

The instructions accompanying this Letter of Transmittal should be read carefully before this Letter of Transmittal is completed. The Offers to Purchase and Circular accompanying this Letter of Transmittal should be read prior to completing this Letter of Transmittal. The Depositary, or your broker or other financial advisor can assist you in completing this Letter of Transmittal (see back page of this document for addresses and telephone numbers).

LETTER OF TRANSMITTAL
for Common Share Purchase Warrants of
Aquiline Resources Inc.

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

Pan American Silver Corp.

THE WARRANT OFFERS ARE OPEN FOR ACCEPTANCE UNTIL 9:00 P.M. (EASTERN TIME) ON DECEMBER 7, 2009 (THE “ EXPIRY TIME ”), UNLESS EXTENDED OR WITHDRAWN
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This Letter of Transmittal has been prepared in connection with offers to purchase contained in the offers to purchase and circular dated October 30, 2009 (the “**Offers to Purchase**”) made by Pan American Silver Corp. (“**Pan American**”) to purchase, among other Aquiline Securities, the Aquiline Warrants as follows (the “**Warrant Offers**”):

- i. each of the outstanding common share purchase warrants issued by Aquiline on February 8, 2008 (the “**February 2008 Warrants**”);
- ii. each of the outstanding common share purchase warrants issued by Aquiline on May 7, 2008 (the “**May 2008 Warrants**”);
- iii. each of the outstanding common share purchase warrants issued by Aquiline on October 22, 2008 (the “**October 2008 Warrants**”); and
- iv. each of the outstanding common share purchase warrants issued by Aquiline on November 6, 2008 (the “**November 2008 Warrants**”).

The terms and conditions of the Warrant Offers are incorporated by reference into this Letter of Transmittal. Capitalized terms used but not defined in this Letter of Transmittal have the meanings given to them in the Offers to Purchase and Circular.

This Letter of Transmittal (or a facsimile thereof), properly completed and duly executed, together with: (i) the certificate(s) representing the Aquiline Warrants (the “**Warrant Certificate**”) to be deposited pursuant to the Warrant Offers, and (ii) any other required documentation, should be delivered in person or by courier or sent by registered mail to the Depositary (as defined below) at the address set forth on the back page of this Letter of Transmittal. If you have lost your Warrant Certificate(s), or if they have been destroyed or stolen, see Instruction 9.

Holders of Aquiline Warrants (the “**Aquiline Warrantholders**”) who wish to deposit their Aquiline Warrants, but whose Warrant Certificate(s) are not immediately available, or who cannot deliver all other required documents to the Depositary no later than the Expiry Time, must deposit their Aquiline Warrants according 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”. See Instruction 2 below.

TO: Pan American Silver Corp.

AND TO: Kingsdale Warrant Holder Services Inc. (THE “DEPOSITARY”), AT ITS OFFICES SET OUT HEREIN

The undersigned hereby delivers with this Letter of Transmittal the Warrant Certificate(s) in respect of the Aquiline Warrants described below, and, subject only to the provisions of the Offers to Purchase, irrevocably accepts the Warrant Offers for the Aquiline Warrants represented by the Warrant Certificate(s), upon the terms and conditions contained in the Offers to Purchase and Circular. The following are the details of the enclosed Warrant Certificate(s).

[Please select the appropriate table(s)]:

FEBRUARY 2008 WARRANTS

Warrant Certificate Number(s)*	Name(s) in which Registered	Number of February 2008 Warrants Represented by Warrant Certificate	Number of Aquiline Warrants Deposited*
TOTAL:			

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

MAY 2008 WARRANTS

Warrant Certificate Number(s)*	Name(s) in which Registered	Number of May 2008 Warrants Represented by Warrant Certificate	Number of Aquiline Warrants Deposited*
TOTAL:			

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

OCTOBER 2008 WARRANTS

Warrant Certificate Number(s)*	Name(s) in which Registered	Number of October 2008 Warrants Represented by Warrant Certificate	Number of Aquiline Warrants Deposited*
TOTAL:			

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

NOVEMBER 2008 WARRANTS

Warrant Certificate Number(s)*	Name(s) in which Registered	Number of November 2008 Warrants Represented by Warrant Certificate	Number of Aquiline Warrants Deposited*
TOTAL:			

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

* Unless otherwise indicated, all Aquiline Warrants evidenced by any Warrant Certificate(s) submitted to the Depository will be deemed to have been deposited under the Warrant Offers. See Instruction 6 below, "Partial Deposits".

