Schedule B
Merger Agreement

May 4, 2004

Aur Resources Inc.
1 Adelaide Street East
Suite 2501
Toronto, Ontario
M5C 2V9

Attention: James W. Gill
President and Chief Executive Officer

This letter is to set out our agreement with respect to the proposed business combination of Inmet Mining Corporation ("**Inmet**") and Aur Resources Inc. ("**Aur**") pursuant to a transaction (the "**Transaction**") whereby holders of common shares of Aur will receive common shares of Inmet on the basis of 0.368 common shares of Inmet for each common share of Aur (the "**Aur Exchange Ratio**").

Each option in respect of a common share of Aur outstanding on the Closing Date shall be amended to provide, or terminated and replaced with an option of Inmet that provides, that such security shall entitle the holder to receive a number of Inmet common shares equal to its entitlement under such security multiplied by the Aur Exchange Ratio, but shall otherwise be on the same terms as prior to amendment or termination and replacement.

While we anticipate that the Transaction will be structured as a three-cornered amalgamation, the ultimate form of the Transaction will be mutually determined by Inmet and Aur based on tax, securities and corporate law and other considerations, provided that any form chosen is not materially less favourable than a three-cornered amalgamation to either party and its security holders (with respect to the interests of the security holders, such interests will be considered in the aggregate and not individually). For the purposes of this agreement, references to Inmet (in its capacity as successor to the combined businesses of Inmet and Aur) and the Aur Exchange Ratio will be deemed to refer to, respectively, the corresponding successor corporate entity resulting from the business combination and the basis of share issuance to security holders of Aur (and Inmet, as the case may be).

1. Basis of Transaction:

   (a) Inmet Securities: There are currently outstanding approximately 40,275,289 common shares of Inmet and 2,028,100 options exercisable (subject to vesting requirements) on a one-for-one basis for common shares of Inmet at exercise prices ranging between $1.75 and $5.80 and terminating no later than May, 2012, 449,928 deferred share units which entitle holders thereof to acquire common shares of Inmet on a one-for-one basis and convertible subordinated debentures which entitle holders thereof to acquire an aggregate of approximately 3,015,858 common shares of Inmet at a rate of $21.25 per Inmet common share. Pursuant to a Rights Plan, holders of common shares of Inmet have been granted one right per common share entitling them, in certain circumstances, to purchase additional common shares. No additional securities (excluding common shares issuable pursuant to currently outstanding securities of Inmet described in this subparagraph 1(a)), or rights in respect thereof, shall be issued, and none of the terms of any of the currently outstanding securities of Inmet shall be amended, prior to the completion of the Transaction except as contemplated herein.

(b) Aur Securities: There are currently outstanding approximately 94,108,296 common shares of Aur and 2,518,356 options exercisable (subject to vesting requirements) on a one-for-one basis for common shares of Aur at exercise prices ranging between $1.96 and $8.10 and terminating no later than April 21, 2009. No additional securities (excluding common shares issuable pursuant to currently outstanding options of Aur described in this subparagraph 1(b)), or rights in respect thereof, shall be issued, and none of the terms of any of the currently outstanding securities of Aur shall be amended prior to the completion of the Transaction except as contemplated herein.

(c) Board of Directors and Management: In conjunction with the completion of the Transaction, the number of directors of Inmet will be fixed at eight directors, with four of the current directors of Inmet and four of the current directors of Aur becoming directors of Inmet effective on completion of the Transaction. Each of Inmet and Aur will designate their initial slates of nominee directors on or prior to May 4, 2004. On completion of the Transaction, James Gill shall be appointed the non-executive Chairman of the Board of Directors of Inmet, Richard Ross shall be appointed President and Chief Executive Officer of Inmet, reporting to the Inmet Board of Directors, Jochen Tilk shall be appointed Executive Vice-President, Operations and David Brace shall be appointed Executive Vice-President, Business Development. On or prior to May 21, 2004, Messrs. Gill and Ross will jointly agree on the other members of Inmet's senior management group and the reporting lines of authority within that group upon completion of the Transaction.

(d) Head Office: The head office of Inmet for corporate filing purposes immediately following completion of the Transaction shall be 1 Adelaide Street East, Suite 2501, Toronto, Ontario, M5C 2V9 and management of Inmet shall review and determine the future location of the head office of Inmet within 12 months of the Closing Date.

(e) Name: In conjunction with the completion of the Transaction, Inmet's name shall be changed to "**Aur Mining Corporation**".

2. Due Diligence:

(a) Both of the parties acknowledge and agree that prior to entering into this agreement they have completed a limited due diligence of the other based upon management interviews, review of publicly available documents and a review of mine models.

(b) On the basis described below, both parties shall be entitled to continue to conduct due diligence on the other for the purposes of confirming the accuracy of the representations and warranties provided in this agreement.

(c) Each of Inmet and Aur and their respective accountants, legal counsel, technical and financial advisors and other representatives shall be entitled to:

(i) subject to obtaining any necessary consents, have full access during normal business hours to all management personnel, properties, information and records relating to the other of them, including, but not limited to, senior mine management, all related facilities, buildings, equipment, assets, drill cores, assay results, maps and diagrams, books, contracts, financial statements, auditors' working papers, forecasts, financial projections, studies, records, operating permits and licences and any other documentation (whether in writing or stored in computerized, electronic, disk, tape, microfilm or any other form) or materials of any nature whatsoever; and

(ii) perform, at the sole cost and risk thereof, a due diligence review and examination of the other of them and the business and affairs thereof up to the completion of the Transaction.

(d) Until the completion of the Transaction each of Inmet and Aur shall notify the other of them of any significant development or material change relating thereto promptly after becoming aware of any such development or change.

3. Representations and Warranties of Inmet:

Inmet hereby represents and warrants to and in favour of Aur, and acknowledges that Aur is relying upon such representations and warranties, in connection with the matters contemplated by this agreement that except as disclosed to Aur in writing prior to the execution of this Agreement:

(a) Each of Inmet and its subsidiaries (collectively, the "**Inmet Group**", which term also contemplates any member of the Inmet Group) is a validly subsisting corporation under the laws of its jurisdiction of incorporation, amalgamation or continuance, as the case may be, and has the corporate power and authority, is duly qualified, and holds all material licenses and permits required for it, to own or lease its property and assets and to carry on its business as now conducted by it.

