

LETTER OF TRANSMITTAL
WITH RESPECT TO THE COMMON SHARES OF
U.S. SILVER & GOLD INC.

This Letter of Transmittal is for use by registered holders ("**U.S. Silver & Gold Shareholders**") of common shares (the "**U.S. Silver & Gold Shares**") of U.S. Silver & Gold Inc. ("**U.S. Silver & Gold**") in connection with a plan of arrangement of U.S. Silver & Gold (the "**Arrangement**") involving Scorpio Mining Corporation ("**Scorpio Mining**"), which is to be considered at the special meeting of shareholders of U.S. Silver & Gold to be held on December 18, 2014, or any adjournment or postponement thereof (the "**Meeting**"). A detailed description of the Arrangement is contained in the management information circular of U.S. Silver & Gold dated November 17, 2014 (the "**Circular**") mailed to U.S. Silver & Gold Shareholders with this Letter of Transmittal in connection with the Meeting. You are strongly encouraged to read the Circular before completing this Letter of Transmittal. You may obtain an additional copy of the Circular under U.S. Silver & Gold's profile on SEDAR at www.sedar.com. Capitalized terms used but not otherwise defined herein have the meanings given to them in the Circular.

EQUITY FINANCIAL TRUST COMPANY (THE "DEPOSITARY")
(SEE BELOW FOR ADDRESS AND TELEPHONE NUMBER)
OR YOUR BROKER OR OTHER FINANCIAL ADVISOR WILL BE ABLE
TO ASSIST YOU IN COMPLETING THIS LETTER OF TRANSMITTAL

This Letter of Transmittal is for use by U.S. Silver & Gold Shareholders only and is not to be used by non-registered holders of U.S. Silver & Gold Shares ("**Non-Registered U.S. Silver & Gold Shareholders**"). Non-Registered U.S. Silver & Gold Shareholders do not hold U.S. Silver & Gold Shares registered in their own name, but instead registered in the name of the brokerage firm, bank or trust company through which they purchased their U.S. Silver & Gold Shares. If you are a Non-Registered U.S. Silver & Gold Shareholder you should contact your intermediary for instructions and assistance in delivering your U.S. Silver & Gold Shares and receiving consideration for such U.S. Silver & Gold Shares.

On the Effective Date, all right, title and interest of the U.S. Silver & Gold Shareholders in their U.S. Silver & Gold Shares will be transferred to Scorpio Mining and the U.S. Silver & Gold Shareholders (other than Dissenting Shareholders) will be entitled to receive, in exchange for each U.S. Silver & Gold Share, 1.68 common shares of Scorpio Mining (each whole share, a "**Scorpio Mining Share**"). Subject to receipt of the Required Approvals and certain other conditions described in the Circular, the Effective Date is expected to be on or about December 23, 2014. See the Circular for details.

In no event will any U.S. Silver & Gold Shareholder be entitled to a fractional Scorpio Mining Share pursuant to the Arrangement. Where the number of Scorpio Mining Shares to be issued to a U.S. Silver & Gold Shareholder under the Arrangement would result in a fraction of a Scorpio Mining Share being issuable, the number of Scorpio Mining Shares to be issued and delivered to such U.S. Silver & Gold Shareholder shall be rounded up (where the fraction is equal to 0.5 or more) or down (where the fraction is less than 0.5) to the nearest whole Scorpio Mining Share.

In order for U.S. Silver & Gold Shareholders to receive Scorpio Mining Shares for their U.S. Silver & Gold Shares, U.S. Silver & Gold Shareholders are required to deposit the certificate(s) representing the U.S. Silver & Gold Shares held by them with the Depositary. This Letter of Transmittal, properly completed and duly executed, together with all other required documents, must accompany all certificates for U.S. Silver & Gold Shares deposited for Scorpio Mining Shares (the "**Deposited Shares**") pursuant to the Arrangement.

Delivery of this Letter of Transmittal to an address other than as set forth herein will not constitute a valid delivery. If U.S. Silver & Gold Shares are registered in different names, a separate Letter of Transmittal must be submitted for each different registered owner.

Please note that the delivery of this Letter of Transmittal, together with your U.S. Silver & Gold Share certificate(s), does not constitute a vote in favor of the Arrangement. To exercise your right to vote at the Meeting you must attend the Meeting in person or complete and return the form of proxy that accompanied the Circular to U.S. Silver & Gold's transfer agent and registrar, Equity Financial Trust Company (the "**Transfer Agent**"), all in accordance with the directions set forth in the Circular.

