

NOTICE OF MEETING

AND

MANAGEMENT INFORMATION CIRCULAR

RELATING TO

THE ANNUAL AND SPECIAL MEETING OF THE

SHAREHOLDERS, OPTIONHOLDERS AND WARRANTHOLDERS

OF

OREX MINERALS INC.

TO BE HELD ON SEPTEMBER 23, 2015

THE BOARD OF DIRECTORS OF OREX MINERALS INC. UNANIMOUSLY RECOMMENDS THAT THE SHAREHOLDERS, OPTIONHOLDERS AND WARRANTHOLDERS OF OREX MINERALS INC. VOTE FOR THE ARRANGEMENT.

These materials are important and require your immediate attention. The securityholders of Orex Minerals Inc. are required to make important decisions. If you have questions as to how to deal with these documents or the matters to which they refer, please contact your financial, legal or other professional advisor.

AUGUST 21, 2015

OREX MINERALS INC.

August 21, 2015

Dear Securityholder:

You are invited to attend an annual and special meeting (the "**Meeting**") of the holders (the "**Orex Shareholders**") of common shares (each, an "**Orex Share**"), holders (the "**Orex Optionholders**") of options (each, an "**Orex Option**") to purchase Orex Shares and holders (the "**Orex Warrantholders**" and together with the Orex Shareholders and Orex Optionholders, the "**Orex Securityholders**") of warrants (each, an "**Orex Warrant**") to purchase Orex Shares of Orex Minerals Inc. ("**Orex**") to be held at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, Canada V6C 2X8 on September 23, 2015 at 10:00 a.m. (Vancouver time).

At the Meeting, in addition to the business of the annual meeting, you will be asked to consider and vote upon a proposed plan of arrangement (the "**Arrangement**") involving Orex, Barsele Minerals Corp. ("**Spinco**"), a wholly-owned subsidiary of Orex, and Orex Securityholders. The Arrangement is primarily being conducted in order for Orex to spin out its 45% interest in Gunnarn Mining AB ("**Gunnarn**"), the corporate entity which owns 100% of the Barsele Gold Project ("**Barsele Project**") in Sweden to Spinco, which will be a separate publicly-listed company following completion of the Arrangement. The separation of Orex's assets will enable management to advance Orex's projects in a more focused and efficient manner.

Under the Arrangement, Orex Securityholders will be entitled to receive:

- for each Orex Share held, one new common share of Orex (a "**New Common Share**") and one common share of Spinco (a "**Spinco Share**");

- for each unexercised Orex Option held, one fully-vested option to purchase from Orex one New Common Share and one fully-vested option to purchase from Spinco one Spinco Share, each with adjusted exercise prices to reflect the respective valuations of Orex and Spinco immediately after the Arrangement; and

- for each unexercised Orex Warrant held, one warrant to purchase from Orex one New Common Share and one warrant to purchase from Spinco one Spinco Share, each with the same exercise price as the Orex Warrant for which such warrants are exchanged.

As a result of the Arrangement, Spinco will hold Orex's 45% interest in the Barsele Project, which is subject to a joint venture with Agnico Eagle Mines Limited, and Orex will retain the other mineral assets currently held by Orex, including the Los Crestones Project and Coneto Property in Mexico and the Jumping Josephine Project in British Columbia, Canada. Upon completion of the Arrangement, each Orex Shareholder will retain its respective interest in Orex and hold a proportional interest in Spinco and each Orex Optionholder and Orex Warrantholder will retain a right to purchase a proportional interest in each of Orex and Spinco.

Orex Shareholders will also be asked to consider and vote upon an amended and restated Orex stock option plan and a Spinco stock option plan.

In order to become effective, the Arrangement must be approved by a resolution passed by: (i) at least two-thirds of the votes cast by Orex Shareholders and Orex Optionholders present in person or represented by proxy at the Meeting, voting together as a single class, on the basis of one vote per Orex Share and with each Orex Optionholder being entitled to that number of votes equal to the

number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Options held by such holder as of the record date of the Meeting; and (ii) at least two-thirds of the votes cast by Orex Warrantholders present in person or represented by proxy at the Meeting, voting as a single class, with each Orex Warrantholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Warrants held by such holder as of the record date of the Meeting. In addition to the approvals of the Orex Securityholders, completion of the Arrangement is subject to receipt of required regulatory approvals, including the approval of the TSX Venture Exchange and the Supreme Court of British Columbia (the "**Court**"), and other customary closing conditions, all of which are described in more detail in the accompanying management information circular (the "**Circular**").

The Orex board of directors (the "**Orex Board**") has unanimously concluded that the Arrangement is in the best interests of Orex and is fair to the Orex Securityholders and has approved the Arrangement and authorized its submission to the Orex Securityholders and to the Court for approval. **Accordingly, the Orex Board unanimously recommends that the Orex Securityholders vote FOR the Arrangement.**

The accompanying notice of meeting and Circular contain a detailed description of the Arrangement and include certain other information to assist you in considering the matters to be voted upon. You are urged to carefully consider all of the information in the accompanying Circular, including the documents incorporated by reference. If you require assistance, you should consult your financial, legal, or other professional advisor.

Your vote is important regardless of the number of Orex Shares, Orex Options or Orex Warrants you own.

Voting

If you are a registered Orex Shareholder or an Orex Optionholder or Orex Warrantholder, and are unable to be present in person at the Meeting, we encourage you to vote by completing the enclosed form of proxy. You should specify your choice by marking the box on the enclosed form of proxy and by dating, signing and returning your proxy in the enclosed return envelope addressed to Computershare Investor Services Inc. ("**Computershare**"), Proxy Department, 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, or by toll free North American fax number 1-866-249-7775, or by international fax number 1-416-863-9524, at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. Alternatively, you may submit your vote via the internet at www.investorvote.com, or by telephone at 1-866-734-8683 (toll free in North America). Please do this as soon as possible. Voting by proxy will not prevent you from voting in person if you attend the Meeting and revoke your proxy, but will ensure that your vote will be counted if you are unable to attend.

If you are not registered as the holder of your Orex Shares but hold your Orex Shares through a broker or other intermediary, you should follow the instructions provided by your broker or other intermediary in order to vote your Orex Shares. See the section in the Circular entitled "*General Proxy Information – Voting by Orex Securityholders*" for further information on how to vote your Orex Shares.

Letter of Transmittal

If you are a registered Orex Shareholder, we also encourage you to complete and return the enclosed letter of transmittal ("**Letter of Transmittal**") together with the certificate(s) (if any) representing your Orex Shares and any other required documents and instruments, to the depositary, Computershare, (the "**Depositary**") in the enclosed return envelope in accordance with the instructions set out in the Letter of Transmittal so that if the Arrangement is completed, New Common Shares and Spinco Shares can be sent to you as soon as possible after the Arrangement becomes effective. The Letter of Transmittal contains other procedural information related to the Arrangement and should be reviewed carefully.

If you hold your Orex Shares through a broker or other intermediary please contact that broker or other intermediary for instructions and assistance in receiving New Common Shares and Spinco Shares in exchange for your Orex Shares.

Provided the Arrangement is completed, Orex Warrantholders and Orex Optionholders will receive their options or warrants, as applicable, to purchase New Orex Shares and Spinco Shares directly from Orex and Spinco, respectively.

* * * * *

While certain matters, such as the timing of the receipt of Court approval and receipt of all applicable approvals are beyond the control of Orex, if the resolution approving the Arrangement is passed by the requisite majorities of Orex Securityholders at the Meeting, and the other conditions to closing are satisfied, it is anticipated that the Arrangement will be completed and become effective on or about September 25, 2015.

If you have any questions or require more information with regard to the procedures for voting, please contact Computershare toll free in North America at 1-800-564-6253 or call collect outside North America at 1-514-982-7555 or by email at service@computershare.com.

On behalf of Orex, we would like to thank you for your continued support as we proceed with this important transaction.

Sincerely,

"*Gary Cope*"
President and CEO

Orex Minerals Inc.

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NOTICE OF MEETING

NOTICE IS HEREBY GIVEN that an annual and special meeting (the "**Meeting**") of the holders ("**Orex Shareholders**") of common shares (the "**Orex Shares**"), holders ("**Orex Optionholders**") of options to purchase Orex Shares and holders ("**Orex Warrantholders**" and together with the Orex Shareholders and Orex Optionholders, the "**Orex Securityholders**") of warrants to purchase Orex Shares of Orex Minerals Inc. ("**Orex**") to be held at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, Canada V6C 2X8 on September 23, 2015 at 10:00 a.m. (Vancouver time) for the following purposes:

1. to consider, pursuant to an interim order of the Supreme Court of British Columbia dated August 21, 2015 (the "**Interim Order**") and, if thought advisable, to pass, with or without amendment, a special resolution (the "**Arrangement Resolution**") approving an arrangement (the "**Arrangement**") under Section 288 of the *Business Corporations Act* (British Columbia) (the "**Business Corporations Act**"), the full text of which is set forth in Appendix A to the accompanying management information circular (the "**Circular**");

2. to receive the audited consolidated financial statements of Orex for the year ended April 30, 2015, together with the auditor's report thereon;

3. to elect directors to hold office until the next annual general meeting of Orex;

4. to appoint Davidson & Company LLP as auditor of Orex and to authorize the directors to fix the auditor's remuneration;

5. to approve a new stock option plan for Orex;

6. to approve a stock option plan for Barsele Minerals Corp.; and

7. to transact such further or other business as may properly come before the Meeting or any adjournment or postponement thereof.

The Circular contains the full text of the Arrangement Resolution and provides additional information relating to the subject matter of the Meeting, including the Arrangement, and is deemed to form part of this Notice of Meeting.

Orex Securityholders are entitled to vote at the Meeting either in person or by proxy. Registered Orex Shareholders, Orex Optionholders and Orex Warrantholders who are unable to attend the Meeting in person are encouraged to read, complete, sign, date and return the enclosed form of proxy in accordance with the instructions set out in the proxy and in the Circular. Alternatively, votes may be submitted via the internet at www.investorvote.com, or by telephone at 1-866-734-8683 (toll free in North America). In order to be valid for use at the Meeting, proxies must be received by Computershare Investor Services Inc. ("**Computershare**"), Proxy Department at its office at 100 University Avenue, 9th Floor, Toronto, Ontario M5J 2Y1, or by toll free North American fax number 1-866-249-7775, or by international fax number 1-416-863-9524, at least 48 hours (excluding Saturdays, Sundays and holidays) before the time of the Meeting or any adjournment or postponement thereof. Please advise Orex or Computershare of any change in your mailing address.

If you are a non-registered Orex Shareholder, please refer to the section in the Circular entitled "*General Proxy Information — Voting by Orex Securityholders*" for information on how to vote your Orex Shares.

Pursuant to the Interim Order, each Orex Securityholder has been granted the right to dissent in respect of the Arrangement Resolution and, if the Arrangement becomes effective, to be paid the fair value of the shares, options and/or warrants in respect of which such Orex Securityholder dissents by Orex, in accordance with the dissent procedures contained in the Interim Order. To exercise such right: (a) a written notice of dissent with respect to the Arrangement Resolution from the registered Orex Securityholder must be received by Orex at 1130 – 1055 West Hastings Street, Vancouver, British Columbia V6E 2E9, Attention: Corporate Secretary, by no later than 10:00 a.m. (Vancouver time) on September 21, 2015, or two Business Days before any adjournment or postponement of the Meeting; and (b) the Orex Securityholder must have otherwise complied with the dissent procedures in the Interim Order. The right to dissent is described in the Circular and the text of the Interim Order is set forth in Appendix D to the Circular. The board of directors of Orex may decide to withdraw the Arrangement Resolution and not proceed with the Arrangement if it determines, in its sole discretion, that Orex has received too many dissent notices from Orex Securityholders. **Failure to strictly comply with the requirements set forth in the Interim Order may result in the loss of any right of dissent.**

DATED at Vancouver, British Columbia this 21st day of August, 2015.

BY ORDER OF THE BOARD OF DIRECTORS OF
OREX MINERALS INC.

"*Gary Cope*"
President and CEO

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INFORMATION CONTAINED IN THIS INFORMATION CIRCULAR

The information contained in this Circular, unless otherwise indicated, is given as of August 21, 2015.

No Person has been authorized to give any information or to make any representation in connection with the matters being considered herein other than those contained in this Circular and, if given or made, such information or representation should not be considered or relied upon as having been authorized. This Circular does not constitute an offer to sell, or a solicitation of an offer to acquire, any securities, or the solicitation of a proxy, by any Person in any jurisdiction in which such an offer or solicitation is not authorized or permitted or in which the Person making such offer or solicitation is not qualified to do so or to any Person to whom it is unlawful to make such an offer or proxy solicitation. Neither the delivery of this Circular nor any distribution of securities referred to herein should, under any circumstances, create any implication that there has been no change in the information set forth herein since the date of this Circular.

Information contained in this Circular should not be construed as legal, tax or financial advice and Orex Securityholders are urged to consult their own professional advisors in connection with the matters considered in this Circular.

THE ARRANGEMENT AND THE RELATED SECURITIES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH, RECOMMENDED BY, OR APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITY OF ANY U.S. STATE OR CANADIAN PROVINCE OR TERRITORY NOR HAVE ANY OF THEM PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR THE ACCURACY OR ADEQUACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Circular, the *pro forma* financial statements of Orex and Spinco and certain of the documents incorporated by reference into this Circular contain "forward-looking information" within the meaning of Canadian securities legislation and "forward-looking statements" within the meaning of applicable securities legislation, including the *United States Private Securities Litigation Reform Act of 1995* (collectively, "**forward-looking statements**"). These forward-looking statements are made as of the date of this Circular or as of the date of the applicable document from which they are incorporated by reference.

Forward-looking statements relate to future events or future performance and reflect the expectations or beliefs of management of Orex and Spinco regarding future events, and include, but are not limited to, statements with respect to the timing and implementation of the proposed Arrangement, the anticipated benefits of the Arrangement, estimation of mineral reserves and mineral resources, availability of cash flow to fund capital requirements, the timing and amount of estimated future production, availability of project financing, and success of mining and development operations. Material factors and assumptions upon which such forward-looking statements are based include: that the required approvals to the Arrangement will be obtained from the Orex Securityholders and all other required third party, Court, regulatory and governmental bodies; assumptions made in connection with the preparation of the *pro forma* financial statements included herein; that all other conditions to the completion of the Arrangement will be satisfied or waived; that the future business operations and prospects of Orex and Spinco will be consistent with the current expectations of Orex and Spinco; that the expected benefits of the Arrangement will be realized; that projections are accurate; as well as the long-term metals and consumable commodity prices and foreign exchange rates. These assumptions are based on factors and events that are not within the control of Orex or Spinco and there is no assurance they will prove to be correct.

In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "budget", "potential", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "will", "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. By their very nature, forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Orex and Spinco to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. A variety of material factors include, among others: failure to complete the Arrangement could negatively impact the market price of Orex Shares and future business and financial results; Orex and Spinco may be subject to significant capital requirements and operating risks; as well as those risks described under the headings "*Risk Factors*" in Appendix E – "*Information Concerning Orex After the Arrangement*" and Appendix F – "*Information Concerning Spinco After the Arrangement*", as well as any other risk factors detailed from time to time in Orex's and Spinco's audited annual financial statements and Orex's management's discussion and analysis ("**MD&A**"). Orex's audited annual financials and MD&A are filed and available for review on its SEDAR profile at www.sedar.com while Spinco's audited annual financial statement is included in this Circular in Appendix J. Although each of Orex and Spinco has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. Orex and Spinco provide no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Orex and Spinco do not intend, and do not assume any obligation, to update any forward-looking statements, other than as required by applicable Laws. Accordingly, readers should not place undue reliance on forward-looking statements.

NOTE TO UNITED STATES SECURITY HOLDERS

THE ARRANGEMENT AND THE SECURITIES TO BE ISSUED IN CONNECTION WITH THE ARRANGEMENT HAVE NOT BEEN REGISTERED WITH, RECOMMENDED BY, OR APPROVED OR DISAPPROVED BY THE SEC OR THE SECURITIES REGULATORY AUTHORITIES IN ANY STATE, NOR HAS THE SEC OR THE SECURITIES REGULATORY AUTHORITIES OF ANY STATE PASSED UPON THE FAIRNESS OR MERITS OF THE ARRANGEMENT OR UPON THE ADEQUACY OR ACCURACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The New Common Shares and Spinco Shares to be issued and distributed to Orex Shareholders pursuant to the Arrangement, the New Orex Options and Spinco Options to be received by Orex Optionholders in exchange for their Orex Options and the New Orex Warrants and Spinco Warrants to be received by Orex Warrantholders in exchange for their Orex Warrants have not been registered under the U.S. Securities Act or applicable state Securities Laws, and are being issued, distributed and exchanged, as applicable, in reliance on the exemption from the registration requirements of the U.S. Securities Act set forth in Section 3(a)(10) thereof (the "**Section 3(a)(10) Exemption**") on the basis of the approval of the Court, which will consider, among other things, the fairness of the Arrangement to Orex Securityholders as further described in this Circular under the heading "*The Meeting - The Arrangement – TSX-V Requirements, Regulatory Law and Securities Law Matters*", and in reliance on exemptions from registration under applicable state Securities Laws.

The solicitation of proxies for the Meeting made pursuant to this Circular is not subject to the requirements of Section 14(a) of the U.S. Exchange Act by virtue of an exemption applicable to proxy solicitations by foreign private issuers (as defined in Rule 3b-4 under the U.S. Exchange Act).

Accordingly, this Circular has been prepared in accordance with disclosure requirements applicable in Canada. Orex Securityholders in the United States should be aware that such requirements are different from those of the United States applicable to registration statements under the U.S. Securities Act and to proxy statements under the U.S. Exchange Act.

The financial statements and information included or incorporated by reference in this Circular have been prepared in accordance with International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting" using accounting policies consistent with IFRS as issued by the International Accounting Standards Board ("**IASB**") and interpretations issued by the International Financial Reporting Interpretations Committee ("**IFRIC**") and Canadian generally accepted accounting principles and are subject to Canadian auditing and auditor independence standards and thus may not be comparable to financial statements prepared in accordance with United States standards.

Information concerning the properties and operations of Orex has been prepared in accordance with Canadian disclosure standards under applicable Canadian corporate and Securities Laws, and may not be comparable to similar information prepared in accordance with United States standards. In particular, disclosure of scientific or technical information in this Circular has been made in accordance with NI 43-101. NI 43-101 is a rule developed by the Canadian Institute of Mining, Metallurgy and Petroleum and incorporated into a national instrument issued by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. The terms "**measured mineral resources**", "**indicated mineral resources**" and "**inferred mineral resources**" are used in this Circular to comply with the reporting standards in Canada. There is a great amount of uncertainty as to the existence of "**measured mineral resources**", "**indicated mineral resources**" and "**inferred mineral resources**", and great uncertainty as to their economic and legal feasibility. While "**measured mineral resources**", "**indicated mineral resources**" and "**inferred mineral resources**" are recognized and required by Canadian regulations, these terms are not defined terms under standards established by the SEC. Accordingly, information contained in this Circular containing descriptions of Orex's and Spinco's respective mineral properties may not be comparable to similar information made public by United States companies subject to the reporting and disclosure requirements of the SEC. For example, under United States standards, mineralization may not be classified as a "**reserve**" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. **Orex Securityholders are cautioned not to assume that all or any part of measured mineral resources or indicated mineral resources will ever be converted into mineral reserves or that all or any part of an inferred mineral resource exists or is economically or legally mineable.** Orex Securityholders are also cautioned not to assume that all or any part of measured mineral resources, indicated mineral resources or inferred mineral resources will ever be upgraded to a higher category. In accordance with Canadian rules, estimates of inferred mineral resources cannot form the basis of feasibility or other economic studies. In addition, the definitions of proven and probable mineral reserves used in NI 43-101 differ from SEC standards as set forth in SEC Industry Guide 7. Disclosure of "**contained ounces**" is permitted disclosure under Canadian regulations, however, the SEC normally only permits issuers to report mineralization that does not constitute reserves as in place tonnage and grade without reference to unit measures.

Orex Securityholders who are resident in, or citizens of, the United States are advised to consult their own tax advisors to determine the particular United States tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the Laws of any other relevant foreign, state, local, or other taxing jurisdiction. No ruling from the International Revenue Service or legal opinions have been or will be sought with respect to any of the tax consequences relating to the transaction described herein, including, without limitation, with respect to income, estate, gift or other tax consequences.

The enforcement by Orex Securityholders of civil liabilities under U.S. Securities Laws may be affected adversely by the fact that each of Orex and Spinco is incorporated or organized outside the United States, and that some or all of their officers and directors and the experts named herein are residents of a foreign country and that all or a portion of the assets of Orex and Spinco and said persons are located outside the United States. As a result, it may be difficult or impossible for Orex Securityholders in the United States to effect service of process within the United States upon Orex and Spinco, their respective officers or directors or the experts named herein, or to realize against them upon judgments of courts of the United States predicated upon civil liabilities under the federal Securities Laws of the United States or "blue sky" laws of any state within the United States. In addition, Orex Securityholders in the United States should not assume that the courts of Canada: (a) would allow Orex Securityholders in the United States to sue Orex or Spinco, or their respective officers or directors, in the courts of Canada; (b) would enforce judgments of United States courts obtained in actions against such Persons predicated upon civil liabilities under the federal Securities Laws of the United States or "blue sky" laws of any state within the United States; or (c) would enforce, in original actions, liabilities against such Persons predicated upon civil liabilities under the federal Securities Laws of the United States or "blue sky" laws of any state within the United States.

The New Common Shares and Spinco Shares to be received by Orex Shareholders pursuant to the Arrangement will be freely transferable under U.S. Securities Laws, except Persons who are "affiliates" (as such term in understood under U.S. Securities Laws) of Orex or Spinco, as applicable, after the Effective Date, or were "affiliates" of Orex or Spinco, as applicable, within 90 days prior to the Effective Date. Persons who may be deemed to be "affiliates" of an issuer include individuals or entities that control, are controlled by, or are under common control with, the issuer, whether through the ownership of voting securities, by contract, or otherwise, and generally include executive officers and directors of the issuer as well as principal shareholders of the issuer. Any resale of such New Common Shares or Spinco Shares by such an affiliate (or former affiliate) may be subject to the registration requirements of the U.S. Securities Act, absent an exemption therefrom.

The exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof does not exempt the issuance of securities upon the exercise of securities that were previously issued pursuant to Section 3(a)(10) of the U.S. Securities Act. Therefore, the New Common Shares issuable upon the exercise of the New Orex Options or New Orex Warrants and the Spinco Shares issuable upon the exercise of the Spinco Options or Spinco Warrants may not be issued in reliance upon the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof and the New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants may be exercised only pursuant to an available exemption from the registration requirements of the U.S. Securities Act and applicable state Securities Laws. Prior to the issuance of New Common Shares and Spinco Shares pursuant to any such exercise, Orex or Spinco, as applicable, may require evidence (which may include an opinion of counsel) reasonably satisfactory to Orex or Spinco, as applicable, to the effect that the issuance of such shares does not require registration under the U.S. Securities Act or applicable state Securities Laws.

New Common Shares or Spinco Shares received upon exercise of the New Orex Options, Spinco Options, New Orex Warrants or Spinco Warrants by holders in the United States or who are U.S. Persons will be "restricted securities," as such term is defined in Rule 144, and may not be resold unless such securities are registered under the U.S. Securities Act and all applicable state Securities Laws or unless an exemption from such registration requirements is available.

No broker, dealer, salesperson or other Person has been authorized to give any information or make any representation other than those contained in this Circular and, if given or made, such information or representation must not be relied upon as having been authorized hereunder.

CURRENCY AND EXCHANGE RATES

Unless otherwise indicated herein, references to "$", "C$" or "Canadian dollars" are to Canadian dollars, and references to "US$" or "U.S. dollars" are to United States dollars.

The following table sets out, for each period indicated, the high and low exchange rates for one U.S. dollar expressed in Canadian dollars, the average of such exchange rates on the last day of each month during that period, and the exchange rate at the end of the period, in each case, based on the Bank of Canada noon spot rate of exchange.

	3 Months ended July 31, 2015	Year ended April 30		
		2014	2013	2012
High	1.3060	1.1643	1.0697	1.0418
Low	1.2566	1.0614	0.9839	0.9710
Average Rate for Period	1.2865	1.1045	1.0299	0.9996
Rate at End of Period	1.3047	1.1565	1.0636	0.9949

On August 21, 2015, the exchange rate for one U.S. dollar expressed in Canadian dollars was $1.3149, based on the Bank of Canada noon spot rate of exchange.

REPORTING CURRENCIES AND ACCOUNTING PRINCIPLES

The historical financial statements of Orex incorporated by reference in this Circular and the historical financial statement of Spinco included in this Circular are reported in Canadian dollars and have been prepared in accordance with IFRS.

GLOSSARY OF TERMS

In this Circular, unless otherwise defined herein or unless there is something in the subject matter inconsistent therewith, the following terms have the respective meanings set out below, words importing the singular number include the plural and vice versa and words importing any gender include all genders.

"AE Sweden"	means Agnico Eagle Sweden AB, a company incorporated under the Laws of the Kingdom of Sweden.
"affiliate"	has the meaning given to it in the Business Corporations Act.
"Agnico Eagle"	means Agnico Eagle Mines Limited, a corporation existing under the Laws of the Province of Ontario.
"Arrangement"	means an arrangement under the provisions of Division 5 of Part 9 of the Business Corporations Act, on the terms set out in the Plan of Arrangement, subject to any amendment or supplement thereto in accordance with the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order.
"Arrangement Agreement"	means the arrangement agreement dated August 6, 2015 between Orex and Spinco.
"Arrangement Resolution"	means the resolution to be approved by the Orex Securityholders, substantially in the form and content set out in Appendix A to this Circular.

"Astral"	means Astral Mining Corporation, a corporation incorporated under the Laws of the Province of British Columbia, and a wholly-owned subsidiary of Orex.
"Astral Arrangement"	means the plan of arrangement between Astral and Orex under Division 5 of Part 9 of the Business Corporations Act completed on February 13, 2013.
"Barsele Board"	means the board of directors of Barsele.
"Barsele Project"	means the Barsele Gold Project which is 100% owned by Gunnarn and is comprised of mineral claims covering approximately 32,709 hectares located in Västerbottens Län, Sweden.
"Barsele Technical Report"	means the technical report dated June 30, 2015 prepared by G.H. Giroux, P.Eng., M.A.Sc. of Giroux Consultants Ltd. and Sean Butler, P.Geo and Michael Collins, P.Geo of Mining Plus Canada Consultants Ltd. for Barsele and Orex under NI 43-101 and entitled "NI 43-101 Technical Report June 2015 Barsele Minerals Corp. Orex Minerals Inc. Barsele Gold Project, Storuman, Sweden".
"Business Corporations Act"	means the *Business Corporations Act* (British Columbia), as amended.
"Business Day"	means any day, other than a Saturday, a Sunday, or a day on which banks are not open for business in Vancouver, British Columbia.
"Canadian Securities Administrators"	means the voluntary umbrella organization of Canada's provincial and territorial securities regulators.
"Circular"	means collectively, the Notice of Meeting and this management information circular, including all appendices, sent to Orex Securityholders in connection with the Meeting.
"Company"	means, unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.
"Coneto Property"	means the Coneto Property located in the Durango region of Mexico.
"Cope Agreement"	means the consulting agreement between Orex and 683192 B.C. Ltd., a company wholly-owned by Gary Cope, dated June 18, 2008, as amended May 1, 2013 and March 1, 2014.
"Consultant"	has the meaning given to it in National Instrument 45-106 – *Prospectus and Registration Exemptions*.
"Consulting Fees"	means the fees paid by Orex under the Cope Agreement or Wilmot Agreement, as applicable.
"Court"	means the Supreme Court of British Columbia.
"Depositary"	means Computershare Investor Services Inc. or such other institution as Orex may select.
"Dissent Notice"	means a written objection to the Arrangement Resolution by a Dissenting Securityholder in accordance with the dissent procedures set out in the Interim Order.

"Dissent Rights"	means the rights of dissent in respect of the Arrangement described in Section 3.1 of the Plan of Arrangement.
"Dissent Securities"	means the Orex Securities held by a Dissenting Securityholder in respect of which the Dissenting Securityholder has duly and validly exercised Dissent Rights.
"Dissenting Securityholder"	means an Orex Securityholder, who duly and validly exercised Dissent Rights.
"DRS Advice Statement"	means written evidence of the book entry issuance or holding of such shares issued to the holder prepared by the Transfer Agent pursuant to its direct registration system.
"Effective Date"	means the date selected by Orex as being the date upon which the Arrangement first becomes effective.
"Effective Time"	means 12:01 a.m. on the Effective Date.
"Employee"	has the meaning given to it in the TSX-V Corporate Finance Manual.
"Final Order"	means the final order of the Court approving the Arrangement, as such order may be amended at any time before the Effective Date or, if appealed, then, unless such appeal is abandoned or denied, as affirmed.
"Former Orex Shareholder"	means a Registered Orex Shareholder immediately before the Effective Time.
"g/t"	means grams per tonne.
"Glanville"	means Ross Glanville & Associates Ltd.
"Governmental Entity"	means any: (i) multinational, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank or Tribunal; (ii) subdivision, agent, commission, board, or authority of any of the foregoing; or (iii) quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing.
"Gunnarn"	means Gunnarn Mining AB, a company incorporated under the Laws of the Kingdom of Sweden.
"Gunnarn Exploration"	means Gunnarn Exploration AB, a company incorporated under the Laws of the Kingdom of Sweden and a wholly-owned subsidiary of Gunnarn.
"Gunnarn JV"	means the joint venture between Orex and Agnico Eagle with respect to the development of the Barsele Project.
"Gunnarn JV Agreement"	means the joint venture agreement dated June 11, 2015 among AE Sweden, Orex, Agnico Eagle and Gunnarn.
"Gunnarn Shares"	means the 100,000 issued and outstanding shares of Gunnarn.
"Ha"	means hectares.
"Holder"	has the meaning given to it in "*Certain Canadian Federal Income Tax Considerations*".

