Exploration Properties Business' internal control over financial reporting. Management will continue to monitor its disclosure controls and may make modifications from time to time as considered necessary or desirable.

INTERNAL CONTROLS OVER FINANCIAL REPORTING

The Company’s management is responsible for establishing and maintaining adequate internal control over financial reporting, and has designed such internal control over financial reporting to provide reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purposes in accordance with GAAP.

Management has used the Internal Control—Integrated Framework to evaluate the effectiveness of internal control over financial reporting, which is a recognized and suitable framework issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Because of the inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. Management assessed the effectiveness of the internal control over financial reporting as of December 31, 2013. As a result, management concluded that the internal control over financial reporting was effective as at that date.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of the Consolidated Carve-out Financial Statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. Management routinely makes judgments and estimates about the effect of matters that are inherently uncertain. As the number of variables and assumptions affecting the future resolution of the uncertainties increase, these judgments become even more subjective and complex. The Exploration Properties Business has identified certain accounting policies that the Exploration Properties Business believes are most critical in understanding the judgments that are involved in producing the Exploration Properties Business' Consolidated Carve-out Financial Statements and the estimates made that could impact results of the operations.

The Exploration Properties Business' significant accounting policies are disclosed in Note 3 to the December 31, 2013 Audited Consolidated Carve-out Financial Statements.

Asset Impairment Evaluations

The Exploration Properties Business reviews the carrying values of its long-term assets when indicators of impairment exist which may indicate that the carrying values may be impaired. If an indication of impairment exists, the recoverable amount of the asset is estimated. An impairment loss is recognized when the carrying amount of the asset is in excess of its recoverable amount. The recoverable amount is the greater of the assets fair value less costs to sell and its value in use. Various estimates and assumptions are used by management in the determination of an assets fair value.

The Exploration Properties Business assesses at the end of each reporting period whether there is any indication that an impairment loss recognized in prior periods for a long-lived asset may no longer exist or may have decreased. If any such indication exists, the Exploration Properties Business estimates the recoverable amount of that asset. A reversal of an impairment loss is recognized up to the lesser of the recoverable amount or the carrying amount that would have been determined (net of amortization or depreciation) had no impairment loss been recognized in prior years.

Mining Interests

Mining interests represent capitalized expenditures related to the development of mining properties, related plant, property and equipment and expenditures related to exploration arising from property acquisitions. Mine development costs are capitalized after proven and probable reserves have been identified.

Mineral rights include the cost of obtaining unpatented and patented mining claims and the cost of acquisition of properties. Significant payments related to the acquisition of land and mineral rights are capitalized. If a mineable ore body is discovered, such costs are amortized when saleable minerals are produced from the ore body using the unit-of-production method based on proven and probable reserves. If no mineable ore body is discovered or such rights are otherwise determined to have no value, such costs are expensed in the period in which it is determined the property has no future economic value.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

This report contains "forward-looking information", as such term is defined in applicable Canadian securities legislation, and "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements and information are necessarily based on a number of estimates and assumptions that are inherently subject to significant business, economic and competitive uncertainties and contingencies. All statements other than statements which are reporting results as well as statements of historical fact set forth or incorporated herein by reference, are forward looking statements and information that may involve a number of known and unknown risks, uncertainties and other factors, many of which are beyond the Exploration Properties Business' ability to control or predict. Forward-looking statements and information can be identified by the use of words such as "may," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "intends," "continue," or the negative of such terms, or other comparable terminology.

These statements include, but are not limited to comments regarding:

- the Exploration Properties Business' exploration and development plans for the Goldfields and Ixhuatán projects;
- liquidity to support operations;
- completion of a Canadian National Instrument 43-101 report for any of the Exploration Properties Business' exploration properties;
- the establishment and estimates of additional mineral reserves and resources;
- anticipated expenditures for development, exploration, and corporate overhead;
- timing and issuance of permits;

- estimates of closure costs and reclamation liabilities;
- the Exploration Properties Business' ability to obtain financing to fund future expenditure and capital requirements; and
- the impact of adoption of new accounting standards.

Although the Exploration Properties Business believes that the plans, intentions and expectations reflected in these forward-looking statements are reasonable, the Exploration Properties Business cannot be certain that these plans, intentions or expectations will be achieved. Actual results, performance or achievements could differ materially from those contemplated, expressed or implied by the forward-looking statements and information contained in this report. Disclosure of important factors that could cause actual results to differ materially from the Exploration Properties Business' plans, intentions or expectations is included under the heading "Risk Factors" in the Circular.

Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements and information. Factors that could cause or contribute to such differences include, but are not limited to unexpected changes in business and economic conditions, including the global financial and capital markets; significant increases or decreases in gold prices; changes in interest and currency exchange rates; changes in operating costs; determination of reserves; costs and timing of development of new reserves; results of current and future exploration and development activities; results of future feasibility studies; joint venture relationships; political or economic instability, either globally or in the countries in which the Exploration Properties Business operates; local and community impacts and issues; timing of receipt of government approvals; accidents and labour disputes; environmental costs and risks; competitive factors, including competition for property acquisitions; availability of external financing at reasonable rates or at all; and the factors discussed in this report under the heading "Risk Factors;" and other risks and uncertainties set forth the periodic report filings with Canadian securities authorities and the SEC of Brigus.

Many of these factors are beyond the Exploration Properties Business' ability to control or predict. These factors are not intended to represent a complete list of the general or specific factors that may affect the Exploration Properties Business. The Exploration Properties Business may note additional factors elsewhere in this report. All forward-looking statements speak only as of the date made. All subsequent written and oral forward-looking statements attributable to the Exploration Properties Business, or persons acting on the Exploration Properties Business' behalf, are expressly qualified in their entirety by these cautionary statements. Except as required by law, the Exploration Properties Business undertakes no obligation to update any forward-looking statement or information.

SCHEDULE"6"
UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS OF FORTUNE BAY CORP.

Pro Forma Consolidated Financial Statements of

FORTUNE BAY CORP.

Period ended December 31, 2013

(Expressed in Canadian Dollars)

(unaudited)

Fortune Bay Corp.
Pro Forma Consolidated Statement of Operations and Comprehensive Loss
For the twelve months ended December 31, 2013
(unaudited)

Expressed in Canadian dollars	Fortune Bay Corp.	The Exploration Properties Business of Fortune Bay Corp.	Pro Forma Adjustments (Note 4)	Pro Forma Fortune Bay Corp.
Operating expenses				
Office, travel and promotion	$ -	$ 80,120	-	$ 80,120
Depreciation	-	25,912	-	25,912
Professional fees	1,550	169,429	-	170,979
Salaries and benefits	-	220,972	-	220,972
Impairment of property and equipment	-	2,734,769	-	2,734,769
Impairment of assets held for sale	-	3,018,234	-	3,018,234
Impairment of exploration and evaluation assets	-	42,823,760	-	42,823,760
Loss on disposal of exploration and evaluation assets	-	650,893	-	650,893
Loss on disposal of equipment	-	4,106	-	4,106
Foreign exchange loss	-	8,291	-	8,291
Total operating expenses	1,550	49,736,486	-	49,738,036
Loss before income taxes	(1,550)	(49,736,486)	-	(49,738,036)
Income tax recovery	-	9,847,145	-	9,847,145
Net loss for the year	(1,550)	$(39,889,341)	-	$(39,890,891)
Other comprehensive loss				
Unrealized loss on available-for-sale investment	-	(150,000)	-	(150,000)
Comprehensive loss for the year	$ (1,550)	$(40,039,341)	-	$(40,040,891)
Net loss per share				$ (1.52)

The accompanying notes are an integral part of these pro forma consolidated financial statements.