DIRECTION

TO: EQUITY FINANCIAL TRUST COMPANY at the office set out herein
AND TO: U.S. SILVER & GOLD INC.
AND TO: SCORPIO MINING CORPORATION

In connection with the Arrangement being considered for approval at the Meeting, the undersigned hereby deposits with the Depositary the enclosed certificate(s) representing Deposited Shares, details of which are as follows:

Certificate Number(s)	Name(s) in which Registered	Number of U.S. Silver & Gold Shares Represented by Certificate
TOTAL		

(Please print or type. If space is insufficient, please attach a list to this Letter of Transmittal in the above form.)

REPRESENTATIONS AND WARRANTIES

The undersigned hereby represents and warrants that:

- the undersigned is the registered owner of the Deposited Shares and has full power and authority to deposit, sell, assign and transfer such Deposited Shares and has not sold, assigned or transferred or agreed to sell, assign or transfer any of such Deposited Shares, or any interest therein, to any other person;
- the undersigned, or the person on whose behalf the Deposited Shares are being deposited, has good title to and is the beneficial owner of the Deposited Shares, free and clear of all liens, restrictions, charges, encumbrances, claims and rights of others;
- the undersigned has the full power and authority to execute and deliver this Letter of Transmittal and all information inserted into this Letter of Transmittal by the undersigned is complete and accurate;
- the delivery of U.S. Silver & Gold Shares by the undersigned under this Letter of Transmittal does not violate any laws applicable to the undersigned; and
- unless the undersigned shall have revoked this Letter of Transmittal by notice in writing given to the Depository prior to the Effective Date, the undersigned will not, prior to such time, transfer or permit to be transferred any of its U.S. Silver & Gold Shares.

The above-listed share certificate(s) are hereby surrendered in exchange for certificate(s) representing Scorpio Mining Shares on the basis of 1.68 Scorpio Mining Shares for every one existing U.S. Silver & Gold Share (no fractional Scorpio Mining Shares shall be issued).

U.S. Silver & Gold Shareholders who do not deliver their certificates representing U.S. Silver & Gold Shares and all other documents required by the Depository on or before the fifth anniversary of the Effective Date shall lose their right to receive Scorpio Mining Shares and will not be paid any other consideration.

The undersigned hereby covenants to execute, upon request, any additional documents, transfers and other assurances as may be necessary or desirable to complete the deposit of the Deposited Shares.

The undersigned revokes any and all authority, other than as granted in this Letter of Transmittal, whether as agent, attorney-in-fact, attorney, proxy or otherwise, previously conferred or agreed to be conferred by the undersigned at any time with respect to the Deposited Shares. No subsequent authority, whether as agent, attorney-in-fact, attorney, proxy or otherwise, will be granted with respect to the Deposited Shares.

If the Arrangement is not completed or proceeded with, the enclosed certificate(s) in respect of the Deposited Shares and all other documents provided therewith will be returned forthwith to the undersigned at the address set out below or, if no instructions are given, to the address if any, of the undersigned as appears on the share register maintained by the Transfer Agent.

Each authority conferred or agreed to be conferred by the undersigned in this Letter of Transmittal shall survive the death or incapacity of the undersigned and any obligation of the undersigned hereunder shall be binding upon the heirs, personal representatives, successors and assigns of the undersigned.

By reason of the use by the undersigned of an English language Letter of Transmittal, the undersigned and each of you shall be deemed to have required that any contract in connection with the delivery of the Scorpio Mining Shares pursuant to the Arrangement through this Letter of Transmittal, as well as all documents related thereto, be drawn exclusively in the English language. *En raison de l'utilisation d'une lettre d'envoi en langue anglaise par le soussigné, le soussigné et les destinataires sont présumés avoir requis que tout contrat attesté par ceci et son acceptation au moyen de la présente lettre d'envoi, de même que tous les documents qui s'y rapportent, soient rédigés exclusivement en langue anglaise.*

BOX A

ISSUE AND DELIVERY INSTRUCTIONS

To be completed by all U.S. Silver & Gold Shareholders

(please print or type)

(Name)

(Street Address and Number)

(City and Province or State)

(Country and Postal (Zip) Code)

(Telephone – Business Hours)

(Social Insurance, Social Security Number or Tax
Identification Number)