"IFRS"	means International Financial Reporting Standards.
"Interim Order"	means the order of the Court providing for, among other things, the calling and holding of the Meeting, as such order may be amended, supplemented or varied by the Court.
"Intermediary"	has the meaning given to it in "*General Proxy Information – Non-Registered Holders*".
"Investor Relations Activities"	has the meaning given to it in the TSX-V Corporate Finance Manual.
"Jumping Josephine Project"	means the Jumping Josephine Project located in the West Kootenay region of Southeastern British Columbia.
"Jumping Josephine Technical Report"	means the technical report dated June 24, 2011 prepared by Andrew J. Turner, B.Sc., P.Geo. and Michael Dufresne, M.Sc., P.Geo. and Steven Nicholls, B.A.Sc. (Geology), MAIG, of APEX Geoscience Ltd. for Astral under NI 43-101 and entitled "Technical Report on an Initial Resource Estimate for the Jumping Josephine Gold Prospect, South-eastern British Columbia, Canada".
"km"	means kilometres.
"Laws"	means any and all laws (statutory, common or otherwise), statutes, regulations, statutory rules, regulatory instruments, principles of law, orders, injunctions, judgments, published policies and guidelines (to the extent that they have the force of law), and terms and conditions of any grant of approval, permission, authority or license of any Governmental Entity, statutory body or self-regulatory authority, and the term "applicable" with respect to such laws and in the context that refers to one or more Persons means that such laws apply to such Person or Persons or its or their business, undertaking, property or securities and emanate from a Person having jurisdiction over the Person or Persons or its or their business, undertaking, property or securities.
"Letter of Transmittal"	means the letter of transmittal delivered to the Registered Orex Shareholders by Orex with this Circular providing for the delivery to the Depositary of certificates in respect of Orex Shares and all other documents and instruments as the Depositary or Orex may reasonably require.
"Los Crestones Project"	means the Los Crestones Project located in the Sierra Madre Occidental of Sinaloa State, western Mexico.
"Los Crestones Technical Report"	means the technical report dated November 20, 2012 prepared by B. Malahoff, P. Geo and Dale Brittliffe, P. Geo for Astral under NI 43-101 and entitled "NI 43-101 Technical Report – Los Crestones Gold-Silver Project, Badiraguato Municipality, Sinaloa State, Mexico 25° 47' N; 107° 27' W".
"m"	means metres.
"McKnight"	means Bruce McKnight Minerals Advisor Services.

"Meeting"	means the annual and special meeting of Orex Securityholders, including any adjournment or postponement thereof, to be held for the purposes of, among other things, obtaining the Orex Securityholder Approval.
"Meeting Materials"	means this Circular and: (i) in the case of Registered Orex Shareholders, the accompanying form of proxy for use by Registered Orex Shareholders and the Letter of Transmittal; or (ii) in the case of Orex Optionholders and Orex Warrantholders, the accompanying form of proxy for use by Orex Optionholders and Orex Warrantholders; or (iii) in the case of Non-Registered Holders who are NOBOs, the accompanying VIF.
"misrepresentation"	has the meaning given to it in the Securities Act.
"New Common Share"	means the common shares without par value in the authorized share structure of Orex to be created and issued under the Arrangement.
"New Orex Board"	means the board of directors of Orex following completion of the Arrangement.
"New Orex Options"	means outstanding options to acquire New Common Shares issued under the New Orex Option Plan.
"New Orex Option Plan"	means the amended and restated Orex 2015 Stock Option Plan to be approved by the Orex Shareholders, substantially in the form and content set out in Appendix G to this Circular.
"**New Orex Shareholder**"	means a holder of New Common Shares.
"**New Orex Warrants**"	means the warrants of Orex to be exchanged for Orex Warrants under the Arrangement.
"**New Orex Warrant Certificates**"	means the form of warrant certificates attached as Schedule D to the Arrangement Agreement in respect of the New Orex Warrants.
"**NI 43-101**"	means National Instrument 43-101 – *Standards of Disclosure for Mineral Properties*.
"NI 45-102"	means National Instrument 45-102 – *Resale of Securities*.
"NI 52-110"	means National Instrument 52-110 – *Audit Committees*.
"NI 54-101"	means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer.*
"NOBO"	means non-objecting beneficial owner.
"Non-Registered Holder"	means an Orex Shareholder who is not a Registered Orex Shareholder.
"NSR"	means net smelter returns royalty.
"OBO"	means objecting beneficial owner.
"Orex"	means Orex Minerals Inc., a corporation incorporated under the Laws of the Province of British Columbia.
"Orex Board"	means the board of directors of Orex.

"Orex Optionholder"	means a holder of Orex Options.
"Orex Option Plan"	means the amended and restated incentive stock option plan of Orex dated September 19, 2014 that will be terminated under the Arrangement.
"Orex Options"	means outstanding options to acquire Orex Shares issued under the Orex Option Plan.
"Orex Projects"	means the Los Crestones Project, Jumping Josephine Project and the Coneto Property.
"Orex Shares"	means the common shares without par value in the authorized share structure of Orex, as currently constituted.
"Orex Securities"	means, collectively, the Orex Shares, Orex Options and Orex Warrants.
"Orex Securityholder Approval"	means the approval of the Arrangement Resolution by: (i) at least two-thirds of the votes cast on the Arrangement Resolution by Orex Shareholders and Orex Optionholders present in person or represented by proxy at the Meeting, voting together as a single class, on the basis of one vote per Orex Share and with each Orex Optionholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Options held by such holder as of the Record Date; and (ii) at least two-thirds of the votes cast by Orex Warrantholders present in person or represented by proxy at the Meeting, voting as a single class, with each Orex Warrantholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Warrants held by such holder as of the Record Date.
"Orex Securityholders"	means, collectively, the Orex Shareholders, Orex Optionholders and Orex Warrantholders.
"Orex Shareholders"	means the holders of Orex Shares.
"Orex Warrant Certificates"	means the certificates in respect of the Orex Warrants.
"Orex Warrantholders"	means the holders of Orex Warrants.
"Orex Warrants"	means the outstanding certificated warrants issued pursuant to private placements of Orex, each of which is listed in Schedule C of the Arrangement Agreement.
"Person"	includes any individual, firm, partnership, joint venture, venture capital fund, association, trust, trustee, executor, administrator, legal personal representative, estate, group, Company, unincorporated association or organization, Governmental Entity, syndicate or other entity, whether or not having legal status.
"Plan of Arrangement"	means the plan of arrangement substantially in the form attached as Appendix B hereto, including the appendices thereto, and any amendments, variations or supplements thereto made from time to time in accordance with the terms thereof or the Arrangement Agreement or made at the direction of the Court in the Final Order.

"Record Date"	means August 17, 2015, being the date for determining Orex Securityholders entitled to receive notice of and vote at the Meeting.
"Registered Orex Shareholder"	means a registered holder of Orex Shares.
"SEC"	means the United States Securities and Exchange Commission.
"Section 3(a)(10) Exemption"	means the exemption from the registration requirements of the U.S. Securities Act provided under Section 3(a)(10) thereof.
"Securities Act"	means the *Securities Act* (British Columbia) and the rules, regulations and published policies made thereunder, as now in effect and as they may be promulgated or amended from time to time.
"Securities Laws"	means all applicable securities laws of Canada and the United States, including the Securities Act, the U.S. Securities Act and the U.S. Exchange Act, together with all other applicable provincial and state securities laws, rules and regulations and published policies thereunder, as now in effect and as they may be promulgated or amended from time to time.
"Spinco"	means Barsele Minerals Corp., a corporation incorporated under the Laws of the Province of British Columbia.
"Spinco Option Plan"	means the incentive stock option plan of Spinco to be adopted and approved under the Arrangement.
"Spinco Options"	means outstanding options to acquire Spinco Shares issued under the Spinco Option Plan.
"Spinco Reorganization"	means a transaction effected by Orex and Spinco immediately prior to the Effective Time whereby Orex will transfer to Spinco: (i) 45% of the Gunnarn Shares, on an "as is, where is" basis; (ii) all of Orex's right, title and interest in and to, and all of Orex's benefits and obligations under, the Gunnarn JV Agreement in exchange for Spinco Shares, in accordance with the terms of an agreement of purchase and sale to be entered into by Orex and Spinco; and (iii) $500,000 in cash.
"Spinco Shareholder"	means a holder of Spinco Shares.
"Spinco Shares"	means the common shares without par value in the authorized share structure of Spinco.
"Spinco Warrant Certificates"	means the form of warrant certificates attached as Schedule D to the Arrangement Agreement in respect of the Spinco Warrants.
"Spinco Warrants"	means the warrants of Spinco to be exchanged for Orex Warrants under the Arrangement.
"Subsidiary"	means any corporation which is a subsidiary, as such term is defined in Subsection 1(1) of the Business Corporations Act.
"Transfer Agent"	means Computershare Investment Services Inc.

"Tribunal"	means: (i) any court (including a court of equity); (ii) any federal, provincial, state, county, municipal or other government or governmental department, ministry, commission, board, bureau, agency or instrumentality; (iii) any securities commission, stock exchange or other regulatory or self-regulatory body; (iv) any arbitrator or arbitration tribunal; or (v) any other tribunal.
"TSX-V"	means the TSX Venture Exchange.
"United States" or "U.S."	means the United States of America, its territories and possessions.
"U.S. Exchange Act"	means the United States Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder from time to time.
"U.S. Person"	means a "U.S. person", as such term is defined in Regulation S under the U.S. Securities Act, and includes but is not limited to, any natural person resident in the United States.
"U.S. Securities Act"	means the United States Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder from time to time.
"**U.S. Securities Laws**"	means the U.S. Securities Act and the U.S. Exchange Act, together with the applicable securities legislation of any state of the United States.
"Valuation Factor"	means 0.60.
"Valuation Report"	means the valuation report dated July 23, 2015 from Glanville and McKnight delivered to the Orex Board in connection with the Arrangement, a copy of which is attached as Appendix C to this Circular.
"VIF"	means the voting instruction forms sent to Non-Registered Holders who are NOBOs as part of the Meeting Materials.
"Wilmot Agreement"	means the consulting agreement between Orex and Cedarwoods Group, a company wholly-owned by Ross Wilmot, dated May 1, 2013.

SUMMARY

This summary is qualified in its entirety by the more detailed information appearing elsewhere in this Circular, including the Appendices which are incorporated into and form part of this Circular.

The Meeting

The Meeting will be held at Suite 1700, Park Place, 666 Burrard Street, Vancouver, British Columbia V6C 2X8 at 10:00 a.m. (Vancouver time) on September 23, 2015.

Record Date

Only Orex Securityholders of record at the close of business on August 17, 2015 will be entitled to receive notice of and vote at the Meeting.

Purpose of the Meeting

The Meeting is both an annual meeting of Orex Shareholders and a special meeting of Orex Securityholders. At the Meeting: (i) the audited consolidated financial statements of Orex for the year ended April 30, 2015, together with the auditor's report thereon, will be presented to Orex Shareholders; (ii) Orex Shareholders will be electing directors to hold office until Orex's next general meeting; (iii) Orex Shareholders will be asked to appoint Davidson & Company LLP, as auditor and to authorize the directors to fix the auditor's remuneration; and (iv) Orex Shareholders will be asked to consider, and, if thought advisable, to pass an ordinary resolution to approve the New Orex Option Plan and Spinco Option Plan, each to be effective on the Effective Date (see "*The Meeting – Adoption of the Stock Option Plans*").

In addition, at the Meeting, Orex Securityholders will be asked to consider, and if deemed advisable, to pass, the Arrangement Resolution approving the Arrangement between Orex and Spinco. The full text of the Arrangement Resolution is set out in Appendix A to this Circular. In order to implement the Arrangement, the Arrangement Resolution must be approved, with or without amendment, by: (i) at least two-thirds of the votes cast by Orex Shareholders and Orex Optionholders present in person or represented by proxy at the Meeting, voting together as a single class, on the basis of one vote per Orex Share and with each Orex Optionholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Options held by such holder as of the Record Date; and (ii) at least two-thirds of the votes cast by Orex Warrantholders present in person or represented by proxy at the Meeting, voting as a single class, with each Orex Warrantholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Warrants held by such holder as of the Record Date. See "*The Meeting – The Arrangement – Approval of Arrangement Resolution*".

The Arrangement

Pursuant to the Plan of Arrangement, commencing at the Effective Time, the following principal steps will occur and will be deemed to occur in the following order without any further act or formality:

Dissent Securities

(a) all Dissent Securities held by Dissenting Securityholders will be deemed to have been transferred to Orex and each Dissenting Securityholder will cease to have any right as an

Orex Securityholder other than a right to be paid by Orex the fair value for such Dissent Securities;

Alteration of Capital of Orex and Exchange of Orex Shares for New Common Shares and Spinco Shares

(b) the share capital of Orex will be reorganized such that:

(i) the authorized share capital will be amended by the creation of a new class of shares consisting of an unlimited number of New Common Shares;

(ii) each outstanding Orex Share will be exchanged for one New Common Share and one Spinco Share and such Orex Share will be cancelled; and

(c) the stated capital of Orex for the outstanding New Common Shares will be an amount equal to the paid-up capital for the purpose of the Tax Act of Orex for the Orex Shares, less the amount determined by the Orex Board as being the fair value of the Spinco Shares distributed on such exchange.

Arrangement of Orex Options

(d) in respect of the Orex Options:

(i) each Orex Option outstanding immediately before the Effective Time will be and will be deemed to be exchanged for:

(A) one fully-vested New Orex Option to purchase from Orex one New Common Share. Each New Orex Option will be governed by the terms of the New Orex Option Plan and will have an exercise price per New Common Share (rounded up to the nearest whole cent) equal to the exercise price of each Orex Option so exchanged multiplied by the Valuation Factor; and

(B) one fully-vested Spinco Option to purchase from Spinco one Spinco Share. Each Spinco Option will be governed by the terms of the Spinco Option Plan and will have an exercise price per Spinco Share (rounded up to the nearest whole cent) equal to the exercise price of each Orex Option so exchanged multiplied by a number which is equal to one (1) minus the Valuation Factor; and

(ii) the Orex Option Plan will be terminated;

Arrangement of Orex Warrants

(e) in respect of the Orex Warrants:

(i) each Orex Warrant outstanding immediately before the Effective Time will be and will be deemed to be exchanged for:

(A) one New Orex Warrant to purchase from Orex one New Common Share. Each New Orex Warrant will be governed by the terms of the New Orex Warrant Certificates and will have an exercise price per

New Common Share equal to the exercise price of the Orex Warrant for which such New Orex Warrant was exchanged; and

(B) one Spinco Warrant to purchase from Spinco one Spinco Share. Each Spinco Warrant will be governed by the terms of the Spinco Warrant Certificates and will have an exercise price per Spinco Share equal to the exercise price of the Orex Warrant for which such Spinco Warrant was exchanged ; and

(ii) as soon as practicable after the Effective Time, Orex will deliver to each Orex Warrantholder a New Orex Warrant Certificate in respect of the New Orex Warrants and Spinco will deliver to each Orex Warrantholder a Spinco Warrant Certificate in respect of the Spinco Warrants, and thereupon the Orex Warrant Certificates representing the Orex Warrants so exchanged will be terminated.

Background to the Arrangement

As announced originally by news release on February 1, 2013, the management of Orex and the Orex Board have been investigating the process and advisability of creating Spinco and transferring Orex's interest in the Barsele Project to Spinco for over two years. The Arrangement was postponed since the spring of 2013 due to market conditions, but as a result of the closing of the Gunnarn JV on June 11, 2015, Orex obtained the necessary financing to complete the Arrangement. Management of Orex believes that there is potentially greater value that could be recognized in Orex's 45% interest in the Barsele Project and Orex's 100% interest in the Orex Projects if those interests were held and operated separately, rather than continuing to be held solely by Orex, and as a result, has decided to proceed with the Arrangement in order to meet the objectives set out under the heading "*Reasons for the Arrangement*" below.

Reasons for the Arrangement

The Orex Board has reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement with the benefit of advice from Orex's senior management and its financial, legal and technical advisors. The following is a summary of the principal reasons for the unanimous recommendation of the Orex Board that Orex Securityholders vote **FOR** the Arrangement Resolution:

- *Separation of Assets.* The separation of Orex's assets will enable management to advance Orex's and Spinco's mineral projects in a more focused and efficient manner.

- *Continued Participation by Orex Shareholders in the Barsele Project Through Spinco*. Orex Shareholders, through their ownership of all of the issued and outstanding Spinco Shares, will continue to participate in the value associated with the exploration, development and operation of the Barsele Project.

- *Continued Participation by Orex Shareholders in all of Orex's Other Projects.* Orex Shareholders, through their ownership of all of the issued and outstanding New Common Shares, will continue to participate in the value associated with the exploration, development and operation of all of the Orex Projects.

- *Continuity of Management.* The board of directors and officers of each of Orex and Spinco after the Arrangement will initially be the same directors and officers that currently manage Orex,

preserving the management know-how and direction of Orex for the benefit of both companies.

- *Approval of Orex Securityholders and the Court are Required*. The Arrangement must be approved by: (i) at least two-thirds of the votes cast in respect of the Arrangement Resolution by Orex Shareholders and Orex Optionholders present in person or represented by proxy at the Meeting, voting together as a single class, on the basis of one vote per Orex Share and with each Orex Optionholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Options held by such holder as of the Record Date; and (ii) at least two-thirds of the votes cast by Orex Warrantholders present in person or represented by proxy at the Meeting, voting as a single class, with each Orex Warrantholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Warrants held by such holder as of the Record Date. The Arrangement must also be sanctioned by the Court, which will consider the fairness of the Arrangement to Orex Securityholders.

- *Dissent Rights*. Registered Orex Shareholders, Orex Optionholders and Orex Warrantholders who oppose the Arrangement may, on strict compliance with certain conditions, exercise their Dissent Rights and receive the fair value of the Dissent Securities in accordance with the Arrangement.

See "*Cautionary Note Regarding Forward-Looking Statements*" and "*The Meeting – The Arrangement – Reasons for the Arrangement*".

Recommendation of the Orex Board

After careful consideration of, among other things, the factors described under the heading "*The Meeting – The Arrangement – Reasons for the Arrangement*", the Orex Board has unanimously determined that the Plan of Arrangement is fair to Orex Securityholders and is in the best interests of Orex. **Accordingly, the Orex Board unanimously recommends that Orex Securityholders vote <u>FOR</u> the Arrangement Resolution.**

Orex Option Plan and Treatment of Orex Options

Pursuant to the Arrangement, each Orex Option outstanding immediately before the Effective Time will be exchanged for: (a) one fully-vested New Orex Option to purchase from Orex one New Common Share; and (b) one fully-vested Spinco Option to purchase from Spinco one Spinco Share. Each New Orex Option will be governed by the terms of the New Orex Option Plan, will have an exercise price per New Common Share (rounded up to the nearest whole cent) equal to the exercise price of each Orex Option so exchanged multiplied by the Valuation Factor and will have an expiry date equivalent to the respective expiry date of each Orex Option so exchanged. Each Spinco Option will be governed by the terms of the Spinco Option Plan, will have an exercise price per Spinco Share (rounded up to the nearest whole cent) equal to the exercise price of each Orex Option so exchanged multiplied by a number which is equal to one (1) minus the Valuation Factor and will have an expiry date equivalent to the respective expiry date of each Orex Option so exchanged.

Upon completion of the Arrangement, the Orex Option Plan will be terminated.

Orex Optionholders who do not want to receive New Orex Options and Spinco Options in exchange for their Orex Options can exercise their vested Orex Options before the Effective Time, in accordance

with the terms of the Orex Option Plan, and participate in the Arrangement on the same basis as Orex Shareholders.

See "*The Meeting – The Arrangement – Orex Option Plan and Treatment of Orex Options*".

Treatment of Orex Warrants

Pursuant to the Arrangement, each Orex Warrant outstanding immediately before the Effective Time will be exchanged for: (a) one New Orex Warrant to purchase from Orex one New Common Share; and (b) one Spinco Warrant to purchase from Spinco one Spinco Share. Each New Orex Warrant will be governed by the terms of the New Orex Warrant Certificates, will have an exercise price per New Common Share equal to the exercise price of the Orex Warrant for which such New Orex Warrant was exchanged and will have an expiry date equivalent to the respective expiry date of each Orex Warrant so exchanged. Each Spinco Warrant will be governed by the terms of the Spinco Warrant Certificates, will have an exercise price per Spinco Share equal to the exercise price of the Orex Warrant for which such Spinco Warrant was exchanged and will have an expiry date equivalent to the respective expiry date of each Orex Warrant so exchanged.

Upon completion of the Arrangement, the Orex Warrant Certificates will be terminated.

Orex Warrantholders who do not want to receive New Orex Warrants and Spinco Warrants in exchange for their Orex Warrants may exercise their Orex Warrants before the Effective Time, in accordance with the terms of the respective Orex Warrant Certificates, and participate in the Arrangement on the same basis as Orex Shareholders.

See "*The Meeting – The Arrangement – Treatment of Orex Warrants*".

Orex After the Arrangement

Upon completion of the Arrangement, Orex will continue to hold the same mineral assets it currently holds, except the 45% interest in the Barsele Project, which is subject to the Gunnarn JV Agreement. Orex will remain a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario and the New Orex Shares will be listed for trading on the TSX-V under the symbol "REX". Orex's primary objective will be to continue to conduct exploration on the Los Crestones Project and Jumping Josephine Project, to maintain the remaining properties and to seek opportunities to acquire interests in other mineral properties. In particular, Orex's objective will be to carry out the exploration programs recommended in the Los Crestones Technical Report and the Jumping Josephine Technical Report and acquire new projects of interest. See Appendix E - "*Information Concerning Orex After the Arrangement*".

Spinco

Spinco is currently a wholly-owned subsidiary of Orex that was incorporated on February 20, 2013 to hold and operate the Barsele Project. The registered and records office of Spinco is located at Suite 1700, 666 Burrard Street, Vancouver, British Columbia V6C 2X8. Upon completion of the Arrangement, Spinco expects that it will be a reporting issuer in the Province of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario and will have a 45% interest in the Barsele Project through its ownership of 45% of the Gunnarn Shares. The Barsele Project is 100% owned by Gunnarn and is subject to the Gunnarn JV Agreement. AE Sweden is the owner of the remaining 55% of the Gunnarn Shares and is the operator of the Barsele Project. AE Sweden is a wholly-owned subsidiary of Agnico Eagle, a public company listed on the Toronto Stock Exchange and the New York Stock Exchange. Spinco has applied to the TSX-V for the listing of the Spinco Shares on the TSX-V. Any

listing is subject to Spinco fulfilling all of the requirements of the TSX-V; however, there can be no assurance as to if or when such listing will occur. See Appendix F - "*Information Concerning Spinco After the Arrangement*".

Conditions to the Arrangement

Completion of the Arrangement is subject to a number of specified conditions being met as of the Effective Time, including, but not limited to:

- the Orex Securityholder Approval having been obtained;
- the Final Order having been granted by the Court in form and substance satisfactory to Orex;
- the conditional approval of the TSX-V for listing of the New Common Shares and the Spinco Shares issuable, distributable or exchangeable, as applicable, under the Arrangement, having been obtained;
- the New Common Shares, Spinco Shares, New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants to be issued, distributed and exchanged, as applicable, pursuant to the Arrangement being exempt from registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof;
- Orex having received satisfactory advice from its counsel as to the Canadian tax consequences of the Arrangement to Orex and the Orex Securityholders;
- all material consents, orders and approvals, including any regulatory or judicial approvals or orders, having been obtained;
- no order or decree restraining or enjoining the consummation of the Arrangement being in force immediately prior to the Effective Time;
- the Orex Board having determined to proceed with the Arrangement having considered the number of Orex Securities in respect of which Dissent Rights have been exercised;
- the Spinco Reorganization having been completed; and
- the Arrangement Agreement not having been terminated.

See "*The Meeting – The Arrangement – The Arrangement Agreement – Conditions to the Arrangement Becoming Effective* ".

Termination of the Arrangement Agreement

The Arrangement Agreement may at any time before or after the holding of the Meeting, and before or after the granting of the Final Order, be terminated, and the Plan of Arrangement withdrawn at the direction of the Orex Board without further action on the part of the Orex Securityholders.

Procedure for Exchange of Orex Shares

At the time of sending this Circular to each Orex Shareholder, Orex is also sending to each Registered Orex Shareholder the Letter of Transmittal. The Letter of Transmittal is for use by Registered Orex Shareholders only and is not to be used by Non-Registered Holders. Non-Registered Holders should

contact their broker or other intermediary for instructions and assistance in receiving the New Common Shares and Spinco Shares in respect of their Orex Shares.

The Letter of Transmittal contains instructions with respect to the deposit of certificate(s) (if any) representing Orex Shares with the Depositary at its offices in Vancouver, British Columbia in order to receive share certificate(s) or DRS Advice Statement(s) representing New Common Shares and Spinco Shares which Orex Shareholders will be entitled to receive under the Arrangement. Following the Effective Time and upon return of a properly completed Letter of Transmittal, together with share certificate(s) representing Orex Shares (if any) and such other documents as the Depositary may require, share certificate(s) or DRS Advice Statement(s) for the appropriate number of New Common Shares and Spinco Shares to which the Former Orex Shareholder is entitled under the Arrangement will be delivered.

A Registered Orex Shareholder must deliver to the Depositary at the office listed in the Letter of Transmittal:

- the share certificates representing their Orex Shares (if any);
- a Letter of Transmittal in the form provided with this Circular, properly completed and duly executed as required by the instructions set out in the Letter of Transmittal; and
- any other documentation required by the instructions set out in the Letter of Transmittal.

Except as otherwise provided in the instructions to the Letter of Transmittal, the signature on the Letter of Transmittal must be guaranteed by an Eligible Institution. If a Letter of Transmittal is executed by a person other than the registered holder of the share certificate(s) (if any) deposited therewith, the share certificate(s) (if any) must be endorsed or be accompanied by an appropriate securities transfer power of attorney, duly and properly completed by the registered holder, with the signature on the endorsement panel, or securities transfer power of attorney, guaranteed by an Eligible Institution.

See "*The Meeting – The Arrangement – Procedure for Exchange of Orex Shares*".

Procedure for Exchange of Orex Options

In order to receive New Orex Options and Spinco Options, as soon as practicable after the Effective Time each Orex Optionholder must deliver to Orex at its head office the agreement(s), if any, representing such holder's Orex Options and any other documentation required by Orex and Spinco.

As soon as practicable after receipt of such agreement(s), Orex and Spinco will deliver to each Orex Optionholder agreements representing the New Orex Options and Spinco Options, respectively, which such Orex Optionholder is entitled to receive under the Arrangement.

See "*The Meeting – The Arrangement – Procedure for Exchange of Orex Options*".

Procedure for Exchange of Orex Warrants

In order to receive New Orex Warrants and Spinco Warrants, as soon as practicable after the Effective Time each Orex Warrantholder must deliver to Orex at its head office the certificate(s), if any, representing such holder's Orex Warrants and any other documentation required by Orex and Spinco.

As soon as practicable after receipt of such certificate(s), Orex and Spinco will deliver to each Orex Warrantholder certificates representing the New Orex Warrants and Spinco Warrants, respectively, which such Orex Warrantholder is entitled to receive under the Arrangement.

See "*The Meeting – The Arrangement – Procedure for Exchange of Orex Warrants*".

Right to Orex Shares and Spinco Shares

Only Orex Shareholders immediately before the Effective Time will be entitled to receive New Common Shares and Spinco Shares. Any holder of Orex Options or Orex Warrants who has not exercised his or her Orex Options or Orex Warrants respectively, before the Effective Time will not be entitled to receive New Common Shares and Spinco Shares pursuant to the Arrangement. See "*The Meeting – The Arrangement – Orex Option Plan and Treatment of Orex Options*" and "*The Meeting – The Arrangement - Treatment of Orex Warrants*" above.