Fortune Bay Corp.
Pro Forma Consolidated Statement of Financial Position
As at December 31, 2013
(unaudited)

Expressed in Canadian dollars	Fortune Bay Corp.	The Exploration Properties Business of Fortune Bay Corp.	Pro Forma Adjustments (Note 4)	Pro Forma Fortune Bay Corp.
Assets				
Current assets				
Cash	$ -	$ 63,686	$ 9,936,314	$10,000,000
Accounts receivable	-	19,441	-	19,441
Prepaids	-	28,707	-	28,707
Investments	-	390,000	-	390,000
Due from related party	1	-	-	1
Assets held for sale	-	700,000	-	700,000
Total current assets	1	1,201,834	9,936,314	$11,138,149
Reclamation deposit	-	36,677	-	36,677
Property and equipment	-	225,564	-	225,564
Exploration and evaluation assets	-	13,718,998	-	13,718,998
Total assets	$ 1	$15,183,073	$ 9,936,314	$25,119,388
Liabilities and Equity				
Current liabilities				
Accounts payable and accrued liabilities	$ -	$ 160,386	$ -	$ 160,386
Due to related party	1,550	-	-	1,550
Total current liabilities	1,550	160,386	-	161,936
Deferred tax liability	-	115,440	-	115,440
Total liabilities	1,550	275,826	-	277,376
Equity				
Share capital	1	-	24,788,727	24,788,728
Warrants (Notes 4 and 5)	-	-	24,834	24,834
Net investment from parent	-	14,877,247	(14,877,247)	-
Accumulated other comprehensive income	-	30,000	-	30,000
Accumulated deficit	(1,550)	-	-	(1,550)
Total equity	(1,549)	14,907,247	9,936,314	24,842,012
Total liabilities and equity	$ 1	$15,183,073	$ 9,936,314	$25,119,388

The accompanying notes are an integral part of these pro forma consolidated financial statements.

Fortune Bay Corp.
Notes to the Pro Forma Consolidated Financial Statements
December 31, 2013
(expressed in Canadian dollars except share data)
(unaudited)

1. BASIS OF PRESENTATION

The accompanying unaudited pro-forma consolidated financial statements have been compiled for the purposes of inclusion in an the management information circular of Brigus Gold Corp. ("Brigus") dated January 27, 2014 (the "Management Information Circular"), which gives effect to a plan of arrangement (the "Arrangement") of Brigus under the *Canada Business Corporations Act* (the "CBCA"), in accordance with the terms of the arrangement agreement dated December 16, 2013 among Brigus, Primero Mining Corp. ("Primero") and 8724385 Canada Limited, which was incorporated under the CBCA on December 12, 2013 as a wholly-owned subsidiary of Brigus, and on January13, 2014, changed its name to Fortune Bay Corp. (the "Company" or "Fortune Bay"). Pursuant to the Arrangement, Primero will acquire all outstanding common shares of Brigus (the "Brigus Shares") by issuing 0.175 of a Primero common share in exchange for each Brigus Share. As part of the Arrangement, Brigus shareholders will also receive 0.1 of a common share of Fortune Bay (each whole share a "Fortune Share") in exchange for each Brigus Share.

Prior to the Arrangement, Brigus' exploration projects in Saskatchewan, Canada, Mexico and the Dominican Republic, as well as certain other assets of Brigus, (collectively, the "Exploration Properties Business of Fortune Bay Corp." or the "Exploration Properties Business") will be transferred to Fortune Bay (the "Reorganization") pursuant to a master reorganization agreement between Brigus and Fortune Bay (the "Master Reorganization Agreement"). Fortune Bay will be capitalized with approximately $10 million in cash. The Brigus shareholders will own 90.1% of the issued and outstanding shares of Fortune, with the remaining 9.9% being held by Primero.

These unaudited pro forma consolidated financial statements include:

- An unaudited pro forma consolidated Statement of Financial Position as at December 31, 2013, which has been prepared from the audited Statement of Financial Position of the Company as at December 31, 2013 and the audited Carve-out consolidated Statement of Financial Position of the Exploration Properties Business as at December 31, 2013 and gives effect to the assumptions and adjustments as described in Notes 3 and 4 as if the transaction occurred on December 31, 2013.

- An unaudited pro forma consolidated Statement of Operations and Comprehensive Loss for the year ended December 31, 2013, which has been prepared from the audited Statement of Operations and Comprehensive Loss for the period from incorporation to December 31, 2013 and the audited Carve-out consolidated Statement of Operations and Comprehensive Loss of the Exploration Properties Business for the year ended December 31, 2013 and gives effect to the assumptions and adjustments as described in Notes 3 and 4 as if the transaction occurred on December 31, 2013.

These unaudited pro forma consolidated financial statements are not necessarily indicative of the financial position and financial results of the Company that would have occurred if the transaction and assumptions described therein had taken place on the dates indicated or which may be obtained in the future. They should be read in conjunction with the historical financial statements referred to above. The Company and the Exploration Properties Business prepare their financial statements under International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board.

2. ASSET TRANSFER AND REORGANIZATION

Prior to the effective time, Brigus shall effect the Reorganization pursuant to the Master Reorganization Agreement, such that Fortune Bay will acquire the Exploration Properties Business of Fortune Bay Corp., and also includes any further reorganization.

Under the plan of arrangement, commencing at the effective time, the following principal steps shall occur and shall be deemed to occur without any further act or formality, but in the order and with the timing set out in the plan of arrangement:

(a) Primero will lend to Brigus $10 million (the "Loan Amount") by way of a non-interest bearing demand promissory note.

(b) Brigus will subscribe for such number of additional Fortune Shares as would result in Brigus holding, after completion of the Reorganization and distribution of the Fortune Shares to Brigus shareholders, 9.9% of the outstanding Fortune Shares, in consideration for payment to Fortune of cash subscription proceeds equal to the Loan Amount (with the amount, if any, by which such cash subscription proceeds exceed the fair market value of the Fortune Shares so issued being a contribution to the capital of Fortune Bay).

(c) Brigus shall effect a reorganization of its capital as follows: (i) the authorized share capital of Brigus will be amended by the creation of one new class of shares consisting of an unlimited number of Brigus Class A Shares, and the articles of incorporation of Brigus shall be deemed to be amended accordingly; (ii) each outstanding Brigus Share will be exchanged (without any further act or formality on the part of the Brigus Shareholder) free and clear of all liens for one (1) Brigus Class A Share and 0.1 of a Fortune Share, and such Brigus Shares shall thereupon be cancelled, and:

    (i) the holders of such Brigus Shares shall cease to be the holders thereof and to have any rights or privileges as holders of such Brigus Shares;

    (ii) such holders' names shall be removed from the register of the Brigus Shares maintained by or on behalf of Brigus; and

    (iii) each Brigus Shareholder shall be deemed to be the holder of the Class A Shares and Fortune Shares (in each case, free and clear of any liens) exchanged for the Brigus Shares and shall be entered in the register of Brigus or Fortune Bay, as the case may be, as the registered holder thereof.

(d) All Brigus Class A Shares shall be assigned and transferred to Primero, free and clear of any liens, and each holder thereof shall receive 0.175 of a Primero Share and $0.000001 in exchange for each Brigus Class A Share, and:

    (i) the holders of such Brigus Class A Shares shall cease to be the holders thereof and to have any rights as holders of such Class A Shares other than the right to be paid 0.175 of a Primero Share and $0.000001 share per Brigus Class A Share in accordance with this plan of arrangement;

(ii) such holders' name shall be removed from the register of the Class A Shares maintained by or on behalf of Brigus; and

(iii) Primero shall be deemed to be the transferee and the legal and beneficial holder of such Class A Shares (free and clear of all liens) and shall be entered as the registered holder of such Class A Shares in the register of the Class A Shares maintained by or on behalf of Brigus.