BOX B

SPECIAL DELIVERY INSTRUCTIONS

To be completed ONLY if the certificate(s) representing Scorpio Mining Shares to which the undersigned is entitled under the Arrangement are to be sent to someone other than the person shown in Box A or to an address other than the address shown on Box A

(Name)

(Street Address and Number)

(City and Province or State)

(Country and Postal (Zip) Code)

(Telephone – Business Hours)

BOX C

SPECIAL PICK-UP INSTRUCTIONS

☐ Hold for pick-up at the office of the Depository where U.S. Silver & Gold Shares were deposited

BOX D

STATUS AS UNITED STATES SHAREHOLDER

TO BE COMPLETED BY ALL SHAREHOLDERS BY SELECTING ONE BOX BELOW

Indicate whether or not you are a U.S. Shareholder or are acting on behalf of a U.S. Shareholder or have a U.S. address.

☐ The undersigned represents that it is not a U.S. Shareholder, is not acting on behalf of a U.S. Shareholder and does not have a U.S. address.

OR

☐ The undersigned is a U.S. Shareholder or is acting on behalf of a U.S. Shareholder or has a U.S. address.

If no box is selected, you will be deemed to have represented that you are not a U.S. Shareholder, are not acting on behalf of a U.S. Shareholder and do not have a U.S. address.

**United States residents/citizens must provide their
Taxpayer Identification Number**

(Taxpayer Identification Number)

If you are a U.S. Shareholder or are acting on behalf of a U.S. Shareholder, in order to avoid backup withholding, you must complete the Substitute Form W-9 included below or otherwise provide certification that you are exempt from backup withholding. If you are not a U.S. Shareholder but have a U.S. address, you must provide a completed United States Internal Revenue Service Form W-8 in order to avoid backup withholding tax. See Instruction 10, "Substitute Form W-9 for U.S. Shareholders Only" for further details.

BOX E
SIGNATURE GUARANTEE

*Signature guaranteed by
(if required under Instruction 3):*

Authorized Signature

Name of Guarantor *(please print or type)*

Address *(please print or type)*

Area Code and Telephone Number

BOX F
SIGNATURE

Dated: _____

(Signature of U.S. Silver & Gold Shareholder or authorized representative)

(Signature of any joint holder)

(Name of U.S. Silver & Gold Shareholder)

(Name of authorized representative)

INSTRUCTIONS

1. Use of Letter of Transmittal

- (a) U.S. Silver & Gold Shareholders should read the accompanying Circular prior to completing this Letter of Transmittal.
- (b) This Letter of Transmittal duly completed and signed (or an originally signed facsimile copy thereof) together with accompanying certificate(s) representing U.S. Silver & Gold Shares and all other required documents must be sent or delivered to the Depositary at the address set out on the back of this Letter of Transmittal.
- (c) The method used to deliver this Letter of Transmittal and any accompanying certificate(s) representing U.S. Silver & Gold Shares and all other required documents is at the option and risk of the U.S. Silver & Gold Shareholder, and delivery will be deemed effective only when such documents are actually received by the Depositary. U.S. Silver & Gold recommends that the necessary documentation be hand delivered to the Depositary at the address set out on the back of this Letter of Transmittal, and a receipt obtained; otherwise the use of registered mail with return receipt requested, properly insured, is recommended. Non-Registered U.S. Silver & Gold Shareholders whose U.S. Silver & Gold Shares are registered in the name of a broker, investment dealer, bank, trust company or other nominee should contact that nominee for assistance in depositing those U.S. Silver & Gold Shares. Delivery to an address other than to the specified address does not constitute delivery for this purpose.
- (d) U.S. Silver & Gold reserves the right if it so elects in its absolute discretion to instruct the Depositary to waive any defect or irregularity contained in any Letter of Transmittal received by it.

2. Signatures

- (a) This Letter of Transmittal must be completed and signed by the holder of U.S. Silver & Gold Shares or by such holder's duly authorized representative.
- (b) If this Letter of Transmittal is signed by the registered owner(s) of the accompanying certificate(s), such signature(s) on this Letter of Transmittal must correspond with the name(s) as registered or as written on the face of such certificate(s) without any change whatsoever, and the certificate(s) need not be endorsed. If such deposited certificate(s) are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.
- (c) If this Letter of Transmittal is signed by a person other than the registered owner(s) of the accompanying certificate(s) representing U.S. Silver & Gold Shares or if certificate(s) representing Scorpio Mining Shares are to be issued to a person other than the registered owner(s):
 - (i) such deposited certificate(s) must be endorsed or be accompanied by an appropriate share transfer power of attorney duly and properly completed by the registered owner(s); and
 - (ii) the signature(s) on such endorsement or share transfer power of attorney must correspond exactly to the name(s) of the registered owner(s) as registered or as appearing on the certificate(s) and must be guaranteed as noted in paragraph 3 below of these Instructions.