(b) Neither the execution or delivery of this agreement by Inmet nor the consummation of the Transaction will:

(i) conflict with, or result in a violation, contravention or breach of, any of the terms, conditions or provisions of any material agreement or instrument to which the Inmet Group is a party or by which the Inmet Group is bound or constitute a default by the Inmet Group thereunder, or under any statute, regulation, judgment, decree or law to which the Inmet Group is subject or bound, or result in the termination or acceleration of any indebtedness or the creation or imposition of any mortgage, lien, charge or encumbrance of any nature whatsoever (collectively "**Encumbrances**" and individually an "**Encumbrance**") upon the assets of the Inmet Group; or

(ii) result in a violation by the Inmet Group of the constating documents of the Inmet Group or any law or regulation or any applicable order of any court, arbitrator or governmental authority having jurisdiction over the Inmet Group,

other than any such violations, contraventions, breaches, defaults or Encumbrances that individually or in the aggregate would not reasonably be expected to have a material adverse effect on the Inmet Group.

(c) Other than in respect of contingent rights which do not arise by virtue of Inmet entering into this agreement or completing the transactions contemplated hereby, no person (which word shall be given the broadest interpretation possible in this agreement) has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase from the Inmet Group of any of the material assets of the Inmet Group.

(d) No consent, approval, order or authorization from, registration or filing with, or notice to any governmental authority, regulatory agency or stock exchange is required in connection with the execution and delivery of this agreement by Inmet or the consummation by Inmet of the Transaction, except (i) such filings with and approvals of the Toronto Stock Exchange (the "**TSX**") as may be required to permit the common shares of Inmet issued in connection with the Transaction to be listed on such exchange; (ii) filings required by securities and other regulatory authorities in connection with the completion of the Transaction; (iii) the approval of Inmet's shareholders as contemplated below; and (iv) an application for an advance ruling certificate ("ARC") under section 102 of the *Competition Act* (Canada) (the "Competition Act") in respect of the transactions contemplated by this agreement.

(e) Subject to the approval of its shareholders contemplated in subparagraph 7(c), Inmet has all necessary power, authority and capacity to enter into this agreement and all other agreements and instruments to be executed by Inmet as contemplated by this agreement and to carry out its obligations under this agreement and such other agreements and instruments.

(f) The execution and delivery of this agreement have been authorized by all necessary corporate action of Inmet and this agreement constitutes a valid and binding obligation of Inmet enforceable against it in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought.

(g) Inmet has not entered into any agreement that would entitle any person to any valid claim against Inmet for a broker's commission, finder's fee or any like payment in respect of the Transaction or any other matter contemplated by this agreement except for financial advisory fees payable to GMP Securities Ltd.

(h) The audited consolidated financial statements of Inmet for the year ended December 31, 2003 and the unaudited consolidated financial statements of Inmet for the three-month period ended March 31, 2004 (collectively, the "**Inmet Financial Statements**") have been prepared in accordance with Canadian generally accepted accounting principles applied on a basis that is, except as disclosed in the notes thereto, consistent with that for the audited consolidated financial statements of Inmet for the year ended December 31, 2002 or the unaudited consolidated financial statements of Inmet for the three-month period ended March 31, 2003, as the case may be, are true, correct and complete in all material respects and present fairly the financial condition of Inmet as at December 31, 2003 or March 31, 2004, as the case may be, including assets and liabilities as at the applicable date and revenues, expenses and results of operations of Inmet for the financial year ended December 31, 2003 or the three-month period ended March 31, 2004, as the case may be, save in the case of the interim unaudited statements for usual post period adjustments.

(i) None of the forms, reports, circulars, financial statements or other documents filed by Inmet on the System for Electronic Document Analysis and Retrieval ("**SEDAR**") contained, when filed, any misrepresentation, as defined in the *Securities Act* (Ontario) (the "**Securities Act**"), and there are no existing material facts (as defined in the Securities Act) about Inmet which are not disclosed in such documents (except with respect to the transactions contemplated by this agreement).

(j) Inmet is not subject to any cease trade or other order of any applicable stock exchange or securities regulatory authority and, to the knowledge of Inmet, no investigation or other proceedings involving Inmet which may operate to prevent or restrict trading of any securities of Inmet are currently in progress or pending before any applicable stock exchange or securities regulatory authority.

(k) As of the date hereof, there are approximately 40,275,289 common shares of Inmet outstanding and there are no options, warrants, or other securities of Inmet convertible into or exchangeable for, or other rights to acquire, common shares of Inmet outstanding and no person has any agreement, right or privilege capable of becoming such for the purchase, subscription, allotment or issue of any of the unissued securities of Inmet other than as disclosed in subparagraph 1(a) hereof.

(l) Inmet does not have any actual, nor, to the knowledge of Inmet, does any state of facts or circumstances exist that could reasonably be expected or anticipated to give rise to any, material liability or obligation, whether accrued, absolute, contingent or otherwise, not reflected in the Inmet Financial Statements, including any material liability or obligation relating to the condition of its past and current explorations, operations and physical works, mine reclamation, waste management, environmental impacts or other environmental, health or safety matters.

(m) Neither Inmet nor, to the knowledge of Inmet, any other party to a material contract to which Inmet is a party, is in material breach of such contract.

(n) There is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress or, to the knowledge of Inmet, threatened against the Inmet Group before any court, regulatory or administrative agency or tribunal.

(o) Except as disclosed in the Inmet Financial Statements, there are no actions, suits or other legal proceedings, or inspections, investigations, judgments, directions or orders currently pending, or to the knowledge of Inmet, threatened against the Inmet Group, which individually or in the aggregate have, or could reasonably be expected to have, a material adverse effect on the Inmet Group.

(p) Inmet is in compliance in all material respects with all applicable statutes, regulations, orders, directions, judgments, rules and other legal requirements and any applicable guidelines of governmental and regulatory agencies or authorities and with all of its material licenses and permits.

(q) None of the execution of this agreement, shareholder approval of the Transaction or the consummation of the Transaction will result in the payment to any present or former employee or director of the Inmet Group of any money or other property, accelerate or provide any other rights or benefits to any present or former employee or director of the Inmet Group, or result in payment under any contract, plan or arrangement (written or otherwise) covering any employee or former employee of the Inmet Group.

(r) As of the date hereof, except for any such event which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on Inmet, there is no labour strike, slowdown or work stoppage or lockout pending or, to the knowledge of Inmet, threatened against the Inmet Group before any tribunal dealing with employment-related issues.

(s) Inmet is current in the filing of all public disclosure documents required to be filed by Inmet under applicable securities laws and stock exchange rules, there are no filings that have been made on a confidential basis and all of such filings, when made, complied with the requirements of all applicable securities laws and the rules, policies and instruments of all regulatory or administrative bodies having jurisdiction over Inmet except where such non-compliance has not and would not reasonably be expected to have a material adverse effect on the Inmet Group.

(t) The common shares of Inmet are listed and posted for trading on the TSX.

(u) Inmet has no securities registered or required to be registered pursuant to section 12 of the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**") and is not required to file reports with the U.S. Securities and Exchange Commission (the "**SEC**") pursuant to section 15(d) of the U.S. Exchange Act.