3. PRO FORMA ASSUMPTIONS

The unaudited pro forma consolidated financial statements were prepared based on the following assumptions:

(i) Fortune's acquisition of the Exploration Properties Business of Fortune Bay Corp. from Brigus occurred on the dates indicated in Note 1.

(ii) Brigus funded the transaction and other costs related to the asset transfer and other related transactions pursuant to the Master Reorganization Agreement and related documents.

4. PRO FORMA ADJUSTMENTS

The following pro forma adjustments have been made to reflect the plan of arrangement described in Note 2 as if it occurred on the dates indicated in Note 1:

(i) The issuance of 23,585,930 common shares of the Company to former holders of Brigus Shares as part of the plan of arrangement.

(ii) The issuance of 2,591,573 common shares of the Company to Brigus, a wholly-owned subsidiary of Primero, as part of the plan of arrangement.

(iii) The Company recorded an amount of $24,834 in the Consolidated Statement of Financial Position relating to the portion of the fair value of the Brigus warrants which can be attributed to Fortune, based on the quoted market value of the Brigus warrants as at December 31, 2013.

5. SHARE CAPITAL

Authorized

An unlimited number of common shares without par value.

(expressed in Canadian dollars except share data)

Issued

	Number of Shares	Share Capital	Warrants	Net Investment From Parent	Accumulated Other Comprehensive Income	Deficit	Total Equity
Fortune Bay Corp. and the Exploration Properties Business of Fortune Bay Corp.	1	$ 1	$ -	$14,877,247	$ 30,000	$ (1,550)	$14,905,698
Common shares issued in connection with the Arrangement	26,177,503	24,788,727	24,834	(14,877,247)	-	-	9,936,314
Balance, December 31, 2013	26,177,504	$24,788,728	$24,834	$ -	$ 30,000	$ (1,550)	$24,842,012

The total number of Fortune Shares to be issued under the Arrangement includes only those Brigus shares that are expected to be outstanding before the completion of the Arrangement. This includes the Brigus deferred share units that will be converted to Brigus shares under the Arrangement. The number of Fortune Shares to be issued includes a sufficient number of Fortune Shares to give Primero a 9.9% interest in the issued Fortune Shares upon completion of the Arrangement.

The number of Fortune Shares to be issued under the Arrangement does not include Fortune Shares that could be issued upon the exercise of Brigus options or Brigus warrants prior to the effective time of the Arrangement, including any Brigus options whose exercise price is less than $0.91, the implied value of each Brigus common share after applying the exchange ratio pursuant to the Arrangement Agreement (0.175) as of the date of the Arrangement Agreement. An additional 134,178 shares could be issued upon the exercise of Brigus options with an exercise price below $0.91. The Brigus options are not exchangeable for Fortune Shares after the effective time of the Arrangement.

As of December 31, 2013, 15,886,317 warrants to acquire Brigus shares are outstanding. Each outstanding Brigus warrant will be exercisable to purchase 0.175 of a Primero common share and 0.1 of a Fortune Share. Approximately 1,588,632 Fortune Shares are issuable upon the exercise of Brigus warrants. Each Brigus Warrant shall continue to be governed by and be subject to the terms of the applicable Brigus Warrant Indenture and expire on November 19, 2014.

APPENDIX "G"
PRO FORMA FINANCIAL STATEMENTS OF PRIMERO

Primero Mining Corp
Pro Forma condensed consolidated statement of financial position
As at September 30, 2013
(in thousands of United States dollars)
(Unaudited)

	Primero	Brigus			
	September 30, 2013	September 30, 2013	Total Pro Forma Adjustments	Notes	Pro forma consolidated group
Assets					
Current assets					
Cash	**125,709**	**21,108**	**(9,785)**	**(a) (c)**	**137,032**
Trade and other receivables	**5,875**	**1,226**	**(155)**	**(c)**	**6,946**
Taxes receivable	**9,168**	**-**	**-**		**9,168**
Prepaid expenses	**8,673**	**1,136**	**(38)**	**(c)**	**9,771**
Inventories	**11,714**	**10,085**	**2,080**	**(h)**	**23,879**
Investment	**-**	**466**	**(466)**	**(c)**	**-**
Asset held for sale	**-**	**1,435**	**(1,435)**	**(c)**	**-**
Total current assets	**161,139**	**35,456**	**(9,799)**		**186,796**
Non-current assets					
Inventories	**-**	**7,953**	**2,187**	**(h)**	**10,140**
Mining interests	**612,798**	**345,497**	**(15,721)**	**(a) (c) (m)**	**942,574**
Equity investment	**1,184**	**-**	**-**		**1,184**
Investment in Spinco	**-**	**-**	**2,475**	**(c)**	**2,475**
Restricted cash	**-**	**19,901**	**(43)**	**(c)**	**19,858**
Deferred tax asset	**8,762**	**-**	**-**		**8,762**
Total assets	**783,883**	**408,807**	**(20,900)**		**1,171,790**
Liabilities					
Current liabilities					
Trade and other payables	**29,060**	**14,449**	**13,367**	**(c) (e) (n)**	**56,876**
Taxes payable	**2,142**	**-**	**-**		**2,142**
Deferred revenue	**-**	**3,665**	**(3,665)**	**(j)**	**-**
Current portion of decommissioning liability	**2,130**	**-**	**-**		**2,130**
Current portion of long-term debt	**5,000**	**16,153**	**70,490**	**(d)**	**91,643**
Total current liabilities	**38,332**	**34,267**	**80,192**		**152,791**
Non-current liabilities					
Taxes payable	**9,570**	**-**	**-**		**9,570**
Decommissioning liability	**6,583**	**23,880**	**-**		**30,463**
Deferred revenue	**-**	**22,555**	**(22,555)**	**(j)**	**-**
Long-term debt	**27,214**	**66,800**	**(55,863)**	**(d)**	**38,151**
Deferred tax liability	**-**	**10,716**	**12,792**	**(c) (m)**	**23,508**
Derivative liability	**-**	**5,598**	**(5,598)**	**(d)**	**-**
Other long-term liabilities	**6,025**	**1,219**	**(1,219)**	**(c) (k)**	**6,025**
Total liabilities	**87,724**	**165,035**	**7,749**		**260,508**
Equity					
Share capital	**553,303**	**398,079**	**(398,079)**	**(b)**	**553,303**
			221,552	**(a)**	**221,552**
Warrant reserve	**34,237**	**13,733**	**(13,733)**	**(b)**	**34,237**
			555	**(a)**	**555**
Share-based payment reserve	**15,152**	**59,329**	**(59,329)**	**(b)**	**15,152**
			758	**(a)**	**758**
Foreign currency translation reserve	**(4,889)**	**123**	**(123)**	**(c)**	**(4,889)**
Retained earnings (deficit)	**98,356**	**(227,492)**	**219,750**	**(b)**	**90,614**
Total equity	**696,159**	**243,772**	**(28,649)**		**911,282**
Total liabilities and equity	**783,883**	**408,807**	**(20,900)**		**1,171,790**

Primero Mining Corp
Pro Forma condensed consolidated statement of operations and comprehensive income
Nine months ended September 30, 2013
(in thousands of United States dollars)
(Unaudited)