3. Guarantee of Signatures

If this Letter of Transmittal is signed by a person other than the registered owner(s) of the U.S. Silver & Gold Shares, or if the Arrangement is not completed and the accompanying certificate(s) are to be returned to a person other than such registered owner(s), or sent to an address other than the address of the registered owner(s) as shown on the registers of the Transfer Agent, or if the Scorpio Mining Shares are to be issued in a name other than the registered owner(s), such signature must be guaranteed by an Eligible Institution (see below), or in some other manner satisfactory to the Depositary (except that no guarantee is required if the signature is that of an Eligible Institution).

An "Eligible Institution" means a Canadian Schedule I chartered bank, a member of the Securities Transfer Association Medallion Program (STAMP), a member of the Stock Exchange Medallion Program (SEMP) or a member of the New York Stock Exchange, Inc. Medallion Signature Program (MSP). Members of these programs are usually members of a recognized stock exchange in Canada or the United States, members of the Investment Dealers Association of Canada, members of the National Association of Securities Dealers or banks and trust companies in the United States.

4. Fiduciaries, Representatives and Authorizations

Where this Letter of Transmittal is executed by a person as an executor, administrator, trustee or guardian, or on behalf of a corporation, partnership or association or is executed by any other person acting in a representative capacity, this Letter of Transmittal must be accompanied by satisfactory evidence of the authority to act. U.S. Silver & Gold or the Depositary, at their discretion, may require additional evidence of authority or additional documentation.

5. Delivery Instructions

All certificate(s) to be issued in exchange for the Deposited Shares will be issued in the name of the person indicated in Box A and delivered to the address indicated in Box A (unless another name and/or address has been provided in Box B). If any certificate(s) are to be held for pick-up at the offices of the Depositary, complete Box C. If neither Box A nor Box B is completed, any new certificate(s) representing Scorpio Mining Shares issued in exchange for the Deposited Shares will be issued in the name of the registered holder of the Deposited Shares and, unless Box C is completed, will be mailed to the address of the registered holder of the Deposited Shares as it appears on the securities register maintained by the Transfer Agent. Any certificate(s) mailed in accordance with this Letter of Transmittal will be deemed to be delivered at the time of mailing.

6. Lost Certificates

If a certificate representing U.S. Silver & Gold Shares has been lost or destroyed, this Letter of Transmittal should be completed as fully as possible and forwarded, together with a letter describing the loss, to the Depositary. The Depositary and/or the Transfer Agent will respond with replacement requirements (including surety bonding and indemnification requirements) for payment of the consideration in accordance with the Arrangement.

7. Return of Certificates

If the Arrangement does not proceed for any reason, any certificate(s) for U.S. Silver & Gold Shares received by the Depositary will be returned to you forthwith in accordance with the delivery instructions given pursuant to Box A, Box B or Box C, as applicable, or failing such address being specified, to the undersigned at the last address of the undersigned as it appears on the securities register maintained by the Transfer Agent.

8. Miscellaneous

- (a) If the space on this Letter of Transmittal is insufficient to list all certificates for U.S. Silver & Gold Shares, additional certificate numbers and number of U.S. Silver & Gold Shares may be included on a separate signed list affixed to this Letter of Transmittal.
- (b) If U.S. Silver & Gold Shares are registered in different forms (e.g., "John Doe" and "J. Doe") a separate Letter of Transmittal should be signed for each different registration.
- (c) No alternative, conditional or contingent deposits of U.S. Silver & Gold Shares will be accepted and no fractional Scorpio Mining Shares will be issued. Additional copies of the Letter of Transmittal may be obtained from the Depositary at the address set out on the back of this Letter of Transmittal.
- (d) This Letter of Transmittal will be construed in accordance with and governed by the laws of the Province of Ontario and the laws of Canada applicable therein.
- (e) Before completing this Letter of Transmittal, you are urged to read the accompanying Circular and discuss any questions with financial, legal and/or tax advisors.