Cancellation of Rights After Six Years

Any certificate which immediately before the Effective Time represented outstanding Orex Shares and which has not been surrendered, with all other documents required by the Depositary, on or before the date that is six years after the Effective Date, will cease to represent any claim against or interest of any kind or nature in Orex or Spinco. **Accordingly, Former Orex Shareholders who deposit with the Depositary certificates representing Orex Shares after the sixth anniversary of the Effective Date will not receive New Common Shares, Spinco Shares or any other consideration in exchange therefor, will not own any interest in Orex or Spinco, and such Former Orex Shareholders will not be paid any other compensation.**

Dissent Rights

The Interim Order provides that each Orex Securityholder will have the right to dissent and, if the Arrangement becomes effective, to have his or her Orex Securities cancelled in exchange for a cash payment from Orex equal to the fair value of his or her Orex Securities as of the day of the Meeting in accordance with the provisions of the Interim Order. In order to validly dissent, an Orex Securityholder must not vote any Orex Securities in respect of which Dissent Rights have been exercised in favour of the Arrangement Resolution, must provide Orex with written objection to the Arrangement by 10:00 a.m. (Vancouver time) on September 21, 2015, or two Business Days before any adjournment or postponement of the Meeting, and must otherwise comply with the Dissent Procedures provided in the Interim Order. A Non-Registered Holder who wishes to exercise Dissent Rights must arrange for the Registered Orex Shareholder(s) holding its Orex Shares to deliver the Dissent Notice. See "*The Meeting - The Arrangement – Dissent Rights*".

If a Dissenting Securityholder fails to strictly comply with the requirements of the Dissent Rights set out in the Interim Order, it will lose its Dissent Rights. The Dissent Rights are set out in their entirety in the Interim Order, the text of which is set out in Appendix D to this Circular.

Income Tax Considerations

Summary of Certain Canadian Federal Income Tax Considerations

A summary of the principal Canadian federal income tax considerations generally applicable under the Tax Act to Holders in respect of the Arrangement are described under the heading "*Certain Canadian Federal Income Tax Considerations*" in this Circular.

Summary of Certain United States Federal Income Tax Considerations

Orex Securityholders who are resident in, or citizens of, the United States are advised to consult their own tax advisors to determine the particular United States tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the Laws of any other relevant foreign, state, local, or other taxing jurisdiction. No rulings from the Internal Revenue Service or legal opinions have been or will be sought with respect to any of the tax consequences relating to the transaction described herein including, without limitation, with respect to income, estate, gift or other tax consequences.

Court Approval

The Arrangement requires Court approval under the Business Corporations Act. In addition to this approval, the Court will be asked for a declaration following a Court hearing that the Arrangement is fair to the Orex Securityholders. Before the mailing of this Circular, Orex obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. Following receipt of Orex Securityholder Approval, Orex intends to make application to the Court for the Final Order at 9:45 a.m. (Vancouver time), or as soon thereafter as counsel may be heard, on September 24, 2015 at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, or at any other date and time as the Court may direct. Stikeman Elliott LLP, counsel to Orex, has advised that, in deciding whether to grant the Final Order, the Court will consider, among other things, the fairness of the Arrangement to Orex Securityholders.

Any Orex Securityholder who wishes to appear or be represented and to present evidence or arguments at that hearing must file and serve a response to petition no later than 5:00 p.m. (Vancouver time) on September 21, 2015 along with any other documents required, all as set out in the Interim Order and Notice of Petition, the text of which are set out in Appendix D to this Circular and, satisfy any other requirements of the Court. Such Persons should consult with their legal advisors as to the necessary requirements.

The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, and subject to compliance with such terms and conditions, if any, as the Court sees fit.

The Court will be informed, before the hearing, that the Final Order will form the basis for an exemption from registration of the New Common Shares and the Spinco Shares to be issued, distributed and exchanged, as applicable, and the New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants issued, distributed and exchanged, as applicable, in connection with the Arrangement under the U.S. Securities Act pursuant to Section 3(a)(10) thereof. See "*The Meeting – The Arrangement – Court Approval of the Arrangement*".

Regulatory Law Matters and Securities Law Matters

Orex is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. The Orex Shares currently trade on the TSX-V. The New Common Shares are expected to commence trading on the TSX-V within 3 Business Days of the completion of the Arrangement.

Upon completion of the Arrangement, Spinco expects that it will be a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. Spinco has applied for the listing of the Spinco Shares on the TSX-V. Any listing will be subject to meeting the initial listing requirements of the TSX-V. There can be no assurance as to if, or when, the Spinco Shares will be listed or traded on the TSX-V or any other stock exchange.

As the Spinco Shares are not listed on a stock exchange, unless and until such a listing is obtained, holders of Spinco Shares may not have a market for their shares.

Canadian Securities Laws Matters

The distribution of the New Common Shares, Spinco Shares, New Orex Options, Spinco Options, Spinco Warrants and New Orex Warrants pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian Securities Laws and is exempt from or otherwise is not subject to the registration requirements under applicable Canadian Securities Laws. The New Common Shares, Spinco Shares, Spinco Warrants and New Orex Warrants (provided the Orex Warrants for which such Spinco Warrants and New Orex Warrants were exchanged were transferrable) received pursuant to the Arrangement will not bear any legend under Canadian Securities Laws and may be resold through registered dealers in each of the provinces of Canada provided that: (a) Spinco after the Arrangement and Orex is and has been a reporting issuer in a jurisdiction in Canada for the four months immediately preceding the trade; (b) the trade is not a "control distribution" as defined in NI 45-102; (c) no unusual effort is made to prepare the market or to create a demand for the New Common Shares and Spinco Shares; (d) no extraordinary commission or consideration is paid to a Person in respect of such sale; and (e) if the selling securityholder is an insider or officer of Orex or Spinco, the selling securityholder has no reasonable grounds to believe that Orex or Spinco is in default of applicable Securities Laws. For the purposes of (a) above, Spinco satisfies the four month requirement by virtue of the fact that it is a party to the Arrangement Agreement with Orex, which will have been a reporting issuer in a jurisdiction in Canada for at least four months prior to the date of distribution.

Each Orex Shareholder is urged to consult his, her or its professional advisors to determine the Canadian conditions and restrictions applicable to trades in New Common Shares and Spinco Shares.

See "*The Meeting – The Arrangement – TSX-V Requirements, Regulatory Law and Securities Law Matters*".

United States Securities Laws Matters

None of the New Common Shares and the Spinco Shares issued, distributed and exchanged, as applicable, pursuant to the Arrangement, nor the New Orex Options, Spinco Options, New Orex Warrants or Spinco Warrants, have been or will be registered under the U.S. Securities Act or the Securities Laws of any state of the United States and will each be issued, distributed and exchanged, as applicable, in reliance upon the exemption from registration provided by Section 3(a)(10) of the U.S. Securities Act and similar exemptions provided under the Securities Laws of each state of the United States in which Orex Securityholders reside. The New Common Shares and Spinco Shares, as applicable, issuable upon exercise of the New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants will not be exempt pursuant to Section 3(a)(10) of the U.S. Securities Act and therefore may only be issued if the issuance is registered under the U.S. Securities Act pursuant to another exemption from the registration requirements of the U.S. Securities Act.

The restrictions on resale of shares imposed by the U.S. Securities Act will depend on whether a holder of the New Common Shares or the Spinco Shares, as applicable, issued or distributed pursuant to the Arrangement is an "affiliate" of Orex or Spinco after the Arrangement. As defined in Rule 144 under the U.S. Securities Act, an "affiliate" of an issuer is a person that directly, or indirectly, through one or more intermediaries, controls, or is controlled by, or is under common control with, such issuer.

The Spinco Shares will not be a registered class of securities in the United States and will not be listed for trading on a stock exchange in the United States.

See "*Regulatory Law Matters and Securities Law Matters – United States Securities Laws*".

Risk Factors

Orex Securityholders should carefully consider the risk factors relating to the Arrangement. Some of these risks include, but are not limited to: the Arrangement Agreement may be terminated in certain circumstances; there can be no certainty that all conditions precedent to the Arrangement will be satisfied; Orex will incur costs even if the Arrangement is not completed; the market price of Orex Shares may decline if the Arrangement is not completed; the issue of New Orex Shares under the Arrangement may cause the market price of New Orex Shares to decline; and there is currently no market for the Spinco Shares. For more information see "*The Meeting – The Arrangement - Risks Associated with the Arrangement*".

Additional risks and uncertainties, including those currently unknown or considered immaterial by Orex may also adversely affect the Orex Shares, the New Common Shares, the Spinco Shares, the New Orex Options, the Spinco Options, the New Orex Warrants, the Spinco Warrants or the business of Spinco or Orex following the Arrangement. In addition to the risk factors relating to the Arrangement set out in this Circular, Orex Securityholders should also carefully consider the risk factors associated with the businesses of Orex after the Arrangement and Spinco included in this Circular, including the documents incorporated by reference therein. See "*Information Concerning Orex After the Arrangement - Risk Factors*" and "*Information Concerning Spinco After the Arrangement - Risk Factors*".

GENERAL PROXY INFORMATION

Solicitation of Proxies

This Circular is furnished in connection with the solicitation of proxies by the management of Orex for use at the Meeting, to be held on September 23, 2015, at the time and place and for the purposes set forth in the accompanying Notice of Meeting. While it is expected that the solicitation will be primarily by mail, proxies may be solicited personally or by telephone by the directors, officers and regular employees of Orex at nominal cost. All costs of solicitation by management will be borne by Orex.

How a Vote is Passed

At the Meeting, Orex Securityholders will be asked, among other things, to consider and to vote to approve the Arrangement Resolution. To be effective, the Arrangement Resolution must be approved by: (i) at least two-thirds of the votes cast by Orex Shareholders and Orex Optionholders present in person or represented by proxy at the Meeting, voting together as a single class, on the basis of one vote per Orex Share and with each Orex Optionholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Options held by such holder as of the Record Date; and (ii) at least two-thirds of the votes cast by Orex Warrantholders present in person or represented by proxy at the Meeting, voting as a single class, with each Orex Warrantholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Warrants held by such holder as of the Record Date.

All of the other matters that will come to a vote at the Meeting, as described in this Circular, are ordinary resolutions and can be passed by a simple majority of Orex Shareholders— that is, if more than half of the votes of Orex Shareholders that are cast are in favour, the resolution is approved.

The quorum for the Meeting is one person who is, or represents by proxy, an Orex Shareholder entitled to vote at the Meeting.

Who can vote?

If you are a Registered Orex Shareholder, Orex Optionholder or Orex Warrantholder as at August 17, 2015, you are entitled to attend at the Meeting and cast a vote for the Arrangement Resolution. Additionally, if you are a Registered Orex Shareholder, you are entitled to attend the Meeting and cast a vote for each Orex Share registered in your name on all other resolutions put before the Meeting. If the Orex Securities are registered in the name of a corporation, a duly authorized officer of the corporation may attend on its behalf, but documentation indicating such officer's authority should be presented at the Meeting. If you are a Registered Orex Shareholder, Orex Optionholder or Orex Warrantholder but do not wish to, or cannot, attend the Meeting in person you can appoint someone who will attend the Meeting and act as your proxyholder to vote in accordance with your instructions. If your Orex Shares are registered in the name of a "nominee" (usually a bank, trust company, securities dealer or other financial institution) you should refer to the section entitled "*Non-Registered Holders*" set out below.

It is important that your Orex Securities be represented at the Meeting regardless of the number of Orex Securities you hold. If you will not be attending the Meeting in person, we encourage you to complete, date, sign and return your form of proxy as soon as possible so that your Orex Securities will be represented.

What is a Proxy?

A form of proxy is a document that authorizes someone to attend the Meeting and cast your votes for you. We have enclosed a form of proxy with this Circular. You should use it to appoint a proxyholder, although you can also use any other legal form of proxy.

Appointing a Proxyholder

The persons named in the enclosed form of proxy are Gary Cope and N. Ross Wilmot, the President and Chief Executive Officer and Chief Financial Officer, respectively, of Orex. **AN OREX SECURITYHOLDER WHO WISHES TO APPOINT SOME OTHER PERSON TO REPRESENT SUCH OREX SECURITYHOLDER AT THE MEETING MAY DO SO BY CROSSING OUT THE NAME ON THE FORM OF PROXY AND INSERTING THE NAME OF THE PERSON PROPOSED IN THE BLANK SPACE PROVIDED IN THE ENCLOSED FORM OF PROXY. SUCH OTHER PERSON NEED NOT BE AN OREX SECURITYHOLDER. TO VOTE YOUR OREX SECURITIES, YOUR PROXYHOLDER MUST ATTEND THE MEETING**. If you do not fill a name in the blank space in the enclosed form of proxy, the persons named in the form of proxy (Gary Cope and N. Ross Wilmot, the President and Chief Executive Officer and Chief Financial Officer, respectively) are appointed to act as your proxyholder.

Regardless of who you appoint as your proxyholder, you can either instruct that person or company how you want to vote or you can let him or her decide for you. You can do this by completing a form of proxy. In order to be valid, you must return the completed form of proxy forty-eight (48) hours, excluding Saturdays, Sundays and holidays, before the time of the Meeting or any adjournment or postponement thereof to our transfer agent, Computershare, by toll free North American fax number 1-866-249-7775, or by international fax number 1-416-863-9524. Alternatively, you may submit your vote on the internet at www.investorvote.com, or by telephone at 1-866-734-8683 (toll free in North America).

Instructing your Proxy and Exercise of Discretion by your Proxy

You may indicate on your form of proxy how you wish your proxyholder to vote your Orex Securities. To do this, simply mark the appropriate boxes on the form of proxy. If you do this, your proxyholder must vote your Orex Securities in accordance with the instructions you have given.

If you do not give any instructions as to how to vote on a particular issue to be decided at the Meeting, your proxyholder can vote your securities as he or she thinks fit.

If you are an Orex Shareholder and have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your Orex Shares at the Meeting as follows:

- ✓ **FOR the election of the proposed nominees as directors;**
- ✓ **FOR the reappointment of Davidson & Company LLP, Chartered Professional Accountants, as the auditor of Orex and to authorize the directors to fix the remuneration to be paid to the auditor;**
- ✓ **FOR the approval of the Arrangement Resolution; and**
- ✓ **FOR the adoption of the New Orex Option Plan and the Spinco Option Plan.**

If you are an Orex Optionholder or Orex Warrantholder and have appointed the persons designated in the form of proxy as your proxyholder they will, unless you give contrary instructions, vote your Orex Options or Orex Warrants, as applicable, at the Meeting as follows:

- ✓ **FOR the approval of the Arrangement Resolution.**

Further details about these matters are set out in this Circular. The enclosed form of proxy gives the persons named on it the authority to use their discretion in voting on amendments or variations to matters identified on the Notice of Meeting. At the time of printing this Circular, the management of Orex is not aware of any other matter to be presented for action at the Meeting. If, however, other matters do properly come before the Meeting, the persons named on the enclosed form of proxy will vote on them in accordance with their best judgment, pursuant to the discretionary authority conferred by the form of proxy with respect to such matters.

Revocability of Proxy

A Registered Orex Shareholder, Orex Optionholder or Orex Warrantholder who has given a proxy may revoke it by an instrument in writing executed by such Registered Orex Shareholder, Orex Optionholder or Orex Warrantholder or by his or her attorney authorized in writing or, where the Orex Securityholder is a corporation, by a duly authorized officer or attorney of the corporation, and delivered to the Head Office of Orex at Suite 1130 – 1055 West Hastings Street, Vancouver, BC, V6E 2E9, at any time up to and including by 4:00 p.m. (Vancouver Time) on the last Business Day preceding the day of the Meeting, or any adjournment or postponement thereof, or to the Chairman of the Meeting on the day of the Meeting, or any adjournment or postponement thereof, or in any other manner provided by Law. A revocation of a proxy does not affect any matter on which a vote has been taken before the revocation.

Voting by Orex Securityholders

Only Registered Orex Shareholders, Orex Optionholders, Orex Warrantholders or duly appointed proxyholders are permitted to vote in person at the Meeting. A holder of Orex Shares may own such shares in one or both of the following ways. If an Orex Shareholder is in possession of a physical share certificate, such Orex Shareholder is a Registered Orex Shareholder and his, her or its name and address are maintained by Orex through the Transfer Agent. If an Orex Shareholder owns Orex Shares through a bank, broker, nominee, or other Intermediary such Orex Shareholder is a "Non-Registered Holder" or "beneficial" Orex Shareholder and he, she or it will not have a physical share certificate. Such Orex Shareholder will have an account statement from his or her Intermediary as evidence of share ownership.

If you are not sure whether you are a Registered Orex Shareholder, please contact Computershare toll free in North America at 1-800-564-6253 or collect at 1-514-982-7555.

A Registered Orex Shareholder, Orex Optionholder or Orex Warrantholder may vote a proxy in his, her, or its own name at any time by facsimile, internet or by mail in accordance with the instructions appearing on the enclosed form of proxy and/or may attend the Meeting and vote in person. Because a Registered Orex Shareholder, Orex Optionholder and Orex Warrantholder is known to Orex and the Transfer Agent, his, her, or its account can be confirmed and his, her, or its vote recorded or changed if such Registered Orex Shareholder, Orex Optionholder or Orex Warrantholder has previously voted.

Non-Registered Holders

Most Orex Shareholders are Non-Registered Holders or "beneficial" Orex Shareholders. Their Orex Shares are registered in the name of an Intermediary, such as a securities broker, financial institution, trustee, custodian or other nominee who holds the shares on their behalf, or in the name of a clearing agency, such as The Canadian Depository for Securities Limited (CDS) or the Depository Trust & Clearing Corporation (DTC), in which the Intermediary is a participant. Intermediaries have obligations to forward meeting materials to Non-Registered Holders, unless otherwise instructed by the holder (and as required by regulation in some cases, despite instructions).

In accordance with the requirements of the Canadian Securities Administrators and NI 54-101, Orex has caused its agent to distribute copies of the Meeting Materials directly to NOBOs – that is, Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder does not object to the Intermediary disclosing ownership information about the beneficial owner.

The Meeting Materials distributed by Orex's agent to NOBOs include a VIF. A NOBO may vote using a VIF in his, her or its own name at any time by facsimile, internet or by mail in accordance with the instructions appearing on the enclosed VIF. The Transfer Agent will tabulate the results of the votes received from NOBOs in accordance with the instructions appearing on the enclosed VIF and will provide appropriate instructions at the Meeting with respect to those votes. Please carefully review the instructions on the VIF for completion and deposit.

These Meeting Materials are being sent to both registered and Non-Registered Holders of Orex Shares. If you are a Non-Registered Holder, and Orex or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send the Meeting Materials to NOBOs directly, Orex (and not the Intermediary holding on your behalf) has assumed responsibility for: (a) delivering these Meeting Materials to you; and (b) executing your proper voting instructions. Please return your voting instructions as specified in the VIF enclosed with mailings to NOBOs.

In addition, in accordance with the requirements of NI 54-101, Orex is distributing copies of the Meeting Materials to clearing agencies and Intermediaries for onward distribution to OBOs – that is, Non-Registered Holders who have provided instructions to an Intermediary that such Non-Registered Holder objects to the Intermediary disclosing ownership information about the beneficial owner.

Intermediaries have obligations to forward meeting materials to the Non-Registered Holders, unless otherwise instructed by the holder (and as required by regulation in some cases, despite such instructions). Generally, Intermediaries will provide Non-Registered Holders with either: (a) a VIF for completion and execution by the Non-Registered Holder; or (b) a proxy form executed by the Intermediary and restricted to the number of shares owned by the Non-Registered Holder, but not otherwise completed. These are procedures to permit the Non-Registered Holders to direct the voting of the Orex Shares which they beneficially own. Intermediaries that are U.S. registered broker-dealers will not be permitted to exercise discretionary voting authority and therefore if you are an OBO holding Orex Shares in a customer account at a U.S. registered broker-dealer your Orex Shares will not be voted or represented at the Meeting unless you execute and return a VIF.

If a Non-Registered Holder wishes to attend and vote at the Meeting in person, he or she must insert his or her own name in the space provided for the appointment of a proxyholder on the VIF or proxy form provided by the Intermediary and carefully follow the Intermediary's instructions for return of the executed form or other method of response.

Voting Securities and Principal Holders of Voting Securities

Orex is authorized to issue an unlimited number of Orex Shares, of which 101,890,199 Orex Shares were issued and outstanding as of the Record Date. Orex has only one class of shares. Each Orex Share will entitle the holder thereof to one vote on the Arrangement Resolution and other resolutions being voted on at the Meeting. In addition, as of the Record Date, there were 6,294,000 Orex Options and 14,643,680 Orex Warrants issued and outstanding. For the purposes of the Meeting, each Orex Optionholder and Orex Warrantholder whose name is entered on the register of Orex Optionholders and Orex Warrantholders as of the Record Date, respectively, will be entitled to attend the Meeting in person or appoint a proxy to attend the Meeting. Each Orex Optionholder and Orex Warrantholder will be entitled to one vote for each Orex Share such Orex Optionholder or Orex Warrantholder would receive upon valid exercise of the Orex Options or Orex Warrants, as applicable, held by such Orex Optionholder or Orex Warrantholder as of the Record Date.

Orex Securityholders of record as at 5:00 p.m. (Vancouver time) on the Record Date who either personally attend the Meeting or who have completed and delivered a form of proxy in the manner and subject to the provisions described above will be entitled to vote or to have their Orex Securities voted at the Meeting.

To the knowledge of the directors and executive officers of Orex, as of the date of this Circular, no person or company beneficially owns directly or indirectly, controls, or directs Orex Securities carrying 10% or more of the voting rights attached to any class of outstanding Orex Securities, except:

- Gary Cope who directly and indirectly through his holding company, 683192 B.C. Ltd., has control and direction over 12,356,800 Orex Shares, which represent 12.13% of the voting

rights attached to all of the issued and outstanding Orex Shares, Orex Options to acquire 1,150,000 Orex Shares, which together with the 12,356,800 Orex Shares represent 12.49% of the votes attached to all issued and outstanding Orex Shares and Orex Options, aggregated as a single class, and 3,327,400 Orex Warrants, which represent 24.9% of the votes attached to all issued and outstanding Orex Warrants; and

- Robert Gipson, who directly owns and has control and direction over 12,000,000 Orex Shares, which represent 11.78% of the votes attached to all of the issued and outstanding Orex Shares and 11.09% of the votes attached to all issued and outstanding Orex Shares and Orex Options, aggregated as a single class.

THE MEETING – ANNUAL MATTERS

The following annual and general matters will be voted on at the Meeting only by Orex Shareholders or their respective proxyholders:

Financial Statements

The audited consolidated financial statements and MD&A of Orex for the fiscal year ended April 30, 2015 will be placed before you at the Meeting. These financial statements are incorporated into this Circular by reference and may be viewed on www.sedar.com under Orex's SEDAR profile.

Election of Directors

Directors are elected for a term of one year. The term of office of each of the nominees proposed for election as a director will expire at the Meeting, and each of them, if elected, will serve until the close of the next annual general meeting, unless he resigns or otherwise vacates office before that time.

Nominees for Election

The following are the nominees proposed for election as directors of Orex together with the number of voting securities of Orex that are beneficially owned, directly or indirectly, or over which control or direction is exercised, by each nominee. All of the nominees are currently directors of Orex. Each of the nominees has agreed to stand for election and we are not aware of any intention of any of them not to do so. If, however, one or more of them should become unable to stand for election, it is likely that one or more other persons would be nominated at the Meeting for election and, in that event, the persons designated in the form of proxy will vote in their discretion for a substitute nominee.

Name, Jurisdiction of Residence, and Present Office Held	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction Is Exercised	Principal Occupation During the Past Five Years
Gary Cope[(1)] President, Chief Executive Officer and Director BC, Canada	June 1, 2004	Direct: 2,008,000 Indirect: 10,348,800[(2)]	Mining Executive; Past President of Orko Silver Corp. (junior mining) and current President and Chief Executive Officer of Orex
N. Ross Wilmot Chief Financial Officer and Director BC, Canada	May 24, 2001	594,800	Financial Consultant, Cedarwoods Group (financial consulting); past director and officer of several listed companies

Name, Jurisdiction of Residence, and Present Office Held	Director Since	Number of Shares Beneficially Owned, Directly or Indirectly, or Over Which Control or Direction Is Exercised	Principal Occupation During the Past Five Years
William Henry (Harry) White [1] Director BC, Canada	May 9, 2014	Nil	Transportation/logistics consultant with H.White Consulting, BASc - Metallurgical Engineering from UBC; MBA from Harvard Business School
Arthur Freeze Director BC, Canada	September 27, 2007	Direct: 145,000 Indirect: 582,500[3]	Consulting Geologist, Stillwater Enterprises Ltd. (geology consulting); director and officer of several listed companies
Rick Sayers[1] Director BC, Canada	June 13, 2008	8,000	VP Finance, Lordco Parts Ltd. (automotive parts retail)

[1] Denotes a member of the Audit Committee, Corporate Governance Committee and Compensation Committee.

[2] 10,348,800 Orex Shares are owned by 683192 B.C. Ltd., a private company wholly-owned by Gary Cope.

[3] 542,500 Orex Shares are owned by Stillwater Enterprises Ltd. and 40,000 Orex Shares are owned by Freeze Family Holdings Ltd., both private companies wholly-owned by Arthur Freeze.

Management of Orex recommends that Orex Shareholders vote in favor of the nominees for election as directors. Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the election of the five nominees as directors of Orex for the ensuing year.

Re-Appointment of the Auditor

Davidson & Company LLP, Chartered Professional Accountants, has served as the auditor of Orex since July 1, 2008.

Orex's management recommends that Orex Shareholders vote in favor of the re-appointment of Davidson & Company LLP, Chartered Professional Accountants, as Orex's auditor for the ensuing year and in favor of granting the Orex Board the authority to determine the remuneration to be paid to the auditor.

Unless you give other instructions, the persons named in the enclosed form of proxy intend to vote FOR the appointment of Davidson & Company LLP to act as Orex's auditor until the close of its next annual general meeting and to authorize the Orex Board to fix the remuneration to be paid to the auditor.

Executive Compensation

Compensation Discussion and Analysis

Compensation, Philosophy and Objectives

Orex has appointed a Compensation Committee and adopted a Compensation Committee Charter in order that the Compensation Committee may guide the compensation program. See Appendix B of the Orex management information circular dated September 19, 2014, which is incorporated by reference in this Circular for a full copy of the Charter. The Orex Board meets to discuss and determine management compensation, upon recommendation by the Compensation Committee, without reference to formal objectives, criteria or analysis.

The general objectives of Orex's compensation strategy are to:

(a) compensate management in a manner that encourages and rewards a high level of performance and outstanding results with a view to increasing long-term shareholder value;

(b) align management's interests with the long-term interest of shareholders;

(c) provide a compensation package that is commensurate with other junior mineral exploration companies to enable Orex to attract and retain talent; and

(d) ensure that the total compensation package is designed in a manner that takes into account the constraints that Orex is under by virtue of the fact that it is a natural resource company without a history of earnings.

The Orex Board, as a whole, ensures that total compensation paid to all Named Executive Officers (as hereinafter defined) is fair and reasonable. The Orex Board relies on the experience of its members as officers and directors with other junior mining companies in assessing compensation levels.

The Orex Board considered the risks associated with the current compensation program, but did not note any potential material adverse effects. No director or Named Executive Officer is permitted to purchase financial instruments that are designed to hedge or offset a decrease in the market value of Orex equity securities held directly or indirectly.

Analysis of Elements

Base compensation is used to provide the Named Executive Officers a set amount of money during the year with the expectation that each Named Executive Officer will perform his responsibilities to the best of his ability and in the best interests of Orex.

Orex considers the granting of incentive stock options to be a significant component of executive compensation as it allows Orex to reward each Named Executive Officer's efforts to increase value for shareholders without requiring Orex to use cash from its treasury. Stock options are generally awarded to directors, officers, consultants and employees periodically at the discretion of the Orex Board. The terms and conditions of Orex's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Orex Option Plan.

Long-Term Compensation and Option-Based Awards

Orex has no long-term incentive plans other than the Orex Option Plan. Orex's directors, officers, employees and consultants are entitled to participate in the Orex Option Plan. The Orex Option Plan is designed to encourage share ownership and entrepreneurship on the part of senior management, employees and other consultants. The Orex Board believes that the Orex Option Plan aligns the interests of the Named Executive Officers and the Board with shareholders by linking a component of executive compensation to the longer term performance of the Orex Shares.

Orex Options are granted by the Orex Board. In monitoring or adjusting the option allotments, the Orex Board takes into account its own observations on individual performance (where possible) and its assessment of individual contribution to shareholder value, previous option grants and the objectives set for the Named Executive Officers and the Orex Board. In addition to determining the number of options to be granted pursuant to the methodology outlined above, the Orex Board also makes the following determinations:

- the parties who are entitled to participate in the Orex Option Plan;
- the exercise price for each Orex Option granted;
- the date on which each Orex Option is granted;
- the vesting period, if any, for each Orex Option;
- the other material terms and conditions of each Orex Option grant; and
- any re-pricing or amendment to a Orex Option grant.

The Orex Board makes these determinations subject to and in accordance with the provisions of the Orex Option Plan. The Orex Board reviews and approves grants of Orex Options periodically during the financial year.