	Primero	Brigus			
	Nine months ended September 30, 2013	Nine months ended September 30, 2013	Total Pro Forma Adjustments	Notes	Pro forma consolidated group
Revenue	**152,589**	**111,105**	**-**		**263,694**
Operating expenses	**(64,592)**	**(55,438)**	**(4,267)**	**(h)**	**(124,297)**
Depreciation and depletion	**(25,738)**	**(28,982)**	**(4,200)**	**(f)**	**(58,920)**
Total cost of sales	**(90,330)**	**(84,420)**	**(8,467)**		**(183,217)**
Earnings from mine operations	**62,259**	**26,685**	**(8,467)**		**80,477**
General and administrative expenses	**(16,789)**	**(7,866)**	**250**	**(c)**	**(24,405)**
Earnings from operations	**45,470**	**18,819**	**(8,217)**		**56,072**
Impairment of assets held for sale	**-**	**(2,634)**	**2,634**	**(c)**	**-**
Other expense	**(6,673)**	**-**	**(7,742)**	**(e)**	**(14,415)**
Foreign exchange (loss) gain	**(966)**	**1,089**	**734**	**(c)**	**857**
Finance income	**213**	**198**	**-**		**411**
Finance expense	**(880)**	**(7,503)**	**5,890**	**(d)**	**(2,493)**
Share of equity-accounted results	**(93)**	**-**	**-**		**(93)**
Gain on derivative contracts	**-**	**1,987**	**(1,695)**	**(d)**	**292**
Renunication of flow through shares	**-**	**1,437**	**-**		**1,437**
Unrealized loss on Senior Secured Notes Call Option	**-**	**(3,603)**	**3,603**	**(d)**	**0**
Earnings before income taxes	**37,071**	**9,790**	**(4,792)**		**42,069**
Income tax (expense) recovery	**(5,426)**	**(1,149)**	**206**	**(c) (d) (l)**	**(6,369)**
Net income for the period	**31,645**	**8,641**	**(4,586)**		**35,700**
Other comprehensive income					
Exchange differences on translation of foreign operations	**(3,825)**	**-**	**-**		**(3,825)**
Total comprehensive income for the period	**27,820**	**8,641**	**(4,586)**		**31,875**
Basic income per share	**0.30**				**0.24**
Diluted income per share	**0.30**				**0.24**
Weighted average number of common shares outstanding					
Basic	**106,082,135**				**146,699,549**
Diluted	**106,082,135**				**147,597,606**

Primero Mining Corp
Pro Forma condensed consolidated statement of operations and comprehensive income
For the year ended December 31, 2012
(in thousands of United States dollars)
(Unaudited)

	Primero	Brigus			
	December 31, 2012	December 31, 2012	Total Pro Forma Adjustments	Notes	Pro forma consolidated group
Revenue	**182,939**	**117,681**	**-**		**300,620**
Operating expenses	**(75,495)**	**(56,169)**	**(5,121)**	**(i)**	**(136,785)**
Depreciation and depletion	**(28,055)**	**(25,147)**	**(4,191)**	**(c) (g)**	**(57,393)**
Total cost of sales	**(103,550)**	**(81,316)**	**(9,312)**		**(194,178)**
Earnings from mine operations	**79,389**	**36,365**	**(9,312)**		**106,442**
General and administrative expenses	**(30,003)**	**(13,019)**	**353**	**(c)**	**(42,668)**
Earnings from operations	**49,386**	**23,346**	**(8,959)**		**63,774**
Impairment of assets held for sale	**-**	**(6,906)**	**6,906**	**(c)**	**-**
Other expense	**(1,842)**	**-**	**(7,742)**	**(e)**	**(9,584)**
Foreign exchange (loss) gain	**(948)**	**(1,410)**	**65**	**(c)**	**(2,293)**
Finance income	**1,192**	**243**	**-**		**1,435**
Finance expense	**(2,887)**	**(5,834)**	**3,532**	**(d)**	**(5,189)**
Gain (loss) on derivative contracts	**(226)**	**8,890**	**(3,798)**	**(d)**	**4,866**
Gain on termination of option agreement	**-**	**1,849**	**(1,849)**	**(c)**	**-**
Gain on sale of notes receivable	**-**	**2,347**	**(2,347)**	**(c)**	**-**
Renunication of flow through shares	**-**	**2,237**	**-**		**2,237**
Premium on Goldstream repurchase	**-**	**(5,630)**	**-**		**(5,630)**
Unrealized loss on derivatve asset	**-**	**(389)**	**389**	**(d)**	**-**
Equity loss on investment in associate	**-**	**(163)**	**163**	**(c)**	**-**
Earnings before income taxes	**44,675**	**18,581**	**(13,641)**		**49,616**
Income tax (expense) recovery	**4,878**	**349**	**1,199**	**(c) (d) (l)**	**6,426**
Net income for the period	**49,553**	**18,930**	**(12,442)**		**56,042**
Other comprehensive income					
Exchange differences on translation of foreign operations	**386**	**-**	**-**		**386**
Total comprehensive income for the period	**49,939**	**18,930**	**(12,442)**		**56,428**
Basic income per share	**0.54**				**0.42**
Diluted income per share	**0.54**				**0.42**
Weighted average number of common shares outstanding					
Basic	**91,469,356**				**132,086,770**
Diluted	**91,469,356**				**132,382,633**

Primero Mining Corp.

Notes to the pro forma consolidated financial statements
(Unaudited)
(expressed in thousands of United States Dollars)

1. Description of transaction

The unaudited pro forma consolidated financial statements have been prepared for the purpose of inclusion in an information circular dated January 27, 2014 in connection with the proposed arrangement agreement (the "Arrangement Agreement") whereby Primero Mining Corp ("Primero") will acquire all outstanding common shares of Brigus Gold Corp ("Brigus") pursuant to a plan of arrangement (the "Arrangement") to create a diversified, Americas based mid-tier gold producer.

Primero announced on December 16, 2013 that pursuant to the Arrangement, Primero will acquire each outstanding Brigus common share for 0.175 of a Primero common share (the "Exchange Ratio"). In addition, Brigus shareholders will receive 0.1 of a common share in a newly incorporated company ("SpinCo") for each Brigus common share as part of the Arrangement. SpinCo will hold Brigus' interests in the Goldfields project in Saskatchewan and the Ixhuatán and Huizopa projects in Mexico and will be capitalized with approximately C$10 million in cash. Upon completion of the Arrangement, Brigus shareholders will hold, in aggregate, a 90.1% interest in SpinCo and Primero will hold the remaining 9.9% interest in SpinCo. All outstanding options to purchase Brigus common shares will be exchanged for options to purchase Primero common shares based upon the Exchange Ratio pursuant to the Arrangement. Following completion of the Arrangement, each outstanding warrant to purchase a Brigus common share will be exercisable to purchase 0.175 of a Primero common share and 0.1 of a SpinCo common share.

2. Basis of presentation

These pro forma consolidated financial statements have been prepared by management of Primero in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") to give effect to the transactions described in Note 1. For accounting purposes, the Arrangement will be accounted for as a business combination with Primero being the acquirer. Accordingly, the pro forma consolidated financial statements have been prepared using the acquisition method whereby both the consideration transferred and the net assets of Brigus are measured at their estimated fair values on the date of acquisition. When the fair value of the consideration transferred exceeds the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed measured at fair value, the difference is treated as goodwill. If the fair value attributable to the acquiror's share of the identifiable net assets exceeds the cost of acquisition, the difference is immediately recognized in the statement of operations.

These pro forma consolidated financial statements include the following:

(a) an unaudited pro forma condensed consolidated statement of financial position as at September 30, 2013 prepared from the September 30, 2013 unaudited interim condensed consolidated statements of financial position of each of Primero and Brigus. The unaudited pro forma condensed consolidated statement of financial position as at September 30, 2013 gives effect to the Arrangement as if the transaction had occurred on September 30, 2013.

(b) an unaudited pro forma condensed consolidated statement of operations for the nine months ended September 30, 2013 prepared from the unaudited interim condensed consolidated statements of operations of each of Primero and Brigus for the nine months ended September 30, 2013. The unaudited pro forma condensed consolidated statement of operations for the nine months ended September 30, 2013 gives effect to the Arrangement as if it had occurred on January 1, 2013.