9. Privacy Notice

Equity Financial Trust Company, the Depositary, is committed to protecting your personal information. In the course of providing services to you and its corporate clients, the Depositary receives non-public personal information about you – from transactions they perform for you, forms you send to them, other communications they have with you or your representatives, etc. This information could include your name, address, social insurance number or social security number, securities holdings and other financial information. The Depositary uses this to administer your account, to better serve you and its clients' needs and for other lawful purposes relating to its services. The Depositary has prepared a *Privacy Code* to tell you more about its information practices and how your privacy is protected. It is available by writing to the Depositary at 200 University Avenue, Suite 300, Toronto, Ontario M5H 4H1, Attention: Corporate Actions. Equity Financial Trust Company

will use the information you are providing on this form in order to process your request and will treat your signature(s) on this form as your consent to the above.

10. Substitute Form W-9 for U.S. Shareholders Only

As used herein, the term "**U.S. Shareholder**" means a beneficial owner of U.S. Silver & Gold Shares that is, for United States federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation or other entity taxable as a corporation created or organized under the laws of the United States or any state thereof, (iii) an estate the income of which is subject to United States federal income tax without regard to its source or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more United States persons have the authority to control all substantial decisions of the trust, or the trust has elected to be treated as a domestic trust for United States federal income tax purposes.

To prevent backup withholding, each U.S. Shareholder must provide its correct Taxpayer Identification Number ("**TIN**") by completing the "Substitute Form W-9" set out in this Letter of Transmittal, which requires the U.S. Shareholder to certify under penalties of perjury: (a) that the TIN provided is correct (or that such holder is awaiting a TIN); (b) that (i) the holder is exempt from backup withholding, (ii) the holder has not been notified by the Internal Revenue Service that such holder is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the Internal Revenue Service has notified the holder that such holder is no longer subject to backup withholding; and (c) that the holder is a United States person (including a United States resident alien).

Exempt holders (including, among others, all corporations) are not subject to backup withholding and reporting requirements. To prevent possible erroneous backup withholding, an exempt holder must enter its correct TIN in Part 1 of Substitute Form W-9, write "Exempt" in Part 2 of such form and sign and date the form. See the enclosed Guidelines for Certification of Taxpayer Identification Number on Substitute Form W-9 (the "W-9 Guidelines") for additional instructions.

If U.S. Silver & Gold Shares are held in more than one name or are not in the name of the actual owner, consult the enclosed W-9 Guidelines for information on which TIN to report.

If a U.S. Shareholder does not have a TIN, such holder should: (a) consult the enclosed W-9 Guidelines for instructions on applying for a TIN; (b) write "Applied For" in the space for the TIN in Part 1 of the Substitute Form W-9; and (c) sign and date the Substitute Form W-9 and the Certificate of Awaiting Taxpayer Identification Number set out in this document. In such case, the Depositary may withhold 28% of the gross proceeds of any payment made to such holder prior to the time a properly certified TIN is provided to the Depositary, and if the Depositary is not provided with a TIN within sixty (60) days, such amounts will be paid over to the Internal Revenue Service.

If a U.S. Silver & Gold Shareholder has a U.S. address, but is not a U.S. Shareholder, such holder is required to submit an appropriate and properly completed IRS Form W-8 Certificate of Foreign Status, signed under penalties of perjury. Such appropriate IRS Form W-8 may be obtained from the Depositary.

A U.S. SILVER & GOLD SHAREHOLDER WHO FAILS TO PROPERLY COMPLETE THE SUBSTITUTE FORM W-9 SET OUT IN THIS LETTER OF TRANSMITTAL OR, IF APPLICABLE, THE APPROPRIATE IRS FORM W-8 MAY BE SUBJECT TO BACKUP WITHHOLDING OF 28% OF THE GROSS PROCEEDS OF ANY PAYMENTS MADE TO SUCH HOLDER PURSUANT TO THE ARRANGEMENT. IF WITHHOLDING RESULTS IN AN OVERPAYMENT OF TAXES, A REFUND MAY BE OBTAINED BY FILING A TAX RETURN WITH THE IRS. THE DEPOSITARY CANNOT REFUND AMOUNTS WITHHELD BY REASON OF BACKUP WITHHOLDING.