Pursuant to the Orex Option Plan, the Orex Board grants Orex Options to directors, officers, employees and consultants as incentives. The level of Orex Options awarded to a Named Executive Officer is determined by his or her position and his or her potential future contributions to Orex. The exercise price of Orex Options is determined by the Orex Board but, except for options to be issued under the Plan of Arrangement, will in no event be less than the closing trading price of the Orex Shares on the TSX-V on the day before an Orex Option is granted.

The executive officers and Orex Board refer to the Compensation Committee with respect to setting or amending any equity incentive plans under which share-based or option-based awards are granted. The Compensation Committee carries out these responsibilities in accordance with the Compensation Committee Charter.

Summary of Compensation

For the purposes of this Circular, "**Named Executive Officer**" means each of the following individuals:

(a) the chief executive officer ("**CEO**") of Orex;

(b) the chief financial officer ("**CFO**") of Orex;

(c) each of Orex's three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000, as determined in accordance with subsection 1.3(6) of Form 51-102F6, for the year ended April 30, 2015; and

(d) each individual who would be a Named Executive Officer under paragraph (c) but for the fact that the individual was neither an executive officer, nor acting in a similar capacity, on April 30, 2015.

Summary Compensation Table

During the financial year ended April 30, 2015, Orex had two Named Executive Officers: Gary Cope, President and CEO, and Ross Wilmot, CFO. The following table sets forth all direct and indirect compensation for, or in connection with, services provided to Orex and its subsidiaries for the financial years ended April 30, 2015, 2014 and 2013. For the information concerning compensation related to previous years, please refer to Orex's previous information circulars available on its SEDAR profile at www.sedar.com.

Summary Compensation Table									
Name and Principal Position [1]	**Year**	**Salary ($)**	**Option-based awards ($)**	**Share-based awards ($)**	**Non-equity incentive plan compensation ($)**		**Pension Value ($)**	**All other compen-sation**[2] **($)**	**Total compen-sation ($)**
					Annual Incentive Plans	**Long-term Incentive Plans**			
Gary Cope, President and CEO	2015	Nil	Nil	N/A	N/A	N/A	N/A	$249,000	$249,000
	2014	Nil	$67,072 [3]	N/A	N/A	N/A	N/A	$179,000 [4]	$246,072
	2013	Nil	Nil	N/A	N/A	N/A	N/A	$84,000	$84,000
Ross Wilmot, CFO	2015	Nil	Nil	N/A	N/A	N/A	N/A	$151,200	$151,200
	2014	Nil	$33,536 [3]	N/A	N/A	N/A	N/A	$151,200 [5]	$184,736
	2013	Nil	Nil	N/A	N/A	N/A	N/A	$57,000	$57,000

(1) No additional compensation was paid to Mr. Cope or Mr. Wilmot in their capacities as directors of Orex.

(2) These amounts represent consulting fees paid to companies controlled by Named Executive Officers.

(3) The fair value of the Orex Options granted during fiscal 2015 is estimated using the Black-Scholes option-pricing model applying the following assumptions and estimates:

Estimate volatility: 120%
Risk-free interest rate: 1.4%
Expected life: 4 years
Dividend yield: N/A

The fair value of the Orex Options granted during fiscal 2014 is estimated using the Black-Scholes option-pricing model applying the following assumptions and estimates:

Estimate volatility: 93%
Risk-free interest rate: 1.3%
Expected life: 5 years
Dividend yield: N/A

(4) Orex entered into the Cope Agreement under which 683192 B.C. Ltd. received $20,750 per month plus applicable GST.

(5) Orex entered into the Wilmot Agreement under which Cedarwoods Group was paid consulting fees of $12,600 per month plus applicable GST.

Incentive Plan Awards

The following table discloses the particulars of all awards outstanding as of the year ended April 30, 2015 for each Named Executive Officer, including awards granted before the most recently completed financial year:

Outstanding Share-Based Awards and Option-Based Awards

	Option-based Awards				Share-based Awards		
Name	**Number of securities underlying unexercised options (#)**	**Option exercise price ($)**	**Option expiration date**	**Value of unexercised in-the-money options ($)[1]**	**Number of shares or units that have not vested (#)**	**Market or payout value of share-based awards that have not vested ($)**	**Market or payout value of vested share-based awards not paid out or distributed ($)**
Gary Cope	350,000 400,000	$0.74 $0.25	17-Feb-2017 17-Jan-2017	Nil	N/A	N/A	N/A
Ross Wilmot	250,000 200,000	$0.74 $0.25	17-Feb-2017 17-Jan-2017	Nil	N/A	N/A	N/A

[1] This amount is calculated as the difference between $0.25, being the closing market price of the Orex Shares on April 30, 2015, the last trading day of the Orex Shares for the financial year and the exercise price of the Orex Option.

Incentive Plan Awards – value vested or earned during the year

The following table sets forth the value of option-based awards and share-based awards which vested or which were earned during the most recently completed financial year for each Named Executive Officer:

Name	**Option-based awards- Value vested during the year ended April 30, 2015 ($)**	**Share-based awards- Vested during year ended April, 30 2015 ($)**	**Non-Equity incentive plan compensation- Value earned during the year ended April 30, 2015 ($)**
Gary Cope	Nil	N/A	N/A
Ross Wilmot	Nil	N/A	N/A

Pension Plan Benefits

Orex does not have in place any deferred compensation plan or pension plan that provides for payments or benefits at, following, or in connection with retirement.

Termination and Change of Control Benefits

Under the terms of the Cope Agreement and the Wilmot Agreement, in the event of death or as a result of Disability Termination (as defined in each of the Cope Agreement and the Wilmot Agreement), Orex will pay and provide Mr. Cope or Mr. Wilmot, as applicable, or his respective

estate, any accrued consulting fees through to the date of termination and reimbursement for any unreimbursed expenses incurred through to the date of death or Disability Termination.

In the event of a Change of Control (as defined in Cope Agreement) where Mr. Cope's employment is terminated absent an Event of Default (as defined in the Cope Agreement) in the 12-month period following the Change of Control, Mr. Cope is entitled to receive an amount equal to 24 times the sum of the most recent 12 month average monthly consulting fee, payable within 30 days of the date of termination. In the event of a Change of Control (as defined in the Wilmot Agreement) where Mr. Wilmot's employment is terminated absent an Event of Default (as defined in the Wilmot Agreement) in the 12-month period following the Change of Control, Mr. Wilmot is entitled to receive an amount equal to 12 times the sum of the monthly consulting fee, payable within 30 days of the date of termination. If Orex terminates the Cope Agreement or the Wilmot Agreement other than for an Event of Default, Mr. Cope or Mr. Wilmot, as applicable, may be entitled to receive a lump sum payment equal to 12 months of the applicable consulting fee at Orex's sole discretion.

The following table shows the estimated compensation that would have been payable assuming termination and/or Change of Control events occurred on April 30, 2015:

Name	Payment Upon Retirement, Death or Disability Termination	Payment Upon Termination After Change of Control Absent Event of Default	Payment Upon Termination Other Than Event of Default
Gary Cope	Nil[(1)]	$498,000[(2)]	$249,000[(2)]
Ross Wilmot	Nil[(1)]	$151,200[(2)]	$151,200[(2)]

[(1)] This amount assumes no consulting fees accrued through to the date of termination and no expenses that have not been reimbursed.

[(2)] This amount does not include applicable GST.

Other than as set out above, there are no compensatory plans or arrangements, with respect to any Named Executive Officer, resulting from the resignation, retirement or any other termination of employment of the officer or from a change in control of Orex or a change of any Named Executive Officer's responsibilities following a change in control.

The only significant conditions of the Cope Agreement and the Wilmot Agreement that applies to receiving payments or benefits is the enduring confidentiality clause regarding confidential information, as defined in each respective agreement. The provision for breach of the clause is subject to the Laws of British Columbia and Canada applicable thereto. There are no other significant factors.

Director Compensation

As at the date of this Circular, Orex has five directors, two of whom are also Named Executive Officers. For a description of the compensation paid to the Named Executive Officers of Orex who also act as directors, see "*Summary Compensation Table*" above.

Orex has no arrangements, standard or otherwise, pursuant to which directors are compensated by Orex for their services as directors, for committee participation, or for involvement in special assignments during the most recently completed financial year except for the granting from time to time of Orex Options in accordance with the policies of the TSX-V. None of Orex's directors received

any cash compensation for services provided in their capacity as directors during Orex's most recently completed financial year.

The following table sets forth all amounts of compensation paid or granted to Orex's directors, other than Named Executive Officers, for the financial year ending April 30, 2015:

Name	Fees earned[1] ($)	Share-based awards ($)	Option-based awards[3] ($)	Non-equity incentive plan compensation ($)	Pension value ($)	All other compensation ($)	Total ($)
Arthur Freeze	$177,000[2]	Nil	Nil	Nil	Nil	Nil	$177,000
Rick Sayers	Nil	Nil	Nil	Nil	Nil	Nil	Nil
William White	Nil	Nil	$19,516	Nil	Nil	Nil	$19,516

[1] Represents all fees awarded, earned, paid, or payable in cash for services as a consultant.

[2] Orex has a consulting agreement with Stillwater Enterprises Ltd., a company wholly-owned by Arthur Freeze, under which Stillwater Enterprises Ltd. was paid consulting fees of $14,750 per month plus applicable GST.

[3] The fair value of these options granted during fiscal 2015 is estimated using the Black-Scholes option-pricing model applying the following assumptions and estimates:

Estimate volatility: 117%
Risk-free interest rate: 1.62%
Expected life: 5 years
Dividend yield: N/A

Incentive Plan Awards - Directors

The following table discloses the particulars for each director for awards outstanding at the end of the most recently completed financial year:

Outstanding Share-Based Awards and Option-Based Awards

	Option-Based Awards				Share-Based Awards		
Name	Number of securities underlying unexercised options (#)	Option exercise price ($)	Option expiration date	Value of unexercised in-the-money options ($)[1]	Number of shares or units that have not vested (#)	Market or payout value of share-based awards that have not vested ($)	Market or payout value of vested share-based awards not paid out or distributed ($)
Arthur Freeze	239,000 200,000	$0.74 $0.25	17-Feb-2017 17-Jan-2019	Nil	Nil	Nil	Nil
Rick Sayers	75,000 100,000	$0.74 $0.25	17-Feb-2017 17-Jan-2019	Nil	Nil	Nil	Nil
William White	100,000	$0.25	9-May-19	Nil	Nil	Nil	Nil

[1] This amount is calculated as the difference between $0.25, being the closing market price of the Orex Shares on April 30, 2015, the last trading day of the Orex Shares for the financial year, and the exercise price of the Orex Option.

Director Incentive Plan Awards – Value Vested or Earned During the Year

The following table sets forth the value of option-based awards and share-based awards which vested or which were earned during the most recently completed financial year for each director:

Name	Option-based awards – value vested during the year ($)	Share-based awards – value vested during the year ($)	Non-equity incentive plan compensation – value earned during the year ($)
Arthur Freeze	Nil	N/A	N/A
Rick Sayers	Nil	N/A	N/A
William White	$19,516	N/A	N/A

Equity Compensation Plan Information

The following table provides information as of April 30, 2015 regarding the number of Orex Shares to be issued pursuant to the Orex Option Plan. Orex does not have any equity compensation plans that have not been approved by its shareholders.

Plan category	Number of securities to be issued upon exercise of outstanding options	Weighted average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by securityholders	4,239,000	$0.48	5,950,020
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	4,239,000	$0.48	5,950,020

Equity Compensation Plan Information

For a detailed description of Orex's corporate governance policies and practices, see Appendices A and B of the Orex management information circular dated September 19, 2014, which is incorporated by reference into this Circular and is available on Orex's SEDAR profile at www.sedar.com.

THE MEETING – THE ARRANGEMENT

At the Meeting, Orex Securityholders will be asked to consider and, if thought advisable, to pass, the Arrangement Resolution to approve the Arrangement under the Business Corporations Act. The Arrangement, the Plan of Arrangement and the terms of the Arrangement Agreement are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which has been filed by Orex under its profile on SEDAR at www.sedar.com, and the Plan of Arrangement, which is attached to this Circular as Appendix B.

In order to implement the Arrangement, the Arrangement Resolution must be approved by: (i) at least two-thirds of the votes cast by Orex Shareholders and Orex Optionholders present in person or represented by proxy at the Meeting, voting together as a single class, on the basis of one vote per Orex Share and with each Orex Optionholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Options held by such holder as of the Record Date; and (ii) at least two-thirds of the votes cast by Orex Warrantholders present in person or represented by proxy at the Meeting, voting as a single class, with each Orex Warrantholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Warrants held by such holder as of the Record Date. A copy of the Arrangement Resolution is set out in Appendix A of this Circular.

Unless otherwise directed, it is management's intention to vote **FOR** the Arrangement Resolution. If you do not specify how you want your Orex Securities voted, the persons named as proxyholders will cast the votes represented by your proxy at the Meeting **FOR** the Arrangement Resolution.

If the Arrangement is approved at the Meeting and the Final Order approving the Arrangement is issued by the Court and the applicable conditions to the completion of the Arrangement are satisfied or waived, the Arrangement will take effect at the Effective Time (which will be at 12:01 a.m. (Vancouver time)) on the Effective Date (which is expected to be on or about September 25, 2015).

Principal Steps of the Arrangement

Pursuant to the Plan of Arrangement, commencing at the Effective Time, the following principal steps will occur and will be deemed to occur in the following order without any further act or formality:

Dissent Securities

(a) all Dissent Securities held by Dissenting Securityholders will be deemed to have been transferred to Orex and each Dissenting Securityholder will cease to have any right as an Orex Securityholder other than a right to be paid by Orex the fair value for such Dissent Securities.

Alteration of Capital of Orex and Exchange of Orex Shares for New Common Shares and Spinco Shares

(b) the share capital of Orex will be reorganized such that:

(i) the authorized share capital will be amended to:

(A) change the identifying name of the Orex Shares from "Common" to "Class A Common" shares and the special rights and restrictions set out in Appendix A to the Plan of Arrangement will attach to such Orex Shares, and

(B) create a new class of shares consisting of an unlimited number of New Common Shares, being shares without par value, the identifying name of which will be "Common" shares,

and Orex's articles and notice of articles will be altered accordingly;

(ii) each outstanding Orex Share will be exchanged for one New Common Share and one Spinco Share and such Orex Share will be cancelled;

(iii) the authorized share capital of Orex will be amended by the elimination of the Orex Shares and the notice of articles and articles of Orex will be deemed to be amended accordingly; and

(iv) the stated capital of Orex for the outstanding New Common Shares will be an amount equal to the paid-up capital for the purpose of the Tax Act of Orex for the Orex Shares, less the amount determined by the Orex Board as being the fair value of the Spinco Shares distributed on such exchange.

Arrangement of Orex Options

(c) in respect of the Orex Options:

(i) each Orex Option outstanding immediately before the Effective Time will be and will be deemed to be exchanged for:

(A) one fully-vested New Orex Option to purchase from Orex one New Common Share. Each New Orex Option will be governed by the terms of the New Orex Option Plan and will have an exercise price per New Common Share (rounded up to the nearest whole cent) equal to the exercise price of each Orex Option so exchanged multiplied by the Valuation Factor; and

(B) one fully-vested Spinco Option to purchase from Spinco one Spinco Share. Each Spinco Option will be governed by the terms of the Spinco Option Plan and will have an exercise price per Spinco Share (rounded up to the nearest whole cent) equal to the exercise price of each Orex Option so exchanged multiplied by a number which is equal to one (1) minus the Valuation Factor;

(ii) the Orex Option Plan will be terminated, and neither Orex nor any Orex Optionholder will have any liabilities or obligations with respect to the Orex Option Plan, any Orex Option or any such agreements made in connection therewith; and

(iii) the respective option registers of Orex and Spinco will be deemed to be amended accordingly.

Arrangement of Orex Warrants

(d) in respect of the Orex Warrants:

(i) each Orex Warrant outstanding immediately before the Effective Time will be and will be deemed to be exchanged for:

(A) one New Orex Warrant to purchase from Orex one New Common Share. Each New Orex Warrant will be governed by the terms of the New Orex Warrant Certificates and will have an exercise price per

New Common Share equal to the exercise price of the Orex Warrant for which such New Orex Warrant was exchanged; and

(B) one Spinco Warrant to purchase from Spinco one Spinco Share. Each Spinco Warrant will be governed by the terms of the Spinco Warrant Certificates and will have an exercise price per Spinco Share equal to the exercise price of the Orex Warrant for which such Spinco Warrant was exchanged;

(ii) as soon as practicable after the Effective Time, Orex will deliver to each Orex Warrantholder a New Orex Warrant Certificate in respect of the New Orex Warrants and Spinco will deliver to each Orex Warrantholder a Spinco Warrant Certificate in respect of the Spinco Warrants and thereupon the Orex Warrant Certificates representing the Orex Warrant so exchanged will be terminated, and neither Orex nor any Orex Warrantholder will have any liabilities or obligations with respect to the Orex Warrant Certificates or any other agreements made in connection therewith; and

(iii) the respective warrant registers of Orex and Spinco will be deemed to be amended accordingly.

Background to the Arrangement

As announced originally by news release on February 1, 2013, the management of Orex and the Orex Board have been investigating the process and advisability of creating Spinco and transferring Orex's interest in the Barsele Project to Spinco for over two years. The Arrangement was postponed since the spring of 2013 due to market conditions, but as a result of the closing of the Gunnarn JV on June 11, 2015, Orex obtained the necessary financing to complete the Arrangement. Management of Orex believes that there is potentially greater value that could be recognized in Orex's 45% interest in the Barsele Project and Orex's 100% interest in the Orex Projects if those interests were held and operated separately, rather than continuing to be held solely by Orex, and as a result, has decided to proceed with the Arrangement in order to meet the objectives set out under the heading "*Reasons for the Arrangement*" below.

Reasons for the Arrangement

The Orex Board has reviewed and considered a significant amount of information and considered a number of factors relating to the Arrangement with the benefit of advice from Orex's senior management and its financial, legal and technical advisors. The following is a summary of the principal reasons for the unanimous recommendation of the Orex Board that Orex Securityholders vote **FOR** the Arrangement Resolution:

- *Separation of Assets.* The separation of Orex's assets will enable management to advance Orex's mineral projects in a more focused and efficient manner.

- *Continued Participation by Orex Shareholders in the Barsele Project Through Spinco.* Orex Shareholders, through their ownership of all of the issued and outstanding Spinco Shares, will continue to participate in the value associated with the exploration, development and operation of the Barsele Project.

- *Continued Participation by Orex Shareholders in all of Orex's Other Projects.* Orex Shareholders, through their ownership of all of the issued and outstanding New Common Shares, will

continue to participate in the value associated with the exploration, development and operation of all of the Orex Projects.

- *Continuity of Management.* The board of directors and officers of each of Orex and Spinco after the Arrangement will initially be the same directors and officers that currently manage Orex, preserving the management know-how and direction of Orex for the benefit of both companies.

- *Approval of Orex Securityholders and the Court are Required.* The Arrangement must be approved by: (i) at least two-thirds of the votes cast in respect of the Arrangement Resolution by Orex Shareholders and Orex Optionholders present in person or represented by proxy at the Meeting, voting together as a single class, on the basis of one vote per Orex Share and with each Orex Optionholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Options held by such holder as of the Record Date; and (ii) at least two-thirds of the votes cast by Orex Warrantholders present in person or represented by proxy at the Meeting, voting as a single class, with each Orex Warrantholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Warrants held by such holder as of the Record Date. The Arrangement must also be sanctioned by the Court, which will consider the fairness of the Arrangement to Orex Securityholders.

- *Dissent Rights.* Orex Securityholders who oppose the Arrangement may, on strict compliance with certain conditions, exercise their Dissent Rights and receive the fair value of the Dissent Securities in accordance with the Arrangement.

In view of the wide variety of factors and information considered in connection with their evaluation of the Arrangement, the Orex Board did not find it practicable to, and therefore did not, quantify or otherwise attempt to assign any relative weight to each specific factor or item of information considered in reaching their conclusions and recommendations. In addition, individual members of the Orex Board may have given different weights to different factors or items of information.

Recommendation of the Orex Board

After careful consideration of, among other things, the factors described under the heading "*The Meeting – The Arrangement – Reasons for the Arrangement*", the Orex Board has unanimously determined that the Plan of Arrangement is fair to Orex Securityholders and is in the best interests of Orex. **Accordingly, the Orex Board unanimously recommends that Orex Securityholders vote FOR the Arrangement Resolution.**

Each director of Orex intends to vote all of his Orex Securities in favor of the Arrangement Resolution, subject to the terms of the Arrangement Agreement.

Orex Option Plan and Treatment of Orex Options

Pursuant to the Arrangement, each Orex Option outstanding immediately before the Effective Time will be exchanged for: (a) one fully-vested New Orex Option to purchase from Orex one New Common Share; and (b) one fully-vested Spinco Option to purchase from Spinco one Spinco Share. Each New Orex Option will be governed by the terms of the New Orex Option Plan, will have an exercise price per New Common Share (rounded up to the nearest whole cent) equal to the exercise price of each Orex Option so exchanged multiplied by the Valuation Factor and will have an expiry date equivalent to the respective expiry date of each Orex Option so exchanged. Each Spinco Option

will be governed by the terms of the Spinco Option Plan, will have an exercise price per Spinco Share (rounded up to the nearest whole cent) equal to the exercise price of each Orex Option so exchanged multiplied by a number which is equal to one (1) minus the Valuation Factor and will have an expiry date equivalent to the respective expiry date of each Orex Option so exchanged.

Upon completion of the Arrangement, the Orex Option Plan will be terminated, and neither Orex nor any Orex Optionholder will have any liability or obligation with respect to the Orex Option Plan, any Orex Option, or any such agreements made in connection with the Orex Option Plan or the Orex Options.

Orex Optionholders who do not want to receive New Orex Options and Spinco Options in exchange for their Orex Options may exercise their vested Orex Options before the Effective Time, in accordance with the terms of the Orex Option Plan, and participate in the Arrangement on the same basis as Orex Shareholders.

Treatment of Orex Warrants

Pursuant to the Arrangement, each warrant certificate representing an Orex Warrant outstanding immediately before the Effective Time will be exchanged for: (a) one New Orex Warrant to purchase from Orex one New Common Share; and (b) one Spinco Warrant to purchase from Spinco one Spinco Share. Each New Orex Warrant will be governed by the terms of the New Orex Warrant Certificates, will have an exercise price per New Common Share equal to the exercise price of the Orex Warrant for which such New Orex Warrant was exchanged and will have an expiry date equivalent to the respective expiry date of each Orex Warrant so exchanged. Each Spinco Warrant will be governed by the terms of the Spinco Warrant Certificates, will have an exercise price per Spinco Share equal to the exercise price of the Orex Warrant for which such Spinco Warrant was exchanged and will have an expiry date equivalent to the respective expiry date of each Orex Warrant so exchanged.

Upon completion of the Arrangement, the Orex Warrant Certificates will be terminated, and neither Orex nor any Orex Warrantholder will have any liability or obligation with respect to the Orex Warrant Certificates, any Orex Warrant or any other agreements made in connection with the Orex Warrant Certificates or Orex Warrants.

Orex Warrantholders who do not want to receive New Orex Warrants and Spinco Warrants in exchange for their Orex Warrants can exercise their Orex Warrants before the Effective Time, in accordance with the terms of the respective Orex Warrant Certificates, and participate in the Arrangement on the same basis as Orex Shareholders.

Approval of the Arrangement Resolution

At the Meeting, the Orex Securityholders will be asked to approve the Arrangement Resolution, the full text of which is set out in Appendix A to this Circular. In order for the Arrangement to become effective, as provided in the Interim Order and by the Business Corporations Act, the Arrangement Resolution must be approved by: (i) at least two-thirds of the votes cast by Orex Shareholders and Orex Optionholders present in person or represented by proxy at the Meeting, voting together as a single class, on the basis of one vote per Orex Share and with each Orex Optionholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Options held by such holder as of the Record Date; and (ii) at least two-thirds of the votes cast by Orex Warrantholders present in person or represented by proxy at the Meeting, voting as a single class, with each Orex Warrantholder being entitled to that number of votes equal to the number of Orex Shares that such holder would be entitled to receive upon exercise of the Orex Warrants held by such holder as of the Record Date. Should Orex Securityholders fail to

approve the Arrangement Resolution by the requisite majorities, the Arrangement will not be completed.

The Orex Board has approved the terms of the Arrangement Agreement and the Plan of Arrangement and recommends that the Orex Securityholders vote FOR the Arrangement Resolution. See "*The Meeting – The Arrangement — Recommendation of the Orex Board*" above.

Completion of the Arrangement

The Arrangement will become effective at 12:01 a.m. on the date following the date upon which all of the conditions to completion of the Arrangement as set out in Section 2.9 of the Arrangement Agreement have been satisfied or waived in accordance with the Arrangement Agreement, all documents agreed to be delivered thereunder have been delivered to the satisfaction of the recipient, acting reasonably, and the filings required under Section 292 of the Business Corporations Act have been filed with the Registrar. Completion of the Arrangement is expected to occur on or about September 25, 2015; however, it is possible that completion may be delayed beyond this date if the conditions to completion of the Arrangement cannot be met on a timely basis.

Procedure for Exchange of Orex Shares

At the time of sending this Circular to each Orex Securityholder, Orex is also sending to each Registered Orex Shareholder the Letter of Transmittal. The Letter of Transmittal is for use by Registered Orex Shareholders only and is not to be used by Non-Registered Holders. Non-Registered Holders should contact their broker or other intermediary for instructions and assistance in receiving the New Common Shares and Spinco Shares in respect of their Orex Shares. Non-Registered Holders must instruct their brokers or other Intermediaries promptly in order to receive the consideration to which they are entitled under the Arrangement as soon as possible after the Effective Date.

In order to receive a share certificate or DRS Advice Statement representing New Common Shares and Spinco Shares, a Registered Orex Shareholder must complete, sign, date and return the enclosed Letter of Transmittal and all documents required thereby in accordance with the instructions set out therein. Registered Orex Shareholders can request additional copies of the Letter of Transmittal by contacting the Depositary. The Letter of Transmittal is also available under Orex's profile on SEDAR at www.sedar.com.

The Letter of Transmittal contains procedural information relating to the Arrangement and should be reviewed carefully.

Orex and Spinco reserve the right to waive or not to waive any and all errors or other deficiencies in any Letter of Transmittal or other document and any such waiver or non-waiver will be binding upon the affected Orex Shareholder. The granting of a waiver to one or more Orex Shareholders does not constitute a waiver for any other Orex Shareholder. Orex and Spinco reserve the right to demand strict compliance with the terms of the Letter of Transmittal and the Arrangement. The method used to deliver the Letter of Transmittal and any accompanying certificate(s) representing Orex Shares is at the option and risk of the holder surrendering them, and delivery will be deemed effective only when such documents are actually received by the Depositary. Orex recommends that the necessary documentation be hand delivered to the Depositary, and a receipt obtained therefor; otherwise the use of registered mail with return receipt requested, and with proper insurance obtained, is recommended.

If you have any questions relating to the Arrangement or the deposit of Orex Shares, please contact the Depositary by telephone toll-free in North America at 1-888-249-7775 or outside of North America, collect at 1-416-263-9524, or by e-mail to service@computershare.com.

Registered Orex Shareholders are requested to tender to the Depositary any share certificate(s) representing their Orex Shares, along with a duly completed Letter of Transmittal. The Letter of Transmittal is for use by Registered Orex Shareholders only and is not to be used by Non-Registered Holders.

Before the Effective Date, Orex and Spinco will deposit, or cause to be deposited, with the Depositary treasury directions directing the Depositary to deliver sufficient certificates and DRS Advice Statements representing the New Common Shares and Spinco Shares required to be issued to the Orex Shareholders under the Arrangement (other than payments to Orex Shareholders exercising their Dissent Rights) to be held by the Depositary as agent and nominee for such Orex Shareholders.

As soon as practicable after the Effective Date, provided a Former Orex Shareholder submitted to the Depositary, before the Effective Date, an effective Letter of Transmittal, together with the certificate representing the Orex Shares (if any) held by such Former Orex Shareholder and such other documents as the Depositary may require the share certificate or DRS Advice Statement representing the New Common Shares and the share certificate or DRS Advice Statement representing the Spinco Shares to which the Registered Orex Shareholder is entitled pursuant to the Arrangement will be either: (a) delivered to the address or addresses as the Registered Orex Shareholder directed in their Letter of Transmittal; (b) made available for pick-up at the offices of the Depositary in accordance with the instructions of the Registered Orex Shareholder in the Letter of Transmittal; or (c) if the Letter of Transmittal neither specifies an address nor contains instructions for pick-up, forwarded to the Registered Orex Shareholder at the address of such holder as shown on the central securities register of Orex.