(c) an unaudited pro forma consolidated statement of operations for the year ended December 31, 2012 prepared from the audited consolidated statements of operations of each of Primero and Brigus for the year ended December 31, 2012. The unaudited pro forma consolidated statement of operations for the year ended December 31, 2012 gives effect to the Arrangement as if it had occurred on January 1, 2012.

It is management's opinion that these pro forma consolidated financial statements include all adjustments necessary for the fair presentation, in all material respects, of the transaction described in note 1 in accordance with IFRS applied on a basis consistent with Primero's accounting policies. No adjustments have been made to reflect potential cost savings that may occur subsequent to completion of the Arrangement. These pro forma consolidated financial statements have been prepared for illustrative purposes only and give effect to the acquisition by Primero pursuant to the assumptions in Note 4 of these pro forma consolidated financial statements and are not necessarily indicative of the financial position of Primero as at the time of closing of the Arrangement referred to above, nor of the future operating results of Primero as a result of the Arrangement.

These unaudited pro forma consolidated financial statements should be read in conjunction with the audited consolidated financial statements of Primero and Brigus for the year ended December 31, 2012, and the unaudited condensed interim consolidated financial statements of Primero and Brigus as at and for the nine months ended September 30, 2013.

3. Significant Accounting Policies

The accounting policies used in the preparation of these unaudited pro forma consolidated financial statements are in accordance with IFRS and are set out in Primero's consolidated financial statements for the year ended December 31, 2012. In preparing the unaudited pro forma consolidated financial statements, a review was undertaken by management to identify accounting policy differences between Primero and Brigus which could have a material impact. No significant differences have been identified at this time.

4. Pro forma assumptions and adjustments

(a) As of September 30, 2013 Brigus had 232,099,507 common shares outstanding. With the Exchange Ratio of 0.175, Primero will issue approximately 40,600,000 common shares, with a fair value of $221.6 million based on the closing share price of Primero of US $5.45 on September 30, 2013, in exchange for all the issued and outstanding common shares of Brigus. Primero will also issue approximately 2,780,000 warrants with a fair value of $0.6 million and 3,270,000 stock options with a fair value of $2.2 million. The fair value of stock options related to pre-combination services, amounting to $0.8 million, has been included in the preliminary purchase price. The fair value of the stock options and the warrants was calculated using the Black Scholes model.

Primero will complete a full and detailed valuation of the Brigus net assets acquired. Additionally, the consideration given by Primero will be valued at the date of the closing of the Arrangement and therefore the final consideration may be significantly different from that used in this pro forma information. The preliminary purchase price allocation is based on management's estimates and certain assumptions with respect to the fair value associated with the assets to be acquired and the liabilities assumed. The actual fair values of the assets and liabilities as of the closing date of the Arrangement may differ materially from the amounts disclosed below because of changes in fair values of the assets and liabilities to the date of the transaction and as further analysis is completed.

Purchase price:	US $000s
Issuance of 40,617,414 common shares of Primero	$ 221,552
Issuance of 2,780,105 warrants of Primero	555
Issuance of 3,266,494 stock options of Primero	758
Issuance of cash	9,722
	$ 232,587

Fair value of assets and liabilities acquired:	
Cash	$ 21,046
Trade and other receivables	1,071
Prepaid expenses	1,098
Inventories	22,305
Mineral property, plant and equipment	329,776
Restricted cash	19,858
Investment in Spinco	2,475
Trade and other payables	(20,074)
Current debt	(86,643)
Long-term debt	(10,937)
Deferred tax liability	(23,508)
Decommissioning liability	(23,880)
	$ 232,587

The fair value of each option and warrant was estimated at September 30, 2013 using the Black-Scholes option-pricing model with the following weighted-average assumptions:

	Warrants	Stock options
Risk-free interest rate	1.19%	1.47%
Annual dividends	—	—
Expected stock price volatility	55%	52%
Expected life	1.2 years	3.1 years
Fair value per unit (Cdn$)	$0.21	$0.12

(b) These pro forma adjustments eliminate the historical equity accounts of Brigus.

(c) As detailed under 1 above, upon completion of the Arrangement, a newly formed entity, SpinCo, shall be owned 90.1% by Brigus shareholders and 9.9% by Primero shareholders. These pro forma adjustments show the spin out of the SpinCo assets, liabilities, equity, income and expenses from the consolidated financial statements of Brigus and are replaced with an investment classified as “available for sale” which is held at fair value.

(d) Upon completion of the Arrangement, a change of control offer of a cash repayment will be made for Brigus' outstanding 6.5% convertible senior unsecured debentures in accordance with their trust indenture dated March 23, 2011. The offer will be for 100% of the principal amount plus accrued and unpaid interest. Also, upon completion of the Arrangement, a change of control offer of a cash repayment will be made for Brigus' outstanding senior secured notes in accordance with their senior secured facility dated October 29, 2012. The offer will be for 105% of the principal amount plus accrued and unpaid interest.

An adjustment has been made to the unaudited condensed consolidated pro forma statement of financial position to reflect all such debt being classified as current at the amount to be repaid in accordance with the above terms. In addition, the unaudited condensed consolidated pro forma statements of operations have been adjusted to remove all balances related to these debt balances (including a derivative liability), given they are assumed to have been repaid at the beginning of the period.

(e) Transaction costs related to the Arrangement are estimated to be $7.7 million and have been expensed.

(f) An adjustment to increase depletion expense by $4.2 million for the nine months ended September 30, 2013 for the positive fair value adjustment allocated to acquired mineral property, plant and equipment in the preliminary purchase price allocation.

(g) An adjustment to increase depletion expense by $4.3 million for the year ended December 31, 2012 for the positive fair value adjustment allocated to acquired mineral property, plant and equipment in the preliminary purchase price allocation.

(h) An adjustment to recognize the fair value increase in inventory of $4.3 million in the preliminary purchase price allocation being expensed into cost of sales under the assumption that the related inventory was sold in the nine month period to September 30, 2013.

(i) An adjustment to recognize the fair value increase in inventory of $5.1 million in the preliminary purchase price allocation being expensed into cost of sales under the assumption that the related inventory was sold in the year to December 31, 2012.

(j) An adjustment to eliminate the deferred revenue of Brigus relating to the upfront payment from Sandstorm Gold Ltd in return for delivery of 8% and 6.3%, respectively, of the future gold production at the Black Fox Mine and the Black Fox Extension at $500 per ounce (subject to inflation beginning in 2013, not to exceed 2% per annum) ("the Gold Stream"). The obligation to deliver gold production under Gold Stream has been netted against the mining interest in the unaudited pro forma financial consolidated statement of financial position.

(k) An adjustment to eliminate a deferred gain recorded by Brigus on a sale and leaseback transaction on its mill. This deferred gain is not recognized by Primero; rather the mill will be leased in accordance with the terms of the lease agreement.

(l) An adjustment for the income tax effect of the above adjustments based on a tax rate of 26.5%.

(m) An adjustment to estimate the deferred income tax liability based on the estimated total income tax and mining tax rates of 32.75%.

(n) An adjustment to reflect an estimated severance liability to Brigus personnel of $5.7 million upon closing of the Arrangement.

(o) The unaudited pro forma consolidated basic and diluted earnings per share for the period presented is calculated below. The diluted earnings per share is calculated using the Treasury buy-back method.