The undersigned acknowledges receipt of the Offers to Purchase and Circular and represents and warrants that the undersigned (i) has full power and authority to deposit, sell, assign and transfer the Aquiline Warrants represented by the enclosed Warrant Certificate(s) of Aquiline for cancellation (the "**Deposited Aquiline Warrants**") and any and all dividends, distributions, payments, securities, property or other interests which may be declared, paid, accrued, issued, distributed, made or transferred on or in respect of the Deposited Aquiline Warrants (collectively, "**Distributions**"), (ii) the Deposited Aquiline Warrants and Distributions have not been sold, assigned or transferred, nor has any agreement been entered into to sell, assign or transfer any of the Deposited Aquiline Warrants and Distributions, to any other person, (iii) the deposit of the Deposited Aquiline Warrants and Distributions complies with applicable laws, and (iv) when the Deposited Aquiline Warrants and Distributions are taken up and paid for by Pan American, Pan American will acquire good title thereto, free and clear of all liens, restrictions, charges, encumbrances, claims and rights of others and in accordance with the following: IN CONSIDERATION OF THE WARRANT OFFERS AND FOR THE VALUE TO BE RECEIVED pursuant thereto the undersigned hereby deposits, sells, assigns and transfers to Pan American all of the right, title and interest in and to the Deposited Aquiline Warrants and in and to all rights and benefits arising from such Deposited Aquiline Warrants on or after the date of the Warrant Offers, including any and all Distributions. If, notwithstanding such assignment, any Distributions are received by or made payable to or to the order of the undersigned on or after the date of the Warrant Offers, then without prejudice to Pan American's rights under Section 4 of the Offers to Purchase in the Offers to Purchase and Circular, "Conditions of the Offers", the whole of any such Distribution will be received and held by the undersigned for the account of and for the benefit of Pan American and will be promptly remitted and transferred by the undersigned to the Depository for the account of Pan American, accompanied by appropriate documentation of transfer. Pending such remittance, Pan American will be entitled to all rights and privileges as owner of any such Distribution and may withhold the entire purchase price payable by Pan American pursuant to the Warrant Offers or deduct from the purchase price payable by Pan American pursuant to the Warrant Offers the amount or value of the Distribution, as determined by Pan American in its sole discretion.

Effective on and after the time (the "**Effective Time**") that Pan American takes up and pays for the Deposited Aquiline Warrants covered by the Letter of Transmittal (which Aquiline Warrants upon being taken up are, together with any Distributions thereon, hereinafter referred to as the "**Purchased Aquiline Warrants**"), the undersigned irrevocably constitutes and appoints, certain officers of Pan American and any other person designated by Pan American in writing (each an "**Appointee**") as the true and lawful agents, attorneys and attorneys-in-fact and proxies of the depositing Aquiline Warrantholder with respect to the Purchased Aquiline Warrants, with full power of substitution (such power of attorney being deemed to be an irrevocable power coupled with an interest):

- (a) to register or record the transfer and/or cancellation of such Purchased Aquiline Warrants (to the extent consisting of securities) on the appropriate register maintained by Aquiline or its transfer agent;
- (b) for so long as any Purchased Aquiline Warrants are registered or recorded in the name of such Aquiline Warrantholder, to exercise any and all rights of such Aquiline Warrantholder including, without limitation, the right to vote, to execute and deliver any and all instruments of proxy, authorizations or consents in form and on terms satisfactory to Pan American in respect of any or all Purchased Aquiline Warrants and any other property, to revoke any such instrument, authorization or consent given prior to or after the Effective Time, to designate in such instrument, authorization or consent any person or persons as the proxy of such Aquiline Warrantholder in respect of the Purchased Aquiline Warrants for all purposes including, without limitation, in connection with any meeting or meetings (whether annual, special or otherwise, or any adjournment thereof, including, without limitation, any meeting to consider a Subsequent Acquisition Transaction) of holders of relevant securities of Aquiline;

- (c) to execute, endorse and negotiate, for and in the name of and on behalf of such Aquiline Warrantholder, any and all cheques or other instruments, representing any Distributions payable to or to the order of, or endorsed in favour of, such Aquiline Warrantholder; and
- (d) to exercise any other rights of a holder of Purchased Aquiline Warrants.

