

JOHNSON & JOHNSON  
Form FWP  
November 19, 2014

**Filed Pursuant to Rule 433**

**Registration No. 333-194146**

**November 18, 2014**

**PRICING TERM SHEET**

**1.125% Notes due 2017**

<b>Issuer:</b>	Johnson & Johnson
<b>Security:</b>	1.125% Senior Unsecured Notes due 2017
<b>Size:</b>	\$700,000,000
<b>Maturity Date:</b>	November 21, 2017
<b>Coupon:</b>	1.125%
<b>Interest Payment Dates:</b>	Paid semi-annually on May 21 and November 21, commencing May 21, 2015
<b>Price to Public:</b>	99.921%
<b>Underwriting Discount:</b>	0.250%
<b>Benchmark Treasury:</b>	0.875% due November 15, 2017
<b>Benchmark Treasury Price and Yield:</b>	99-24 <sup>3</sup> / <sub>4</sub> , 0.952%
<b>Spread to Benchmark Treasury:</b>	20 bps
<b>Yield:</b>	1.152%
<b>Optional Redemption:</b>	Make-whole call at Treasury +5 bps
<b>Trade Date:</b>	November 18, 2014
<b>Expected Settlement Date:</b>	November 21, 2014
<b>CUSIP / ISIN:</b>	478160 BL7 / US478160BL73
<b>Expected Ratings:*</b>	Aaa (stable) (Moody s)  AAA (stable) (S&P)
<b>Joint Book-Running Managers:</b>	Goldman, Sachs & Co.  J.P. Morgan Securities LLC  Merrill Lynch, Pierce, Fenner & Smith  Incorporated

Citigroup Global Markets Inc.

Deutsche Bank Securities Inc.

RBS Securities Inc.

**Senior Co-Managers:**

BNP Paribas Securities Corp.

HSBC Securities (USA) Inc.

Mitsubishi UFJ Securities (USA), Inc.

The Williams Capital Group, L.P.

**Co-Managers:**

RBC Capital Markets, LLC

Santander Investment Securities Inc.

**\* A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.**

**The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering.**

**You may obtain these documents for free by visiting EDGAR on the SEC Web site at [www.sec.gov](http://www.sec.gov). Alternatively, the issuer, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling Goldman, Sachs & Co. toll-free at 1-866-471-2526, J.P. Morgan Securities LLC collect at 1-212-834-4533 or Merrill Lynch, Pierce, Fenner & Smith Incorporated toll-free at 1-800-294-1322.**

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\$ (4,678

)  
\$ (31,575

)  
\$ (20,546

)

Earnings per share attributable to common shareholders (note 5):

Basic	
\$	0.13
\$	(0.08)
)	

\$ (0.14)

)  
Diluted

\$ 0.13

\$ (0.08)

)

\$ (0.14)

)

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Pan American Silver Corp.

Notes to the pro forma condensed consolidated financial statements

(Unaudited)

(expressed in thousands of United States dollars, except where noted)

**1. Basis of presentation**

These unaudited pro forma condensed consolidated financial statements have been prepared by management of Pan American Silver Corp. ( Pan American ) in connection with the proposed acquisition by Pan American of all of the outstanding shares of Minefinders Corporation Ltd. ( Minefinders ).

The unaudited pro forma condensed consolidated statement of financial position of Pan American as at September 30, 2011 and the unaudited pro forma consolidated income statements for the nine month period ended September 30, 2011 and for the year ended December 31, 2010 have been prepared, for illustrative purposes only, to give effect to the proposed transaction pursuant to the assumptions described in notes 2, 3 and 4 of these pro forma condensed consolidated financial statements. These pro forma condensed consolidated financial statements include and have been compiled from:

- a) A pro forma condensed consolidated statement of financial position combining:
  - (i) the unaudited interim condensed consolidated statement of financial position of Pan American as at September 30, 2011; and
  - (ii) the unaudited interim condensed consolidated statement of financial position of Minefinders as at September 30, 2011.
  
- b) A pro forma condensed consolidated income statement for the nine months ended September 30, 2011 combining:
  - (i) the unaudited interim condensed consolidated income statement of Pan American for the nine months ended September 30, 2011; and
  - (ii) the unaudited interim condensed consolidated income statement of Minefinders for the nine months ended September 30, 2011.

c) A pro forma condensed consolidated income statement for the year ended December 31, 2010 combining:

(i) the unaudited consolidated income statement of Pan American for the year ended December 31, 2010 (Schedule 1) which is based on the consolidated income statement of Pan American for the year ended December 31, 2010 prepared under Canadian generally accepted accounting principles ( Canadian GAAP ) and reconciled to International Financial Reporting Standards ( IFRS ) as disclosed in the IFRS transition note in the unaudited condensed consolidated interim financial statements of Pan American for the three month period ended March 31, 2011; and

(ii) the unaudited consolidated income statement of Minefinders for the year ended December 31, 2010 (Schedule 2) which is based on the consolidated income statement of Minefinders for the year ended December 31, 2010 prepared under Canadian GAAP and reconciled to IFRS as disclosed in the IFRS transition note in the unaudited condensed consolidated interim financial statements of Minefinders for the three month period ended March 31, 2011.

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Pan American Silver Corp.