	Nine months to September 30, 2013	**Year ended December 31, 2012**
Pro forma earnings for the period (basic & diluted) ($000s)	35,700	56,042
Weighted average Primero shares	106,082,135	91,469,356
Weighted average Brigus shares	40,617,414	40,617,414
Total weighted average shares (basic) (a)	146,699,549	132,086,770
Basic Earnings per share	$0.24	$0.42
Total dilutive Primero shares (b)	2,502,138	769,221
Total dilutive Brigus shares (c)	1,911,963	408,087
Primero proceeds from buy-back	11,792,281	2,466,928
Brigus proceeds from buy-back	8,003,047	1,138,180
Total number of shares bought back (d)	3,516,044	881,445
Total weighted average shares (diluted) (=a+ (b+c-d)))	147,597,606	132,382,633
Diluted Earnings per share	$0.24	$0.42

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APPENDIX "H"
FORTUNE STOCK OPTION PLAN

FORTUNE BAY CORP.
STOCK OPTION INCENTIVE PLAN

1. DEFINITIONS

As used herein, the following terms shall have the following meanings:

(a) "**Affiliates**", each individually an "**Affiliate**", means the affiliates of the Company, and for the purposes of the Plan "**affiliate**" shall have the meaning ascribed to that term in the *Securities Act* (Ontario);

(b) "**associate**" shall have the meaning ascribed to that term in the *Securities Act* (Ontario);

(c) "**Black Out Period**" means the period during which designated employees of the Company cannot trade the Common Shares pursuant to the Company's policy respecting restrictions on employee trading which is in effect at that time (which, for greater certainty, does not include the period during which a cease trade order is in effect to which the Company or in respect of an insider, that insider, is subject);

(d) "**Common Shares**" means the common shares in the capital of the Company as such shares are subdivided, consolidated, reclassified or changed from time to time;

(e) "**Company**" means Fortune Bay Corp.;

(f) "**Consultant**" means a person or company, other than an employee, senior officer, or director of the Company or its Affiliates, that:

(i) is engaged to provide services to the Company or its Affiliates, other than services provided in relation to a distribution,

(ii) provides the services under a written contract with the Company or its Affiliates, and

(iii) spends or will spend a significant amount of time and attention on the affairs and business of the Company or its Affiliates,

and includes, for an individual consultant, a company of which the individual consultant is an employee or shareholder, and a partnership of which the individual consultant is an employee or partner;

(g) "**Eligible Person**" means, subject to all applicable laws:

(i) any employee, officer, or director of the Company or its Affiliates;

(ii) any trust of which an employee, officer, director of the Company or its Affiliates is the sole beneficiary;

(iii) any corporation that provides services to the Company or its Affiliates on an on-going basis and which is wholly-owned by an employee, officer or director of the Company or its Affiliates;

(iv) any subsidiary of the Company; or

(v) a Consultant;

(h) "**Insider**" means:

(i) an insider as defined in the *Securities Act* (Ontario) other than a person who falls within that definition solely by virtue of being a director or senior officer of a subsidiary of the Company; and

(ii) an associate of any person who is an insider by virtue of (i);

(i) "**Option**" means an option to purchase Common Shares granted to an Eligible Person pursuant to the terms of the Plan;

(j) "**Outstanding Issue**" means the number of Common Shares that are outstanding on a non- diluted basis;

(k) "**Plan**" means this stock option plan of the Company dated January 27, 2014;

(l) "**Share Compensation Arrangements**" means a stock option, stock option plan, employee stock purchase plan or any other compensation or incentive mechanism involving the issuance or potential issuance of Common Shares to one or more Eligible Persons, including a share purchase from treasury which is financially assisted by the Company by way of a loan, guarantee or otherwise; and

(m) "**subsidiary**" shall have the meaning ascribed to that term in the *Securities Act* (Ontario).

2. PURPOSE OF THE PLAN

The purpose of the Plan is to (i) develop the interest of certain Eligible Persons in the growth and development of the Company, and (ii) encourage selected individuals to accept or continue employment with the Company or its Affiliates by providing them with the opportunity, through the granting of stock options, to acquire an increased proprietary interest in the Company.

3. IMPLEMENTATION

The Plan will be implemented in accordance with the terms hereof and will be structured to comply with the rules of The Toronto Stock Exchange (the "**TSX**"), as amended from time to time (the "**TSX Rules**").

4. ADMINISTRATION

The Plan will be administered by the board of directors of the Company (the "**Board**") or, in the Board's discretion, by a committee (the "**Committee**") appointed by the Board and consisting of not less than three members of the Board. Subject to the provisions of the Plan, the Board or the Committee is authorized, in its sole discretion, to make such determinations under and such interpretations of and take such steps and actions in connection with the proper administration of the Plan and such rules and regulations concerning the granting of the Options pursuant to the Plan as it may deem necessary or advisable. All questions of interpretation, implementation, and application of this Plan shall be determined by the Board. Such determinations shall be final and binding on all persons. No member of the Board or of the Committee will be liable for any action or determination taken or made in good faith with respect to the Plan or any Options granted under it. Any determination approved by a majority of the

Board or of the Committee will be deemed to be a determination of that matter by the Board or the Committee, as the case may be. Members of the Board or the Committee may be granted Options under the Plan.

5. NUMBER OF SHARES DEDICATED TO THE PLAN

The number of Common Shares reserved for issuance, set aside and made available to the Board or Committee for the granting of Options to eligible grantees (the "**Reserved Common Shares**") shall not exceed 10% of the issued and outstanding Common Shares, from time to time, provided that in any fiscal year, the Company shall limit the number of Options granted to a maximum of 3.33 % of its issued and outstanding Common Shares at the beginning of the fiscal year such that the maximum is based on the number of Common Shares outstanding at the previous fiscal year end. All Options granted under the Plan will conform to all applicable provisions prescribed by the Plan and to such specific terms and conditions as may be determined by the Board or the Committee at the time of making each grant, provided that such terms and conditions are not inconsistent with the provisions hereof. Reserved Common Shares for which an Option is granted under the Plan but not exercised prior to the termination of such Option, whether through surrender, termination, lapse or otherwise, shall be available for Options thereafter granted by the Board or the Committee under the Plan. All Common Shares issued pursuant to the exercise of the Options granted under the Plan shall be issued as fully-paid and non-assessable shares.

6. ELIGIBILITY

The persons who will be eligible to be granted Options pursuant to the Plan ("**Participants**") will be such Eligible Persons as the Board or the Committee determines. In determining Options to be granted to Participants under the Plan, the Board or Committee will give due consideration to the value of each such Eligible Person's present and potential contribution to the success of the Company or its Affiliates.

7. GRANTING OF OPTIONS

(a) Subject to the provisions herein set forth and after review of recommendations from time to time by management for the granting of Options, the Board or Committee shall, in its sole discretion, select those Participants to whom share Options under the Plan shall be granted (an "**Optionee**"), fix the number of Common Shares to be optioned to each, the date or dates on which such Options shall be granted and the terms and conditions, within the limits prescribed in paragraph 8, attaching to each Option.

(b) Subject to the provisions contained herein, the following additional provisions shall be applicable to Options granted under the Plan:

(i) the number of Options issued to any one Optionee under the Plan in any one year period shall not exceed ten percent (10%) of the number of Reserved Common Shares;

(ii) a majority of the Reserved Common Shares will or may be issuable to Insiders of the Company;

(iii) the Reserved Common Shares, together with all of the Company's other previously established or proposed Share Compensation Arrangements, could result, at any time in the number of Common Shares reserved for issuance under the Plan and such other Share Compensation Arrangements exceeding the Reserved Common Shares; and

(iv) each Option shall be evidenced by a written stock option agreement (an "**Option Agreement**"), in form satisfactory to the Company, executed by the Company and the Optionee; provided however, that the failure by the Company, the Optionee, or both to execute an Option Agreement shall not invalidate the granting of any Option.

8. TERMS AND CONDITIONS OF THE OPTIONS

The terms and conditions of each Option granted under the Plan shall be set forth in an Option Agreement. An Option Agreement shall include the following terms and conditions:

(a) **Number of Common Shares** - The Board or the Committee shall, in its sole discretion, but subject to the TSX Rules, fix the aggregate number of Common Shares which are the subject of the Option.

(b) **Option Price** - The Board or the Committee shall fix the exercise price per Common Share under any Option which shall not be less than the market price per Common Share at the time of the grant.