A Registered Orex Shareholder that does not submit an effective Letter of Transmittal before the Effective Date may take delivery of the share certificate or DRS Advice Statement representing the New Common Shares and share certificate or DRS Advice Statement representing the Spinco Shares to which the Registered Orex Shareholder is entitled pursuant to the Arrangement by delivering the share certificate (if any) representing Orex Shares formerly held by such shareholder to the Depositary at the office indicated in the Letter of Transmittal at any time before the sixth anniversary of the Effective Date. Such share certificate (if any) must be accompanied by a duly completed Letter of Transmittal, together with such other documents as the Depositary may require. The share certificate or DRS Advice Statement representing the New Common Shares and the share certificate or DRS Advice Statement representing the Spinco Shares to which the Registered Orex Shareholder is entitled pursuant to the Arrangement will be either: (a) delivered to the address or addresses as the Registered Orex Shareholder directed in their Letter of Transmittal; (b) made available for pick-up at the offices of the Depositary in accordance with the instructions of the Registered Orex Shareholder in the Letter of Transmittal; or (c) if the Letter of Transmittal neither specifies an address nor contains instructions for pick-up, forwarded to the Registered Orex Shareholder at the address of such holder as shown on the central securities register of Orex.

Except as otherwise provided in the instructions to the Letter of Transmittal, the signature on the Letter of Transmittal must be guaranteed by an Eligible Institution. If a Letter of Transmittal is executed by a person other than the registered holder of the share certificate(s) (if any) deposited therewith, the share certificate(s) (if any) must be endorsed or be accompanied by an appropriate securities transfer power of attorney, duly and properly completed by the registered holder, with the signature on the endorsement panel, or securities transfer power of attorney guaranteed by an Eligible Institution.

Lost Certificates

If any certificate which, immediately before the Effective Time, represented one or more outstanding Orex Shares has been lost, stolen or destroyed, upon the making of an affidavit or statutory declaration of that fact by the Registered Orex Shareholder claiming such certificate to be lost, stolen or destroyed and who was listed immediately before the Effective Time as the registered holder thereof on the central securities register of Orex, the Depositary will deliver to such Registered Orex Shareholder, the certificate or DRS Advice Statement representing the New Common Shares and the certificate or DRS Advice Statement representing the Spinco Shares to which such Registered Orex Shareholder is entitled to receive in exchange for such lost, stolen or destroyed certificate. When authorizing such delivery in exchange for such lost, stolen or destroyed certificate, the Registered Orex Shareholder to whom the New Common Shares and Spinco Shares are to be issued, distributed and exchanged, as applicable, must, as a condition precedent to the delivery thereof, give a bond satisfactory to Orex, Spinco and the Depositary, in such sum as Orex, Spinco or the Depositary may direct, or otherwise indemnify Orex , Spinco and the Depositary in a manner satisfactory to Orex, Spinco and the Depositary against any claim that may be made against Orex, Spinco and the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

Procedure for Exchange of Orex Options

In order to receive New Orex Options and Spinco Options, as soon as practicable after the Effective Time each Orex Optionholder must deliver to Orex at its head office the agreement(s), if any, representing such holder's Orex Options and any other documentation required by Orex and Spinco.

As soon as practicable after receipt of such agreement(s), Orex and Spinco will deliver to each Orex Optionholder agreements representing the New Orex Options and Spinco Options, respectively, which such Orex Optionholder is entitled to receive under the Arrangement.

Orex Optionholders who do not wish to receive New Orex Options and Spinco Options in exchange for their Orex Options can exercise their Orex Options and participate in the Arrangement on the same basis as Orex Shareholders.

Orex recommends that any Orex Optionholders who wish to exercise their Orex Options for Orex Shares prior to the Arrangement should exercise such Orex Options by 5:00 p.m. (Vancouver time) on September 21, 2015, or, if the Meeting is adjourned or postponed, two Business Days before the reconvened Meeting.

Procedure for Exchange of Orex Warrants

In order to receive New Orex Warrants and Spinco Warrants, as soon as practicable after the Effective Time each Orex Warrantholder must deliver to Orex at its head office the certificate(s), if any, representing such holder's Orex Warrants and any other documentation required by Orex and Spinco.

As soon as practicable after receipt of such certificate(s), Orex and Spinco will deliver to each Orex Warrantholder certificates representing the New Orex Warrants and Spinco Warrants, respectively, which such Orex Warrantholder is entitled to receive under the Arrangement.

Orex Warrantholders who do not wish to receive New Orex Warrants and Spinco Warrants in exchange for their Orex Warrants can exercise their Orex Warrants and participate in the Arrangement on the same basis as Orex Shareholders.

Orex recommends that any Orex Warrantholders who wish to exercise their Orex Warrants for Orex Shares prior to the Arrangement should exercise such Orex Warrants by 5:00 p.m. (Vancouver time) on September 21, 2015, or, if the Meeting is adjourned or postponed, two Business Days before the reconvened Meeting.

Treatment of Dividends

No dividend or other distribution declared or made after the Effective Time with respect to New Common Shares or Spinco Shares with a record date after the Effective Time will be delivered to the holder of any unsurrendered certificate (if any) that, immediately before the Effective Time, represented outstanding Orex Shares unless and until the holder of such certificate will have complied with the requirement to deliver such certificate, along with a duly completed Letter of Transmittal, to the Depositary, or if such certificate has been lost, stolen or destroyed will have completed the deliveries and provided the bond or indemnities described above. Subject to applicable Law and the provisions of the Plan of Arrangement relating to the withholding of taxes where required, at the time of such compliance, there will, in addition to the delivery of the certificates or DRS Advice Statements representing New Common Shares and Spinco Shares, be delivered to such holder, without interest, the amount of the dividend or other distribution with a record date after the Effective Time theretofore paid with respect to such New Common Shares or Spinco Shares.

Cancellation of Rights after Six Years

Any certificate which immediately before the Effective Time represented outstanding Orex Shares and which has not been surrendered, with a duly completed Letter of Transmittal and all other documents required by the Depositary, on or before the date that is six years after the Effective Date, will cease to represent any claim for New Common Shares or Spinco Shares or any other claim against or interest of any kind or nature in Orex or Spinco. **Accordingly, Former Orex Shareholders who do not deposit with the Depositary a duly completed Letter of Transmittal and certificate(s) (if any) representing their Orex Shares on or before the date that is six years after the Effective Date will not receive New Common Shares or Spinco Shares or any other consideration in exchange therefor and will not own any interest in Orex or Spinco and such Former Orex Shareholders will not be paid any other compensation.**

Effects of the Arrangement on Orex Shareholder's Rights

Orex Shareholders receiving New Common Shares and Spinco Shares under the Arrangement will continue to be shareholders of Orex after the Arrangement and will become shareholders of Spinco. Spinco, like Orex, is a British Columbia company governed by the Business Corporations Act. Orex will continue to be a British Columbia company governed by the Business Corporations Act.

Court Approval of the Arrangement

An Arrangement under the Business Corporations Act requires approval of the Court.

Interim Order

On August 21, 2015, Orex obtained the Interim Order providing for the calling and holding of the Meeting, the Dissent Rights and certain other procedural matters. The text of the Interim Order is set out in Appendix D to this Circular.

Final Order

Subject to the terms of the Arrangement Agreement, and if the Arrangement Resolution is approved by Orex Securityholders at the Meeting in the manner required by the Interim Order, Orex intends to make an application to the Court for the Final Order.

The application for the Final Order approving the Arrangement is currently scheduled for September 24, 2015 at 9:45 a.m. (Vancouver time), or as soon thereafter as counsel may be heard, at the Courthouse, 800 Smithe Street, Vancouver, British Columbia, or at any other date and time as the Court may direct. Any Orex Securityholder who wishes to appear or be represented and to present evidence or arguments at that hearing must file and serve a response to petition no later than 5:00 p.m. (Vancouver time) on September 21, 2015 along with any other documents required, all as set out in the Interim Order and Notice of Hearing of Petition for Final Order, the texts of which are set out in Appendix D to this Circular, and satisfy any other requirements of the Court. Such Persons should consult with their legal advisors as to the necessary requirements. If the hearing is adjourned then, subject to further order of the Court, only those Persons having previously filed and served a response to petition will be given notice of the adjournment.

Orex has been advised by its legal counsel, Stikeman Elliott LLP, that the Court has broad discretion under the Business Corporations Act when making orders with respect to the Arrangement and that the Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement, either as proposed or as amended, on the terms presented or substantially on those terms. Depending upon the nature of any required amendments, Orex may determine not to proceed with the Arrangement.

The New Common Shares, Spinco Shares, New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants to be issued, distributed and exchanged, as applicable, to Orex Securityholders, as applicable, pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or the applicable Securities Laws of any state of the United States and will be issued, distributed and exchanged, as applicable, in reliance upon the Section 3(a)(10) Exemption of the U.S. Securities Act and exemptions provided under the applicable Securities Laws of each state of the United States in which Orex Securityholders reside. Section 3(a)(10) of the U.S. Securities Act exempts from registration a security that is issued or distributed in exchange for outstanding securities, claims or property interests, where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all Persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by law to grant such approval and to hold such a hearing. The New Common Shares and Spinco Shares issuable upon the exercise of the New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants, as applicable, in the United States or by, or on behalf of, a U.S. Person after the Effective Date may not be issued in reliance upon Section 3(a)(10) of the U.S. Securities Act and may be exercised only if the issuance is registered under the U.S. Securities Act or exempt from the registration requirements of the U.S. Securities Act and pursuant to any applicable Securities Laws of any state of the United States. The Court will be advised at the hearing of the application for the Final Order that if the terms and conditions of the Arrangement, and the fairness thereof, are approved by the Court, the Final Order will be relied upon to constitute the basis for the Section 3(a)(10) Exemption with respect to the New Common Shares, Spinco Shares, New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants to be issued, distributed and exchanged, as applicable, pursuant to the Arrangement. Accordingly, the Final Order of the Court will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the issuance of the New Common Shares, Spinco Shares, New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants in

connection with the Arrangement. See "*The Meeting – The Arrangement – Regulatory Law Matters and Securities Law Matters – United States Securities Law Matters*".

For further information regarding the Court hearing and your rights in connection with the Court hearing, see the form of Notice of Petition attached at Appendix D to this Circular. The Notice of Petition constitutes notice of the Court hearing of the application for the Final Order and is your only notice of the Court hearing.

Regulatory Approvals

The Orex Shares are listed and posted for trading on the TSX-V. After the Effective Date, the Orex Shares will be delisted from the TSX-V and the New Common Shares will be listed and posted for trading on the TSX-V, and are expected to commence trading on the TSX-V within 3 Business Days of the Effective Date. The TSX-V has conditionally approved the listing of the New Common Shares to be issued under the Arrangement and issuable on the exercise of the New Orex Options and New Orex Warrants after completion of the Arrangement, subject to filing certain documents following the closing of the Arrangement.

Spinco has applied for the listing of the Spinco Shares to be issued in connection with the Arrangement and those issuable on the exercise of the Spinco Options and Spinco Warrants after completion of the Arrangement**.** Any listing of Spinco and the Spinco Shares will be subject to Spinco meeting the initial listing requirements of the TSX-V. There can be no assurance as to if, or when, the Spinco Shares will be listed or traded on the TSX-V or any other stock exchange. As the Spinco Shares are not listed on a stock exchange, unless and until such a listing is obtained, holders of Spinco Shares may not have a market for their shares.

TSX-V Requirements, Regulatory Law and Securities Law Matters

Other than the Final Order and the approvals of the TSX-V, Orex is not aware of any material approval, consent or other action by any federal, provincial, state or foreign government or any administrative or regulatory agency that would be required to be obtained in order to complete the Arrangement. In the event that any such approvals or consents are determined to be required, such approvals or consents will be sought, although any such additional requirements could delay the Effective Date or prevent the completion of the Arrangement. While there can be no assurance that any regulatory consents or approvals that are determined to be required will be obtained, Orex currently anticipates that any such consents and approvals that are determined to be required will have been obtained or otherwise resolved by the Effective Date, which, subject to receipt of the Orex Securityholder Approval at the Meeting, receipt of the Final Order and the satisfaction or waiver of all other conditions specified in the Arrangement Agreement, is expected to be on or about September 25, 2015.

TSX-V Requirements – Valuation Report

Pursuant to the policies of the TSX-V, Orex is required to provide the Valuation Report in this Circular, in order to, among other things: (i) specify the value of Orex immediately after the Effective Time; and (ii) specify the value of Spinco when the Spinco Shares begin trading on the TSX-V, and in particular, the specific value of all of the assets being spun-out to Spinco, in determining the Valuation Factor.

Pursuant to the Valuation Report, the Valuation Factor was set at 0.60 based on the value of Orex and Spinco immediately after the Effective Time being approximately $23.6 million and $15.5 million,

respectively. The full text of the Valuation Report is attached as Appendix C to this Circular. Orex Shareholders should read the Valuation Report in its entirety.

Subject to the terms of its engagement, Glanville and McKnight have consented to the inclusion in this Circular of the Valuation Report in its entirety, together with the summary herein.

Canadian Securities Laws Matters

Each Orex Shareholder is urged to consult such Orex Shareholder's professional advisors to determine the Canadian conditions and restrictions applicable to trades in the New Common Shares or Spinco Shares.

Status Under Canadian Securities Laws

Orex is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. The Orex Shares currently trade on the TSX-V. After the Effective Time, the Orex Shares will be delisted from the TSX-V and the New Common Shares issuable pursuant to and in connection with the Arrangement are expected to commence trading on the TSX-V within 3 Business Days of the Effective Date.

Upon completion of the Arrangement, Spinco expects that it will be a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. Spinco has applied for the listing of the Spinco Shares to be issued under the Arrangement and issuable on the exercise of the Spinco Options and Spinco Warrants after completion of the Arrangement. Any listing of Spinco and the Spinco Shares will be subject to Spinco meeting the initial listing requirements of the TSX-V. There can be no assurance as to if, or when, the Spinco Shares will be listed or traded on the TSX-V or any other stock exchange. As the Spinco Shares are not listed on a stock exchange, unless and until such a listing is obtained, holders of Spinco Shares may not have a market for their shares.

Distribution and Resale of New Orex Shares and Spinco Shares under Canadian Securities Laws

The distribution of the New Common Shares, Spinco Shares, New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants pursuant to the Arrangement will constitute a distribution of securities which is exempt from the prospectus requirements of Canadian securities legislation and is exempt from or otherwise is not subject to the registration requirements under applicable securities legislation. The New Common Shares, Spinco Shares, Spinco Warrants and New Orex Warrants (provided the Orex Warrants for which such Spinco Warrants and New Orex Warrants were exchanged were transferrable) received pursuant to the Arrangement will not bear any legend under Canadian Securities Laws and may be resold through registered dealers in each of the provinces of Canada provided that: (a) Spinco after the Arrangement and Orex is and has been a reporting issuer in a jurisdiction in Canada for the four months immediately preceding the trade; (b) the trade is not a "control distribution" as defined in NI 45-102; (c) no unusual effort is made to prepare the market or to create a demand for the New Common Shares and Spinco Shares; (d) no extraordinary commission or consideration is paid to a Person in respect of such sale; and (e) if the selling securityholder is an insider or officer of Orex after the Arrangement or Spinco, the selling securityholder has no reasonable grounds to believe that Orex after the Arrangement or Spinco is in default of applicable Securities Laws. For the purposes of (a) above, Spinco satisfies the four month requirement by virtue of the fact that it is a party to the Arrangement Agreement with Orex, which will have been a reporting issuer in a jurisdiction in Canada for at least four months prior to the date of distribution.

United States Securities Law Matters

The following discussion is a general overview of certain requirements of U.S. Securities Laws that may be applicable to Orex Shareholders in the United States ("**Orex U.S. Shareholders**"). All Orex U.S. Shareholders are urged to consult with their own legal counsel to ensure that any subsequent resale of New Common Shares or Spinco Shares issued or distributed to them under the Arrangement complies with applicable Securities Laws.

Further information applicable to Orex U.S. Shareholders is disclosed under the heading "*Note to United States Securityholders*".

The following discussion does not address the Canadian Securities Laws that will apply to the issue and distribution of New Common Shares or Spinco Shares or the resale of these or other securities referred to below by Orex U.S. Shareholders within Canada, except in limited circumstances. Orex U.S. Shareholders reselling their Spinco Shares in Canada must, in all circumstances, comply with Canadian Securities Laws, as outlined elsewhere in this Circular.

Status under U.S. Securities Laws

Each of Orex and Spinco is, or will be, a "foreign private issuer" as defined in Rule 3b-4 under the U.S. Exchange Act. It is intended that the Spinco Shares will be listed for trading on the TSX-V following completion of the Arrangement. However, there is no assurance that Spinco will be successful in obtaining such a listing. Spinco does not intend to seek a listing for the Spinco Shares on a stock exchange in the United States.

Exemption from the Registration Requirements of the U.S. Securities Act

The New Common Shares, Spinco Shares, New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants to be issued, distributed and exchanged, as applicable, to Orex Securityholders, as applicable, pursuant to the Arrangement have not been and will not be registered under the U.S. Securities Act or the Securities Laws of any state of the United States and will be issued, distributed and exchanged, as applicable, in reliance upon the Section 3(a)(10) Exemption of the U.S. Securities Act and exemptions provided under the Securities Laws of each state of the United States in which Orex Securityholders reside. Section 3(a)(10) of the U.S. Securities Act exempts from registration a security that is issued in exchange for outstanding securities, claims or property interests, where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all Persons to whom it is proposed to issue securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by law to grant such approval and to hold such a hearing. The Court is authorized to conduct a hearing at which the fairness of the terms and conditions of the Arrangement will be considered. Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act provided by Section 3(a)(10) thereof with respect to the New Common Shares, Spinco Shares, New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants to be received by Orex Securityholders pursuant to the Arrangement.

The Section 3(a)(10) Exemption exempts from registration a security that is issued in exchange for outstanding securities where the terms and conditions of such issuance and exchange are approved, after a hearing upon the fairness of such terms and conditions at which all persons to whom it is proposed to issue or distribute securities in such exchange have the right to appear, by a court or by a governmental authority expressly authorized by law to grant such approval and to hold such hearing. All Orex Securityholders are entitled to appear and be heard at this hearing.

Accordingly, the Final Order will, if granted, constitute a basis for the exemption from the registration requirements of the U.S. Securities Act with respect to the New Common Shares and the Spinco Shares to be received by Orex Shareholders in connection with the Arrangement pursuant to Section 3(a)(10) thereof.

Resale of New Common Shares and Spinco Shares within the United States after the Completion of the Arrangement

The manner in which an Orex U.S. Shareholder may resell the New Common Shares and the Spinco Shares received on completion of the Arrangement in the United States will depend on whether such holder is an "affiliate" of Spinco or Orex after the Arrangement, as applicable, after the completion of the Arrangement or has been such an "affiliate" within 90 days of the Arrangement.

The New Common Shares and Spinco Shares, as applicable, received by a holder who is an "affiliate" of Orex or Spinco, as applicable, after the Arrangement or has been such an "affiliate" within 90 days of the Arrangement will be subject to certain restrictions on resale imposed by the U.S. Securities Act.

As defined in Rule 144 under the U.S. Securities Act, an "affiliate" of an issuer is a person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the issuer. Typically, persons who are executive officers, directors or 10% or greater holders of an issuer are considered to be "affiliates".

Persons who are not affiliates of Orex or Spinco, as applicable, after the Arrangement and who have not been affiliates within 90 days of the resale in question may resell the New Common Shares or Spinco Shares, as applicable, that they receive in connection with the Arrangement in the United States without restriction under the U.S. Securities Act.

Persons who are affiliates or Orex or Spinco, as applicable, after the Arrangement or who have been affiliates within 90 days of the resale in question may not sell their New Common Shares or Spinco Shares, as applicable, that they receive in connection with the Arrangement, in the absence of registration under the U.S. Securities Act, unless an applicable exemption from such registration requirements is available.

Regulation S

In general, under Rule 904 of Regulation S, certain persons who hold New Common Shares or Spinco Shares upon completion of the Arrangement, may sell them outside the United States in an "offshore transaction" if neither the seller, an affiliate nor any person acting on its behalf engages in "directed selling efforts" in the United States. For purposes of Regulation S, "directed selling efforts" means, except for certain narrow permitted activities specified in Regulation S, "any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered". Also, under Regulation S, subject to certain exceptions contained in Regulation S, an "offshore transaction" is a transaction in which the offer of the applicable securities is not made to a person in the United States or any person acting on its behalf, and either: (a) at the time the buy order is originated, the buyer is outside the United States or the seller reasonably believes that the buyer is outside of the United States; or (b) the transaction is executed in, on or through the facilities of a designated offshore securities market (which would include a sale on the TSX-V) and neither the seller nor any person acting on its behalf knows that the transaction has been pre-arranged with a buyer in the United States. Such resales under Rule 904 of Regulation S are not permitted by any person deemed to be a distributor or any person who is an affiliate (other than any officer or director of Orex after the Arrangement or Spinco, as applicable, who is an affiliate solely by virtue of holding such position). In sales by officers or directors of Orex

after the Arrangement or Spinco, as the case may be, in reliance on Rule 904, no selling concession, fee or other remuneration can be paid in connection with the sale other than the usual and customary broker's commission that would be received by a person executing such transaction as agent. Certain additional restrictions, set forth in Regulation S, may be applicable.

The foregoing discussion is only a general overview and summary of certain requirements of U.S. Securities Laws that may be applicable to the resale of New Common Shares or Spinco Shares received upon completion of the Arrangement. **All holders of such securities are urged to consult with their counsel to ensure that the resale of their securities complies with applicable securities legislation.**

Warrant Shares and Option Shares

The New Common Shares and Spinco Shares issuable upon the exercise of the New Orex Warrants, Spinco Warrants, New Orex Options and Spinco Options, as applicable, in the United States or by, or on behalf of, a U.S. Person after the Effective Date may not be issued in reliance upon Section 3(a)(10) of the U.S. Securities Act and may be exercised only if the issuance is registered under the U.S. Securities Act or exempt from the registration requirements of the U.S. Securities Act and pursuant to any applicable Securities Laws of any state of the United States. If issued pursuant to an exemption from the registration requirements of the U.S. Securities Act, New Common Shares and Spinco Shares will be "restricted securities" within the meaning of Rule 144 under the U.S. Securities Act and will be subject to transfer restrictions.

The solicitation of proxies made pursuant to this Circular is not subject to the requirements of Section 14(a) of the U.S. Exchange Act. Accordingly, the solicitation of proxies and transactions contemplated herein are being made in accordance with Canadian corporate and Securities Laws. Orex Securityholders should be aware that requirements under Canadian laws may differ from requirements of the United States applicable to registration statements under the U.S. Securities Act and to proxy statements under the U.S. Exchange Act. The financial statements and other financial information included or incorporated by reference herein have been prepared in accordance with Canadian rules and regulations.

Fees and Expenses

All expenses incurred in connection with the Arrangement and the transactions contemplated thereby will be paid by Orex.

Interest of Certain Persons in the Arrangement

In considering the recommendation of the Orex Board with respect to the Arrangement, Orex Shareholders should be aware that certain members of Orex's senior management and the Orex Board have certain interests in connection with the Arrangement that may present them with actual or potential conflicts of interest in connection with the Arrangement.

Directors

The directors of Orex (other than directors who are also executive officers) hold, in the aggregate, 735,500 Orex Shares, which represent approximately 0.7% of the voting rights attached to all of the issued and outstanding Orex Shares, Orex Options to acquire 1,114,000 Orex Shares, which together with the 735,500 Orex Shares represent approximately 1.71% of the votes attached to all issued and outstanding Orex Shares and Orex Options, aggregated as a single class, and 72,500 Orex Warrants, which represent approximately 0.50% of the votes attached to all issued and outstanding Orex

Warrants, all as of the Record Date. Such directors' holdings of Orex Shares, Orex Options and Orex Warrants represent, in the aggregate, approximately 1.56% of the outstanding Orex Securities as of the Record Date, on a fully-diluted basis. All of the Orex Shares, Orex Options and Orex Warrants held by Orex's directors will be treated in the same fashion under the Arrangement as Orex Shares, Orex Options and Orex Warrants held by every other Orex Shareholder, Orex Optionholder and Orex Warrantholder.

The executive officers of Orex hold, in the aggregate, 13,092,300 Orex Shares, which represent approximately 12.85% of the votes attached to all issued and outstanding Orex Shares, Orex Options to acquire 2,050,000 Orex Shares, which together with the 13,092,300 Orex Shares represent approximately 14.00% of the votes attached to all of the issued and outstanding Orex Shares and Orex Options, aggregated as a single class, and 3,538,800 Orex Warrants, which represent approximately 24.17% of the issued and outstanding Orex Warrants, all as of the Record Date. The executive officers' holdings of Orex Shares, Orex Options, and Orex Warrants represent, in the aggregate, approximately 15.21% of the outstanding Orex Securities as of the Record Date, on a fully-diluted basis. All of the Orex Shares, Orex Options and Orex Warrants held by the executive officers of Orex will be treated in the same fashion under or in connection with the Arrangement as Orex Shares, Orex Options and Orex Warrants held by every other Orex Shareholder, Orex Optionholder or Orex Warrantholder.

The Arrangement Agreement

The description of the Arrangement Agreement, both below and elsewhere in this Circular, is a summary only, is not exhaustive and is qualified in its entirety by reference to the terms of the Arrangement Agreement, which is incorporated by reference herein and may be found under Orex's profile on SEDAR at www.sedar.com.

Effective Date and Conditions of Arrangement

If the Arrangement Resolution is passed, the Final Order approving the Arrangement is obtained, every requirement of the Business Corporations Act relating to the Arrangement has been complied with and all other conditions disclosed under "*The Meeting – The Arrangement – The Arrangement Agreement - Conditions to the Arrangement Becoming Effective*" are met or waived, the Arrangement will become effective at 12:01 a.m. on the Effective Date. It is currently expected that the Effective Date will be on or about September 25, 2015.

Representations and Warranties

The Arrangement Agreement contains standard representations and warranties made by Orex to Spinco. Those representations and warranties were made solely for purposes of the Arrangement Agreement and may be subject to important qualifications, limitations and exceptions agreed to by the parties in connection with negotiating its terms.

Orex

The representations and warranties provided by Orex in favor of Spinco relate to, among other things: (a) the due incorporation, existence, capacity of Orex; (b) the corporate power, capacity and authority of Orex to enter into the Arrangement Agreement and perform its obligations thereunder; (c) the execution and delivery of the Arrangement Agreement and the same not resulting in a violation, or contravention or breach of or material default under Orex's constating documents, any judgment, decree, order, law, statute, rule or regulation applicable to Orex or any agreement or instrument to which Orex is a party or by which it is bound; (d) the absence of any dissolution,

winding-up, bankruptcy, liquidation or similar proceeding, whether commenced, or pending, or proposed against Orex; (e) the particulars of the Gunnarn Shares held by Orex; (f) the particulars of the outstanding Orex Options; and (g) the particulars of the outstanding Orex Warrants.

Spinco

The representations and warranties provided by Spinco in favor of Orex relate to, among other things: (a) the due incorporation, existence, capacity and authority of Spinco; (b) the corporate power, capacity and authority of Spinco to enter into the Arrangement Agreement and perform its obligations thereunder; (c) the execution and delivery of the Arrangement Agreement and the same not resulting in a violation, or contravention or breach of or material default under Spinco's constating documents, any judgment, decree, order, law, statute, rule or regulation applicable to Spinco, or any agreement or instrument to which Spinco is a party or by which it is bound; and (d) the absence of any dissolution, winding-up, bankruptcy, liquidation or similar proceeding, whether commenced, or pending, or proposed against Spinco.

Conditions to the Arrangement Becoming Effective

Completion of the Arrangement is subject to a number of specified conditions being met as of the Effective Time, including, but not limited to:

- the Orex Securityholder Approval having been obtained;
- each of the Interim Order and Final Order having been granted by the Court in form and substance satisfactory to Orex;
- the TSX-V having conditionally approved the listing of the New Common Shares and Spinco Shares issuable, distributable and exchangeable under the Arrangement, subject to compliance with the listing requirements of the TSX-V;
- Orex having received satisfactory advice from its counsel as to the Canadian tax consequences of the Arrangement to Orex and the Orex Securityholders;
- all other material consents, orders and approvals, including any regulatory or judicial approvals or orders, that Orex considers necessary or desirable to effect the Arrangement having been obtained or received from the Persons, authorities or bodies having jurisdiction in the circumstances on terms and conditions that are acceptable to Orex;
- no order or decree restraining or enjoining the consummation of the Arrangement or any of the other transactions contemplated by the Arrangement Agreement being in force immediately before the Effective Time;
- the New Common Shares, Spinco Shares, New Orex Options, Spinco Options, New Orex Warrants and Spinco Warrants to be issued, distributed and exchanged, as applicable, pursuant to the Arrangement will be exempt from registration requirements of the U.S. Securities Act pursuant to Section 3(a)(10) thereof;
- the Orex Board will have determined to proceed with the Arrangement having considered the number of Orex Securities in respect of which Dissent Rights have been exercised;
- the Spinco Reorganization having been completed; and

- the Arrangement Agreement will not have been terminated in accordance with its terms.