SUBSTITUTE FORM W-9
TO BE COMPLETED BY U.S. SHAREHOLDERS ONLY

**SUBSTITUTE
FORM W-9**

Part 1 — Taxpayer Identification Number ("TIN") — ENTER YOUR TIN IN THE BOX AT RIGHT. (For most individuals, this is your social security number. If you do not have a TIN, see "Obtaining a Number" in the Guidelines included in this form.)

Social Security Number(s)
(If awaiting TIN, write "Applied For")

**Payer's Request for Taxpayer
Identification Number and
Certification**

CERTIFY BY SIGNING AND DATING
BELOW.

Note: If the account is in more than one name,
see the chart in the enclosed Guidelines to
determine which number to give the payer.

OR

Employer Identification Number(s)
(If awaiting TIN, write "Applied For")

Part 2: For payees exempt from backup withholding, please write "exempt" here (see included Guidelines): _____

Name _____

Business Name _____

Please Check Appropriate box for United States tax:

☐ Individual/Sole Proprietor ☐ C Corporation ☐ S Corporation ☐ Partnership ☐ Trust/Estate

☐ Limited liability company (Enter the tax classification: D = disregarded entity; C = corporation; P = partnership) _____ ☐ Other

Address _____

City _____ State _____ Zip Code _____

Part 3 — Certification — Under penalties of perjury, I certify that:

- (1) The number shown on this form is my correct TIN (or I am waiting for a TIN to be issued to me);
- (2) I am not subject to backup withholding because: (a) I am exempt from backup withholding; or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends; or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- (3) I am a United States person (including a United States resident alien).

Signature of United States person _____ Date _____

NOTE: **FAILURE TO FURNISH YOUR CORRECT TIN MAY RESULT IN A U.S.\$50 PENALTY IMPOSED BY THE INTERNAL REVENUE SERVICE AND IN BACKUP WITHHOLDING OF 28% OF THE GROSS AMOUNT OF CONSIDERATION PAID TO YOU PURSUANT TO THE ARRANGEMENT. FOR ADDITIONAL DETAILS, PLEASE REVIEW THE ENCLOSED "GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION NUMBER ON SUBSTITUTE FORM W-9".**

YOU MUST COMPLETE THE FOLLOWING CERTIFICATE IF YOU WROTE "APPLIED FOR" IN PART 1 OF SUBSTITUTE FORM W-9.

CERTIFICATION OF AWAITING TAXPAYER IDENTIFICATION NUMBER

I certify under penalties of perjury that a Taxpayer Identification Number (TIN) has not been issued to me, and either (a) I have mailed or delivered an application to receive a TIN to the appropriate IRS Center or Social Security Administration Office or (b) I intend to mail or deliver an application in the near future. I understand that if I do not provide a TIN by the time of payment, 28% of the gross proceeds of such payment made to me may be withheld.

Signature _____ Date _____

FOR U.S. SHAREHOLDERS ONLY

GUIDELINES FOR CERTIFICATION OF TAXPAYER IDENTIFICATION

NUMBER ON SUBSTITUTE FORM W-9

Guidelines for Determining the Proper Identification Number for the Payee (You) To Give the Payer — Social security numbers have nine digits separated by two hyphens: i.e., 000-00-0000. Employee identification numbers have nine digits separated by only one hyphen: i.e., 00-0000000. The table below will help determine the number to give the payer. All "Section" references are to the Internal Revenue Code of 1986, as amended. "IRS" is the Internal Revenue Service.

For This Type of Account:	Give Name and Taxpayer Identification Number of
1. Individual	The individual
2. Two or more individuals (joint account)	The actual owner of the account or, if combined fund, the first individual on the account ⁽¹⁾
3. Custodian account of a minor (<i>Uniform Gift to Minors Act</i>)	The minor ⁽²⁾
4. a. The usual revocable savings trust account (grantor is also trustee)	The grantor-trustee ⁽¹⁾
b. So-called trust that is not a legal or valid trust under state law	The actual owner ⁽¹⁾
5. Sole proprietorship or a disregarded entity	The owner ⁽³⁾
6. A valid trust, estate, or pension trust	The legal entity ⁽⁴⁾
7. Corporate (or electing corporate status on Form 8832)	The corporation
8. Association, club, religious, charitable, educational, or other tax-exempt organization	The organization
9. Partnership or multi-member LLC treated as a partnership	The partnership
10. A broker or registered nominee	The broker or nominee
11. Account with the Department of Agriculture in the name of a public entity (such as a state or local government, school district, or prison) that receives agricultural program payments	The public entity

- (1) List first and circle the name of the person whose number you furnish. If only one person on a joint account has a social security number, that person's number must be furnished.
- (2) Circle the minor's name and furnish the minor's social security number.
- (3) You must show your individual name, but you may also enter your business or "doing business as" name on the second name line. You may use either your social security number or your employer identification number (if you have one).
- (4) List first and circle the name of the legal trust, estate, or pension trust. (Do not furnish the taxpayer identification number of the personal representative or trustee unless the legal entity itself is not designated in the account title.)