For the purposes of this subparagraph 8(b), "**market price per Common Share**" at the time of grant means the closing price on the TSX (or if not then traded on such exchange, the closing market price on the over-the-counter market in Toronto) of a Common Share on the date the Option is granted by the Board or the Committee and if there be no sale on such trading day, then the average of the closing bid and ask prices on such trading day, provided that if the Common Shares are not then traded on any public market, the Board in its sole discretion (but subject to compliance with the TSX Rules) shall determine "market price per Common Share" at the time of grant by application of a method of valuation that the Board or the Committee determines in good faith be a reasonable valuation method. Reference is made to paragraph 11 hereof as to the limit to grants to one person.

(c) **Payment** - The full purchase price for the Common Shares purchased under the Option shall unless otherwise provided in the separate Option Agreement, be paid for in cash upon the exercise thereof. An Optionee who is not already a shareholder shall have none of the rights of a shareholder of the Company until Common Shares issuable pursuant to this Option are issued to him.

(d) **Term of Option/Vesting** - No Options shall be granted under this Plan after ten (10) years from the adoption of the Plan by the Board of Directors. The Board or the Committee shall fix the term of the Option which term shall not be for more than ten (10) years from the date the Option is granted, subject to subparagraphs (e), (f) and (g) of this paragraph 7. The Board or the Committee shall have discretion to determine any vesting schedule to which an Option is subject.

(e) **Death or Disability of Optionee** - In the event of the death or disability of the Optionee prior to the end of the term of the Option, where immediately prior to death or disabi;ity such Optionee was an Eligible Person, the Optionee or Optionee's legal representative may:

(i) exercise the Option to the extent that the Optionee was entitled to do so at the date of his death or disability at any time up to and including, but not after, a date

one (1) year following the date of death or disability of the Optionee, or prior to the close of business on the day of the expiry of the term of the Option, whichever is earlier; and at any time up to and including, but not after, a date twelve (12) months following the date of death or disability of the Optionee, or prior to the close of business on the day of the expiry of the term of the Option, whichever is earlier; and

(ii) with the prior written consent of the Board or the Committee, exercise the Option to purchase all or any of the optioned shares as the Board or the Committee may designate but not exceeding the number of optioned shares that the Optionee would have been entitled to otherwise had he survived or not been disabled. The Option may be exercised at any time up to and including, but not after, the respective dates set forth in paragraph (i) above.

(f) **Resignation or Discharge for Cause of Optionee** - In the event of the resignation of the Optionee as an employee of the Company or an Affiliate, or the discharge for "cause" of the Optionee as an employee of the Company or an Affiliate, or in the case of any other Eligible Person, in the event of the voluntary termination by the Optionee of the contract with the Company or an Affiliate, or in the event of the termination of the contract with an Eligible Person by the Company or an Affiliate for "cause", the Option shall in all respects, except as otherwise exercised as set forth below in paragraph (g)(ii) hereof, cease and terminate. For the purposes of the Plan, the determination by the Company that the Optionee was discharged, or that a contract was otherwise terminated for "cause", shall be binding on the Optionee.

(g) **Other Termination of Optionee** - In the event of the termination of employment of the Optionee, or in the case of any other Eligible Person, the contract with the Company or an Affiliate, other than as referred to in paragraph (e) above, the Optionee may:

(i) exercise the Option to the extent that he was entitled to do so at the time of such termination of employment or contract, at any time up to and including, but not after, the effective date of such termination of employment or contract prior to the close of business on the day of the expiry of the term of the Option, whichever is earlier; and

(ii) with the prior written consent of the Board or the Committee, which consent may be withheld in the Company's sole discretion, exercise the Option to purchase all or any of the optioned shares as the Board or the Committee may designate but not exceeding the number of optioned shares that he would have been entitled to otherwise had his employment or other contractual relationship with the Company or an Affiliate been maintained for the term of the Option.

(h) **Non-Transferability of Option** - The Options granted under the Plan may not be transferred, assigned, (except by will or by laws of descent) encumbered or otherwise disposed of by the Optionee, provided that nothing herein shall operate to restrict the transfer of any Common Shares issued pursuant to the exercise of a particular Option granted under the Plan. During the life of the Optionee, an Option shall be exercisable only by Optionee.

(i) **Exercise of Option** - Subject to the provisions of the Plan, an Option granted under the Plan shall be exercised from time to time by the Optionee, or in the event of death, by his

legal representatives, by giving notice in writing on the notice of exercise form addressed to the Company at its registered office, to the attention of the Secretary of the Company, or to such other person as the Secretary may designate, specifying the number of optioned shares in respect of which such notice is being given, and unless otherwise specified, together with payment by cash or certified cheque in full of the purchase price for the shares being purchased.

(j) **Change of Control** - Anything to the contrary in this Plan notwithstanding, Option Agreements approved by resolution of the Board or Committee in the Board's or Committee's discretion may provide that all or any part of the Options that are outstanding upon the occurrence of an Effective Change in Control may continue to be exercised by the Optionee holding such Options for such extended period up to and including the normal expiry date of such Options notwithstanding any termination of such Optionee's status as an employee, officer, director or Consultant to the Company or an Affiliate that may occur on or after the date of such Effective Change in Control. As used in this paragraph 8(j), the term "**Effective Change in Control**" means the occurrence, within a single transaction or series of related transactions occurring within the same 12-month period, of a change in the identity of persons who individually or collectively hold rights to elect, or to approve the election of, a majority of the members of the Board, including, without limitation, transactions consisting of one or more sales or other transfers of assets or equity securities, mergers, consolidations, amalgamations, reorganizations, or any similar transactions.

(k) **Extension of Options Expiring During Black-Out Period** - If at any time the ending date of a term of Option should be determined to occur either during a Black Out Period or within 10 business days following such period, the ending date of the term of the Option shall be deemed to be the date that is the tenth business day following such period.

9. CHANGE IN STRUCTURE OF CAPITAL/CHANGE OF CONTROL

(a) **Changes in Capital Structure** - Appropriate adjustments in the number of Common Shares optioned and in the option price per Common Share, relating to Options granted or to be granted, shall be made by the Board or the Committee, in its sole discretion, to give effect to adjustments in the number of Common Shares of the Company resulting, subsequent to the approval of the Plan by the shareholders of the Company from any subdivisions, consolidations or reclassification of the Common Shares of the Company, or other relevant changes in the capital structure of the Company, or the payment of stock dividends other than in the ordinary course of business by the Company.

(b) **Corporate Transactions** - In connection with (i) any merger, consolidation, acquisition, separation, or reorganization in which more than fifty percent (50%) of the shares of the Company outstanding immediately before such event are converted into cash or into another security, (ii) any dissolution or liquidation of the Company or any partial liquidation involving fifty percent (50%) or more of the assets of the Company, (iii) any sale of more than fifty percent (50%) of the Company's assets, or (iv) any like occurrence in which the Company is involved, the Board or the Compensation Committee may, in its absolute discretion, do one or more of the following upon ten (10) days' prior written notice to all Optionees: (a) accelerate any vesting schedule to which an Option is subject; (b) cancel Options upon payment to each Optionee in cash, with respect to each Option to the extent then exercisable, of any amount which, in the absolute discretion of the Board

or the Compensation Committee, is determined to be equivalent to any excess of the market value (at the effective time of such event) of the consideration that such Optionee would have received if the Option had been exercised before the effective time over the exercise price of the Option; (c) shorten the period during which such Options are exercisable (provided they remain exercisable, to the extent otherwise exercisable, for at least ten days after the date the notice is given); or (d) arrange that new Option rights be substituted for the Option rights granted under this Plan, or that the Company's obligations as to Options outstanding under this Plan be assumed, by an employer corporation other than the Company or by a parent or subsidiary of such employer corporation. The actions described in this paragraph may be taken without regard to any resulting tax consequence to the Optionee.