(v) Inmet is a "Canadian" as that term is defined in the *Investment Canada Act* (Canada) (the "**ICA**").

4. <u>Representations and Warranties of Aur</u>:

Aur represents and warrants to and in favour of Inmet, and acknowledges that Inmet is relying upon such representations and warranties, in connection with the matters contemplated by this agreement that except as disclosed to Inmet in writing prior to the execution of this Agreement:

(a) Each of Aur and its subsidiaries (collectively, the "**Aur Group**", which term also contemplates any member of the Aur Group) is a validly subsisting corporation under the laws of its jurisdiction of incorporation, amalgamation or continuance, as the case may be, and has the corporate power and authority, is duly qualified, and holds all material licenses and permits required for it, to own or lease its property and assets and to carry on its business as now conducted by it.

(b) Neither the execution or delivery of this agreement by Aur nor the consummation of the Transaction will:

    (i) conflict with, or result in a violation, contravention or breach of any of the terms, conditions or provisions of any material agreement or instrument to which the Aur Group is bound or constitute a default by the Aur Group thereunder, or under any statute, regulation, judgment, decree or law by which the Aur Group is subject or bound or result in the termination or acceleration of any indebtedness or the creation or imposition of any Encumbrance upon the assets of the Aur Group; or

    (ii) result in a violation by the Aur Group of the constating documents of the Aur Group or any law or regulation or any applicable order of any court, arbitrator or governmental authority having, jurisdiction over the Aur Group, other than any such violations, contraventions, breaches, defaults or Encumbrances that individually or in the aggregate would not reasonably be expected to have a material adverse effect on the Aur Group.

(c) Other than in respect of contingent rights which do not arise by virtue of Aur entering into this agreement or completing the transactions contemplated hereby, no person has any agreement or option or any right or privilege capable of becoming an agreement or option for the purchase from the Aur Group of any of the material assets of the Aur Group.

(d) No consent, approval, order or authorization from, registration or filing with, or notice to any governmental authority, regulatory agency or stock exchange is required in connection with the execution and delivery of this agreement by Aur or the consummation by Aur of the Transaction, except (i) such filings with and approvals of the TSX as may be required to permit the common shares of Inmet issued in connection with the Transaction to be listed on such exchange; (ii) filings required by securities and other regulatory authorities in connection with the completion of the Transaction; (iii) the approval of Aur's shareholders as contemplated below; and (iv) an application for an ARC under section 102 of the Competition Act in respect of the transactions contemplated by this agreement.

(e) Subject to the approval of its shareholders contemplated in subparagraph 7(d), Aur has all necessary power, authority and capacity to enter into this agreement and all other agreements and instruments to be executed by Aur as contemplated by this agreement and to carry out the obligations thereof under this agreement and such other agreements and instruments.

(f) The execution and delivery of this agreement have been authorized by all necessary corporate action of Aur and this agreement constitutes a valid and binding obligation of Aur enforceable against it in accordance with its terms subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally and to the extent that equitable remedies such as specific performance and injunctions are only available in the discretion of the court from which they are sought.

(g) Aur has not entered into any agreement that would entitle any person to any valid claim against Aur for a broker's commission, finder's fee or any like payment in respect of the Transaction or any other matter contemplated by this agreement except for financial advisory fees payable to CIBC World Markets Inc.

(h) The audited consolidated financial statements of Aur for the year ended December 31, 2003 and the unaudited consolidated financial statements of Aur for the three-month period ended March 31, 2004 (collectively, the "**Aur Financial Statements**") have been prepared in accordance with Canadian generally accepted accounting principles applied on a basis that is, except as disclosed in the notes thereto, consistent with that for the audited consolidated financial statements of Aur for the year ended December 31, 2002 or the unaudited consolidated financial statements of Aur for the three-month period ended March 31, 2003, as the case may be, are true, correct and complete in all material respects and present fairly the financial condition of Aur as at December 31, 2003 or March 31, 2004, as the case may be, including assets and liabilities as at the applicable date and revenues, expenses and results of operations of Aur for the financial year ended December 31, 2003 or the three-month period ended March 31, 2004, as the case may be, save in the case of the interim unaudited statements for usual post period adjustments.

(i) None of the forms, reports, circulars, financial statements or other documents filed by Aur on SEDAR contained, when filed, any misrepresentation (as defined in the Securities Act), and there are no existing material facts (as defined in the Securities Act) about Aur which are not disclosed in such documents (except with respect to the transactions contemplated by this agreement).

(j) Aur is not subject to any cease trade or other order of any applicable stock exchange or securities regulatory authority and, to the knowledge of Aur, no investigation or other proceedings involving Aur which may operate to prevent or restrict trading of any securities of Aur are currently in progress or pending before any applicable stock exchange or securities regulatory authority.

(k) As of the date hereof, there are approximately 94,108,296 common shares of Aur outstanding and there are no options, warrants, or other securities of Aur convertible into or exchangeable for, or other rights to acquire, common shares of Aur outstanding and no person has any agreement, right or privilege capable of becoming such for the purchase, subscription, allotment or issue of any of the unissued securities of Aur other than as disclosed in subparagraph 1(b) hereof.

(l) Aur does not have any actual, nor, to the knowledge of Aur, does any state of facts or circumstances exist that could reasonably be expected or anticipated to give rise to any, material liability or obligation, whether accrued, absolute, contingent or otherwise not reflected in the Aur Financial Statements, including any material liability or obligation relating to the condition of its past and current explorations, operations and physical works, mine reclamation, waste management, environmental impacts or other environmental, health or safety matters.

(m) Neither Aur nor, to the knowledge of Aur, any other party to a material contract to which Aur is a party, is in material breach of such contract.

(n) There is no bankruptcy, liquidation, winding-up or other similar proceeding pending or in progress or, to the knowledge of Aur, threatened against the Aur Group before any court, regulatory or administrative agency or tribunal.

(o) Except as disclosed in the Aur Financial Statements, there are no actions, suits or other legal proceedings, or inspections, investigations, judgments, directions or orders currently pending, or to the knowledge of Aur, threatened against the Aur Group which individually or in the aggregate have, or could reasonably be expected to have, a material adverse effect on the Aur Group.

(p) Aur is in compliance in all material respects with all applicable statutes, regulations, orders, directions, judgments, rules and other legal requirements and any applicable guidelines of governmental and regulatory agencies or authorities and with all of its material licenses and permits.

(q) None of the execution of this agreement, shareholder approval of the Transaction or the consummation of the Transaction will result in the payment to any present or former employee or director of the Aur Group of any money or other property, accelerate or provide any other rights or benefits to any present or former employee or director of the Aur Group, or result in payment under any contract, plan or arrangement (written or otherwise) covering any employee or former employee of the Aur Group.

