

THIS IS NOT A LETTER OF TRANSMITTAL

NOTICE OF GUARANTEED DELIVERY

for Securities of

AQUILINE RESOURCES INC.

pursuant to the Offers to Purchase dated October 30, 2009 of

PAN AMERICAN SILVER CORP.

THE OFFERS ARE OPEN FOR ACCEPTANCE UNTIL 9:00 P.M. (EASTERN TIME) ON December 7, 2009 (THE "EXPIRY TIME"), UNLESS EXTENDED OR WITHDRAWN

This Notice of Guaranteed Delivery must be used to accept the offers to purchase contained in the offers to purchase and circular dated October 30, 2009 (the "**Offers to Purchase and Circular**") made by Pan American Silver Corp. ("**Pan American**") to purchase:

- (a) all of the outstanding common shares (the "**Aquiline Shares**") of Aquiline Resources Inc. ("**Aquiline**"), including Aquiline Shares issuable (and that, prior to the Expiry Time, are actually issued or are conditionally issued upon the exchange, conversion or exercise of any securities of Aquiline that are convertible into or exchangeable or exercisable for Aquiline Shares), but excluding Aquiline Shares owned by Pan American or its affiliates;
- (b) the following common share purchase warrants of Aquiline (the "**Aquiline Warrants**"): (i) each of the outstanding February 2008 Warrants; (ii) each of the outstanding May 2008 Warrants; (iii) each of the outstanding October 2008 Warrants, and; (iv) each of the outstanding November 2008 Warrants; and
- (c) the \$17.5 million convertible debenture in favour of Silverstone Resources (Barbados) Corp. and its successors and permitted assigns, which may be converted into: (i) 1,458,333 Aquiline Shares, upon the conversion thereof at a conversion price of \$12.00 per Aquiline Share; or (ii) a contract granting Silverstone Resources (Barbados) Corp. and its successors and permitted assigns the right to purchase 12.5% of the life of minded payable silver from the Loma de La Plata zone of the Navidad Project (the "**Convertible Debenture**", and together with the Aquiline Shares and Aquiline Warrants, the "**Securities**");

where (i) Certificate(s) representing the Securities to be deposited are not immediately available; or (ii) the holder of Securities (the "**Aquiline Securityholder**") cannot deliver all other required documents to the Depository at or prior to the Expiry Time. This Notice of Guaranteed Delivery may be delivered by hand, mailed, or transmitted by facsimile transmission to the office of the Depository set forth below.

The terms and conditions of the Offers are incorporated by reference in this Notice of Guaranteed Delivery. Capitalized terms used but not defined in this Notice of Guaranteed Delivery which are defined in the Offers to Purchase and Circular have the meanings given to them therein.

TO: PAN AMERICAN SILVER CORP.

AND TO: KINGSDALE SHAREHOLDER SERVICES INC. (THE “DEPOSITARY”), at its office set forth below

By Mail

The Exchange Tower
130 King Street West, Suite 2950, P.O. Box 361
Toronto, Ontario, M5X 1E2

By Registered Mail, Hand or Courier

The Exchange Tower
130 King Street West, Suite 2950,
Toronto, Ontario, M5X 1E2

By Facsimile Transmission

Facsimile: (416) 867-2271
Toll Free Facsimile: 1-866-545-5580

If an Aquiline Securityholder wishes to deposit Securities pursuant to the Offers to Purchase and Circular and either (i) the certificate(s) representing the Securities are not immediately available; or (ii) the certificate(s) representing the Securities and all other required documents cannot be delivered to the Depositary at or prior to the Expiry Time, those Securities may nevertheless be deposited validly under the Offers to Purchase and Circular, provided that all of the following conditions are met:

- (a) the deposit is made by or through an Eligible Institution (as defined below);
- (b) this Notice of Guaranteed Delivery in the form accompanying the Offers to Purchase and Circular or a manually signed facsimile, properly completed and signed, is received by the Depositary at its Toronto office at or prior to the Expiry Time; and
- (c) the certificate(s) representing deposited Securities in proper form for transfer, together with the applicable Letter(s) of Transmittal or a manually executed facsimile thereof, properly completed and signed (with signatures guaranteed if so required) in accordance with the applicable Letter(s) of Transmittal and all other documents required thereby, are received by the Depositary at its Toronto office at or prior to 9:00 p.m. (Eastern time) on the third trading day on the Toronto Stock Exchange after the Expiry Time.