Notes to the pro forma condensed consolidated financial statements

(Unaudited)

(expressed in thousands of United States dollars, except where noted)

The pro forma condensed consolidated statement of financial position as at September 30, 2011 has been prepared as if the transactions described in Notes 3 and 4 had occurred on September 30, 2011. The pro forma consolidated statements of earnings for the nine months ended September 30, 2011 and for the year ended December 31, 2010 have been prepared as if the transactions described in Notes 3 and 4 had occurred on January 1, 2010.

The pro forma condensed consolidated financial statements are not intended to reflect the results of operations or the financial position of Pan American, which would have actually resulted had the transactions been effected on the dates indicated. Actual amounts recorded upon consummation of the agreements will likely differ from those recorded in the unaudited pro forma consolidated financial statement information. Similarly, the calculation and allocation of the purchase price has been prepared on a preliminary basis and is subject to change between the time such preliminary estimations were made and closing as a result of several factors which could include among others: changes in fair value of the assets acquired and liabilities assumed and the market price of the related shares, options and warrants. Any potential synergies that may be realized and integration costs that may be incurred upon consummation of the transactions have been excluded from the unaudited pro forma financial information. Further, the pro forma financial information is not necessarily indicative of the results of operations that may be obtained in the future.

The unaudited pro forma condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of Pan American and Minefinders for the year ended December 31, 2010, and notes thereto; the unaudited reconciliation of Canadian GAAP to IFRS for the year ended December 31, 2010 included in the unaudited interim condensed consolidated financial statements of Pan American and Minefinders for the three month period ending March 31, 2011; as well as the unaudited interim condensed consolidated financial statements of Pan American and Minefinders for the nine months ended September 30, 2011.

**2. Significant accounting policies**

The accounting policies used in the preparation of these unaudited pro forma condensed consolidated financial statements are those set out in Pan American's unaudited interim condensed consolidated financial statements as at March 31, 2011. In preparing the unaudited pro forma condensed consolidated financial statements a review was undertaken to identify accounting policy differences where the impact was potentially material and could be reasonably estimated. The significant accounting policies of Minefinders conform in all material respects to those of Pan American.

**3. Pro forma preliminary purchase price allocation**

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In January 2012, Pan American Silver and Minefinders jointly announced that Pan American made an offer to acquire all of the issued and outstanding common shares of Minefinders. Under the terms of the offer, Minefinders shareholders will be entitled to elect to receive in exchange for each Minefinders common share held:

- (i) 0.55 of a Pan American common share and CAD\$1.84 (\$1.84) in cash; or
  
- (ii) 0.6235 of a Pan American common share and CAD\$0.0001 (\$0.0001) in cash; or
  
- (iii) \$15.60 in cash;

with alternatives (ii) and (iii) subject to proration such that the number of Pan American shares to be issued and the amount of cash to be paid will be limited to specified aggregate maximum

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Pan American Silver Corp.

Notes to the pro forma condensed consolidated financial statements

(Unaudited)

(expressed in thousands of United States dollars, except where noted)

amounts. As a result, the average consideration to be paid is expected to be equal to the amount determinable in (i) above and these pro forma condensed consolidated financial statements are prepared on the assumption that all Minefinders shareholders elect alternative (i).

In addition, on January 22, 2012, the Compensation Committee of the Board of Directors of Minefinders passed a resolution accelerating the vesting of all Minefinders share options that would otherwise be unvested. Each Minefinders option holder will be entitled to:

- (i) exercise their vested Minefinders options and participate in the offer as a Minefinders shareholder; or
  
- (ii) elect to receive a replacement Pan American share option entitling the holder to purchase 0.6235 Pan American shares at an exercise price equal to the exercise price of the exchanged Minefinders option divided by 0.6235.

These pro forma condensed consolidated financial statements are prepared on the assumption that each Minefinders option holder will elect to receive a replacement Pan American option on the basis described by (ii) above.

It is also assumed for the purposes of preparing these pro forma condensed consolidated financial statements that holders of the Minefinders convertible notes will elect to convert into Minefinders common shares prior to the closing date.

A total of 95,083,627 Minefinders common shares are estimated to be exchanged for 52,295,995, Pan American shares and 657,250 options. The value of the Pan American common shares and options issued was calculated based on the closing price of Pan American common shares on January 27, 2012 for the purpose of preparing these condensed consolidated pro forma financial statements. The final common share purchase consideration will be determined based on the market price of Pan American common shares on the date of acquisition. Minefinders convertible noteholders may be entitled to receive a conversion premium following the effective date in the form of additional Minefinders shares. These pro forma financial statements do not take into consideration the additional shares as the impact is not determinable until the date of acquisition. The maximum number of Pan American shares that may be issued in connection with the acquisition is 53,666,003.

The transaction has an estimated acquisition cost of \$1,384.4 million including the following items as at January 27, 2012:

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- (i) 52,295,995 Pan American common shares at CAD \$23.10 per share (\$23.06) for total share consideration of \$1,205.9 million; plus
  
- (ii) 657,250 Pan American replacement stock options at an average fair value of CAD\$5.47 per option (\$5.46) for total consideration of \$3.6 million.
  