(r) As of the date hereof, except for any such event which, individually or in the aggregate, would not reasonably be expected to have a material adverse effect on Aur, there is no labour strike, slowdown or work stoppage or lockout pending or, to the knowledge of Aur, threatened against the Aur Group before any tribunal dealing with employment-related issues.

(s) Aur is current in the filing of all public disclosure documents required to be filed by Aur under applicable securities laws and stock exchange rules, there are no filings that have been made on a confidential basis and all of such filings, when made, complied with the requirements of all applicable securities laws and the rules, policies and instruments of all regulatory or administrative bodies having jurisdiction over Aur except where such non-compliance has not and would not reasonably be expected to have a material adverse effect on the Aur Group.

(t) The common shares of Aur are listed and posted for trading on the TSX.

(u) Aur has no securities registered or required to be registered pursuant to section 12 of the U.S. Exchange Act and is not required to file reports with the SEC under section 15(d) of the U.S. Exchange Act.

(v) Aur is a “Canadian” as that term is defined in the ICA.

5. Covenants of Inmet:

Inmet hereby covenants and agrees with Aur as follows:

(a) Subject to the obtaining of any required consents, Inmet will promptly provide Aur with any information in the possession or control of Inmet and relating to the Inmet Group requested by Aur or its counsel so that Aur may complete its due diligence investigations of the Inmet Group.

(b) Inmet will use its best efforts to satisfy all of the conditions precedent to the completion of the Transaction and will use its best efforts to apply for and obtain, and will cooperate with Aur in applying for and obtaining, the consents, orders and approvals necessary for Inmet or Aur respectively to complete the Transaction.

(c) Inmet will convene and hold a special meeting of its shareholders for the purpose of considering the Transaction as soon as reasonably practicable and in any event, subject to paragraph 10, no later than August 31, 2004 or such later date as may be mutually agreed upon; for greater certainty, it is the intention of Inmet to convene the meeting on or prior to June 30, 2004. In connection with the special meeting of Inmet, as promptly as reasonably practicable, Inmet shall cooperate with Aur to prepare a joint management information circular (the "**Circular**"), satisfactory to both parties, together with any other documents required by applicable law in connection with the consideration of the Transaction by the shareholders of Inmet. The Circular will contain, among other things, the unanimous recommendation of Inmet's board of directors that the shareholders of Inmet vote in favour of the Transaction on the basis that the board has unanimously determined the Transaction to be in the best interests of, and the consideration to be paid to shareholders of Aur to be fair to, the shareholders of Inmet.

(d) Inmet shall promptly furnish to Aur and its counsel a copy of all information concerning Inmet as may be used for the preparation of the Circular. Inmet shall ensure that the Circular will comply with all applicable laws (except where such compliance relates to information about or provided by Aur) and hereby covenants that no information furnished by Inmet in connection with the Circular or otherwise in connection with the consummation of the Transaction will contain any misrepresentation (as defined in the Securities Act) or any untrue statement of a material fact (as defined in the Securities Act) or omit to state a material fact required to be stated therein in order to make any information so furnished for use in any such document not misleading in the light of the circumstances in which it is provided.

(e) Inmet Group shall carry on its businesses in the ordinary course in substantially the same manner as heretofore conducted and shall use commercially reasonable efforts to (i) preserve intact in all material respects its present business organizations, (ii) preserve in all material respects relationships with customers, suppliers and other having business dealings with them. Inmet Group shall not (i) enter into new material lines of business other than lines reasonably related to or extensions of existing businesses, (ii) incur or commit to any cash capital expenditures or any obligations or liabilities in connection therewith, other than cash capital expenditures, obligations or liabilities (A) incurred or committed to in the ordinary course of business consistent with past practice, or (B) publicly disclosed in documents filed on SEDAR, (iii) enter into any contract that limits or otherwise restricts the Inmet Group (or any successor thereto), or that by its terms could, after the closing of the Transaction, limit or restrict Inmet Group (or any successor thereto), from engaging or competing in any line of business or in any geographic area, or (iv) cancel, rescind or terminate any material contract (including any material employment contract) or make any material change thereto, except for terminations, rescissions and expirations pursuant to the terms of such contract or as a result of a breach by any counterparty thereto; (v) declare or pay any dividends on or make other distributions (whether in cash, shares or property or any combination thereof) in respect of any of its share capital, other than dividends paid within the Inmet Group (vi) split, combine or reclassify any of its share capital or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for, its shares, (vii) repurchase, redeem or otherwise acquire any of its shares or any securities convertible into or exercisable for any of its shares, except Inmet's convertible subordinated debentures or shares of a direct or indirect wholly-owned subsidiary of Inmet, (viii) issue, deliver, sell, pledge or transfer or authorize or propose the issuance, delivery, sale, pledge or transfer of, any shares or any securities convertible into or exercisable or exchangeable for, or any rights, warrants or options to acquire, any such shares, or enter into any agreement with respect to any of the foregoing, other than with respect to the issuance of common shares upon the exercise of options, the conversion of the convertible subordinated debentures or the exercise of rights under deferred share units, in each case in accordance with their existing terms, and the issuance of common shares contemplated by this agreement on the completion of the Transaction, or (ix) accelerate or cause the acceleration of, and will take reasonable steps to prevent the acceleration of, the vesting of any outstanding options to acquire common shares of Inmet.

6. Covenants of Aur:

Aur hereby covenants and agrees with Inmet as follows:

(a) Subject to the obtaining of any required consents, Aur will promptly provide Inmet with any information in the possession or control of Aur and relating to the Aur Group requested by Inmet or its counsel so that Inmet may complete its due diligence investigations of the Aur Group.

(b) Aur will use its best efforts to satisfy all of the conditions precedent to the completion of the Transaction and will use its best efforts to apply for and obtain, and will cooperate with Inmet in applying for and obtaining, such consents, orders and approvals necessary for Aur or Inmet respectively to complete the Transaction.

(c) Aur will convene and hold a special meeting of its shareholders for the purpose of considering the Transaction as soon as reasonably practicable and, in any event, subject to paragraph 10. no later than August 31, 2004 or such later date as may be mutually agreed upon; for greater certainty, it is the intention of Aur to convene the meeting on or prior to June 30, 2004. In connection with the special meeting of Aur, as promptly as reasonably practicable, Aur shall cooperate with Inmet to prepare the Circular, in a form satisfactory to both parties, together with any other documents required by applicable law in connection with the consideration of the Transaction by the shareholders of Aur. The Circular will contain, among other things, the unanimous recommendation of Aur's board of directors that the shareholders of Aur vote in favour of the Transaction on the basis that the board has unanimously determined the Transaction to be in the best interests of, and the consideration to be received by shareholders of Aur to be fair to, the shareholders of Aur.