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 Industry Regulatory Organization of Canada, members of the Financial Industry Regulatory Authority in the United States, or banks or trust companies in the United States.

DELIVERY OF THIS NOTICE OF GUARANTEED DELIVERY TO AN ADDRESS OR TRANSMISSION VIA A FACSIMILE NUMBER, OTHER THAN AS SET FORTH ABOVE, DOES NOT CONSTITUTE A VALID DELIVERY.

This Notice of Guaranteed Delivery is not to be used to guarantee signatures. If a signature on a Letter of Transmittal is required to be guaranteed by an Eligible Institution, such signature must appear in the appropriate space in the Letter of Transmittal.

The undersigned hereby deposits with Pan American and the Depositary, upon the terms and subject to the conditions set forth in the Offers to Purchase and Circular and the applicable Letter(s) of Transmittal, receipt of which is hereby acknowledged, the Securities listed below, pursuant to the guaranteed delivery procedure set forth in Section 3 of the Offers to Purchase in the Offers to Purchase and Circular, “Manner of Acceptance – Procedure for Guaranteed Delivery”.

NOTE: DO NOT SEND CERTIFICATES FOR SECURITIES WITH THIS NOTICE OF GUARANTEED DELIVERY. CERTIFICATES FOR SECURITIES SHOULD BE SENT WITH YOUR LETTER(S) OF TRANSMITTAL. PLEASE COMPLETE THE APPLICABLE TABLE(S) BELOW:

AQUILINE SHARES

| Share Certificate Number(s)* | Name(s) in which Registered | Number of Aquiline Shares Represented by Share Certificate | Number of Aquiline Shares Deposited* |
|------------------------------|-----------------------------|--|--------------------------------------|
| | | | |
| | | | |
| TOTAL: | | | |

(If space is insufficient, please attach a list to this Notice of Guaranteed Delivery in the above form.)

AQUILINE WARRANTS

| Aquiline Warrant Certificate Number(s)* | Name(s) in which Registered | Number and Series of Aquiline Warrants Represented by Warrant Certificate | Number and Series of Aquiline Warrants Deposited* |
|---|-----------------------------|---|---|
| | | | |
| | | | |
| TOTAL: | | | |

(If space is insufficient, please attach a list to this Notice of Guaranteed Delivery in the above form.)

CONVERTIBLE DEBENTURE

| Convertible Debenture Certificate Number(s)* | Name(s) in which Registered | Principle Amount of Convertible Debenture Represented by Certificate |
|--|-----------------------------|--|
| | | |
| | | |
| TOTAL: | | |

(If space is insufficient, please attach a list to this Notice of Guaranteed Delivery in the above form.)

* Unless otherwise indicated, all Securities evidenced by any certificate(s) submitted to the Depository will be deemed to have been deposited under the Securities Offer.

Signature(s) of Holder(s) of Securities

Address(es)

Name (please print)

Date

Zip Code/Postal Code

Area Code and Telephone Number of Holder(s) of Securities

TAX DEFERRAL ELECTION

As described under the heading “Canadian Federal Income Tax Considerations” in Section 20 of the Circular in the Offers to Purchase and Circular, certain Aquiline Securityholders (each an “**Eligible Holder**”) are entitled to require Pan American to make a joint election (a “**Tax Election**”) pursuant to Section 85 of the *Income Tax Act* (Canada) and, if applicable, the corresponding provisions of any provincial tax legislation in the form prescribed for federal, and if applicable provincial, tax purposes (collectively, a “**Tax Election Form**”) in order to achieve a tax-deferred exchange of Aquiline Shares pursuant to the Share Offer.