Obtaining a Number

If you do not have a taxpayer identification number, you may apply for one. To apply for a social security number, get Form SS-5, Application for a Social Security Card, from your local Social Security Administration Office or online at www.socialsecurity.gov/online/ss-5.pdf. You may also get this form by calling 1-800-772-1213. Use Form W-7, Application for IRS Individual Taxpayer Identification Number, to apply for an ITIN, or Form SS-4, Application for Employer Identification Number, to apply for an EIN. You can find information about applying for an EIN online by accessing the IRS website at www.irs.gov, clicking on Business, then clicking on Employer ID Numbers under More Topics. You can get Forms W-7 and SS-4 from the IRS by visiting www.irs.gov or by calling 1-800-829-3676.

Payees Exempt from Backup Withholding

Payees specifically exempted from backup withholding for this purpose include:

- (i) An organization exempt from tax under Section 501(a), an individual retirement account (IRA), or a custodial account under Section 403(b)(7), if the account satisfies the requirements of Section 401(f)(2);
- (ii) The United States or a state thereof, the District of Columbia, a possession of the United States, or a political subdivision or wholly owned agency or instrumentality of any one or more of the foregoing;
- (iii) An international organization or any agency or instrumentality thereof;
- (iv) A foreign government and any political subdivision, agency or instrumentality thereof;
- (v) A corporation;
- (vi) A financial institution;
- (vii) A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States;
- (viii) A real estate investment trust;
- (ix) A common trust fund operated by a bank under Section 584(a);
- (x) An entity registered at all times during the tax year under the Investment Company Act of 1940;
- (xi) A custodian;
- (xii) A futures commission merchant registered with the Commodity Futures Trading Commission;
- (xiii) A foreign central bank of issue; and
- (xiv) A trust exempt from tax under Section 664 or described in Section 4947.

Exempt payees described above must file a Substitute Form W-9 included in this Letter of Transmittal to avoid possible erroneous backup withholding. TO FILE THIS FORM WITH THE DEPOSITARY, FURNISH YOUR TAXPAYER IDENTIFICATION NUMBER, WRITE "EXEMPT" IN PART 2 OF THE FORM, SIGN AND DATE THE FORM AND RETURN IT TO THE DEPOSITARY.

PRIVACY ACT NOTICE — Section 6109 requires you to provide your correct taxpayer identification number to payers, who must report the payments to the IRS. The IRS uses the number for identification purposes and may also provide this information to various government agencies for tax enforcement or litigation purposes. Payers must be given the numbers whether or not recipients are required to file tax returns. Payers must generally withhold 28% of taxable interest, dividend, and certain other payments to a payee who does not furnish a taxpayer identification number to payer. Certain penalties may also apply.

Penalties

- (1) **Failure to Furnish Taxpayer Identification Number.** — If you fail to furnish your taxpayer identification number to a payer, you may be subject to a penalty of U.S. \$50 for each such failure unless your failure is due to reasonable cause and not to wilful neglect.
- (2) **Civil Penalty for False Information With Respect to Withholding.** — If you make a false statement with no reasonable basis that results in no backup withholding, you may be subject to a U.S. \$500 penalty.
- (3) **Criminal Penalty for Falsifying Information.** — Wilfully falsifying certifications or affirmations may subject you to criminal penalties including fines and/or imprisonment.

The Depositary for the Arrangement is:



By Registered Mail, Mail, Hand or Courier

200 University Avenue
Suite 300
Toronto, Ontario
M5H 4H1

Attention: Corporate Actions

Inquiries

North American Toll Free: 1-866-393-4891 x205
Telephone: 416-361-0930 x205
Facsimile: 416-361-0470
E-Mail: TMXEInvestorServices@tmx.com

Any questions and requests for assistance may be directed by U.S. Silver & Gold Shareholders to the Depositary at the telephone number and location set out above.