(d) Aur shall promptly furnish to Inmet and its counsel a copy of all information concerning Aur as may be used for the preparation of the Circular. Aur shall ensure that the Circular will comply with all applicable laws (except where such compliance relates to information about or provided by Inmet) and hereby covenants that no information furnished by Aur in connection therewith or otherwise in connection with the consummation of the Transaction will contain any misrepresentation (as defined in the Securities Act) or any untrue statement of a material fact (as defined in the Securities Act) or omit to state a material fact required to be stated therein in order to make any information so furnished for use in any such document not misleading in light of the circumstances in which it is provided.

(e) Aur Group shall carry on its businesses in the ordinary course in substantially the same manner as heretofore conducted and shall use commercially reasonable efforts to (i) preserve intact in all material respects its present business organizations, and (ii) preserve in all material respects relationships with customers, suppliers and other having business dealings with them. Aur Group shall not (i) enter into new material lines of business other than lines reasonably related to or extensions of existing businesses, (ii) incur or commit to any cash capital expenditures or any obligations or liabilities in connection therewith, other than cash capital expenditures, obligations or liabilities (A) incurred or committed to in the ordinary course of business consistent with past practice, or (B) publicly disclosed in documents filed on SEDAR, (iii) enter into any contract that limits or otherwise restricts the Aur Group (or any successor thereto), or that by its terms could, after the closing of the Transaction, limit or restrict Aur Group (or any successor thereto), from engaging or competing in any line of business or in any geographic area, or (iv) cancel, rescind or terminate any material contract (including any material employment contract) or make any material change thereto, except for terminations, rescissions and expirations pursuant to the terms of such contract or as a result of a breach by any counterparty thereto; (v) declare or pay any dividends on or make other distributions (whether in cash, shares or property or any combination thereof) in respect of any of its share capital, other than dividends paid within the Aur Group, (vi) split, combine or reclassify any of its share capital or issue or authorize the issuance of any other securities in respect of, in lieu of or in substitution for, its shares, (vii) repurchase, redeem or otherwise acquire any of its shares or any securities exercisable for any of its shares, except shares of a direct or indirect wholly-owned subsidiary of Aur, (viii) issue, deliver, sell, pledge or transfer or authorize or propose the issuance, delivery, sale, pledge or transfer of, any shares or any securities convertible into or exercisable or exchangeable for, or any rights, warrants or options to acquire, any such shares, or enter into any agreement with respect to any of the foregoing, other than with respect to the issuance of common shares upon the exercise of options in accordance with their existing terms, or (ix) accelerate or cause the acceleration of, and will take reasonable steps to prevent the acceleration of, the vesting of any outstanding options to acquire common shares of Aur.

7. Mutual Conditions of Transaction:

The parties agree that the following are conditions precedent for the completion of the Transaction for the benefit of both of them:

(a) mutually acceptable and legally enforceable agreements and other documents, including the Circular, the form of proxy in connection with the respective special meetings, the letters of transmittal for use by Aur shareholders (and if applicable, Inmet shareholders), an amalgamation agreement in respect of the Transaction (collectively the "**Transaction Documents**"), shall have been prepared or entered into, as the case may be, to give effect to the Transaction, with the Transaction Documents to contain customary and detailed provisions dealing with the mechanics of completing the Transaction as are typical in such documents for a transaction similar in nature to the Transaction;

(b) each of Inmet and Aur shall be satisfied, prior to 5:00 p.m. (Toronto time) on the day immediately preceding the Closing Date, that, as a result of their respective due diligence investigations on each other (notwithstanding any due diligence investigations conducted prior to the date of this agreement), there was no undisclosed adverse material fact existing on the date of this agreement and which continues to exist at such time with respect to the other party and, unless Aur or Inmet provides written notice to the other of them prior to 5:00 p.m. (Toronto time) on such day that it is not so satisfied with the results of its due diligence investigations on the other of them, each of Aur and Inmet shall then be deemed to be satisfied that, based on the results of its due diligence investigations on the other party that there is no undisclosed adverse material fact with respect to the other party;

(c) two-thirds of the shareholders of Inmet present in person or by proxy at the special meeting convened to consider the Transaction shall have approved the Transaction and approved such other matters as either Inmet or Aur shall consider necessary or desirable in connection with the Transaction in the manner required thereby;

(d) two-thirds of the shareholders of Aur present in person or by proxy at the special meeting convened to consider the Transaction shall have approved the Transaction and approved such other matters as either Aur or Inmet shall consider necessary or desirable in connection with the Transaction in the manner required thereby;

(e) on or before the Closing Date, the Commissioner appointed under the Competition Act (the "Commissioner") (a) shall have issued an ARC under section 102 of the Competition Act in respect of the transactions contemplated by this agreement, or (b) (i) shall have advised Inmet in writing that the Commissioner does not at that time have grounds on which to make an application to the Competition Tribunal under Part VIII of the Competition Act for an order in respect of the transactions contemplated by this agreement, and (ii) pursuant to subsection 113(c) of the Competition Act, shall have waived the notification obligations of Aur and Inmet under Part IX of the Competition Act in respect of the transactions contemplated by this agreement;

(f) all governmental, court, regulatory, third person and other approvals, consents, waivers, orders, exemptions, agreements and all amendments and modifications to agreements, indentures and arrangements which either Inmet or Aur shall consider necessary or desirable in connection with the Transaction and not otherwise specifically described in this agreement shall have been obtained in form and substance satisfactory to Inmet and Aur;

(g) all common shares of Inmet to be issued pursuant to the Transaction will, when issued, be duly and validly issued as fully paid and non-assessable common shares and shall have been conditionally approved for listing and trading on the TSX (subject to satisfaction of any acceptable conditions imposed thereon) and the first trade by any person, other than a control person, of such common shares will not be subject to prospectus requirements of, or any hold period under, the securities laws of any of the provinces or territories of Canada;

(h) there shall have been no action taken under any applicable law or by any government or governmental or regulatory authority which

  (i) makes it illegal or otherwise directly or indirectly restrains, enjoins or prohibits the completion of the Transaction, or

  (ii) results or could reasonably be expected to result in a judgment, order, decree or assessment of damages directly or indirectly, relating to the Transaction which is, or could be, materially adverse to Inmet or Aur, respectively, on a consolidated basis;

(i) no act, action, suit or proceeding shall have been threatened or taken before or by any domestic or foreign court, tribunal or governmental agency or other regulatory authority or administrative agency or commission by any person (including, without limitation, any individual, corporation, firm, group or entity) in Canada or elsewhere, whether or not having the force of law, and no law, regulation or policy shall have been enacted, promulgated or applied, which would materially and adversely affect Inmet on and after the completion of the Transaction;

(j) holders of no greater than 5% of the outstanding common shares of either Inmet or Aur shall have dissented to the Transaction; and

(k) other than in the normal course of business, from the date hereof (i) there shall have been no material change in the employment arrangements of any vice-president, or officer holding a comparable or more senior position, of either Inmet or Aur, and (ii) neither Inmet nor Aur shall have hired any additional officer to hold any such position.