Covenants of Orex and Spinco

The Arrangement Agreement includes, among other things, covenants of:

- each of Orex and Spinco to perform all such acts and things and execute and deliver all such agreements, assurances, notices and other documents and instruments, as may reasonably be required to facilitate the carrying out of the intent and purpose of the Arrangement Agreement;

- each of Orex and Spinco to take all reasonable steps to complete the Spinco Reorganization;

- each of Orex and Spinco to take all reasonable steps to list the Spinco Shares for trading on the TSX-V as soon as possible after the Effective Time;

- Spinco to ensure that the information it provides for the preparation of this Circular is complete and accurate in all material respects, complies with applicable Laws, and, without limiting the generality of the foregoing, does not include any misrepresentations concerning Spinco, its affiliates, or the Spinco Shares;

- Spinco to take all reasonable steps to preserve and keep the records of Orex delivered to it in connection with the Arrangement for a period of six years from the Effective Date, or for such longer period as may be required by any applicable Laws, and to make such records available to Orex on a confidential basis as may be required by Orex; and

- Orex, with the co-operation of Spinco, to jointly make and file an election under Subsection 85(1) of the Tax Act in the prescribed form and within the time required by Subsection 85(6) of the Tax Act in respect of the Spinco Reorganization.

Termination

The Arrangement Agreement may at any time before or after the holding of the Meeting, and before or after the granting of the Final Order, be terminated and the Plan of Arrangement withdrawn at the direction of the Orex Board without further action on the part of the Orex Securityholders.

Risks Associated with the Arrangement

In evaluating the Arrangement, Orex Securityholders should carefully consider the following risk factors relating to the Arrangement. The following risk factors are not a definitive list of all risk factors associated with the Arrangement. Additional risks and uncertainties, including those currently unknown or considered immaterial by Orex, may also adversely affect the Orex Shares, New Common Shares, Spinco Shares, New Orex Warrants, New Orex Options, Spinco Options, Spinco Warrants and/or the businesses of Orex and Spinco following the Arrangement. In addition to the risk factors relating to the Arrangement set out below, Orex Securityholders should also carefully consider the risk factors associated with the businesses of Orex and Spinco included in this Circular and in the documents incorporated by reference herein. If any of the risk factors materialize, the expectations, and the predictions based on them, may need to be re-evaluated.

The risks associated with the Arrangement include:

The Arrangement Agreement may be terminated at the absolute discretion of the Orex Board.

The Orex Board has a right to terminate the Arrangement and withdraw the Plan of Arrangement at its absolute discretion. Accordingly, there is no certainty, nor can Orex provide any assurance, that the Plan of Arrangement will not be terminated by the Orex Board before completion of the Arrangement.

There can be no certainty that all conditions precedent to the Arrangement will be satisfied.

The completion of the Arrangement is subject to a number of conditions precedent, certain of which are outside the control of Orex, including receipt of the Final Order and conditional listing approval of the listing of the New Common Shares and the Spinco Shares on the TSX-V. There can be no certainty, nor can Orex provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. If the Arrangement is not completed, the market price of the Orex Shares may decline to the extent that the current market price reflects a market assumption that the Arrangement will be completed.

Orex will incur costs.

Certain costs related to the Arrangement, such as legal and accounting fees and the cost of the Valuation Report, must be paid by Orex even if the Arrangement is not completed.

Orex directors and executive officers may have interests in the Arrangement that are different from those of the Orex Securityholders.

In considering the recommendation of the Orex Board to vote in favor of the Arrangement Resolution, Orex Securityholders should be aware that members of the Orex Board and management team have agreements or arrangements that provide them with interests in the Arrangement that differ from, or are in addition to, those of Orex Securityholders generally. See "*The Meeting – The Arrangement – Interest of Certain Persons in the Arrangement*".

The market price for the Orex Shares may decline.

If the Arrangement is not approved by the Orex Securityholders, the market price of the Orex Shares may decline to the extent that the current market price of the Orex Shares reflects a market assumption that the Arrangement will be completed.

Orex and Spinco will incur their own expenses going forward.

As a result of the Arrangement, each of Orex and Spinco will incur their own general and administrative costs to operate Orex's current mineral assets. These additional costs may negatively impact the financial performance of each of Orex and Spinco.

Dissent Rights

The following description of Dissent Rights is not a comprehensive statement of the procedures to be followed by a Dissenting Securityholder who seeks payment of the fair value of its Dissent Securities from Orex and is qualified in its entirety by the reference to the full text of the Interim Order which is attached at Appendix D to this Circular. A Dissenting Securityholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of the Interim Order. Failure to strictly comply with the provisions of the

Interim Order, and to adhere to the procedures established therein, may result in the loss of all rights thereunder.

There is no mandatory statutory right of dissent and appraisal in respect of plans of arrangement under the Business Corporations Act. However, as contemplated in the Plan of Arrangement, Orex has granted to Orex Securityholders who object to the Arrangement Resolution the Dissent Rights which are set out in their entirety in the Interim Order, the text of which is attached at Appendix D to this Circular.

Pursuant to the Interim Order, an Orex Securityholder who intends to exercise the Dissent Rights must deliver a Dissent Notice to Orex at 1130 – 1055 West Hastings Street, Vancouver, BC V6E 2E9 to be received not later than 10:00 a.m. (Vancouver time) on September 21, 2015, or two Business Days before any adjournment or postponement of the Meeting and must not vote any Orex Securities in favour of the Arrangement. A Non-Registered Holder who wishes to exercise the Dissent Rights must arrange for the Registered Orex Shareholder(s) holding its Orex Shares to deliver the Dissent Notice. The Dissent Notice must contain all of the information specified in the Interim Order. A vote against the Arrangement Resolution does not constitute a Dissent Notice and an Orex Securityholder who votes in favour of the Arrangement Resolution will not be considered a Dissenting Securityholder.

If the Arrangement Resolution is passed at the Meeting, Orex must send by registered mail to every Dissenting Securityholder, before the date set for the hearing of the Final Order, a notice (the "**Notice of Intention**") stating that, subject to receipt of the Final Order and satisfaction of the other conditions set out in the Arrangement Agreement, Orex intends to complete the Arrangement, and advising the Dissenting Securityholder that if the Dissenting Securityholder intends to proceed with his, her or its exercise of Dissent Rights, he she or it must deliver to Orex, within 14 days after the mailing of the Notice of Intention, a written statement containing the information specified by the Interim Order, together with the certificate(s), if any, representing the Dissent Securities.

A Dissenting Securityholder delivering such a written statement may not withdraw from his, her or its dissent and, at the Effective Time, will be deemed to have transferred to Orex all of his, her or its Dissent Securities (free of any claims). Such Dissenting Securityholder will cease to have any rights as an Orex Securityholder other than the right to be paid the fair value of their Dissent Securities. Orex will pay to each Dissenting Securityholder for the Dissent Securities the amount agreed on by Orex and the Dissenting Securityholder. Either Orex or a Dissenting Securityholder may apply to the Court if no agreement on the amount to be paid for the Dissent Securities has been reached, and the Court may:

- determine the fair value that the Dissent Securities had immediately before the passing of the Arrangement Resolution, excluding any appreciation or depreciation in anticipation of the Arrangement unless such exclusion would be inequitable, or order that such fair value be established by arbitration or by reference to the registrar or a referee of the Court;

- join in the application each other Dissenting Securityholder who has not reached an agreement with Orex as to the amount to be paid for the Dissent Securities; or

- make consequential orders and give directions that it considers appropriate.

Dissenting Securityholders who are ultimately entitled to be paid fair value for their Dissent Securities will be entitled to be paid such fair value and will not be entitled to any other payment or consideration, including any payment or consideration that would be payable under the Plan of Arrangement had they not exercised their Dissent Rights. The names of such holders will be removed from Orex's securities register(s), as applicable, as of the Effective Time.

If an Orex Securityholder fails to strictly comply with the requirements of the Dissent Rights set out in the Interim Order, it will lose its Dissent Rights, Orex will return to the registered Orex Securityholder the certificate(s), if any, representing the Dissent Securities that were delivered to Orex, if any, and, if the Arrangement is completed, that Orex Securityholder will be deemed to have participated in the Arrangement in respect of those Orex Securities on the same terms as all other Orex Securityholders who are not Dissenting Securityholders. In no case will Orex, Spinco or any other Person be required to recognize such Orex Securityholder as holding Orex Securities at or after the Effective Time.

Orex Securityholders wishing to exercise the Dissent Rights should consult their legal advisors with respect to the legal rights available to them in relation to the Arrangement and the Dissent Rights. Orex Securityholders should note that the exercise of Dissent Rights can be a complex, time-consuming and expensive procedure.

The Interim Order outlines certain events when Dissent Rights will cease to apply where such events occur before payment is made to the Dissenting Securityholder of the fair value of the Orex Securities surrendered (including if the Arrangement Resolution does not pass or is otherwise not proceeded with). In such events, the Dissenting Securityholder will be entitled to the return of the applicable share certificate(s), if any, and rights as an Orex Securityholder in respect of the applicable Orex Securities will be regained.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Stikeman Elliott LLP, counsel to Orex, the following summary describes the principal Canadian federal income tax considerations in respect of the Arrangement applicable to an Orex Shareholder who, for purposes of the Tax Act, and at all relevant times, deals at arm's length with each of Orex and Spinco and is not affiliated with either Orex or Spinco, holds Orex Shares as capital property, and disposes of such Orex Shares under the Arrangement (a "**Holder**").

Orex Shares will generally be considered to be capital property to a Holder unless the Holder holds such Orex Shares in the course of carrying on a business or the Holder acquired such Orex Shares in a transaction or transactions considered to be an adventure or concern in the nature of trade.

This summary is based upon the current provisions of the Tax Act and the regulations thereunder (the "**Regulations**") and counsel's understanding of existing case law and the published administrative practices of the Canada Revenue Agency ("**CRA**"). This summary also takes into account all specific proposals to amend the Tax Act and the Regulations publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Tax Proposals**") and assumes that all Tax Proposals will be enacted in the form proposed. However, there can be no assurance that the Tax Proposals will be enacted in their current form, or at all. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in law or administrative practice, whether by legislative, regulatory, administrative or judicial decision or action, nor does it take into account or consider other federal or any provincial, territorial or foreign tax considerations, which may differ significantly from the Canadian federal income tax considerations described herein.

This summary is not applicable to a Holder: (a) that is a "financial institution" (for the purposes of the "mark-to-market" rules), a "specified financial institution" or a "restricted financial institution", each as defined in the Tax Act; (b) an interest in which would be a "tax shelter investment" within the meaning of the Tax Act; (c) whose "functional currency" for the purposes of the Tax Act is the currency of a country other than Canada; (d) that acquired Orex Options on the issuance or grant of employee stock options; (e) that acquired Orex Shares upon the exercise of employee stock options; or

(f) that has or will enter into a "derivative forward agreement" or a "synthetic disposition agreement" as such terms are defined in the Tax Act, in respect of the Orex Shares. **Such Holders should consult their own tax advisors.**

This summary is of a general nature only and is not intended to be, nor should it be construed to be, legal or tax advice to any particular Orex Shareholder. This summary is not exhaustive of all Canadian federal income tax considerations. Consequently, Orex Shareholders are urged to consult their own tax advisors for advice regarding the income tax consequences to them of disposing of their Orex Shares under the Arrangement, having regard to their own particular circumstances, and any other consequences to them of such transactions under Canadian federal, provincial, local and foreign tax laws. No advance income tax ruling has been obtained from the CRA to confirm the tax consequences of the Arrangement to Orex Shareholders.

Orex Shareholders Resident in Canada

The following portion of the summary is generally applicable to Holders who, for purposes of the Tax Act and any applicable income tax treaty or convention, and at all relevant times, are resident or deemed to be resident in Canada (a "**Resident Holder**").

Certain Resident Holders whose Orex Shares might not otherwise be considered capital property may, in certain circumstances, make an irrevocable election in accordance with subsection 39(4) of the Tax Act to have their Orex Shares and all other "Canadian securities" as defined in the Tax Act owned by such Resident Holder in the taxation year in which the election is made, and in all subsequent taxation years, deemed to be capital property. Resident Holders should consult with their own tax advisors if they contemplate making such an election.

Exchange of Orex Shares for New Common Shares and Spinco Shares

Orex has informed counsel that the aggregate fair market value of all Spinco Shares when they are distributed is not expected to exceed the "paid-up capital", as defined in the Tax Act, for all Orex Shares immediately before the distribution of Spinco Shares in exchange for Orex Shares. Accordingly, Orex is not expected to be deemed to pay, nor is a Resident Holder expected to be deemed to receive, a dividend as a result of the distribution of Spinco Shares in exchange for Orex Shares under the Arrangement. If the fair market value of all Spinco Shares at the time of their distribution were to exceed the paid-up capital of all Orex Shares immediately before that time, Orex would be deemed to have paid a dividend on the Orex Shares equal to the amount of the excess and each Resident Holder would be deemed to have received a pro rata portion of the dividend, based on the proportion of Orex Shares held. See "*Taxation of Dividends*" below for a general description of the taxation of dividends under the Tax Act.

Assuming that the fair market value of all Spinco Shares at the time of distribution does not exceed the paid-up capital of all Orex Shares immediately before that time, a Resident Holder whose Orex Shares are exchanged for New Common Shares and Spinco Shares under the Arrangement will be considered to have disposed of the Orex Shares for proceeds of disposition equal to the greater of: (i) the Resident Holder's adjusted cost base of the Orex Shares immediately before the exchange; and (ii) the fair market value, at the time of the exchange, of the Spinco Shares received by the Resident Holder. Consequently, a Resident Holder will realize a capital gain to the extent that the fair market value of the Spinco Shares received exceeds the adjusted cost base of the Resident Holder's Orex Shares at the time of the distribution. If the fair market value of all Spinco Shares at the time of distribution were to exceed the paid-up capital of all Orex Shares immediately before the exchange, the proceeds of disposition of the Resident Holder's Orex Shares would be reduced by the amount of the dividend referred to in the previous paragraph that the Resident Holder is deemed to have

received. See "*Taxation of Capital Gains and Capital Losses*" below for a general description of the treatment of capital gains and losses under the Tax Act.

The cost to a Resident Holder of New Common Shares acquired on the exchange will be equal to the amount, if any, by which the adjusted cost base of the Resident Holder's Orex Shares immediately before the exchange exceeds the fair market value, at the time of their distribution, of the Spinco Shares received by the Resident Holder. The cost to a Resident Holder of the Spinco Shares acquired on the exchange will be equal to the fair market value of the Spinco Shares at the time of exchange.

Exchange of Orex Warrants for New Orex Warrants and Spinco Warrants

A Resident Holder who exchanges Orex Warrants for New Orex Warrants and Spinco Warrants will be deemed to dispose of their Orex Warrants for proceeds equal to the aggregate fair market value of the New Orex Warrants and Spinco Warrants received on the exchange. Consequently, a Resident Holder will realize a capital gain (or a capital loss) to the extent that the aggregate fair market value of the New Orex Warrants and Spinco Warrants received on the exchange exceeds (or is less than) the adjusted cost base of the Orex Warrants immediately before the exchange and any reasonable costs associated with the disposition. In such circumstances, the Resident Holder will generally acquire the New Orex Warrants and Spinco Warrants at a cost equal to the fair market value thereof at the time of the exchange. Any such capital gain or capital loss will be subject to the general rules relating to the taxation of capital gains and capital losses described below under the heading "*Taxation of Capital Gains and Capital Losses*".

Exchange of Orex Options for New Orex Options and Spinco Options

A Resident Holder who exchanges Orex Options for New Orex Options and Spinco Options will be deemed to dispose of their Orex Options for proceeds equal to the aggregate fair market value of the New Orex Options and Spinco Options received on the exchange. Consequently, a Resident Holder will realize a capital gain (or a capital loss) to the extent that the aggregate fair market value of the New Orex Options and Spinco Options received on the exchange exceeds (or is less than) the adjusted cost base of the Orex Options immediately before the exchange and any reasonable costs associated with the disposition. In such circumstances, the Resident Holder will generally acquire the New Orex Options and Spinco Options at a cost equal to the fair market value thereof at the time of the exchange. Any such capital gain or capital loss will be subject to the general rules relating to the taxation of capital gains and capital losses described below under the heading "*Taxation of Capital Gains and Capital Losses*".

Dissenting Resident Holders

A Resident Holder of Orex Shares who dissents from the Arrangement (a "**Dissenting Resident Holder**") will be deemed to have transferred such Holder's Orex Shares to Orex, and will be entitled to receive a payment from Orex of an amount equal to the fair value of the Holder's Orex Shares.

A Dissenting Resident Holder will be deemed to have received a taxable dividend equal to the amount by which the amount received from Orex for such Holder's Orex Shares, less an amount in respect of interest, if any, awarded by the Court, exceeds the paid-up capital of such Orex Shares (as determined under the Tax Act). Any such deemed dividend will not be an eligible dividend for the purposes of the enhanced gross-up and dividend tax credit rules.

Where a Dissenting Resident Holder of Orex Shares is an individual, any deemed dividend will be included in computing that Dissenting Resident Holder's income and will be subject to the gross-up

and dividend tax credit rules normally applicable to dividends (other than eligible dividends) received from taxable Canadian corporations.

In the case of a Dissenting Resident Holder of Orex Shares that is a corporation, any deemed dividend will be included in income and generally will be deductible in computing taxable income. However, in some circumstances, the amount of any such deemed dividend realized by a corporation may be treated as proceeds of disposition and not as a dividend. "Private corporations" and "subject corporations" (as defined in the Tax Act) may be liable for refundable Part IV tax on any dividends received.

A Dissenting Resident Holder of Orex Shares will also be considered to have disposed of the Orex Shares for proceeds of disposition equal to the amount paid to such Dissenting Resident Holder less an amount in respect of interest, if any, awarded by the Court and the amount of any deemed dividend. Dissenting Resident Holders of Orex Shares may realize a capital gain or sustain a capital loss in respect of such disposition. The taxation of capital gains and capital losses is discussed below under the heading "*Taxation of Capital Gains and Capital Losses*".

Any interest awarded by the Court to a Dissenting Resident Holder of Orex Shares will be included in such Holder's income for the purposes of the Tax Act.

A Resident Holder of Orex Warrants or Orex Options who dissents from the Arrangement is urged to consult their own tax advisor for advice regarding the income tax consequences of their particular circumstances.

Dividends on Spinco Shares and New Common Shares after the Arrangement

A Resident Holder (other than a Dissenting Resident Holder) who is an individual will be required to include in income any dividends received or deemed to be received on his or her Spinco Shares and/or New Common Shares, and, other than certain trusts, will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received from taxable Canadian corporations, including the enhanced gross-up and dividend tax credit rules applicable to any dividends designated by Orex and/or Spinco as "eligible dividends" as defined in the Tax Act.

A Resident Holder (other than Dissenting Resident Holder) that is a corporation will be required to include in income any dividend received or deemed to be received on its Spinco Shares and/or New Common Shares, and generally will be entitled to deduct an equivalent amount in computing its taxable income. "Private corporations" and "subject corporations" (as defined in the Tax Act) may be liable for refundable Part IV tax on any dividends received.

Disposition of Spinco Shares and New Common Shares

A Resident Holder that disposes or is deemed to dispose of Spinco Shares and/or New Common Shares in a taxation year will realize a capital gain (or a capital loss) equal to the amount by which the proceeds of disposition of the Spinco Shares and/or New Common Shares exceed (or are exceeded by) the aggregate of the adjusted cost base to the Resident Holder of such Spinco Shares and/or New Common Shares, determined immediately before the disposition, and any reasonable costs of disposition. See "*Taxation of Capital Gains and Capital Losses*" below for a general discussion of the treatment of capital gains and losses under the Tax Act.

Taxation of Capital Gains and Capital Losses

Generally, a Resident Holder is required to include in computing its income for a taxation year one-half of the amount of any capital gain (a "**taxable capital gain**") realized in such year. Subject to and in accordance with the provisions of the Tax Act, a Resident Holder is required to deduct one-half of the amount of any capital loss (an "**allowable capital loss**") realized in a taxation year from taxable capital gains realized by the Resident Holder in the year. Allowable capital losses in excess of taxable capital gains may be carried back and deducted in any of the three preceding taxation years or carried forward and deducted in any subsequent taxation year against net taxable capital gains realized in such years to the extent and in the circumstances described in the Tax Act.

Additional Refundable Tax on Canadian-Controlled Private Corporation

Capital gains realized by individuals and certain trusts may give rise to a liability for alternative minimum tax under the Tax Act.

Additional Refundable Tax

A Resident Holder, including a Dissenting Resident Holder, that is throughout the year a "Canadian-controlled private corporation" as defined in the Tax Act may be liable to pay an additional refundable tax of 6 2/3% on certain investment income, including taxable capital gains and interest.

Orex Shareholders Not Resident in Canada

The following portion of the summary is generally applicable to a Holder, who for purposes of the Tax Act and the applicable income tax treaty or convention, and at all relevant times, is not and has not been a resident or deemed to be a resident of Canada and does not use or hold, and is not deemed to use or hold, Orex Shares in connection with carrying on a business in Canada (a "**Non-Resident Holder**"). Special rules, which are not discussed in this summary, apply to a non-resident that is an insurer carrying on business in Canada and elsewhere.

Share Exchanges and Subsequent Disposition of Shares, Options and Warrants

A Non-Resident Holder will not be subject to tax under the Tax Act on any capital gain realized on a disposition of Orex Shares, Spinco Shares, New Common Shares, New Orex Warrants, Spinco Warrants, New Orex Options and/or Spinco Options unless, at the time of exchange or disposition, such shares, options or warrants are taxable Canadian property to the Non-Resident Holder and are not treaty protected property (as defined in the Tax Act) of the Non-Resident Holder.

Taxation of Capital Gains and Capital Losses

Provided that the Orex Shares, Spinco Shares and/or New Common Shares are listed on a "designated stock exchange", the Orex Shares, Spinco Shares, New Common Shares, New Orex Warrants, Spinco Warrants, New Orex Options and/or Spinco Options generally will not constitute taxable Canadian property of a Non-Resident Holder, unless, at any time during the 60-month period immediately preceding the disposition: (a) the Non-Resident Holder; (b) persons with whom the Non-Resident Holder does not deal at arm's length; or (c) the Non-Resident Holder together with all such persons, owned, or had an interest in, 25% or more of the issued shares of any class or series of shares in the capital stock of Orex and/or Spinco; and the Orex Shares, Spinco Shares and/or New Common Shares derived (directly or indirectly) more than 50% of their fair market value from real or immovable property situated in Canada, Canadian resource properties, timber resource properties or options or interests in respect of any such property, all as defined for the purposes of the Tax Act.

A disposition or deemed disposition of such shares, options or warrants by a Non-Resident Holder whose shares, options or warrants are taxable Canadian property and who is not entitled to an exemption under an applicable income tax convention, will give rise to a capital gain (or a capital loss) equal to the amount, if any, by which the proceeds of disposition, less the reasonable costs of disposition, exceed (or are less than) the adjusted cost of such shares, options or warrants to the Non-Resident Holder at the time of actual or deemed disposition. Generally, one-half of any capital gain realized will be required to be included in income as a taxable capital gain and will be taxed at applicable Canadian tax rates. One-half of any capital loss will be deductible, subject to certain limitations, against certain taxable capital gains in the year of disposition or the three preceding years or any subsequent year in accordance with the detailed provisions of the Tax Act. Non-Resident Holders to whom these rules may be relevant should consult their own tax advisers in this regard.

Dividends on Spinco Shares and New Common Shares

Dividends paid, or credited, or deemed to be paid or credited, on Spinco Shares and/or New Common Shares to a Non-Resident Holder generally will be subject to Canadian withholding tax at a rate of 25% of the gross amount of the dividend, unless the rate is reduced under the provisions of an applicable income tax convention. The rate of withholding tax under *The Canada-U.S. Income Tax Convention* (1980) (the "**Treaty**") applicable to a Non-Resident Holder, who is a resident of the United States for the purposes of the Treaty, is the beneficial owner of the dividend, is entitled to all of the benefits under the Treaty, and who holds less than 10% of the voting stock of Spinco Shares and/or New Common Shares, generally will be 15%.

Dissenting Non-Resident Holders

A Non-Resident Holder of Orex Shares who dissents from the Arrangement (a "**Dissenting Non-Resident Holder**") will be deemed to have transferred such Holder's Orex Shares to Orex, and will be entitled to receive a payment from Orex of an amount equal to the fair value of the Non-Resident Holder's Orex Shares. Non-Resident Holders who intend to dissent from the Arrangement are urged to consult their own tax advisors.

A Dissenting Non-Resident Holder will be deemed to have received a taxable dividend equal to the amount by which the amount received from Orex for such Non-Resident Holder's Orex Shares, less an amount in respect of interest, if any, awarded by the Court, exceeds the paid-up capital of such Orex Shares (as determined by the Tax Act). The amount of the dividend will be subject to Canadian withholding tax at the rate of 25% of the gross amount of the dividend unless the rate is reduced under the provisions of an applicable income tax convention between Canada and the Dissenting Non-Resident Holder's country of residence.

A Dissenting Non-Resident Holder of Orex Shares will also be considered to have disposed of the Orex Shares for proceeds of disposition equal to the amount paid to such Dissenting Non-Resident Holder less an amount in respect of interest, if any, awarded by the Court and the amount of any deemed dividend, and will be subject to tax under the Tax Act on any gain realized as a result if such shares constitute "taxable Canadian property" as discussed above under the heading "*Taxation of Capital Gains and Capital Losses*", unless relief is provided under an income tax treaty or convention between Canada and the Dissenting Non-Resident Holder's country of residence.

A Non-Resident Holder of Orex Warrants or Orex Options who dissents from the Arrangement is urged to consult their own tax advisor for advice regarding the income tax consequences of their particular circumstances.

THE MEETING – ADOPTION OF STOCK OPTION PLANS

At the Meeting, among other things, Orex Shareholders will be asked, to consider and, if thought advisable, to pass, an ordinary resolution approving the New Orex Option Plan and Spinco Option Plan, each to be effective on the Effective Date. The terms of the New Orex Option Plan and Spinco Option Plan are summarized below. This summary does not purport to be complete and is qualified in its entirety by reference to the New Orex Option Plan and Spinco Option Plan, attached to this Circular as Appendices G and H, respectively.

New Orex Option Plan

For a detailed summary of the New Orex Option Plan, see section entitled "*Description of Capital Structure – Terms of New Orex Option Plan*" in Appendix E of this Circular.

The New Orex Option Plan must be approved by a majority of the votes cast by Orex Shareholders voting in person or by proxy at the Meeting. The New Orex Option Plan is also subject to approval by the TSX-V.

Spinco Option Plan

For a detailed summary of the Spinco Option Plan, see section entitled "*Options and Other Rights to Purchase Securities of Barsele – Spinco Option Plan*" in Appendix F of this Circular.

The Spinco Option Plan must be approved by a majority of the votes cast by Orex Shareholders voting in person or by proxy at the Meeting. The Spinco Option Plan is also subject to approval by the TSX-V.

Recommendation of the Orex Board

The Orex Board has determined that the adoption of the New Orex Option Plan and the Spinco Option Plan are each in the best interest of Orex and the Orex Shareholders and accordingly, the Orex Board recommends that Orex Shareholders vote in favor of the adoption of the New Orex Option Plan and the Spinco Option Plan. **In the absence of contrary direction, the management designees of Orex intend to vote proxies in the accompanying form of proxy IN FAVOR of the resolutions adopting the New Orex Option Plan and the Spinco Option Plan.**

Approval of the Option Plans

At the Meeting, Orex Shareholders will be asked to pass an ordinary resolution approving the New Orex Option Plan and the Spinco Option Plan in the following form:

"**BE IT RESOLVED**, as an ordinary resolution, that, subject to TSX Venture Exchange acceptance and completion of the Arrangement:

(a) the New Orex Option Plan and the Spinco Option Plan are authorized, approved and confirmed;

(b) any one director or officer of Orex is authorized to amend the New Orex Option Plan and the Spinco Option Plan should such amendments be required by applicable regulatory authorities including, but not limited to, the TSX-V; and

(c) any one director or officer of Orex, signing alone, is authorized to execute and deliver all such documents and instruments and to do such further acts, as may be necessary or advisable to give full effect to these resolutions or as may be required to carry out the full intent and meaning thereof.

ELIGIBILITY FOR INVESTMENT

New Common Shares and Spinco Shares will be qualified investments under the Tax Act for a trust governed by a registered retirement savings plan ("**RRSP**"), a registered retirement income fund ("**RRIF**"), a registered education savings plan, a registered disability savings plan, a tax-free savings account ("**TFSA**") or a deferred profit sharing plan, at any particular time, provided the New Common Shares and Spinco Shares are listed on a designed stock exchange (which currently includes the TSX-V) at that time.

Notwithstanding that the New Common Shares and Spinco Shares may be a qualified investment for a trust governed by an RRSP, RRIF or TFSA, the annuitant under an RRSP or RRIF or the holder of a TFSA will be subject to a penalty tax if such shares are a "prohibited investment" for the RRSP, RRIF or TFSA within the meaning of the Tax Act. The New Common Shares and Spinco Shares will not be a "prohibited investment" for a trust governed by an RRSP, RRIF or TFSA provided that the annuitant of the RRSP or the RRIF or the holder of the TFSA, as the case may be: (a) deals at arm's length with Orex or Spinco, as the case may be; and (b) does not have a "significant interest", within the meaning of the Tax Act, in Orex or Spinco, as the case may be.