- (iii) Cash payment of \$174,954 as a result of the purchase of 95.1 million Minefinders shares at CAD \$1.84 (\$1.84).

The following weighted average assumptions were used for the Black-Scholes option pricing model to determine the fair value of the replacement stock options:

Risk-free interest rate	0.93%
Expected volatility	40.75%
Expected life	4

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Pan American Silver Corp.

Notes to the pro forma condensed consolidated financial statements

(Unaudited)

(expressed in thousands of United States dollars, except where noted)

Dividend rate	0.26%
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The transaction will be accounted for as a business combination. The foreign exchange rates used for conversion to United States dollars from Canadian dollars are as follows:

As at January 27, 2012 - 0.9982

Average for the nine months ended September 30, 2011 - 1.0232

Average for the twelve months ended December 31, 2010 - 0.9705

The allocation of the pro forma preliminary purchase price is summarized in the table below:

<b>Acquisition costs:</b>	
52.3 million shares of Pan American	\$ 1,205,867
0.7 million replacement stock options	3,589
Cash paid (95.1 million Minefinders shares x CAD\$1.84 (\$1.84))	174,954
	\$ 1,384,410
<b>Allocation of acquisition costs:</b>	
Cash and cash equivalents	\$ 246,859
Short term investments	19,433
Accounts receivable	1,537
Current portion of refundable tax	7,128
Inventory	70,298
Mineral properties, plant and equipment	1,117,729
Goodwill	255,560
Accounts payable and accrued liabilities	(29,445)
Provision for closure and reclamation	(8,678)
Deferred income taxes	(296,011)
	\$ 1,384,410

4. **Pro forma assumptions and adjustments**

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### *Pro forma adjustments to the consolidated statement of financial position*

The unaudited pro forma condensed consolidated statement of financial position reflects the following adjustments as if the business combination of Minefinders had occurred on September 30, 2011.

- a) To record the excess of the consideration paid over the fair value of Minefinders net assets allocated to mineral properties, plant and equipment.
  
- b) To record the actual exercise of 4,158,650 warrants and 1,722,500 options of Minefinders in the period from October 1, 2011 to January 27, 2012 for a cash consideration of \$20,793 and \$16,886, respectively.
  
- c) To record the extinguishment of the convertible notes which were recorded in current liabilities (\$50,988) and non-current liabilities (\$30,264) as a result of the assumed conversion of the notes and recording the related increase in equity (\$81,252).
  
- d) Elimination of shareholders equity of Minefinders on acquisition (\$440,235) and elimination of equity arising on the pro forma adjustment due to conversion of notes (see adjustment c and j)

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Pan American Silver Corp.

Notes to the pro forma condensed consolidated financial statements

(Unaudited)

(expressed in thousands of United States dollars, except where noted)

for Minefinders and exercise of warrants (see adjustment b and j) and options (see adjustment b) for a total of \$199,351. Also, the share option reserve of Minefinders in the amount of \$14,712 is eliminated.

e) To record the issuance of 52,295,995 common shares of Pan American recorded at a price of CAD\$23.10 (\$23.06) per share being the closing price of Pan American shares on January 27, 2012.

f) To record the \$174,954 cash paid on acquisition based on CAD\$1.84 (\$1.84) offered for 95.1 million Minefinders shares.

g) To issue 657,250 Pan American replacement stock options with a fair value of \$3,589.

h) To record the estimated costs of the business combination in the amount of \$22.2 million; \$13.1 million incurred by Pan American and \$9.1 million incurred by Minefinders.

i) To record the additional deferred income tax liability recorded on acquisition as a result of the excess of the fair value of the acquired assets over their corresponding tax bases. The tax effect of this excess has been assumed to be goodwill on the date of acquisition.

j) To extinguish the liability associated with the exercise of warrants with a carrying value of \$38,251 (see (k)) and the assumed conversion of the convertible feature of the notes with a carrying value of \$42,169 of Minefinders, resulting in an adjustment in the amount of \$80,420 which is credited to equity.

k) To record the \$38,251 fair value of the warrant liability in equity on exercise of the warrants, together with the cash received of \$20,793 on exercise, resulting in an adjustment in the amount of \$59,044 (see (b)).

*Pro forma adjustments to the consolidated income statements*

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The unaudited pro forma consolidated income statements for the nine months ended September 30, 2011 and year ended December 31, 2010 reflect the following adjustments as if the business combination had occurred on January 1, 2010.

- l) To record additional depreciation and amortization as a result of the increased cost of mineral properties, plant and equipment arising from the purchase price allocation (see (a)).
  
- m) To reverse interest expense relating to the convertible debenture which is assumed to be converted to common shares at acquisition.
  
- n) To eliminate the fair value change in warrants and convertible notes which would not have been incurred because, for the purposes of the pro forma, it is assumed that these were converted at the beginning of the period.
  
- o) To record an additional deferred tax recovery relating to increased depreciation and amortization costs in (see adjustment l).
  
- p) To record transaction costs in the amount of \$13,100 incurred by Pan American.

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Pan American Silver Corp.

Notes to the pro forma condensed consolidated financial statements

(Unaudited)

(expressed in thousands of United States dollars, except where noted)

**5. Pro forma loss per share**

The weighted average shares outstanding for Pan American have been adjusted to reflect the additional shares resulting from transactions described in Notes 3 and 4 effective January 1, 2010.