The undersigned revokes any and all authority, 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 Aquiline Warrants or any Distributions. No subsequent authority, whether as agent, attorney-in-fact, attorney, proxy or otherwise, will be granted with respect to the Deposited Aquiline Warrants or any Distributions by or on behalf of the undersigned, unless the Deposited Aquiline Warrants are not taken up and paid for under the Warrant Offers or are withdrawn in accordance with the Offers to Purchase.

Unless the undersigned withdraws any Deposited Aquiline Warrants as provided in the Offers to Purchase and Circular, the undersigned agrees not to vote any of the Purchased Aquiline Warrants at any meeting (whether annual, special or otherwise, or any adjournments thereof, including, without limitation, any meeting to consider a Subsequent Acquisition Transaction) of holders of securities of Aquiline and not to exercise any of the other rights or privileges attached to the Purchased Aquiline Warrants, and agrees to execute and deliver to Pan American any and all instruments of proxy, authorizations or consents in respect of the Purchased Aquiline Warrants, and to appoint in any such instruments of proxy, authorizations or consents, the person or persons specified by Pan American as the proxy of the holder of the Purchased Aquiline Warrants. **Upon such appointment, and provided the undersigned has not withdrawn any Deposited Aquiline Warrants as provided in the Offers to Purchase and Circular, all prior proxies and other authorizations (including, without limitation, all appointments of any agent, attorney or attorney in fact) or consents given by the holder of such Purchased Aquiline Warrants with respect thereto will be revoked and no subsequent proxies or other authorizations or consents may be given by such person with respect thereto.**

The undersigned covenants to execute, upon the request of Pan American, any additional documents, transfers and other assurances as may be necessary or desirable to complete the sale, assignment and transfer of the Purchased Aquiline Warrants to Pan American and acknowledges that all authority therein conferred or agreed to be conferred is, to the extent permitted by law, irrevocable and may be exercised during any subsequent legal incapacity of such holder and shall, to the extent permitted by law, survive the death or incapacity, bankruptcy or insolvency of the holder and all obligations of the holder therein shall be binding upon the heirs, executors, administrators, attorneys, personal representatives, successors and assigns of such holder.

The undersigned instructs Pan American and the Depositary, upon Pan American taking up the Deposited Aquiline Warrants, to mail the certificate(s) representing Pan American Replacement Warrant by first class mail, postage prepaid, or to hold such certificate(s) for pick-up, in accordance with the instructions given below. Should any Deposited Aquiline Warrants not be purchased, the deposited Aquiline Warrant Certificate(s) and other relevant documents shall be returned in accordance with the instructions in the preceding sentence.

The obligations of the undersigned hereunder shall terminate and cease to be of force and effect if the undersigned withdraws any Deposited Aquiline Warrants as provided in the Offers to Purchase and Circular.

The undersigned acknowledges and agrees that no Pan American Replacement Warrant may be exercised by any U.S. Person (or by any person within the United States or for the account or benefit of any U.S. Person or person within the United States, unless and until a Registration Statement has been filed by Pan American and has become or has been declared effective under the U.S. Securities Act.

BLOCK A ISSUE CERTIFICATE IN THE NAME OF: (please print or type)
(Name)
(Street Address and Number)
(City and Province or State)
(Country and Postal (or Zip) Code)
(Telephone - Business Hours)
(Tax Identification, Social Insurance or Social Security Number)

BLOCK B SEND CERTIFICATE (unless Block C is checked) TO: (please print or type)
(Name)
(Street Address and Number)
(City and Province or State)
(Country and Postal (or Zip) Code)

BLOCK C <input type="checkbox"/> HOLD CERTIFICATE FOR PICK-UP AT THE OFFICES OF THE DEPOSITARY WHERE THIS LETTER OF TRANSMITTAL IS DEPOSITED. (Check box)

Signature guaranteed by (if required under Instruction 4):

Dated: _____, 200__

Authorized Signature of Guarantor

Signature of Aquiline Warranholder or Authorized Representative
- See Instructions 3 and 5

Name of Guarantor (please print or type)

Name of Aquiline Warranholder (please print or type)

Address of Guarantor (please print or type)

Name of Authorized Representative, if applicable
(please print or type)

Daytime telephone number of Aquiline Warranholder
or Authorized Representative

Daytime facsimile number of Aquiline Warranholder
or Authorized Representative

Tax Identification, Social Insurance
or Social Security Number of Aquiline Warranholder