Holders should consult their own tax advisors to ensure New Common Shares and Spinco Shares would not be a prohibited investment in their particular circumstances. Holders of Orex Warrants should consult their own tax advisors regarding the eligibility for investment of New Orex Warrants and Spinco Warrants.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

Orex Securityholders who are resident in, or citizens of, the United States are advised to consult their own tax advisors to determine the particular United States tax consequences to them of the Arrangement in light of their particular situation, as well as any tax consequences that may arise under the Laws of any other relevant foreign, state, local, or other taxing jurisdiction. No rulings from the Internal Revenue Service or legal opinions have been or will be sought with respect to any of the tax consequences relating to the transaction described herein including, without limitation, with respect to income, estate, gift or other tax consequences.

INFORMATION CONCERNING OREX

Orex is a British Columbia company listed on Tier 2 of the TSX-V (trading symbol: "REX"). Orex is a junior mineral exploration company with projects in Sweden, Canada and Mexico. Its business consists of acquiring, exploring and advancing a portfolio of gold and silver projects with an emphasis on Sweden, Canada and Mexico and other jurisdictions. Orex's most advanced interest in a mineral exploration project is its 45% interest in the Barsele Project located near Storuman, Västerbottens Län, approximately 600 km north of Stockholm, Sweden, which is subject to the Gunnarn JV.

INFORMATION CONCERNING OREX AFTER THE ARRANGEMENT

Upon completion of the Arrangement, each Orex Securityholder, other than a Dissenting Securityholder, will remain a securityholder of Orex. Information relating to Orex after the Arrangement is contained in Appendix E of this Circular. Unaudited *pro forma* consolidated financial statements of Orex after the Arrangement and accompanying notes thereto are attached as Appendix K of this Circular.

INFORMATION CONCERNING SPINCO

Upon completion of the Arrangement, each Orex Securityholder, other than a Dissenting Securityholder, will become a securityholder of Spinco. Information relating to Spinco is contained in Appendix F to this Circular. The annual financial statement of Spinco and accompanying notes thereto are attached as Appendix J of this Circular. The unaudited *pro forma* financial statement of Spinco and accompanying notes thereto are attached as Appendix K of this Circular.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No person who is or at any time since the commencement of Orex's last completed financial year was a director, executive officer or senior officer of Orex, and no associate of any of the foregoing persons has been indebted to Orex at any time since the commencement of Orex's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by Orex at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person, other than amounts not exceeding $30,000 for travel advances.

INTERESTS OF EXPERTS

To the best of Orex's knowledge, as at the date hereof, Stikeman Elliott LLP, Davidson & Company LLP, Ross Glanville & Associates Ltd., Snell & Wilmer LLP, Bruce McKnight Minerals Advisor Services and Mining Plus Ltd., each being companies, partnerships or persons who have prepared certain sections of this Circular, or are named as having prepared or certified a report, statement or opinion in or incorporated by reference in this Circular, or any director, officer, employee or partner thereof, as applicable, have not received a direct or indirect interest in a property of Orex or Spinco or any associate or affiliate thereof.

As of the date hereof, each of: (a) the partners and associates of Stikeman Elliott LLP; (b) the partners and associates of Davidson & Company LLP; (c) the partners and associates of Ross Glanville & Associates Ltd.; (d) the partners and associates of Snell & Wilmer LLP; (e) the partners and associates of Bruce McKnight Minerals Advisor Services; and (f) Michael Collins, P.Geo of Mining Plus Canada Consultants Ltd., owned, directly or indirectly, less than one percent of the Orex Shares and none of the Spinco Shares.

None of the aforementioned persons nor any directors, officers, employees and partners, as applicable, of each of the aforementioned companies and partnerships, is currently expected to be elected, appointed or employed as a director, officer or employee of Orex or Spinco or any associate or affiliate of Orex or Spinco.

Davidson & Company LLP is the auditor for Orex and Spinco. Davidson & Company LLP certified the auditor's report on the annual financial statements of Orex and Spinco for the year and period ended April 30, 2015 and has confirmed that they are independent with respect to Orex and Spinco

within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

None of the directors, executive officers or employees of Orex or any of its Subsidiaries, nor Persons beneficially owning, directly or indirectly, securities carrying more than 10% of the voting rights attached to all outstanding voting securities of Orex, nor any associate or affiliate of the foregoing Persons has any material interest, direct or indirect, in any transaction since the commencement of Orex's last completed financial year or during the current financial year which has or will materially affect Orex or any of its Subsidiaries.

MANAGEMENT CONTRACTS

Management functions of Orex are substantially performed by directors or executive officers of Orex and not to any substantial degree by any other person with whom Orex has contracted other than the following:

1. Pursuant to the Cope Agreement, 683192 B.C. Ltd. provides consulting services to Orex. 683192 B.C. Ltd. of 242 Turtlehead Road, Belcarra, BC is engaged in the business of mineral exploration and development. Under the terms of the Cope Agreement, Orex pays to 683192 B.C. Ltd. a monthly consulting fee of $7,000 plus applicable GST/HST. Orex or 683192 B.C. Ltd. may terminate the Cope Agreement at any time in accordance with the terms and conditions of the Cope Agreement provided reasonable notice has first been provided to either Orex or 683192 B.C. Ltd., as applicable. Effective March 1, 2014, the Cope Agreement was amended to provide for an increase of the monthly fee to $20,750 plus applicable GST. This amendment was made to reflect the increase in allocated time that Mr. Cope is required to spend on Orex's projects.

2. Pursuant to the Wilmot Agreement, Cedarwoods Group provides consulting services to Orex. Cedarwoods Group of 13548 19th Avenue, South Surrey, BC is engaged in the business of financial services. Under the terms of the Wilmot Agreement, Orex paid Cedarwoods Group an annual consulting fee of $151,200 plus applicable GST/HST. Either of Orex or Cedarwoods Group may terminate the Wilmot Agreement at any time in accordance with the terms and conditions of the Wilmot Agreement provided reasonable notice has first been provided to either Orex or Cedarwoods, as applicable.

AUDITOR, REGISTRAR AND TRANSFER AGENT

The auditor of Orex is Davidson & Company LLP, Chartered Professional Accountants, of Suite 1200, 609 Granville Street, Vancouver, British Columbia, V7Y 1G6.

The registrar and transfer agent for the Orex Shares is Computershare Investor Services Inc., 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

OTHER MATTERS

Management of Orex is not aware of any matters to come before the Meeting other than as set forth in the Notice of Meeting that accompanies this Circular. If any other matter properly comes before the Meeting, it is the intention of the persons named in the enclosed form of proxy to vote the Orex Securities represented thereby in accordance with their best judgment on such matter.

ADDITIONAL INFORMATION

You may obtain additional financial information about Orex in Orex's audited consolidated financial statements and MD&A for the year ended April 30, 2015, which have been filed with the applicable securities commissions, are incorporated into this Circular by reference and are available for viewing, together with Orex's other public disclosure documents, under Orex's profile on SEDAR at www.sedar.com. Copies of Orex's financial statements may be obtained without charge upon request to Orex at Suite 1130 - 1055 W. Hastings Street, Vancouver, BC Canada V6E 2E9.

QUESTIONS AND FURTHER ASSISTANCE

If you have any questions about the information contained in this Circular or require assistance in completing your proxy form, please contact the Corporate Secretary of Orex at 604-687-8566 x223 or by fax to (604) 687-6365.

APPROVAL OF DIRECTORS

The contents and sending of this Circular, including the Notice of Meeting, have been approved and authorized by the Orex Board.

August 21, 2015

BY ORDER OF THE BOARD OF DIRECTORS

"*Gary Cope*"

CEO, President and Director

CONSENT OF ROSS GLANVILLE & ASSOCIATES LTD. AND BRUCE McKNIGHT MINERALS ADVISOR SERVICES

To: The Board of Directors (the "Orex Board") of Orex Minerals Inc. ("Orex")

We refer to the valuation report dated July 23, 2015 (the "**Valuation Report**"), prepared for the Orex Board, which sets out the respective values of the assets of Orex and Spinco following completion of the Arrangement (each as defined in Orex's management information circular ("**Circular**") dated August 21, 2015 in respect of the annual and special meeting of Orex).

We consent to the inclusion of the Valuation Report in this Circular. In providing such consent, we do not intend that any person other than the Orex Board will rely upon the Valuation Report.

"*Ross Glanville & Associates Ltd.*"

Vancouver, British Columbia
August 21, 2015

"*Bruce McKnight Minerals Advisor Services*"

Vancouver, British Columbia
August 21, 2015

CONSENT OF STIKEMAN ELLIOTT LLP

To: The Board of Directors of Orex Minerals Inc.

We have read the management information circular (the "**Circular**") of Orex Minerals Inc. ("**Orex**") dated August 21, 2015, relating to the annual and special meeting of the shareholders of Orex to, among other things, approve the proposed arrangement between Orex and Barsele Minerals Corp.

We hereby consent to the inclusion of our opinion under the heading "*Certain Canadian Federal Income Tax Considerations*" in the Circular.

"*Stikeman Elliott LLP*"

Vancouver British Columbia
August 21, 2015

CONSENT OF MINING PLUS LTD.

To: The Board of Directors of Orex Minerals Inc. (the "Orex Board")

I have read the management information circular (the "**Circular**") of Orex Minerals Inc. ("**Orex**") dated August 21, 2015, relating to the annual and special meeting of the shareholders of Orex to, among other things, approve the proposed arrangement between Orex and Barsele Minerals Corp.

I hereby consent to the incorporation by reference in this Circular of the technical report titled "NI 43-101 Technical Report June 2015 Barsele Minerals Corp. Orex Minerals Inc. Barsele Gold Project Storuman, Sweden" dated June 30, 2015.

"*Michael Collins P.Geo*"
Mining Plus Canada Consultants Ltd.

Vancouver, British Columbia
August 21, 2015

APPENDIX A
ARRANGEMENT RESOLUTION

"BE IT RESOLVED, AS A SPECIAL RESOLUTION, THAT:

1. The arrangement (the "**Arrangement**") under Part 9, Division 5 of the *Business Corporations Act* (British Columbia) (the "**BCBCA**"), as more particularly described and set forth in the management information circular (the "**Circular**") of Orex Minerals Inc. ("**Orex**") dated August 21, 2015 accompanying the notice of this meeting (as the Arrangement may be, or may have been, modified or amended in accordance with its terms), is authorized, approved and adopted.

2. The plan of arrangement (the "**Plan of Arrangement**"), involving Orex and Barsele Minerals Corp. ("**Barsele**") and implementing the Arrangement, the full text of which is set out in Appendix B to the Circular (as the Plan of Arrangement may be, or may have been, modified or amended in accordance with its terms), is authorized, approved and adopted.

3. The arrangement agreement (the "**Arrangement Agreement**") between Orex and Barsele dated August 6, 2015, and all the transactions contemplated therein, the actions of the directors of Orex in approving the Arrangement and the actions of the directors and officers of Orex in executing and delivering the Arrangement Agreement and any amendments thereto are confirmed, ratified, authorized and approved.

4. Notwithstanding that this resolution has been passed (and the Arrangement approved) by the securityholders of Orex or that the Arrangement has been approved by the Supreme Court of British Columbia, the directors of Orex are authorized and empowered, without further notice to, or approval of, the securityholders of Orex:

   (a) to amend the Arrangement Agreement or the Plan of Arrangement to the extent permitted by the Arrangement Agreement or the Plan of Arrangement; or

   (b) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement.

5. Any one director or officer of Orex is hereby authorized, for and on behalf and in the name of Orex, to execute and deliver, whether under corporate seal of Orex or otherwise, all such agreements, forms, waivers, notices, certificates, confirmations and other documents and instruments and to do or cause to be done all such other acts and things as in the opinion of such director or officer may be necessary, desirable or useful for the purpose of giving effect to these resolutions, the Arrangement Agreement and the completion of the Arrangement in accordance with the terms of the Arrangement Agreement, including, but not limited to:

   (a) all actions required to be taken by or on behalf of Orex, and all necessary filings and obtaining the necessary approvals, consents and acceptances of appropriate regulatory authorities; and

   (b) the signing of the certificates, consents and other documents or declarations required under the Arrangement Agreement or otherwise to be entered into by Orex,

   such determination to be conclusively evidenced by the execution and delivery of such document, agreement or instrument or the doing of any such act or thing."

APPENDIX B
PLAN OF ARRANGEMENT

ARTICLE 1
INTERPRETATION

1.1 Definitions

In this Plan of Arrangement, unless the context requires, the following terms will have the respective meanings set out below:

"**Arrangement**" means the arrangement under section 288 of the BCBCA contemplated by this Plan of Arrangement.

"**Arrangement Agreement**" means the arrangement agreement dated August 6, 2015 between Orex and Spinco.

"**Arrangement Resolution**" means the special resolution to be considered and voted on by Orex Securityholders at the Meeting to approve the Arrangement, to be in substantially the form attached as Schedule E to the Arrangement Agreement.

"**BCBCA**" means the *Business Corporations Act* (British Columbia), as amended, and the regulations thereunder.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended.

"**Court**" means the Supreme Court of British Columbia.

"**Depositary**" means Computershare Investor Services Inc. or such other institution as Orex may select.

"**Direct Registration Advice**" means, in relation to Orex Shares, written evidence of the book entry issuance or holding of such shares issued to the holder by the transfer agent of such shares.

"**Dissent Rights**" has the meaning set out in Section 3.1 of this Plan of Arrangement.

"**Dissent Securities**" means the Orex Securities held by a Dissenting Securityholder in respect of which the Dissenting Securityholder has duly and validly exercised the Dissent Rights.

"**Dissenting Securityholder**" means a registered Orex Securityholder who has duly and validly exercised the Dissent Rights.

"**Effective Date**" means the date selected by Orex as being the date upon which the Arrangement first becomes effective.

"**Effective Time**" means 12:01 a.m. on the Effective Date.

"**Encumbrance**" includes, with respect to any property or asset, any mortgage, pledge, assignment, hypothec, charge, lien, security interest, adverse right or claim, other third party interest or encumbrance of any kind, whether contingent or absolute, and any agreement, option, right or privilege (whether by law, contract or otherwise) capable of becoming any of the foregoing.

"**Final Order**" means the final order of the Court approving the Arrangement as such order may be amended by the Court at any time before the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended on appeal.

"**Former Orex Optionholder**" means a holder of unexercised Orex Options immediately before the Effective Time.

"**Former Orex Shareholder**" means a holder of Orex Shares immediately before the Effective Time.

"**Information Circular**" means, collectively, the notice of meeting and the management information circular of Orex, including all schedules thereto, to be sent to Orex Securityholders in connection with the Meeting.

"**Interim Order**" means the interim order of the Court in respect of the Arrangement providing for, among other things, the calling and holding of the Meeting, as the same may be amended, supplemented or varied by the Court.

"**Letter of Transmittal**" means the letter of transmittal for use by registered Orex Shareholders in connection with the Meeting.

"**Meeting**" means the annual and special meeting of the Orex Securityholders (including any adjournment or postponement thereof) to be called and held in accordance with the Interim Order to consider, among other things, the Arrangement Resolution.

"**New Common Shares**" means common shares in the authorized share structure of Orex to be created in accordance with this Plan of Arrangement and which will have attached thereto the same rights and privileges as the Orex Shares immediately prior to the Effective Time.

"**New Orex Option Plan**" means the stock option plan to be adopted and approved in connection with the Arrangement that will replace the Orex Option Plan and pursuant to which New Orex Options will be granted.

"**New Orex Options**" means the stock options of Orex that will be granted to Former Orex Optionholders under the Arrangement and will be exercisable for New Common Shares pursuant to the New Orex Option Plan.

"**New Orex Warrant Certificate**" means the form of warrant certificate attached as Schedule D to the Arrangement Agreement in respect of the New Orex Warrants.

"**New Orex Warrants**" means the warrants of Orex to be exchanged for Orex Warrants under the Arrangement.

"**Orex**" means Orex Minerals Inc., a company incorporated under the laws of British Columbia.

"**Orex Board**" means the board of directors of Orex, as may be constituted from time to time.

"**Orex Optionholder**" means a holder of Orex Options.

"**Orex Option Plan**" means the stock option plan of Orex dated September 19, 2014.

"**Orex Options**" means the outstanding options to purchase Orex Shares granted pursuant to the Orex Option Plan.

"**Orex Shareholder**" means a holder of Orex Shares.

"**Orex Securityholders**" means, collectively, the Orex Shareholders, Orex Optionholders and Orex Warrantholders.

"**Orex Shares**" means the common shares in the authorized share structure of Orex as constituted immediately before the Effective Time.

"**Orex Warrant Certificates**" means the certificates in respect of the Orex Warrants.

"**Orex Warrantholder**" means a holder of Orex Warrants.

"**Orex Warrants**" means the warrants to purchase Orex Shares outstanding immediately before the Effective Time.

"**Parties**" means Orex and Spinco, and "**Party**" means any one of them.

"**Person**" means any individual, partnership, firm, trust, body corporate, government, governmental body, agency or instrumentality, unincorporated body of persons or association.

"**Plan of Arrangement**", "**hereof**", "**herein**", "**hereunder**" and similar expressions mean this plan of arrangement and any amendments, variations or supplements hereto made in accordance with the terms hereof or the Arrangement Agreement or at the direction of the Court in the Final Order.

"**Registrar**" means the Registrar of Companies appointed under the BCBCA.

"**Spinco Option Plan**" means the stock option plan of Spinco to be adopted and approved in connection with the Arrangement.

"**Spinco Options**" means the stock options of Spinco that will be granted to Former Orex Optionholders pursuant to the Arrangement and will be exercisable for Spinco Shares pursuant to the Spinco Option Plan.

"**Spinco Shares**" means the common shares in the capital of Spinco to be issued under the Arrangement to Former Orex Shareholders.

"**Spinco Warrants**" means the warrants to purchase Spinco Shares to be exchanged for Orex Warrants under the Arrangement.

"**Spinco Warrant Certificate**" means the form of warrant certificate attached as Schedule D to the Arrangement Agreement in respect of the Spinco Warrants.

"**Tax Act**" means the *Income Tax Act* (Canada), as amended, and the regulations thereunder.

"**TSX-V"** means the TSX Venture Exchange.

"**United States**" or "**U.S.**" means the United States of America and any territory or possession thereof.

"**Valuation Factor**" means 0.60.

1.2 Interpretation Not Affected by Headings, etc.

The division of this Plan of Arrangement into articles, sections, subsections, paragraphs and other portions and the insertion of headings are for convenience of reference only and will not affect the construction or interpretation hereof. Unless otherwise indicated, all references to an "Article", "Section", "Subsection" or "Paragraph" followed by a number and/or a letter refer to the specified Article, Section, Subsection or Paragraph of this Plan of Arrangement.

1.3 Number and Gender

In this Plan of Arrangement, unless the context otherwise requires, words importing the singular include the plural and vice versa. Words importing gender include all genders.

1.4 Time

Time will be of the essence in every matter or action contemplated in this Plan of Arrangement. All times expressed herein are local time (Vancouver, British Columbia) unless otherwise stipulated.

1.5 Currency

Unless otherwise stated, all references in this Plan of Arrangement to sums of money are expressed in lawful money of Canada.

ARTICLE 2
ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement is made pursuant to, and is subject to the provisions of, the Arrangement Agreement, except in respect of the sequence of the steps comprising the Arrangement, which will occur in the order set forth herein. If there is any conflict or inconsistency between the provisions of this Plan of Arrangement and the Arrangement Agreement, the provisions of this Plan of Arrangement will govern.

2.2 Binding Effect

At the Effective Time, the Arrangement will be binding on:

(a) Orex;

(b) Spinco;

(c) all Orex Shareholders;

(d) all Orex Optionholders;

(e) all Orex Warrantholders;

(f) all Dissenting Securityholders;

(f) the registrar and transfer agent in respect of the Orex Shares and the Spinco Shares;

(g) the Depositary; and

(h) all other Persons served with the Final Order.

2.3 The Arrangement

Commencing at the Effective Time, except as otherwise noted herein, the following will occur and will be deemed to occur in the following order without any further act or formality on the part of any Person:

(a) all Dissent Securities held by Dissenting Securityholders will be deemed to have been transferred to Orex, and:

(i) each Dissenting Securityholder will cease to have any rights as an Orex Securityholder other than the right to be paid by Orex, in accordance with the Dissent Rights, the fair value of such Dissent Securities;

(ii) the Dissenting Securityholder's name will be removed as the holder of such Dissent Securities from the applicable securities register(s) of Orex;

(iii) the Dissent Securities will be cancelled; and

(iv) the Dissenting Securityholder will be deemed to have executed and delivered all consents, releases, assignments and waivers, statutory or otherwise, required to transfer and assign such Dissent Securities;

(b) five (5) minutes after the Effective Time, Orex will undertake a reorganization of capital within the meaning of Section 86 of the Tax Act, which organization will occur in the following order:

(i) the identifying name of the Orex Shares will be changed from "Common" shares to "Class A Common" shares, there will be created and attached to the Orex Shares the special rights set out in Appendix "A" to this Plan of Arrangement, the New Common Shares, being shares without par value, will be created as a class, the identifying name of the New Common Shares will be "Common" shares, the maximum number of New Common Shares which Orex will be authorized to issue will be unlimited, there will be added to Orex's articles Part 27 thereof as set out in Appendix "A" and Orex's notice of articles will be altered accordingly;

(ii) each outstanding Orex Share will be exchanged (without any further act or formality on the part of the Orex Shareholder), free and clear of all Encumbrances, for one (1) New Common Share and one (1) Spinco Share, and the Orex Shares will thereupon be cancelled, and:

(A) the holders of Orex Shares will cease to be the holders thereof and cease to have any rights or privileges as holders of Orex Shares;

(B) the holders' names will be removed from the securities register of Orex; and

(C) each Orex Shareholder will be deemed to be the holder of the New Common Shares and the Spinco Shares, in each case, free and clear of any Encumbrances, exchanged for the Orex Shares and will be entered into the securities register of Orex and Spinco, as the case may be, as the registered holder thereof;

(iii) the authorized share capital of Orex will be amended by the elimination of the Orex Shares, the special rights attached to such shares and Part 27 of Orex's articles will be deleted and the notice of articles and articles of Orex will be deemed to be amended accordingly; and

(iv) the stated capital of Orex for the outstanding New Common Shares will be an amount equal to the paid-up capital for the purposes of the Tax Act of Orex for the Orex Shares, less the fair value of the Spinco Shares distributed on such exchange as determined by the Orex Board;

(c) ten (10) minutes after the Effective Time, notwithstanding the terms of the Orex Option Plan, including any agreement made thereunder:

(i) each Orex Option exercisable for an Orex Share that is outstanding immediately before the Effective Time which has not been duly exercised or cancelled will be and will be deemed to be exchanged for:

(A) one (1) fully-vested New Orex Option to purchase from Orex one (1) New Common Share for every Orex Share that could be purchased under the Orex Option. Each New Orex Option will be governed by the terms of the New Orex Option Plan and will have:

(1) an exercise price per New Common Share (rounded up to the nearest whole cent) equal to the exercise price of each Orex Option so exchanged immediately before the Effective Time multiplied by the Valuation Factor; and

(2) the same expiry date as the expiry date of the Orex Option for which such New Orex Option was exchanged; and

(B) one (1) fully-vested Spinco Option to purchase from Spinco one (1) Spinco Share for every Orex Share that could be purchased under the Orex Option. Each Spinco Option will be governed by the terms of the Spinco Option Plan and will have:

(1) an exercise price per Spinco Share (rounded up to the nearest whole cent) equal to the exercise price of each such Orex Option so exchanged immediately before the Effective Time multiplied by a number which is equal to one (1) minus the Valuation Factor; and

(2) the same expiry date as the expiry date of the Orex Option for which such Spinco Option was exchanged; and

(ii) the Orex Option Plan will be terminated, and neither Orex nor any Orex Optionholder will have any rights, liabilities or obligations with respect to the Orex Option Plan, any Orex Option or any agreements made in connection therewith; and

(iii) the respective option registers of Orex and Spinco will be deemed to be amended accordingly; and

(d) fifteen (15) minutes after the Effective Time, notwithstanding the terms of any Orex Warrant Certificate:

(i) each Orex Warrant exercisable for an Orex Share that is outstanding immediately before the Effective Time which has not been duly exercised or cancelled will be and will be deemed to be exchanged for:

(A) one (1) New Orex Warrant to purchase from Orex one (1) New Common Share for every Orex Share that could be purchased under the Orex Warrant. Each New Orex Warrant will be governed by the terms of the New Orex Warrant Certificate and will have:

(1) an exercise price per New Common Share equal to the exercise price of the Orex Warrant for which such New Orex Warrant was exchanged; and

(2) the same expiry date as the expiry date of the Orex Warrant for which such New Orex Warrant was exchanged; and

(B) one (1) Spinco Warrant to purchase from Spinco one (1) Spinco Share for every Orex Share that could be purchased under the Orex Warrant. Each Spinco Warrant will be governed by the terms of the Spinco Warrant Certificate and will have:

(1) an exercise price per Spinco Share equal to the exercise price of the Orex Warrant for which such Spinco Warrant was exchanged; and

(2) the same expiry date as the expiry date of the Orex Warrant for which such Spinco Warrant; and

(ii) each of the Orex Warrant Certificates representing the Orex Warrants so exchanged will be cancelled, and neither Orex nor any Orex Warrantholder will have any rights, liabilities or obligations with respect to the Orex Warrant Certificates or any other agreements made in connection therewith; and

(iii) the respective warrant registers of Orex and Spinco will be deemed to be amended accordingly,

provided that none of the foregoing will occur or be deemed to occur unless all of the foregoing occurs or is deemed to occur.

ARTICLE 3
DISSENT RIGHTS

3.1 Dissent Rights

(a) A registered Orex Shareholder, Orex Optionholder or Orex Warrantholder may exercise dissent rights in connection with the Arrangement Resolution in the manner set out in the BCBCA (the "**Dissent Rights**"), as modified by the Interim Order.

(b) Without limiting the generality of the foregoing, Dissenting Securityholders who duly exercise Dissent Rights and who:

(i) are ultimately paid fair value for their Dissent Securities will be paid by Orex and will be deemed to have transferred their Dissent Securities in accordance with Subsection 2.3(a); or

(ii) are ultimately not entitled, for any reason, to be paid fair value for the Dissent Securities will be deemed to have participated in the Arrangement, as of the Effective Time, on the same basis as non-dissenting holders of Orex Securities and will be entitled to receive the shares, options and warrants, as applicable, that such holders would have received pursuant to Subsections 2.3(b), (c) and (d), as applicable, if such holders had not exercised Dissent Rights.

(c) In no circumstances will Orex, Spinco or any other Person be required to recognize a Person as a Dissenting Securityholder unless such Person is a registered holder of those Orex Securities in respect of which such rights are sought to be exercised.

(d) For greater certainty, in no case will Orex, Spinco or any other Person be required to recognize Dissenting Securityholders as holders of New Common Shares, Spinco Shares, New Orex Options, Spinco Options, New Orex Warrants or Spinco Warrants, as applicable, after the Effective Time, and the names of all Dissenting Securityholders will be deleted from the applicable securities registers of Orex as of the Effective Time.

(e) For greater certainty, in addition to any other restrictions in the BCBCA and the Interim Order, none of the following Persons will be entitled to exercise Dissent Rights:

(i) Orex Shareholders who vote, have voted or have instructed a proxyholder to vote in favor of the Arrangement Resolution;

(ii) Orex Optionholders who vote, have voted or have instructed a proxyholder to vote in favor of the Arrangement Resolution; or

(iii) Orex Warrantholders who vote, have voted or have instructed a proxyholder to vote in favor of the Arrangement Resolution.

ARTICLE 4
SECURITIES AND RELATED CERTIFICATES

4.1 Right to New Common Shares and Spinco Shares

(a) Subject to Section 4.6 hereof, as soon as practicable following the later of the Effective Time and the date of surrender to the Depositary for cancellation of certificate(s) (if any) that immediately before the Effective Time represented one or more outstanding Orex Shares that were exchanged for New Common Shares and Spinco Shares in accordance with Subsection 2.3(b) hereof, together with such other documents and instruments contemplated by the Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Former Orex Shareholder of such surrendered certificate(s) (if any) will be entitled to receive in exchange therefor, and the Depositary will, and Orex will cause the Depositary to, deliver to such Former Orex Shareholder share certificates or Direct Registration Advices representing the New Common Shares and the Spinco Shares that such Former Orex Shareholder is entitled to receive, in accordance with this Plan of Arrangement.

(b) Subject to Article 3 and Section 4.6, after the Effective Time and until surrendered for cancellation as contemplated by Subsection 4.1(a) hereof, each certificate that immediately before the Effective Time represented one or more Orex Shares will be deemed at all times to represent only the right to receive in exchange therefor the New Common Shares and Spinco Shares that the holder of such certificate (if any) is entitled to receive in accordance with Subsection 2.3(b) hereof.