(thousands of shares)	Nine months ended September 30 2011	Year ended December 31 2010
Weighted average number of shares outstanding (basic)	107,043	106,969
Adjustment to reflect the acquisition	52,296	52,296
Shares after acquisitions (basic)	159,339	159,265

	Nine months ended September 30 2011	Year ended December 31 2010
Weighted average number of shares outstanding (diluted)	107,306	107,575
Adjustment to reflect the acquisition	52,296	52,296
Shares after acquisitions (diluted)	159,602	159,871

**6. Capital Stock**

After giving effect to the pro forma assumptions in note 4, the issued and fully paid share capital of Pan American would be as follows:

	Number of shares	Amount
Balance, September 30, 2011	106,937,220	\$ 1,269,665
Share consideration issued in connection with acquisition of Minefinders outstanding shares:		
Minefinders shares outstanding as at September 30, 2011 prior to pro forma adjustments	44,764,770	\$ 1,032,205
Shares issued in connection with the exercise of Minefinders convertible debentures prior to acquisition	4,296,592	\$ 99,073
Shares issued in connection with the exercise of Minefinders warrants prior to acquisition	2,287,258	\$ 52,743

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Shares issued in connection with the exercise of Minefinders options prior to acquisition	947,375	\$	21,846
Pro forma balance, September 30, 2011	159,233,215	\$	2,475,532

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Pan American Silver Corp.

Pro forma condensed consolidated financial statements  
Consolidated income statement of Pan American Silver Corp.

Schedule 1

Year ended December 31, 2010

(Unaudited)

(Expressed in thousands of dollars, except per share amounts)

	Year ended December 31 2010 Canadian GAAP	IFRS adjustments(1)	Reclassifications(2)	Year ended December 31 2010 IFRS
Revenue	\$ 631,986	\$ 14,567	\$	646,553
Cost of sales	(305,696)	(99,742)		(405,438)
Depreciation and amortization	(86,483)	86,483		
Mine operating earnings	239,807	1,308		241,115
General and administrative	(17,109)			(17,109)
Exploration and project development	(24,527)			(24,527)
Asset retirement and reclamation	(2,929)	2,929		
Doubtful accounts and inventory provision	(4,754)			(4,754)
Foreign exchange gains			1,686	1,686
Loss on commodity contracts			(237)	(237)
Gain (loss) on sale of assets			651	651
Operating earnings	190,488	4,237	2,100	196,825
Other income (expense)				
Interest and financing expenses	(2,061)	(3,669)		(5,730)
Investment and other income	5,488			5,488
Foreign exchange (losses)	11,058	(9,372)	(1,686)	
Gain (loss) on derivatives		(90,661)		(90,661)
Net (losses) and gains on commodity and currency contracts	(237)		237	
Gains on sale of assets	651		(651)	
Earnings before taxes	205,387	(99,465)		105,922
Non-controlling interest	(1,827)	1,827		
Income tax provisions	(90,987)	772		(90,215)
Net earnings	\$ 112,573	\$ (96,866)	\$	15,707
Attributable to:				
Equity holders of the Company		\$ 13,711	\$	13,711
Non-Controlling interest		\$ 1,996	\$	1,996
		15,707		15,707

(1) Refer to note 2 in the unaudited interim condensed consolidated financial statements of Pan American for the three months ended March 31, 2011 for a description of the IFRS adjustments recorded.

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(2) The amounts noted represent reclassifications of items in Pan American's income statement to conform to the presentation and classifications in the pro forma consolidated income statement.

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Pan American Silver Corp.

Pro forma condensed consolidated financial statements  
Statement of operations of Minefinders Corporation Ltd.

Schedule 2

Year ended December 31, 2010

(Unaudited)

(Expressed in thousands of dollars, except per share amounts)

	Year ended December 31 2010 Canadian GAAP		IFRS Adjustments(1)	Reclassifications(2)	Year ended December 31 2010 IFRS	
Revenue	\$	92,881	\$	\$	\$	92,881
Production costs		(44,257)		(506)		(44,763)
Royalties		(2,740)				(2,740)
Depreciation and amortization		(10,094)				(10,094)
Mine operating earnings		35,790		(506)		35,284
General and administrative		(6,701)		(1,780)		(8,481)
Exploration and project development		(4,766)		(548)		(5,314)
Share-based compensation		(2,834)		2,834		
Foreign exchange gains					2,083	2,083
Loss of sale of assets					(11)	(11)
Operating earnings (loss)		21,489			2,072	23,561
Other income (expense)						
Finance income		186				186
Finance expense		(10,917)		(49)		(10,966)
Change in fair value of derivative liability				(10,812)		(10,812)
Loss on disposal of assets		(11)			11	
Gain on exchange of convertible notes		25				25
Foreign exchange		2,083			(2,083)	
Earnings before income taxes		12,855		(10,861)		1,994
Income tax provision		(6,734)		62		(6,672)
Net earnings (loss)	\$	6,121	\$	(10,799)	\$	(4,678)
Net earnings (loss) per share						
Basic	\$	0.09	\$		\$	(0.08)
Diluted	\$	0.09	\$		\$	(0.08)

(1) Refer to note 16 in the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2011 of Minefinders for a description of the IFRS adjustments recorded.