BLOCK D

CHECK HERE IF AQUILINE WARRANTS ARE BEING DEPOSITED PURSUANT TO A NOTICE OF GUARANTEED DELIVERY PREVIOUSLY SENT TO THE DEPOSITARY AND COMPLETE THE FOLLOWING: (please print or type)

Name of Registered Holder: _____

Date of Execution of Notice of Guaranteed Delivery: _____

Window Ticket Number (if any):

Name of Institution which Guaranteed Delivery:

INSTRUCTIONS

1. Use of Letter of Transmittal

- (a) This Letter of Transmittal (or a manually signed facsimile thereof) together with Warrant Certificate(s) representing the Deposited Aquiline Warrants and all other documents required by the terms of the Offers to Purchase and Circular must be received by the Depositary at any of the offices specified on the back cover page no later than 9:00 p.m. (Eastern time) on December 7, 2009, unless the Warrant Offers are extended or unless the procedure for guaranteed delivery set out in Instruction 2 below is used.
- (b) The method of delivery of the Warrant Certificate(s), the Letter of Transmittal and all other required documents is at the option and risk of the person depositing those documents. Pan American recommends that those documents be delivered by hand to the Depositary and a receipt obtained or, if mailed, that registered mail, with return receipt requested, be used and that proper insurance be obtained. It is suggested that any such mailing be made sufficiently in advance of the Expiry Time to permit delivery to the Depositary before the Expiry Time. Delivery will only be effective upon actual receipt by the Depositary.

2. Procedure for Guaranteed Delivery

If an Aquiline Warrantholder wishes to deposit Aquiline Warrants pursuant to the Warrant Offers and either (i) the Warrant Certificate(s) are not immediately available; or (ii) the Warrant Certificate(s) and all other required documents cannot be delivered to the Depositary at or prior to the Expiry Time, the Aquiline Warrants in respect thereof may nevertheless be deposited validly under the Warrant Offers, provided that all of the following conditions are met:

- (a) the deposit is made by or through an Eligible Institution (as defined below);
- (b) a Notice of Guaranteed Delivery (printed on green paper) in the form accompanying the Offers to Purchase or a manually signed facsimile thereof, properly completed and signed, is received by the Depositary at its Toronto office at or prior to the Expiry Time as set forth in the accompanying Notice of Guaranteed Delivery; and
- (c) the Warrant Certificate(s) representing Deposited Aquiline Warrants in proper form for transfer, together with a Letter of Transmittal or a manually executed facsimile thereof, properly completed and signed (with signatures guaranteed if so required) in accordance with the Letter 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. (Toronto time) on the third trading day on the Toronto Stock Exchange after the Expiry Time.

The Notice of Guaranteed Delivery may be delivered by hand or transmitted by facsimile transmission or mailed to the Depositary at its Toronto office as specified in the Notice of Guaranteed Delivery and must include a guarantee by an

Eligible Institution in the form set forth in the Notice of Guaranteed Delivery. **Delivery of the Notice of Guaranteed Delivery to any office other than the Toronto office of the Depository specified in the Notice of Guaranteed Delivery does not constitute delivery for purposes of making a guaranteed delivery.**

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.

3. Signatures

This Letter of Transmittal must be completed and signed by the registered holder of Deposited Aquiline Warrants accepting the Warrant Offers described above or by such holder’s duly authorized representative (in accordance with Instruction 5).

- (a) If this Letter of Transmittal is signed by the registered owner(s) of the Warrant 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 Warrant Certificate(s) without any change whatsoever, and the Warrant Certificate(s) need not be endorsed. If such transmitted Warrant Certificate(s) are owned of record by two or more joint owners, all such owners must sign this Letter of Transmittal.
- (b) If this Letter of Transmittal is signed by a person other than the registered owner(s) of the Warrant Certificate(s), or if certificate(s) representing Pan American Replacement Warrants are to be issued to a person other than the registered owner(s):
 - (i) such deposited Warrant Certificate(s) must be endorsed or accompanied by an appropriate transfer power of attorney duly and properly completed by the registered owner(s); and
 - (ii) the signature(s) on such endorsement or power of attorney must correspond exactly to the name(s) of the registered owner(s) as registered or as appearing on the Warrant Certificate(s) and must be guaranteed as noted in Instruction 4 below.