8. Conditions Precedent to the Obligations of Inmet:

The obligation of Inmet to complete the Transaction shall be subject to the satisfaction, among others, of the following conditions:

(a) Inmet's financial advisors shall not have withdrawn their fairness opinion delivered to the directors of Inmet on the date hereof;

(b) Aur shall have performed and complied in all material respects with all of the covenants and obligations thereof required to be performed by Aur prior to the completion of the Transaction and Inmet shall have received a certificate signed on behalf of Aur by its Chief Executive Officer and its Chief Financial Officer to such effect;

(c) the representations and warranties of Aur contained in this agreement (read without regard to any materiality qualifications) shall be true and accurate, when made and on and as of the Closing Date with the same force and effect as if they had been made on the Closing Date, other than such failures to be true and correct that, individually or in the aggregate, would not reasonably be expected to be material and adverse to Aur, and Inmet shall have received a certificate signed on behalf of Aur by its Chief Executive Officer and its Chief Financial Officer to such effect; and

(d) there shall not have been any development, change, event or occurrence that has had or would be reasonably likely to have a material adverse effect on the Aur Group and for the purposes hereof, material adverse effect means a material adverse effect on the business, operations, results of operations, prospects, assets, liabilities or financial condition of the Aur Group taken as a whole, other than any development, change, event or occurrence: (i) relating to the global economy or securities markets in general; (ii) affecting the worldwide base metal mining industry in general and which does not have a materially disproportionate effect on the Aur Group, taken as a whole (as compared to the worldwide base metal mining industry in general); (iii) resulting from changes in the price of gold, copper, zinc or silver; (iv) relating to changes in currency exchange rates; or (v) which is a change in the trading price of the publicly traded securities of Aur immediately following and reasonably attributable to the disclosure of the Transaction and the matters contemplated hereby.

9. Conditions Precedent to the Obligations of Aur:

The obligations of Aur to complete the Transaction shall be subject to the satisfaction of, among others, the following conditions:

(a) Aur's financial advisors shall not have withdrawn their fairness opinion delivered to the directors of Aur on the date hereof;

(b) Inmet shall have performed and complied in all material respects with all of the covenants and obligations thereof required to be performed by Inmet prior to the completion of the Transaction and Aur shall have received a certificate signed on behalf of Inmet by its Chief Executive Officer and its Chief Financial Officer to such effect;

(c) the representations and warranties of Inmet contained in this agreement (read without regard to any materiality qualifications) shall be true and accurate, when made and on and as of the Closing Date with the same force and effect as if they had been made on the Closing Date, other than such failures to be true and correct that, individually or in the aggregate, would not reasonably be expected to be material and adverse to Inmet, and Aur shall have received a certificate signed on behalf of Inmet by its Chief Executive Officer and its Chief Financial Officer to such effect; and

(d) there shall not have been any development, change, event of occurrence that has had or would be reasonably likely to have a material adverse effect on the Inmet Group and, for the purposes hereof, material adverse effect means a material adverse effect on the business, operations, results of operations, prospects, assets, liabilities or financial condition of the Inmet Group taken as a whole, other than any development, change, event or occurrence: (i) relating to the global economy or securities markets in general; (ii) affecting the worldwide base metal mining industry in general and which does not have a materially disproportionate effect on the Inmet Group, taken as a whole (as compared to the worldwide base metal mining industry in general); (ii) resulting from changes in the price of gold, copper, zinc or silver; (iv) relating to changes in currency exchange rates; or (v) which is a change in the trading price of the publicly traded securities of Inmet immediately following and reasonably attributable to the disclosure of the Transaction and the matters contemplated hereby.

10. Closing Date:

Inmet and Aur shall use their best efforts to complete the Transaction by July 1, 2004, provided that the actual date, time and place of closing shall be determined in accordance with paragraph 11 (with the date on which the Transaction is to be completed being the "**Closing Date**"), which date may in no event be later than August 31, 2004 (except by written agreement of Inmet and Aur) unless a party makes a Recommendation Change (as hereinafter defined) in accordance with the provisions of paragraph 13 and the other party exercises its rights to require the first party to hold a special meeting, as contemplated in paragraph 13, in which case the first party shall unilaterally postpone the Closing Date to such later date as may be necessary, in light of such Recommendation Change, (i) to allow such special meeting to be duly constituted and held and (ii) to allow the first party to provide its shareholders with sufficient information concerning the Superior Proposal or the Recommendation Change to enable such shareholders to form a reasoned judgment regarding the Transaction.

11. Closing:

Subject to paragraph 10 hereof, completion of the Transaction shall take place at 9 a.m. at the offices of Torys LLP, Suite 3200, 79 Wellington Street West, Box 270, TD Centre, Toronto, Ontario on the earlier of the first business day following the last to occur of the Inmet and Aur special meetings and the fifth business day following the date on which all conditions for the completion of the Transaction have been fulfilled or waived or such other place or date agreed to by Inmet and Aur.

12. No Solicitation:

During the period commencing on the date hereof and continuing until the first to occur of (i) the Closing Date and (ii) the Termination Date (as defined in paragraph 15 hereof), Inmet and Aur agree that they will not, directly or indirectly, and will not authorize or permit any representative thereof to, directly or indirectly, (a) solicit, initiate, encourage, engage in or respond to (other than to decline) any inquiries or proposals regarding any merger, amalgamation, share exchange, business combination, take-over bid, sale or other disposition of their assets, any recapitalization, reorganization, liquidation, material sale or issue of treasury securities or rights or interests therein or thereto or rights or options to acquire any material number of treasury securities or any type of similar transaction which would or could, in any case, constitute a de facto change of control (each an "**Acquisition Proposal**"), other than the Transaction, (b) encourage or participate in any discussions or negotiations regarding any Acquisition Proposal, (c) agree to, approve or recommend an Acquisition Proposal, or (d) enter into any agreement related to an Acquisition Proposal provided, however, that subject as hereinafter provided, nothing shall prevent Inmet or Aur from furnishing non-public information to, or entering into a confidentiality agreement and/or discussions and/or negotiations with, any person in response to a bona fide unsolicited Acquisition Proposal that is submitted by such person after the date hereof which is not withdrawn if (i) the directors of Inmet or Aur, as the case may be, conclude in good faith, after consultation with counsel, that such action is required in order for them to comply with their fiduciary obligations under applicable law, and (ii) prior to furnishing such non-public information to, entering into a confidentiality agreement with, or entering into discussions with, such person, Inmet or Aur, as the case may be, gives the other of them, written notice of its intention to furnish non-public information to, enter into a confidentiality agreement with, or enter into discussions with, such person. Inmet and Aur shall immediately after the execution hereof terminate all existing discussions or negotiations with any person (other than those ongoing between them) with respect to any potential Acquisition Proposal. Concurrent with the execution hereof Inmet and Aur shall advise the other of them of any current Acquisition Proposal and Inmet and Aur shall promptly notify the other of them of any future Acquisition Proposal which any director, senior officer or agent thereof is or becomes aware of, any amendment to any of the foregoing or any request for non-public information relating to them. Such notice shall include a description of the material terms and conditions of any such proposal and the identity of the person making such proposal, inquiry, request or contact.