(2) The amounts noted represent reclassifications of items in Minefinders income statement to conform to the presentation and classifications in the pro forma consolidated income statement.

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**SCHEDULE D**

**CIBC OPINION**

CIBC World Markets Inc.

Brookfield Place,

161 Bay Street, 7th floor

Toronto, Ontario

M5J 2S8

Tel: (416) 594-7000

January 20, 2012

The Board of Directors

of Pan American Silver Corp.

625 Howe Street, Suite 1500

Vancouver, British Columbia V6B 2T6

To the Board of Directors:

CIBC World Markets Inc. ( CIBC , we or us ) understands that Pan American Silver Corp. ( Pan American or the Company ) is proposing to enter into an arrangement agreement (the Arrangement Agreement ) with Minefinders Corporation Ltd. (the Target ) providing for, among other things, the acquisition (the Proposed Transaction ) by Pan American of all of the outstanding common shares (the Shares ) of the Target.

We understand that pursuant to the Arrangement Agreement:

- a) the Company will acquire each of the issued and outstanding Shares in consideration for 0.55 common shares of Pan American and CDN \$1.84 in cash per Share (collectively, the Consideration ), assuming full pro-rata in accordance with the terms of the

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Arrangement Agreement;

b) the Proposed Transaction will be effected by way of a plan of arrangement under the Section 182 of the Business Corporations Act (Ontario);

c) the completion of the Proposed Transaction will be conditional upon, among other things:

(i) approval by at least two-thirds of the votes cast by (A) the shareholders (the Target Shareholders ) of the Target who are present in person or represented by proxy at the special meeting (the Target Special Meeting ) of such securityholders, and (B) the Target Shareholders and option holders of the Target who are present in person or represented by proxy at the Target Special Meeting, voting together as a single class;

(ii) the approval of the Superior Court of Justice of Ontario; and

(iii) the approval by a simple majority of the votes cast by the shareholders (the Pan American Shareholders ) of the Company who are present in person or represented

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by proxy at the special meeting (the Pan American Special Meeting ) of such securityholders; and

d) the terms and conditions of the Proposed Transaction will be described in the management information circulars of the Target and the Company and related documents (the Circulars ) that will be mailed to the Target Shareholders and the Pan American Shareholders in connection with the Target Special Meeting and the Pan American Special Meeting, as applicable.

***Engagement of CIBC***

By an letter agreement dated July 8, 2011 (effective as of June 27, 2011), as amended and restated on January 19, 2012 (the Engagement Agreement ), the Company retained CIBC to act as financial advisor to the Company and its board of directors (the Board of Directors ) in connection with the Proposed Transaction. Pursuant to the Engagement Agreement, the Company has requested that we prepare and deliver to the Board of Directors our written opinion (the Opinion ) as to the fairness, from a financial point of view, of the Consideration to be paid by Pan American pursuant to the Arrangement Agreement.

CIBC will be paid a fee for rendering the Opinion and will be paid an additional fee that is contingent upon the completion of the Proposed Transaction or any alternative transaction. The Company has also agreed to reimburse CIBC for its reasonable out-of-pocket expenses and to indemnify CIBC in respect of certain liabilities that might arise out of our engagement.

***Credentials of CIBC***

CIBC is one of Canada's largest investment banking firms with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. The Opinion expressed herein is the opinion of CIBC and the form and content herein have been approved for release by a committee of its managing directors and internal counsel, each of whom is experienced in merger, acquisition, divestiture and valuation matters.

***Scope of Review***

In connection with rendering our Opinion, we have reviewed and relied upon, among other things, the following:

- i) a draft dated January 20, 2012 of the Arrangement Agreement;
- ii) the annual reports, including the comparative audited financial statements and management's discussion and analysis, of the Target and the Company for the fiscal years ended December 31, 2008, 2009 and 2010;

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- iii) the interim reports, including the comparative unaudited financial statements and management's discussion and analysis, of the Target and the Company for the three months ended March 31, 2011, June 30, 2011, and September 30, 2011;
- iv) the annual information forms of the Target and the Company for the fiscal years ended December 31, 2008, 2009 and 2010;
- v) the management information circular of the Target dated March 3, 2011 relating to the annual meeting of shareholders held on May 18, 2011;
- vi) the management information circular of the Company dated April 20, 2011 relating to the annual meeting of shareholders held on May 18, 2011;
- vii) the report prepared for the Target by Chlumsky, Armbrust & Meyer dated September 30, 2011 entitled "NI 43-101 Technical Report Dolores Gold-Silver Project Chihuahua, Mexico";

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- viii) the report prepared for the Target by Sonoran Resources, LLC and The Mines Group, Inc. dated August 9, 2010 entitled Technical Report La Bolsa Project Preliminary Feasibility Study ;
- ix) certain internal financial, operational, corporate and other information prepared or provided by the management of the Company with respect to the Target and the Company, including internal operating and financial budgets and projections;
- x) selected public market trading statistics and relevant financial information of the Target, the Company and other public entities;
- xi) selected financial statistics and relevant financial information with respect to relevant precedent transactions;
- xii) selected relevant reports published by equity research analysts and industry sources regarding the Target, the Company and other comparable public entities;
- xiii) a certificate addressed to us, dated as of the date hereof, from two senior officers of the Company, as to the completeness and accuracy of the Information (as defined below); and
- xiv) such other information, analyses, investigations, and discussions as we considered necessary or appropriate in the circumstances.