An Eligible Holder means an Aquiline Securityholder who is (a) a resident of Canada for the purposes of the Tax Act and who is not exempt from tax on income under Part I of the Tax Act, or (b) a partnership any member of which is a person described in (a).

Each Eligible Holder who wishes to make a Tax Election must so indicate by checking the box provided for that purpose at the bottom of this box. Pan American shall, within 30 days after the Expiry Time, send a tax election information package (the “**Tax Election Package**”) containing an instruction letter providing detailed instructions on how to make the Tax Election to each Eligible Holder who checks the box and returns this Notice of Guaranteed Delivery to Pan American at the above address on or before the Expiry Time. It shall be the Eligible Holder’s responsibility to obtain the Tax Election Form from the Canada Revenue Agency (“the **CRA**”), and with provincial tax authorities if applicable, within the time prescribed for those purposes. Pan American will not have any obligation to make a joint Tax Election with any Eligible Holder who does not so check the box and return this Notice of Guaranteed Delivery.

Subject to the more detailed instructions that will be included in the Tax Election Package, each Eligible Holder to whom a Tax Package is sent must obtain, fully complete and sign one copy of the relevant Tax Election Form, and send the Tax Election Form, so completed and signed, to Pan American, Attention: Aquiline Election Process, 625 Howe Street, Suite 1500, Vancouver, BC, Canada, V6C 2T6, in time to be received by Pan American on or before the ninetieth day after the Expiry Time. Pan American will, within 30 days after such receipt, sign and return each Tax Election Form that it so receives to the relevant Eligible Holder. The Eligible Holder shall be solely responsible for filing the completed and jointly signed Tax Election Form with the CRA, and with provincial tax authorities if applicable, within the time prescribed for those purposes. A summary of those prescribed time limits are set forth in Section 20 of the Circular. **Eligible Holders should consult their own tax advisers for assistance with respect to making a valid Tax Election.**

Pan American’s only obligation with respect to Tax Election Forms is to sign those Tax Election Forms that it receives at its address set out above, duly completed and signed by an Eligible Holder, and return them within 90 days after the Expiry Time. Pan American will have no obligation to sign any other Tax Election Form, or to file any Tax Election Form with the CRA or provincial tax authorities.

Compliance with the requirements to ensure a valid Tax Election is filed under Section 85 of the Tax Act (and the corresponding provisions of any applicable provincial tax legislation) is the sole responsibility of the Eligible Holder making the election. Accordingly, neither Pan American nor the Depositary will be responsible or liable for taxes, interest, penalties, damages or expenses resulting from the failure by anyone to complete or sign any election form properly or to file it properly within the time prescribed and in the form prescribed under the Tax Act (and the corresponding provisions of any applicable provincial tax legislation).

Tax Election Package Required.

GUARANTEE
(Not to be used for signature guarantee)

The undersigned, an Eligible Institution, guarantees delivery to the Depository, at its address set forth herein, of the certificate(s) representing the Securities deposited hereby, each in proper form for transfer with respect to all Securities deposited hereby, together with the applicable Letter(s) of Transmittal (or a facsimile thereof), properly completed and duly executed with any required signature guarantees, covering the deposited Securities and all other documents required by the applicable Letters(s) of Transmittal at or prior to 9:00 p.m. (Eastern time) on the third trading day on the Toronto Stock Exchange after the Expiry Time.

Failure to comply with the foregoing could result in a financial loss to such Eligible Institution.

Name of Firm

Authorized Signature

Address of Firm

Name (please print)

Title

Zip Code/Postal Code

Date

Telephone Number

Any questions and requests for assistance may be directed to the
Depository and Information Agent:



KINGSDALE
Shareholder Services Inc.

By Mail

The Exchange Tower
130 King Street West, Suite 2950,
P.O. Box 361
Toronto, Ontario
M5X 1E2

**By Registered, by Hand or by
Courier**

The Exchange Tower
130 King Street West, Suite
2950,
Toronto, Ontario
M5X 1E2

North American Toll Free Phone:

1 888 518 6824

E-mail: 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