As used in this agreement, "**de facto change of control**" means, with respect to a party, the purchase or sale of 20% or more of the assets of the party and its subsidiaries taken as a whole (including, without limitation, through the purchase or sale of securities of the party's subsidiaries) or any purchase or sale of, or tender or exchange offer for, voting securities of the party that, if consummated, would result in any person (or the shareholders of such person) beneficially owning securities representing 20% or more of the total voting power of the party.

13. Superior Proposals:

Either Inmet or Aur (the "**Receiving Party",** being the party having received an Acquisition Proposal, and the other party then being referred to as the "**Non-Receiving Party**") or the directors thereof may, in respect of any Acquisition Proposal received by them prior to the approval by the shareholders of the Receiving Party for the Transaction, change their recommendation to their shareholders regarding the approval of the Transaction (a "**Recommendation Change**") if prior to the Recommendation Change: (i) they have determined that such Acquisition Proposal constitutes a Superior Proposal (as hereinafter defined) and advised the Non-Receiving Party of that fact and their intention to make a Recommendation Change; (ii) the Non-Receiving Party has been provided with a copy of the document containing such Superior Proposal (with such deletions as are necessary to protect any confidential portions of such document, provided that material terms and conditions of, and the identity of the person making, such Superior Proposal may not be deleted); and (iii) five business days have elapsed from the later of the date on which the Non-Receiving Party received the material required to be provided to it pursuant to (i) and (ii). The Receiving Party and the Non-Receiving Party agree that if the Non-Receiving Party so elects, during the five business day period referred to in (iii), they and their financial and legal advisors shall negotiate in good faith to make such adjustments to the terms and conditions of this agreement as would enable the Receiving Party to not make its Recommendation Change, while allowing their respective boards of directors to comply with their fiduciary duties under applicable law. During such five business day period, the Receiving Party shall not enter into any agreement in respect of the Superior Proposal with the party making the Superior Proposal; provided, however, that the Receiving Party may, during that time, enter into or continue discussions with such party, but such discussions shall in no way affect the rights of the Non-Receiving Party under this agreement to require that the Receiving Party hold a special meeting of its shareholders to consider the Transaction and, if the Receiving Party's shareholders approve the Transaction and the other conditions for the Receiving Party's benefit are satisfied or waived, proceed to complete the Transaction.

The Receiving Party's board of directors may communicate to the shareholders of the Receiving Party their Recommendation Change in such manner as they may elect, including the issuance of a press release and such other communication they determine necessary. The first public announcement or other communication to Receiving Party shareholders of the Recommendation Change is referred to as the "**Change Date**".

At any time following the Change Date, the Non-Receiving Party may elect, by notice in writing to the Receiving Party, to terminate this agreement pursuant to paragraph 15 hereof, and upon the Non-Receiving Party so doing, the Receiving Party will be obliged to make the payment contemplated by, and in accordance with, paragraph 14 hereof; alternatively, notwithstanding any Recommendation Change, the Non-Receiving Party may require the Receiving Party to hold its special meeting, and if the Non-Receiving Party takes no action, it shall be deemed to have not terminated the agreement and the Receiving Party will proceed to hold its special meeting.

As used in this agreement, "**Superior Proposal**" means a bona fide unsolicited Acquisition Proposal received after the date hereof that: (A) is not conditional on obtaining financing, (B) in respect of which the directors of Inmet or Aur, as the case may be, have determined in good faith, after consultation with, and receiving advice (which may include a written opinion) from, as appropriate, their financial, legal and other advisors that such Acquisition Proposal would, if consummated in accordance with its terms, result in a transaction which results in the holders of the common shares of Inmet or Aur, as the case may be, receiving consideration of greater value per share than is available to them as a result of the Transaction. The parties acknowledge that the Transaction represents a strategic transaction for both companies and in assessing whether the Acquisition Proposal is a "**Superior Proposal**" they will consider the long term benefits which are offered to the shareholders by virtue of the business combination.

14. <u>Compensation Fee</u>:

If:

(a) the Non-Receiving Party terminates this agreement in accordance with paragraph 13 hereof;

(b) following a Recommendation Change to shareholders by a Receiving Party in accordance with paragraph 13 hereof, the shareholders of the Receiving Party do not approve the Transaction in accordance with the terms of subparagraphs 7(c) or (d), as the case may be, at the meeting duly called for such purposes; or

(c) (i) following the date of this agreement a party becomes a Receiving Party in respect of an Acquisition Proposal that has been publicly announced or otherwise disclosed to the public (whether or not the Acquisition Proposal is determined to be a Superior Proposal), (ii) the shareholders of the Receiving Party do not approve the Transaction at the meeting duly called for such purposes and (iii) within 180 days following the date of such meeting of shareholders the Receiving Party accepts, approves or recommends, or enters into an agreement (whichever occurs first) with respect to any merger, amalgamation, share exchange, business combination, take-over bid, sale or other disposition of its assets, any recapitalization, reorganization, liquidation, material sale or issue of treasury securities or rights or interests therein or thereto or rights or options to acquire any material number of treasury securities or any type of similar transaction which would or could, in any case, constitute a de facto change of control, whether or not such transaction is the Acquisition Proposal received following the date of this agreement, (any such event being a "**Triggering Event**"), then the Receiving Party shall pay the Non-Receiving Party an amount in cash equal to 3% of the Market Capitalization (as defined below) of the Receiving Party as of the close of business on the last trading day prior to the date on which the Triggering Event occurred. Such payment will be made by the Receiving Party in immediately available funds to an account designated by the Non-Receiving Party. Such payment shall be made, in the circumstances set forth in subparagraph 14(a) or 14(b) hereof, within three business days of the termination of the agreement by the Non-Receiving Party or the vote by the shareholders at the special meeting, and, in the circumstances set forth in subparagraph 14(c) above, at the time that is the first to occur of such Acquisition Proposal being accepted, approved or recommended or an agreement with respect to such Acquisition Proposal being executed. The obligation to make any payment required by this paragraph shall survive any termination of this agreement.