In addition, we have participated in discussions with members of the senior management of the Company regarding its past and current business operations, financial condition and future prospects. We have also participated in discussions with Borden Ladner Gervais LLP, external legal counsel to the Company, concerning the Proposed Transaction, the Arrangement Agreement and related matters.

### *Assumptions and Limitations*

Our Opinion is subject to the assumptions, qualifications and limitations set forth below.

We have not been asked to prepare and have not prepared a formal valuation or appraisal of any of the assets or securities of the Company, the Target or any of their respective affiliates and our Opinion should not be construed as such, nor have we been requested to identify, solicit, consider or develop any potential alternatives to the Proposed Transaction.

With your permission, we have relied upon, and have assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions and representations obtained by us from public sources, or provided to us by the Company or its affiliates or advisors or otherwise obtained by us pursuant to our engagement, and our Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to or attempted to verify independently the accuracy, completeness or fairness of presentation of any such information, data, advice, opinions and representations. We have not met separately with the independent auditors of the Company or the Target in connection with preparing this Opinion and with your permission, we have assumed the accuracy and fair presentation of, and relied upon, the audited financial statements and the reports of the auditors thereon of the Company and the Target and the interim unaudited financial statements of the Company and the Target.

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With respect to the historical financial data, operating and financial forecasts and budgets provided to us concerning the Company and the Target and relied upon in our financial analyses, we have assumed that they have been reasonably prepared on bases reflecting the most reasonable assumptions, estimates and judgements of management of the Company, having regard to the business, plans, financial condition and prospects of the Company and the Target, as applicable.

We have also assumed that all of the representations and warranties contained in the Arrangement Agreement are correct as of the date hereof and that the Proposed Transaction will be completed

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substantially in accordance with its terms and all applicable laws and that the Circulars will disclose all material facts relating to the Proposed Transaction and will satisfy all applicable legal requirements.

The Company has represented to us, in a certificate of two senior officers of the Company dated the date hereof, among other things, that the information, data and other material (financial or otherwise) provided to us by or on behalf of the Company, including the written information and discussions concerning the Company and the Target referred to above under the heading *Scope of Review* (collectively, the *Information*), are complete and correct at the date the Information was provided to us and that, since the date on which the Information was provided to us, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its affiliates and no material change has occurred in the Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Opinion.

We are not legal, tax or accounting experts and we express no opinion concerning any legal, tax or accounting matters concerning the Proposed Transaction or the sufficiency of this letter for your purposes.

Our Opinion is rendered on the basis of securities markets, economic and general business and financial conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of the Company and the Target as they are reflected in the Information and as they were represented to us in our discussions with management of the Company and its affiliates and advisors. In our analyses and in connection with the preparation of our Opinion, we made numerous assumptions with respect to industry performance, general business, markets and economic conditions and other matters, many of which are beyond the control of any party involved in the Proposed Transaction.

The Opinion is being provided to the Board of Directors for its exclusive use only in considering the Proposed Transaction and may not be published, disclosed to any other person, relied upon by any other person, or used for any other purpose, without the prior written consent of CIBC. Our Opinion is not intended to be and does not constitute a recommendation to the Board of Directors as to whether they should approve the Arrangement Agreement nor as a recommendation to any Pan American Shareholder as to how to vote or act at the Pan American Special Meeting or as an opinion concerning the trading price or value of any securities of the Company or the Target following the announcement or completion of the Proposed Transaction.

CIBC believes that its financial analyses must be considered as a whole and that selecting portions of its analyses and the factors considered by it, without considering all factors and analyses together, could create a misleading view of the process underlying the Opinion. The preparation of a fairness opinion is complex and is not necessarily susceptible to partial analysis or summary description and any attempt to carry out such could lead to undue emphasis on any particular factor or analysis.

The Opinion is given as of the date hereof and, although we reserve the right to change or withdraw the Opinion if we learn that any of the information that we relied upon in preparing the Opinion was inaccurate, incomplete or misleading in any material respect, we disclaim any obligation to change or withdraw the Opinion, to advise any person of any change that may come to our attention or to update the Opinion after the date of this Opinion.

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*Opinion*

Based upon and subject to the foregoing and such other matters as we considered relevant, it is our opinion, as of the date hereof, that the Consideration to be paid by Pan American pursuant to the Arrangement Agreement is fair, from a financial point of view, to Pan American.

Yours very truly,

(Signed) CIBC World Markets Inc.

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**SCHEDULE E**

**SCOTIA CAPITAL OPINION**

January 20, 2012

The Board of Directors

Pan American Silver Corp.