10. AMENDMENT OR DISCONTINUANCE OF PLAN

The Board may amend or discontinue the Plan at any time upon receipt of requisite regulatory approval including, without limitation, the approval of the TSX; provided, however, that without the approval of the shareholders of the Company, no such amendment may:

(a) increase the maximum number of Common Shares issuable under the Plan or a change from a fixed maximum number of Common Shares to a fixed maximum percentage of issued and outstanding Common Shares;

(b) a reduction in the exercise price of outstanding Options or a cancellation for the purpose of exchange for reissuance at a lower option price to the same person;

(c) an extension of the expiry date of an Option; and

(d) an expansion of the transferability or assignability of Options, other than to permitted assigns, pursuant to paragraph 8 (i) of the Plan, or for estate planning or estate settlement purposes.

The Board shall have the power and authority to approve amendments relating to the Plan or a specific Option without further approval of the shareholders of the Company, to the extent that such amendments relate to, among other things:

(a) the provisions of a "housekeeping" or "clerical" nature;

(b) the vesting provisions of the Plan or any Option under the Plan;

(c) the early termination provisions of the Plan or any Option granted under the Plan (provided that he change does not entail an extension beyond the original expiry date of such Option);

(d) the addition of any form of financial assistance by the Company for the acquisition by all or certain categories of the Eligible Persons, and the subsequent amendment of any such provision which is more favourable to such Eligible Persons;

(e) the addition or modification of any cashless exercise feature, payable in cash or Common Shares;

(f) any adjustments in event of change in structure of capital/change of control;

(g) any addition to or deletion or alteration of the provisions of the Plan that are reasonably necessary to allow participants to receive fair and favourable tax treatment under relevant tax legislation;

(h) the mechanics of exercise of the Options, such as changing the form to be used to give notice of exercise and the person to whom the notice of exercise is to be directed; and

(i) any other amendment, whether fundamental or otherwise, not requiring shareholder approval under applicable laws.

11. LIMIT TO GRANTS

(a) The number of securities issuable to Insiders, at any time, under all security based compensation arrangements, cannot exceed 10% of the Outstanding Issue;

(b) the number of securities issued to Insiders, within any one year period, under all security based compensation arrangements, cannot exceed 10% of the Outstanding Issue; and

(c) the number of Common Shares reserved for issuance to any one person pursuant to the grant of Options under the Plan or otherwise may not exceed 5% of the Outstanding Issue. In addition, the issuance of Common Shares to any Insider and his or her associates under the Plan, within a one-year period, shall not exceed 5% of the Outstanding Issue.

12. MISCELLANEOUS

(a) **No Rights as a Shareholder**

Nothing contained in the Plan nor in any Option granted hereunder shall be deemed to give any Optionee any interest or title in or to any Common Shares of the Company or any rights as a shareholder of the Company or any other legal or equitable right against the Company whatsoever other than as set forth in the Plan and pursuant to the exercise of any Option.

(b) **Approval by Shareholders**

Should any regulatory authority require, the Plan shall be subject to the approval of the shareholders of the Company to be given by resolution approved by a simple majority of votes cast at the next annual and special meeting of shareholders and the approval of all regulatory authorities having jurisdiction. Notwithstanding the foregoing, certain shareholders may not be permitted to participate in a vote on the Plan as required by regulatory authorities having jurisdiction. Any Options granted prior to such approvals shall be conditional upon and suspended until such approvals have been given.

(c) **Renewal of Plan**

Subject to paragraph 11(b), the approval of the Plan, as then amended and in effect, by shareholders of the Company shall be renewed at the annual and special meeting of shareholders every three years.

(d) **Employment**

Nothing contained in the Plan shall confer upon any Participant any right with respect to employment or continuance of employment or other relationship with the Company or any Affiliate, or interfere in any way with the right of the Company or any Affiliate to terminate such employment or other relationship at any time. Participation in the Plan by a Participant is voluntary.

(e) **Record Keeping**

The Company shall maintain a register in which shall be recorded:

(i) the name and address of each Participant; and

(ii) the number of Options granted to a Participant and the number of Options outstanding.

(f) **Administration of the Plan**

The Board or the Committee is authorized to interpret the Plan from time to time and to adopt, amend and rescind rules and regulations for carrying out such Plan provided, however, that no amendment shall be made to the Plan without the prior approval of the TSX. The interpretation and construction of any provision of the Plan by the Board or the Committee shall be final and conclusive. Administration of the Plan shall be the responsibility of the appropriate officers of the Company and all costs in respect thereof shall be paid by the Company.

(g) **Withholding Tax Requirements**

Upon exercise of an Option, the Eligible Person shall, upon notification of the amount due and prior to or concurrently with the delivery of the certificates representing the Common Shares, pay to the Company amounts necessary to satisfy applicable withholding tax requirements or shall otherwise make arrangements satisfactory to the Company for such requirements. In order to implement this provision, the Company or any related corporation shall have the right to retain and withhold from any payment of cash or Common Shares under this Plan the amount of taxes required to be withheld or otherwise deducted and paid with respect to such payment. At its discretion, the Company may require an Eligible Person receiving Common Shares to reimburse the Company for any such taxes required to be withheld by the Company and withhold any distribution to the Eligible Person in whole or in part until the Company is so reimbursed. In lieu thereof, the Company shall have the right to withhold from any cash amount due or to become due from the Company to the Eligible Person an amount equal to such taxes. The Company may also retain and withhold or the Eligible Person may elect, subject to approval by the Company at its sole discretion, to have the Company retain and withhold a number of Common Shares having a market value not less than the amount of such taxes required to be withheld by the Company to reimburse the Company for any such taxes and cancel (in whole or in part) any such Common Shares so withheld.

(h) **No Representation or Warranty**

The Company makes no representation or warranty as to the future market value of any Common Shares issued in accordance with the provisions of the Plan.

(i) **Interpretation**

The Plan will be governed by and construed in accordance with the laws of the Province of Ontario.

(j) **Financial Assistance**

Subject to compliance with applicable corporate and securities laws, the Board may at any time authorize the Company to loan money to a Participant in order to assist him or her to exercise Options granted under the Plan. Such loan shall be provided on a non-recourse basis, shall be non-interest bearing and shall be on such other terms and conditions to be determined from time to time by the Board.

(k) **Compliance with Applicable Law, etc.**

If any provision of the Plan or any agreement entered into pursuant to the Plan contravenes any law or any order, policy, by-law or regulation of any regulatory body or stock exchange having authority over the Company or the Plan then such provision shall be deemed to be amended to the extent required to bring such provision into compliance therewith. Subject to compliance with applicable securities legislation, grants of Options pursuant to the Plan may be made prior to the receipt of the necessary approvals required by the TSX Rules provided that the Option agreements evidencing such grants shall specify that they shall not be exercisable, in whole or in part, unless such approvals are received.

(l) **Option Pricing and Undisclosed Material Information**

Option exercise prices shall not be determined hereunder based upon market prices which are not reflective of material information of which management is aware but which has not been publicly disclosed in accordance with applicable securities legislation unless the grantee is neither an employee nor an Insider of the Company or its Affiliates at the time that the exercise price is determined.

Any questions and requests for assistance may be directed to the
Proxy Solicitation Agent:

KINGSDALE
Shareholder Services Inc.

The Exchange Tower
130 King Street West, Suite 2950, P.O. Box 361
Toronto, Ontario
M5X 1E2
www.kingsdaleshareholder.com

North American Toll Free Phone:

1-866-228-2532

Email: contactus@kingsdaleshareholder.com

Facsimile: 416-867-2271

Toll Free Facsimile: 1-866-545-5580

Outside North America, Banks and Brokers Call Collect: 416-867-2272