For the purpose of this agreement, "**Market Capitalization**" means the volume weighted average trading price for all trading of common shares of the Receiving Party on the TSX for the five trading day period ending on, and including, the trading day (the "final trading day") prior to the date on which the Triggering Event occurred multiplied by the total number of common shares of the Receiving Party outstanding at the close of business on the final trading day.

Aur and Inmet hereby each acknowledge that the payment amount set out in this subparagraph is a payment of liquidated damages which is a pre-estimate of the damages which it will suffer or incur as a result of the event giving rise to such damages and the resultant non-completion of the Transaction and is not a penalty. Inmet and Aur hereby irrevocably waive any right they may have to raise as a defence that any such liquidated damages are excessive or punitive. Upon receipt of payment of such amount by the Non-Receiving Party, the Non-Receiving Party shall have no further claim against the Receiving Party in respect of the failure to complete the Transaction, provided that nothing herein shall preclude the Non-Receiving Party from seeking injunctive relief to restrain any breach or threatened breach by the Receiving Party of any of its obligations hereunder or otherwise to obtain specific performance without the necessity of posting bond or security in connection herewith. In addition, neither party is precluded from seeking damages in respect of any breach of the agreement by the other party which breach occurred prior to the termination of the agreement.

15. <u>Termination:</u>

This agreement may be terminated by:

(a) the Non-Receiving Party in the circumstances permitted by paragraph 13 hereof; or

(b) Inmet or Aur (as used in this subparagraph, the "**first party**"), if the other party provides notice of its inability to comply with any of the covenants, conditions or agreements to be complied with or satisfied by it hereunder and provides to the first party such details and supporting materials relating to such inability as the first party shall reasonably request in order to assess the impact thereof; or

(c) Inmet or Aur, in the event that the Circular for the respective special meetings of Inmet and Aur has not been mailed to their security holders on or prior to August 10, 2004 or the Transaction has not been completed by August 31, 2004 (subject to paragraph 10) as a result of the failure of one or more of the conditions in a party's favour to be satisfied (or waived by that party).

The date upon which this agreement is terminated pursuant to this paragraph 15 is referred to herein as the "**Termination Date**". Termination of this agreement shall not relieve either party of the obligations it may then have pursuant to paragraph 14 and subparagraphs 16 (a), (c), (e) and (j) hereof.

16. Miscellaneous:

(a) Costs: Except as provided above under "**Compensation Fee**", each of Inmet and Aur shall pay its own costs and expenses (including all legal, accounting and financial advisory fees and expenses) in connection with the Transaction including expenses related to the preparation, execution and delivery of this agreement and the documents required hereunder.

(b) Approvals:

(i) Inmet hereby represents to Aur that Inmet's directors have authorized Inmet to proceed with the Transaction on and subject to the terms and conditions set out herein.

(ii) Aur hereby represents to Inmet that Aur's directors have authorized Aur to proceed with the Transaction on and subject to the terms and conditions set out herein.

(c) Public Announcements: Inmet and Aur agree to make a joint press release with respect to the Transaction as soon as practicable after the date on which this agreement has become effective and to otherwise coordinate the public disclosure and presentations made by them with respect to the Transaction. Inmet and Aur further agree that there will be no public announcement or other disclosure of the Transaction or of the matters dealt with herein unless they have mutually agreed thereto or unless otherwise required by applicable law or by regulatory instrument, rule or policy based on the advice of counsel. If either Inmet or Aur is required by applicable law or regulatory instrument, rule or policy to make a public announcement with respect to the Transaction, such party hereto will provide as much notice to the other of them as reasonably possible, including the proposed text of the announcement.

(d) Cure Provisions: Each of Inmet and Aur will give prompt notice to the other of the occurrence, or failure to occur, at any time from the date hereof until the Closing Date, of any event or state of facts which occurrence or failure would, or would be likely to: (a) cause any of the representations or warranties of it contained herein to be untrue or inaccurate in any material respect on the date hereof or at the Closing Date; or (b) result in the failure to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder prior to the Closing Date.

(e) Law: This letter shall be governed by and construed in accordance with the laws of the Province of Ontario and Inmet and Aur irrevocably attorn to the exclusive jurisdiction of the courts of such province.

(f) Amendment: This agreement may, at any time and from time to time, be amended by written agreement of the parties hereto.

(g) Assignment: Neither party hereto may assign its rights or obligations under this agreement.

(h) Binding Effect: This agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors.

(i) Waiver: Any waiver or release of any of the provisions of this agreement, to be effective, must be in writing and executed by the party hereto granting such waiver or right.

(j) Confidentiality Agreement: The parties acknowledge that the transactions contemplated by this agreement are subject to a confidentiality agreement dated April 16, 2004 between Aur and Inmet (the "**Confidentiality Agreement**"), which agreement shall continue in full force and effect. For greater certainty, this agreement and any discussions in connection therewith shall be treated by the parties hereto as strictly confidential and shall not (without the prior consent of the other party hereto or as contemplated or provided herein) be disclosed by either party hereto to any person other than (i) a director, officer, employee, agent, shareholder or professional advisor of or to that party hereto with a need to know for purposes connected with the Transaction or other matters contemplated by this agreement and then only on a confidential basis and also on the basis that the party concerned will be liable for any breach of confidentiality by a person to whom it makes disclosure, or (ii) as required by applicable law or regulation or by any applicable governmental, judicial, stock exchange or other regulatory authority or process. In the event of a conflict between the provisions hereof and any provision of the Confidentiality Agreement, the provisions hereof shall prevail.

(k) Counterparts. This agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument.

(l) Further Assurances. Each of the parties shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other party hereto may reasonably require from time to time for the purpose of giving effect to this agreement and shall use reasonable efforts and take all such steps as may reasonably be within its power to implement the provisions of this agreement to their full extent.

(m) Entire Agreement: This agreement, together with the Confidentiality Agreement, contains the entire agreement between the parties hereto with respect to the subject matter hereof and thereof and supersedes all prior agreements and understandings with respect thereto.

Would you kindly signify your acceptance of the terms contained herein by executing the enclosed duplicate copy hereof in the place indicated and thereafter returning such executed copy to Inmet by no later than 11:59 p.m. Toronto time on Tuesday the 4th day of May, 2004, failing which this agreement shall be of no force or effect.

INMET MINING CORPORATION

By: ***"Richard A. Ross"***

Richard A. Ross
President and Chief Executive Officer

Accepted and agreed as of this 4th day of May, 2004.

AUR RESOURCES INC.

By: ***"James W. Gill"***

James W. Gill
President and Chief Executive Officer