625 Howe Street, Suite 1440

Vancouver, British Columbia

V6C 2T6

To the Members of the Board of Directors:

We understand that Pan American Silver Corp. ( **Pan American** ) is considering a transaction (the **Transaction** ) whereby it will acquire all of the outstanding common shares (the **Shares** ) of Minefinders Corporation Ltd. ( **Minefinders** or the **Company** ) by way of a court-approved plan of arrangement (the **Plan of Arrangement** ). Pursuant to the terms of the agreement to be entered into by Pan American and Minefinders (the **Arrangement Agreement** ) and related Plan of Arrangement, Pan American will acquire Minefinders for consideration of 0.55 Pan American common shares and C\$1.84 in cash per Share (the **Consideration** ). Shareholders of Minefinders can elect to receive such Consideration in the form of all cash, being C\$15.60 per Share, or all Pan American common shares, being 0.6235 Pan American common shares and C\$0.0001 in cash per Share, subject to pro-ration. The terms of the Arrangement Agreement relating to the proposed transaction are to be more fully described in a disclosure document, which will be mailed to the shareholders of the Company (the **Disclosure Document** ).

**Background and Engagement of Scotia Capital**

Scotia Capital was retained by Pan American on January 10, 2012 pursuant to an engagement letter (the **Engagement Agreement** ) to provide its opinion (the **Opinion** ) as to whether the Consideration being offered in the Transaction is fair from a financial point of view to Pan American. The terms of the Engagement Agreement provide that Scotia Capital is to be paid a fee for its services. This fee is not contingent on the successful completion of the Transaction. In addition, Scotia Capital is to be reimbursed for its reasonable out-of-pocket expenses and to be indemnified in certain circumstances.

Pan American has not instructed Scotia Capital to prepare, and Scotia Capital has not prepared, a formal valuation of Minefinders or any of its securities or assets, and the Opinion should not be construed as such. Scotia Capital has, however, conducted such analyses as it considered necessary in the circumstances to prepare and deliver the Opinion.

**Overview of Minefinders**

Headquartered in Vancouver, Canada, the Company's objective is to build a profitable mining company dedicated to environmentally and socially responsible gold and silver production that creates sustainable value for shareholders, employees and communities. Minefinders owns and operates the

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multi million ounce Dolores gold and silver mine located in northern Mexico. Opportunities for the continued growth of the Company are driven by a pipeline of advanced and grass-roots exploration properties and the development expertise to bring a new mine into production.

**Credentials of Scotia Capital**

Scotia Capital represents the global corporate and investment banking and capital markets business of Scotiabank Group ( Scotiabank ), one of North America's premier financial institutions. In Canada, Scotia Capital is one of the country's largest investment banking firms with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading and investment research. Scotia Capital has participated in a significant number of transactions involving private and public companies and has extensive experience in preparing fairness opinions.

The Opinion expressed herein represents the opinion of Scotia Capital as a firm. The form and content of the Opinion have been approved for release by a committee of directors and other professionals of Scotia Capital, all of whom are experienced in merger, acquisition, divestiture, fairness opinion and valuation matters.

**Relationships of Scotia Capital**

Neither Scotia Capital nor any of its affiliates, is an insider, associate or affiliate (as those terms are defined in the Securities Act (Ontario)) of Pan American, Minefinders, or any of their respective associates or affiliates. Subject to the following, there are no understandings, agreements or commitments between Scotia Capital and Pan American, Minefinders, or any of their respective associates or affiliates with respect to any future business dealings. Scotia Capital is currently a lender to Pan American and has in the past provided, and may in the future provide, including related to this Transaction, traditional banking, financial advisory or investment banking services to Pan American or any of its affiliates. Scotia Capital is also currently a lender to Minefinders.

Scotia Capital acts as a trader and dealer, both as principal and agent, in the financial markets in Canada, the United States and elsewhere and, as such, it and Scotiabank, may have had and may have positions in the securities of Pan American, Minefinders, or any of their respective affiliates from time to time and may have executed or may execute transactions on behalf of such companies or clients for which it receives compensation. As an investment dealer, Scotia Capital conducts research on securities and may, in the ordinary course of business, provide research reports and investment advice to its clients on investment matters, including with respect to Pan American, Minefinders or any of their respective affiliates, or with respect to the Transaction.

**Scope of Review**

In preparing the Opinion, Scotia Capital has reviewed, considered and relied upon, without attempting to verify independently the completeness or accuracy thereof, among other things:

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- (a) a draft Arrangement Agreement dated January 19, 2012;
  
- (b) a draft voting support agreement (the Support Agreement ) dated January 19, 2012 between Pan American and each of the directors and senior officers of Minefinders;
  
- (c) annual reports of Pan American and Minefinders for the fiscal years ended last 3 years;
  
- (d) the Notice of Annual Meeting of Shareholders and the Management Information Circular of Pan American and Minefinders for the fiscal years ended last 3 years;

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- (e) audited financial statements of Pan American and Minefinders for the fiscal years ended last 3 years;
- (f) annual information forms of Pan American and Minefinders for the fiscal years ended last 3 years;
- (g) unaudited quarterly reports of Pan American and Minefinders for the three-month periods ended September 30, 2011;
- (h) research analyst reports on Pan American and Minefinders;
- (i) certain mine models and other financial and operating data concerning Pan American prepared by Pan American's management and consultants;
- (j) certain mine models and other financial and operating data concerning Minefinders prepared by Pan American's management and consultants;
- (k) discussions with senior management of Pan American and Minefinders;
- (l) discussions with CIBC World Markets Inc. (financial advisor to Pan American);
- (m) public information relating to the business, operations, financial performance and stock trading history of Minefinders and other selected public companies considered by us to be relevant;
- (n) public information with respect to other transactions of a comparable nature considered by us to be relevant;
- (o) representations contained in separate certificates addressed to Scotia Capital, as of the date hereof, from senior officers of Pan American as to the completeness, accuracy and fair presentation of the information upon which the Opinion is based; and

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(p) such other corporate, industry and financial market information, investigations and analyses as Scotia Capital considered necessary or appropriate in the circumstances.