4. Guarantee of Signatures

If this Letter of Transmittal is signed by a person other than the registered owner(s) of the Deposited Aquiline Warrants, or if Deposited Aquiline Warrants not purchased 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 relevant security holder registers of Aquiline or if payment is to be issued in the name of a person other than the registered owner(s) of the Deposited Aquiline Warrants, such signature must be guaranteed by an Eligible Institution (except that no guarantee is required if the signature is that of an Eligible Institution). See Instruction 2 for the definition of Eligible Institution.

5. Fiduciaries, Representatives and Authorizations

Where this Letter of Transmittal is executed by a person acting 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, such person should so indicate when signing and this Letter of Transmittal must be accompanied by satisfactory evidence of the authority to act. The Offeror or the Depository, at their discretion, may require additional evidence of authority or additional documentation.

6. Partial Deposits

If less than the total number of Aquiline Warrants evidenced by any Warrant Certificate(s) submitted are to be deposited, fill in the number of Aquiline Warrants to be deposited in the appropriate space on this Letter of Transmittal. In such case, new Warrant Certificate(s) for the number of Aquiline Warrants not deposited will be sent to the registered holder as soon as practicable after the Expiry Time. The total number of Aquiline Warrants evidenced by all Warrant Certificate(s) delivered will be deemed to have been deposited unless otherwise indicated.

7. Stock Transfer Tax

Except as otherwise provided in this Instruction 7, Pan American will pay all stock transfer tax with respect to the transfer and sale of any Aquiline Warrants to it or its order pursuant to the Warrant Offers. If, however, payment of the purchase price is to be made to, or if Warrant Certificate(s) for Aquiline Warrants not deposited or not accepted for payment are to be registered in the name of, any person other than the registered holder(s), or if deposited Aquiline Warrant Certificate(s) for Aquiline Warrants are registered in the name of any person other than the person(s) signing this Letter of Transmittal, the amount of any stock transfer tax (whether imposed on the registered holder(s) or such other person) payable on account of the transfer to such other person will be deducted from the purchase price of such Aquiline Warrants purchased unless evidence satisfactory to Pan American, in its sole discretion, of the payment of such tax, or exemption therefrom, is submitted.

8. Miscellaneous

- (a) If the space on this Letter of Transmittal is insufficient to list all Warrant Certificate(s) for Deposited Aquiline Warrants, additional certificate numbers may be included on a separate signed list affixed to this Letter of Transmittal.
- (b) If Deposited Aquiline Warrants 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 will be acceptable. All depositing Aquiline Warrantholders by execution of this Letter of Transmittal (or a facsimile hereof) waive any right to receive any notice of the acceptance of Deposited Aquiline Warrants for payment, except as required by applicable law.
- (d) The Warrant Offers and any agreement resulting from the acceptance of the Warrant Offers will be construed in accordance with and governed by the laws of the Province of Ontario and the federal laws of Canada applicable therein. Each party to any agreement resulting from the acceptance of the Warrant Offers unconditionally and irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Ontario.
- (e) Pan American will not pay any fees or commissions to any stockbroker or investment dealer or any other person for soliciting deposits of Aquiline Warrants pursuant to the Warrant Offers except as otherwise set forth in the Offers to Purchase and Circular (other than to dealer managers, soliciting dealers and the Depository).
- (f) Additional copies of the Offers to Purchase and Circular, this Letter of Transmittal and the Notice of Guaranteed Delivery may be obtained from the Depository at the addresses set forth on the back page of this Letter of Transmittal.

9. Lost Certificates

If a Certificate 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 Depository. The Depository will forward such letter to Aquiline’s registrar and transfer agent so that the transfer agent may provide replacement instructions. If a Warrant Certificate has been lost or destroyed, please ensure that you provide your telephone number so that the Depository or Aquiline’s transfer agent may contact you.

THIS LETTER OF TRANSMITTAL OR A MANUALLY SIGNED FACSIMILE (TOGETHER WITH WARRANT CERTIFICATE(S) AND ALL OTHER REQUIRED DOCUMENTS) OR THE NOTICE OF GUARANTEED DELIVERY OR A MANUALLY SIGNED FACSIMILE THEREOF MUST BE RECEIVED BY THE DEPOSITARY NO LATER THAN THE EXPIRY TIME.

The Depositary for the Warrant Offers is:

The Depositary and Information Agent for the Offers is:



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

Any questions and requests for assistance may be directed by Aquiline Warranholders to the Depositary at its telephone number and locations set out above. Aquiline Warranholders may also contact their broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Warrant Offers.