Scotia Capital has not, to the best of its knowledge, been denied access by Pan American or Minefinders to any information requested by Scotia Capital.

### **Assumptions and Limitations**

The Opinion is subject to the assumptions, explanations and limitations set forth below.

Scotia Capital has, subject to the exercise of its professional judgment, relied, without independent verification, upon the completeness, accuracy and fair presentation of all of the financial and other information, data, advice, opinions and representations obtained by it from public sources, or that was provided to us, by Pan American, Minefinders, or any of their respective associates and affiliates and advisors (collectively, the Information ), and we have assumed that this Information did not omit to state any material fact or any fact necessary to be stated to make that information not misleading. The Opinion is conditional upon the completeness, accuracy and fair presentation of such Information. With respect to financial projections provided to Scotia Capital by management of Pan American or Minefinders and used in the analysis supporting the Opinion, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments of management of Pan American or Minefinders as to the matters covered thereby, and in rendering the Opinion we express no view as to the reasonableness of such forecasts or budgets or the assumptions on which they are based.

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Senior management of Pan American has represented to Scotia Capital in certificates delivered as at the date hereof, among other things, that to the best of their knowledge (a) Pan American has no information or knowledge of any facts public or otherwise not specifically provided to Scotia Capital relating to Pan American or Minefinders or any of its subsidiaries or affiliates which would reasonably be expected to affect materially the Opinion; (b) with the exception of forecasts, projections or estimates referred to in (d), below, the written Information provided to Scotia Capital by or on behalf of Pan American in respect of Pan American and its subsidiaries or affiliates, in connection with the Transaction is or, in the case of historical information or data, was, at the date of preparation, true and accurate in all material respects, and no additional material, data or information would be required to make the data provided to Scotia Capital by Pan American not misleading in light of circumstances in which it was prepared; (c) to the extent that any of the Information identified in (b), above, is historical, there have been no changes in material facts or new material facts since the respective dates thereof which have not been disclosed to Scotia Capital or updated by more current Information that has been disclosed; and (d) any portions of the Information provided to Scotia Capital which constitute forecasts, projections or estimates were prepared using the assumptions identified therein, which, in the reasonable opinion of Pan American, are (or were at the time of preparation) reasonable in the circumstances.

The Opinion is rendered on the basis of the securities markets, economic, financial and general business conditions prevailing as at the date hereof and the conditions and prospects, financial and otherwise, of Pan American, Minefinders and their respective subsidiaries and affiliates, as they were reflected in the Information. In its analyses and in preparing the Opinion, Scotia Capital made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, which Scotia Capital believes to be reasonable and appropriate in the exercise of its professional judgment, many of which are beyond the control of Scotia Capital or any party involved in the Transaction.

For the purposes of rendering the Opinion, Scotia Capital has also assumed that the representations and warranties of each party contained in the Arrangement Agreement are true and correct in all material respects and that each party will perform all of the covenants and agreements required to be performed by it under the Transaction and that Pan American will be entitled to fully enforce its rights under the Arrangement Agreement and receive the benefits therefrom in accordance with the terms thereof.

The Opinion has been provided for the sole use and benefit of Pan American in connection with, and for the purpose of, its consideration of the Transaction and may not be relied upon by any other person. The Opinion is given as of the date hereof, and Scotia Capital disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of Scotia Capital after the date hereof. Without limiting the foregoing, in the event that there is any material change in any fact or matter affecting the Opinion after the date hereof, Scotia Capital reserves the right to change, modify or withdraw the Opinion.

Our opinion does not address the relative merits of the Transaction as compared to other business strategies or transactions that might be available with respect to Pan American or Pan American's underlying business decision to effect the Transaction. We have not been asked to, nor do we, offer any opinion as to the material terms (other than the Consideration) of the Arrangement Agreement, the Plan of Arrangement or the form of the Transaction.

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**Conclusion**

Based upon and subject to the foregoing, Scotia Capital is of the opinion that, as of the date hereof, the Consideration is fair from a financial point of view to Pan American.

Yours very truly,

(signed) Scotia Capital Inc.

**SCOTIA CAPITAL INC.**

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Any questions and requests for assistance may be directed to the

Proxy Solicitation Agent:

The Exchange Tower

130 King Street West, Suite 2950, P.O. Box 361

Toronto, Ontario

M5X 1E2

[www.kingsdaleshareholder.com](http://www.kingsdaleshareholder.com)

**North American Toll Free Phone:**

**1-877-657-5859**

**Email: [contactus@kingsdaleshareholder.com](mailto: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**

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**PAN AMERICAN SILVER CORP**  
(Registrant)

Date: February 24, 2012

By: /S/ ROBERT PIROOZ  
Name: Robert Pirooz  
Title: General Counsel and Director

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