4.2 Lost Certificates

If any certificate that immediately before the Effective Time represented one or more outstanding Orex Shares that were exchanged for the New Common Shares and Spinco Shares in accordance with Subsection 2.3(b) hereof, has been lost, stolen or destroyed, upon the making of an affidavit of that fact by the holder claiming such certificate to be lost, stolen or destroyed, the Depositary will deliver in exchange for such lost, stolen or destroyed certificate, the New Common Shares and Spinco Shares that such holder is entitled to receive in accordance with Section 4.1 hereof. When authorizing such delivery of New Common Shares and Spinco Shares that such holder is entitled to receive in exchange for such lost, stolen or destroyed certificate, the holder to whom such New Common Shares and Spinco Shares is to be delivered will, as a condition precedent to the delivery of such New Common Shares and Spinco Shares, give an indemnity bond satisfactory to Orex and the Depositary in such amount as Orex and the Depositary may direct, or otherwise indemnify Orex and the Depositary in a manner satisfactory to Orex and the Depositary, against any claim that may be made against Orex or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed and will otherwise take such actions as may be required by the articles of Orex.

4.3 Distributions with Respect to Unsurrendered Certificates

No dividend or other distribution declared or made after the Effective Time with respect to New Common Shares or Spinco Shares with a record date after the Effective Time will be delivered to the holder of any unsurrendered certificate that, immediately before the Effective Time, represented outstanding Orex Shares unless and until the holder of such certificate will have complied with the provisions of Sections 4.1 or 4.2 hereof. Subject to applicable law and to Section 4.6 hereof, at the time of such compliance, there will, in addition to the delivery of New Common Shares and Spinco Shares to which such holder is thereby entitled, be delivered to such holder, without interest, the amount of

all dividends or other distributions with a record date after the Effective Time theretofore paid with respect to such New Common Shares or Spinco Shares.

4.4 Withholding Rights

Orex, Spinco and the Depositary will be entitled to deduct and withhold from all dividends, distributions or other amounts otherwise payable to any Former Orex Shareholder such amounts as Orex, Spinco or the Depositary is required or permitted to deduct and withhold with respect to such payment under the Tax Act, the Code or any provision of any applicable federal, provincial, state, local or foreign tax law or treaty. To the extent that amounts are so withheld, such withheld amounts will be treated for all purposes hereof as having been paid to the Former Orex Shareholder in respect of which such deduction and withholding was made, provided, however, that such withheld amounts are actually remitted to the appropriate taxing authority. To the extent that any shares or other non-cash consideration is required to be deducted or withheld from any payment to a holder, any of Orex, Spinco or the Depositary is hereby authorized to sell or otherwise dispose of shares or other consideration as is necessary to provide sufficient funds to enable Orex, Spinco or the Depositary to comply with all deduction or withholding requirements applicable to it, and Orex, Spinco or the Depositary will notify the holder thereof and remit to the holder thereof any unapplied balance of the net proceeds of such sale.

4.5 Withholding relating to Former Orex Optionholders

Orex will be entitled to deduct and withhold from any amount payable to any Former Orex Optionholder, such amount as is required or permitted to be deducted or withheld under the Tax Act, the Code or any provision of any applicable federal, provincial, state, local or foreign tax law or treaty including the right to withhold New Orex Options if required (the "**Withholding Obligations**").

Orex shall have the right, in its discretion, to satisfy any Withholding Obligations by:

(a) causing to be exercised, such number of New Orex Options as is sufficient to fund the Withholding Obligations;

(b) selling or causing to be sold, on behalf of any Former Orex Optionholder, such number of New Common Shares issued to the Former Orex Optionholder on the exercise of New Orex Options as is sufficient to fund the Withholding Obligations;

(c) retaining the amount necessary to satisfy the Withholding Obligations from any amount which would otherwise be delivered, provided or paid to the Former Orex Optionholder by Orex; and

(d) making such other arrangements as Orex may reasonably require.

The sale of New Common Shares by Orex, or by a broker engaged by Orex (the "**Broker**"), will be made on the TSX-V. The Former Orex Optionholder consents to such sale and grants to Orex an irrevocable power of attorney to effect the sale of such New Common Shares on his or her behalf and acknowledges and agrees that (i) the number of New Common Shares sold shall, at a minimum, be sufficient to fund the Withholding Obligations net of all selling costs, which costs are the responsibility of the Former Orex Optionholder and which the Former Orex Optionholder hereby authorizes to be deducted from the proceeds of such sale; (ii) in effecting the sale of any such New Common Shares, Orex or the Broker will exercise its sole judgment as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and (iii) neither Orex nor the

Broker will be liable for any loss arising out of any sale of such New Common Shares including any loss relating to the pricing, manner or timing of such sales or any delay in transferring any New Common Shares to the Former Orex Optionholder or otherwise. The Former Orex Optionholder further acknowledges that the sale price of such New Common Shares will fluctuate with the market price of the New Common Shares and no assurance can be given that any particular price will be received upon any sale.

4.6 Limitation and Proscription

Subject to Article 3, to the extent that a Former Orex Shareholder will not have complied with the provisions of Sections 4.1 or 4.2 hereof on or before the date that is six (6) years after the Effective Date (the "**Final Proscription Date**"), then the New Common Shares and Spinco Shares that such Former Orex Shareholder was entitled to receive will be automatically cancelled without any repayment of capital in respect thereof and such New Common Shares and Spinco Shares, will be delivered to Orex by the Depositary and the share certificates or Direct Registration Advices representing such New Common Shares and Spinco Shares will be cancelled, and the interest of the Former Orex Shareholder in such New Common Shares and Spinco Shares will be terminated as of the Final Proscription Date.

4.7 New Orex Options and Spinco Options

Immediately after the Effective Time, any document or instrument previously evidencing outstanding Orex Options will be, and will be deemed to be, terminated and of no force or effect. After the Effective Time, a former holder of Orex Options will be entitled to receive from each of Orex and Spinco, and Orex and Spinco will deliver, within a reasonable period of time, the certificates or other documents or agreements evidencing the New Orex Options and the Spinco Options to which such holder is entitled pursuant to the New Orex Option Plan and the Spinco Option Plan, as the case may be, each of which will reflect the terms of this Plan of Arrangement and the New Orex Options and Spinco Options, as the case may be.

4.8 New Orex Warrants and Spinco Warrants

Immediately after the Effective Time, any document or instrument previously evidencing outstanding Orex Warrants will be, and will be deemed to be, terminated and of no force or effect. After the Effective Time, a former holder of Orex Warrants will be entitled to receive from each of Orex and Spinco, and Orex and Spinco will deliver, within a reasonable period of time, the certificates or other documents or agreements evidencing the New Orex Warrants and the Spinco Warrants to which such holder is entitled, including but not limited to a New Orex Warrant Certificate and a Spinco Warrant Certificate, each of which will reflect the terms of this Plan of Arrangement and the New Orex Warrants and Spinco Warrants, as the case may be.

4.9 No Encumbrances

Any exchange or transfer of securities pursuant to this Plan of Arrangement will be free and clear of any Encumbrances of any kind.

4.10 Paramountcy

From and after the Effective Time:

(a) this Plan of Arrangement will take precedence and priority over any and all Orex Shares, Orex Options and Orex Warrants issued before the Effective Time;

(b) the rights and obligations of the registered holders of Orex Shares, Orex Options and Orex Warrants, and Orex, Spinco, the Depositary and any transfer agent or other depositary in relation thereto, will be solely as provided for in this Plan of Arrangement; and

(c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Orex Shares, Orex Options or Orex Warrants outstanding as at the Effective Time will be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 5
AMENDMENT AND WITHDRAWAL

5.1 Amendment of Plan of Arrangement

(a) Orex reserves the right to amend, modify and supplement this Plan of Arrangement at any time and from time to time, provided that any amendment, modification or supplement must be contained in a written document which is filed with the Court and, if made following the Meeting, approved by the Court and communicated to Orex Securityholders in the manner required by the Court (if so required).

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by Orex at any time before or at the Meeting with or without any other prior notice or communication and if so proposed and accepted by the Orex Securityholders voting at the Meeting will become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement which is approved or directed by the Court following the Meeting will be effective only if it is consented to by Orex (acting reasonably).

(d) Notwithstanding the above, any amendment that concerns a matter that is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the financial or economic interests of any Person in his, her or its capacity as an Orex Securityholder, will not require Court approval or communication to the Orex Securityholders.

5.2 Withdrawal of Plan of Arrangement

This Plan of Arrangement may be withdrawn before the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 6
FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out herein will occur and be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties to the Arrangement Agreement will make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may

reasonably be required by any of them in order further to document or evidence any of the transactions or events set out therein.

APPENDIX A

Special Rights attached to Class A Common Shares of Orex Minerals Inc.

The holders of the Class A Common shares of the Company are entitled to receive notice of, and to attend and vote in person or by proxy at, meetings of the Company and to cast two votes for each Class A Common share held.

APPENDIX C
VALUATION REPORT

See attached.

Ross Glanville & Associates Ltd. **P.O. Box #48296, Bentall Centre** **595 Burrard Street,** **Vancouver, BC, V7X 1A1** **Tel: 604-985-6731** **604-880-3869** **Email: glanville@telus.net**	**Bruce McKnight Minerals Advisor Services** **503 – 2167 Bellevue Avenue,** **West Vancouver, BC, V7V 1C2** **Tel: 604-926-5799** **604-209-8131** **Email: bmcknight@telus.net**

July 23rd, 2015

The Board of Directors:
Orex Minerals Inc.
Suite 1130 – 1055 West Hastings Street
Vancouver, B.C., V6E 2E9

Attn: Board of Directors

Dear Sirs:

Re: A Fairness Opinion Regarding Orex Minerals Inc.'s Proposed 'Spin-Out' of the Barsele Project and a Valuation of Barsele Minerals Corp. and Orex Minerals Inc.

Executive Summary

Ross Glanville & Associates Ltd. ("Glanville") and Bruce McKnight Minerals Advisor Services ("McKnight") have been retained by the Board of Directors of Orex Minerals Inc. ("Orex", or the Company) to determine the fairness to the shareholders of Orex (the "Fairness Opinion" or "Opinion") of the proposed reorganization of Orex, involving a series of transactions, under which Orex's 45% interest in the Barsele Project will be transferred by Orex to Barsele Minerals Corp. ("SpinCo"), currently a wholly-owned subsidiary of Orex, and the remaining mineral exploration properties of Orex will stay with New Orex (in this report, "New Orex" refers to Orex after its 45% interest the Barsele Project has been spun out to Barsele). The transaction is expected to be completed via a plan of arrangement (the "Proposed Arrangement") under section 288 of the *Business Corporations Act* (British Columbia). Pursuant to the Proposed Arrangement, each issued and outstanding Orex share will be exchanged for one New Orex share and one SpinCo share. In addition to the spinout of Orex's 45% interest in the Barsele Project, SpinCo will also receive cash of $0.5 million[1] from Orex. Additional information on the Proposed Arrangement is set out in this report, with the details to be provided in the arrangement agreement to be entered into by Orex and SpinCo (the "Arrangement Agreement"), which will be incorporated in a management information circular (the "Information Circular") to be provided to

[1] All dollars in this report are Canadian dollars, unless specifically stated as US dollars.

the shareholders of Orex in connection with a meeting to be held to approve the Proposed Arrangement (the "Meeting"). As part of the Fairness Opinion, Glanville and McKnight will estimate the values of the mineral properties of Orex, and also determine the value of SpinCo and New Orex (which will involve the incorporation of other assets and liabilities, of which the working capital will be the largest of these other components).

Orex is a Canadian-based exploration company listed on the TSX Venture Exchange (the "TSX-V"), with its trading symbol being REX. As of the date hereof, there are 101,890,199 Orex shares issued and outstanding, and the daily closing share trading prices over the past three months ranged from $0.165 to $0.270 (with the closing price of $0.18 per share on July 23, 2015). The high and low prices over the past year were $0.430 and $0.135, respectively. As at April 30, 2015, Orex had $7.591 million in working capital. Taking account the receipt of US$6.0 million from Agnico Eagle Mines Limited ("Agnico Eagle") (see next paragraph) as well as ongoing expenditures, the current working capital is estimated to be approximately $6.0 million.

Orex's major properties consist of its interests in Barsele gold project in Sweden, and the Coneto and Los Crestones silver-gold projects in Mexico. The Company also owns 100% of the Jumping Josephine project in British Columbia. Regarding Barsele, Orex received a National Instrument 43-101- *Standards of Disclosure for Mineral Projects* ("NI 43-101") compliant resource estimate (based on a cut-off of 0.6 grams of gold per tonne) in May of 2014 that defined 547,000 ounces of gold in the indicated category (14.1 million tonnes grading 1.21 g/t gold) and 627,000 ounces of gold in the inferred category (20.2 million tonnes grading 0.97 g/t gold). On June 11, 2015, Orex announced that it had closed the joint venture transaction with Agnico Eagle that was previously announced on February 23, 2015 (the "Transaction"). Pursuant to the Transaction, Agnico Eagle, through its indirect, wholly-owned subsidiary Agnico Eagle Sweden AB ("AE Sweden"), acquired a 55% interest in Gunnarn Mining A.B. ("Gunnarn"), the corporate entity which owns the Barsele Project, in consideration of an initial payment to Orex of US$6.0 million. An additional US$2.0 million will be payable by AE Sweden, or by Agnico Eagle on AE Sweden's behalf, to Orex in cash or common shares of Agnico Eagle at AE Sweden's election on each of the first and second anniversaries of the closing of the Transaction. AE Sweden has also committed to spend US$7.0 million on Barsele Project expenditures over three years. In addition, if Agnico Eagle or AE Sweden prepares a pre-feasibility study on the Barsele Project and contributes it to Gunnarn, AE Sweden's interest in Gunnarn will increase to 70% and Orex's interest in Gunnarn will be reduced to 30%. If Agnico Eagle decides to prepare a pre-feasibility study, until such pre-feasibility study is contributed to Gunnarn by Agnico Eagle or AE Sweden, all costs and expenses of Gunnarn will be for the account of AE Sweden and, following the completion of such pre-feasibility study, all costs and expenses of Gunnarn will be shared by the AE Sweden and Orex in accordance with their proportionate interest in Gunnarn. Regarding the Coneto project, Orex signed an association agreement with Fresnillo PLC ("Fresnillo") whereby the Orex and Fresnillo properties in the area were 'consolidated', and Fresnillo has the option to incur substantial exploration expenditures in order to earn interests in the combined property varying from 55% to 70% (spending US$6.0 million over three years to earn 55%, and spending up to an additional $21.0 million to increase its interest to 70%). Fresnillo is also Orex's second largest shareholder. The Los Crestones property, 100% owned by Orex, hosts numerous mineralized showings and small-scale workings, and is considered prospective for vein and breccia-hosted low-sulphidation epithermal gold and silver. On the Jumping Josephine project (now owned 100% by Orex), drilling to date has identified an NI 43-101 compliant resource estimate (at a cut-off grade of 0.5 g/t gold) that has defined 34,000 ounces of gold (363,000

tonnes grading 2.95 g/t gold) in the indicated category and 30,000 ounces (448,000 tonnes grading 2.08 g/t gold) in the inferred category.

In order to provide the Fairness Opinion and determine the values of the major projects of Orex, Glanville and McKnight, among other things, reviewed the technical reports provided by Orex, reviewed SEDAR filings of Orex, read the information on the Company website, reviewed in-situ values per ounce of gold in resources for peer companies/properties, considered sale/purchase, option, and joint venture agreements (including those with Agnico Eagle and Fresnillo), analyzed publicly-listed companies with similar or comparable portfolios of mineral properties, considered other assets and liabilities of Orex, obtained the current financial position of the Company, and reviewed issued shares, options, and warrants of Orex.

Based on the foregoing, Glanville and McKnight estimated the values of the net beneficial interests of Orex (in Canadian dollars) in its mineral exploration properties (and working capital) after taking into account ownership percentages, royalties payable, and option terms (remaining payments, share issuances, and exploration commitments). The major components of value are summarized below:

Barsele Project:	$22.5 million[2]
Coneto Project:	7.0 million
Working Capital:	6.0 million
Los Crestones:	3.1 million
Jumping Josephine.:	0.5 million
Total Value of Mineral Properties:	**$39.1 million**

Pursuant to the Proposed Arrangement, Orex is planning to spin out its 45% interest in the Barsele Project to SpinCo. However, the 2% NSR royalty and the future cash payments from Agnico Eagle (US$2.0 million at each of the first and second anniversary of the closing of the Transaction) will be retained by New Orex (as well as the US$6.0 million cash payment already received by Orex). As a result, the value of the assets to be spun out to SpinCo is estimated to be approximately **$15.5 million** ($15.0 million value of SpinCo's beneficial interest in Barsele[3], plus $0.5 million cash from Orex). As a result of the foregoing, the value of the assets to remain with New Orex would be **$23.6 million** ($39.1 million minus $15.5 million).

Based on the foregoing, the value of SpinCo would account for almost 40% of the existing value of Orex ($15.5 million divided by $39.1 million), and the value of New Orex would account for just over 60% of Orex ($23.6 million divided by $39.1 million). However, due to the fact that valuations of early-stage exploration projects are not precise, Glanville and McKnight are of the opinion that the value of SpinCo would account for somewhere between 35% and 45% of the total value of all of Orex.

Glanville and McKnight also considered the following, among other items, in order to provide their fairness opinion on the Proposed Arrangement:

- the general market conditions for selling/buying mineral resource properties;

[2] This excludes the US$6.0 million (about Cdn$7.5 million) already received by Orex. As a result, the total valuation of Barsele would have been approximately Cdn$30.0 million. The cash received by Orex from Agnico Eagle is accounted for as working capital.

[3] See pages 22 and 23 of this report.

- the prior exploration expenditures on the mineral exploration projects;
- the ongoing and planned exploration on the respective properties;
- the possible economics associated with the various projects;
- option, sale/purchase and joint venture agreements; and
- such other reviews, calculations, analyses, research, and investigations deemed appropriate.

Based upon and subject to the limitations in this Fairness Opinion, and such other matters as McKnight and Glanville have considered relevant, it is their opinion that, as of the date hereof, the terms of the proposed Arrangement are fair from a financial point of view to the Orex shareholders. However, Glanville and McKnight express no opinion as to the expected trading prices of the shares of SpinCo and New Orex if the Proposed Arrangement is completed, or of Orex if it is terminated.

Engagement of Glanville & McKnight

The board of directors of Orex (the "Board") has retained the services of Glanville and McKnight Minerals in connection with the Fairness Opinion. Glanville's and McKnight's services include providing advice and assistance to the Board in connection with the proposed Arrangement, and the preparation and delivery to the Board of Orex an Opinion as to the fairness of the Proposed Arrangement. Glanville and McKnight will be paid a fee for their services as financial advisors to Orex, but the fees are not contingent on completion of the proposed Arrangement. In addition, Glanville and McKnight are to be indemnified in respect of certain liabilities that might arise out of the preparation of the Fairness Opinion. Glanville and McKnight express no opinion, nor have they been requested to do so, as to the expected trading price of the shares of New Orex or SpinCo if the proposed Arrangement is completed, or of Orex if it is terminated.

McKnight and Glanville have utilized assumptions and input parameters in this Fairness Opinion that they believe are reasonable and appropriate based on industry standards. Major caveats include the uncertainty of future exploration, development, and production results, the future price of commodities (in particular, the gold price), changes to government regulations, country risk, and general environmental concerns. The geological reports, websites, and other publications, as well as Orex's filings on the SEDAR site, contain information on the various exploration projects. As a result, only brief summaries of the projects are presented in this Fairness Opinion.

Use of Fairness Opinion

McKnight and Glanville specifically agree that this Opinion may be filed with the TSX-V and applicable securities commissions or other regulators, and provided to the shareholders of Orex if required by regulatory authorities.

Relationship with Interested Parties

Glanville and McKnight are independent arm's-length consultants who do not have a financial interest (nor do they expect to have any future interest), directly or indirectly, in Orex (or its subsidiaries or associated companies), nor do they expect any consideration other than the fee and

expenses from Orex for the preparation of this Fairness Opinion, nor is their fee contingent upon the completion of the proposed Arrangement.

Credentials of Glanville and McKnight

Ross Glanville, P.Eng., MBA, CGA, B.A.Sc., and Bruce McKnight, P.Eng., B.A.Sc., M.Sc., MBA, FCIM, have prepared this Fairness Opinion. Glanville and McKnight have the required expertise and recognition within the industry to prepare the Opinion, and together have prepared over 300 fairness opinions.

Glanville is a company specializing in valuations of public and private mining companies and mineral exploration and development properties, as well as providing fairness opinions and litigation support (such as being an expert witness in court cases involving valuation disputes) related to financial and technical issues. The president, Ross Glanville, graduated from the University of British Columbia in 1970 with a Bachelor of Applied Science Degree (Mining Engineering) and became a member of the Association of Professional Engineers of British Columbia in 1972 (P.Eng.). In 1974, Glanville obtained a Master of Business Administration Degree (MBA), specializing in finance and securities analysis. In 1980, Glanville became a member of the Certified General Accountants of B.C. (CGA). He was also a member of the former Canadian Association of Mineral Valuators. Glanville has provided a large number of fairness opinions (more than 200) for mergers, amalgamations, and acquisitions of public and private companies. These assignments were undertaken for investment dealers, regulatory bodies (including stock exchanges), banks, various government agencies, venture capital firms, forestry companies, mining and exploration companies, oil and gas companies, coal companies, and others. Glanville has valued more than five hundred mining and exploration companies in Canada, the U.S.A., Australia, and Mexico, as well as over one hundred and fifty in many other areas of the world, including Africa, South America, Europe, and Asia. He has formed public companies (listed on the Toronto Stock Exchange, the Australian Stock Exchange, NASDAQ, and the TSX Venture Exchange), and has served on the Boards of Directors of five companies with producing mines (and is currently a director of three producing mines). Glanville has also acted in more than 50 court cases and assessment appeal board hearings in Canada, the U.S.A., Australia, and the U.K. He has written several articles, and given many presentations, related to the valuation of exploration and mining companies. Some of these articles were published by the United Nations, the Society of Mining Engineers, and by various Canadian magazines and newspapers.

Bruce McKnight has a B.A.Sc. in Geological Engineering from the University of B.C., an M.Sc. in Engineering Geoscience from the University of California, Berkeley, a Mineral Economics Diploma from McGill University, and an MBA from Simon Fraser University. He is a Member of the Association of Professional Engineers and Geoscientists of British Columbia (P.Eng.) and a Fellow of the Canadian Institute of Mining and Metallurgy (FCIM). McKnight is a former Executive Director of the B.C. and Yukon Chamber of Mines (now renamed Association for Mineral Exploration B.C. or AME BC) and a former Corporate Vice-President of Westmin Resources Limited. He has over 40 years of senior-level, international and domestic, mining industry experience, and has been an active participant in the exploration, valuation, financing and development of several mines in British Columbia and elsewhere. In addition, he has acted as a consultant to mining and brokerage firms, as well as to mining associations and First Nations and as an “expert witness” to law firms.

Scope of Review

Glanville and McKnight did not visit Orex's mineral properties in connection with this assignment, nor did they perform independent geological or mining investigations. Formal valuations of Orex or their mineral properties, within the meaning of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, were not undertaken; however, informal valuations were prepared as part of the Fairness Opinion. These informal valuations considered comparable values per ounce of contained gold in resources, option agreements, prior expenditures, exploration results, and comparisons with values of similar projects.

Specifically, Glanville and McKnight reviewed and relied upon, or carried out (as the case may be) the following, among other things:

- the technical reports on the mineral properties of Orex;
- certain publicly available financial and other information concerning Orex;
- correspondence and discussions with directors/officers/management of Orex;
- news releases of Orex over the past year;
- the transaction agreements between Orex, Gunnarn, AE Sweden and Agnico Eagle;
- estimated prior expenditures on the exploration properties of Orex;
- information on the website of Orex;
- detailed share trading history of the shares of Orex over the past year;
- SEDAR filings of Orex, including management's discussion and analysis and financial statements;
- investor presentations by Orex;
- estimated current working capital position of Orex;
- a number of transactions related to the purchase/sale of gold/silver exploration projects;
- joint venture and option terms on similar or comparable mineral projects;
- relevant information relating to other companies whose activities are similar to those of Orex;
- market capitalizations of listed companies with similar or comparable mineral exploration properties;
- preliminary exploration and development plans for Orex's properties;
- prior fairness opinions and valuations completed by Glanville and McKnight;
- analysts' reports on the supply and demand of gold and silver, and a number of long-term price projections;
- data related to other transactions of a comparable or similar nature, which Glanville and McKnight considered to be relevant;
- certain industry reports and statistics that Glanville and McKnight deemed appropriate; and
- such other reviews, calculations, analyses, research and investigations deemed appropriate and relevant in the circumstances.

Assumptions and Limitations

In providing this Fairness Opinion, Glanville and McKnight assumed and relied upon the accuracy and completeness of all technical, financial, and other information furnished to them by Orex and by its consultants and representatives. They have not undertaken any specific

independent verification of such information (although data was reviewed to determine its "reasonableness"). However, Glanville and McKnight have no reason to believe that the information provided to them is not accurate or complete, and they have not been denied access to any information that they requested from the management or directors of Orex.

Glanville and McKnight decided upon the methodologies to be utilized in this Fairness Opinion, and did not request or receive, from the management of Orex, suggestions as to the methodologies that might have been utilized. Glanville and McKnight have relied upon technical and financial reports, discussions with executives/officers of Orex, information provided by management/directors of Orex, publicly available results to date, and comparable properties.

This Fairness 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 Orex as they are reflected in the information, data and other material (financial or otherwise) reviewed by Glanville and McKnight as they were represented to them in discussions with management of Orex, and a review of information provided by Orex. Glanville and McKnight have made assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond the control of any party involved with the Proposed Arrangement. Although Glanville and McKnight believe that these assumptions are reasonable with respect to Orex (and the industry in which it operates), to the extent that they are incorrect it may affect their view as to the fairness of the proposed Arrangement to the shareholders of Orex.

It should be noted that this report is a Fairness Opinion, not a technical report. As a result, Glanville and McKnight have not provided detailed information that has been included in the technical reports. Those reports contain information regarding geology, mineralization, drilling, sampling, assaying, and exploration and development histories.

Orex has acknowledged that the services provided by Glanville and McKnight were provided in an advisory capacity only, and that Glanville and McKnight are not liable for losses, damages, or other claims that may result from or be alleged to result from any application or use that Orex and/or others may make of such information, data and opinions of Glanville and McKnight. Orex has waived, released, indemnified and agreed to hold Glanville and McKnight harmless from any and all liability for losses, damages, legal costs and other claims arising from the Opinion and/or related issues. Notwithstanding the foregoing, this indemnity shall not apply to Glanville and McKnight to the extent that a court ruling, that has become non-appealable, shall determine that:

(i) Glanville or McKnight, as the case may be, has been negligent or dishonest or has committed any fraudulent or wilful misconduct act in the course of performance of its respective duties hereunder; and

(ii) the expenses, costs, losses, claims, damages or liabilities, as to which indemnification is claimed (up to a maximum of the fees paid to Glanville and McKnight), primarily resulted from such negligence, dishonesty, fraud or wilful misconduct referred to in (i).

Glanville and McKnight have not conducted a review of the mineral titles, ownership, resources, costs, production or environmental obligations, and consequently Glanville and McKnight have not expressed any opinion on these subjects. Glanville and McKnight do not accept any

responsibility for errors or omissions pertaining to information provided by Orex, or its lawyers, advisors, directors, agents, or other related parties.

Glanville and McKnight reserve the right to amend or withdraw this Fairness Opinion in certain circumstances, including in the event that there occurs a material change of facts or representations upon which Glanville and McKnight relied, or in the event that Glanville and McKnight reasonably conclude that the information provided to them or any representation they relied upon contains an untrue statement of material fact or omits to state a material fact that, in their reasonable opinion, would make this Fairness Opinion untrue or inaccurate in any material respect. However, Glanville and McKnight are under no obligation to make any subsequent changes or provide notification to anyone of such changes to the information. The management and directors of Orex should inform Glanville and McKnight if anything in this Fairness Opinion, or any of the information on which it is based, is, in their opinion, inaccurate or misleading in any way.

Glanville and McKnight have also assumed that all material governmental, regulatory, court, or other approvals and consents required in connection with the consummation of the Proposed Arrangement will be obtained, and that in connection with obtaining any necessary governmental, regulatory, court, or other approvals and consents, no limitations, restrictions or conditions will be imposed that would have a material adverse effect on Orex's shareholders.

This Fairness Opinion is addressed to and is for the sole use and benefit of the Board and Orex's shareholders, and may not be referred to, summarized, circulated, publicized or reproduced by Orex, other than in the Information Circular, or disclosed to, used or relied upon by any other party without the express written consent of Glanville and McKnight.

McKnight and Glanville believe their analyses must be considered as a whole, and that selecting portions of the analyses or the factors considered by them, without considering all factors and analyses together, could create a misleading view of the process underlying the Fairness Opinion. The preparation of a fairness opinion is a complicated process, and is not necessarily susceptible to partial analysis or summary description. Any attempt to do so could lead to undue emphasis on any particular factor or analysis.

Confidentiality

Glanville and McKnight and each of their respective directors, officers, associates, employees and agents will keep strictly confidential, and will use only for the purpose of performing their obligations hereunder, all information, whether written or oral, acquired from Orex and its subsidiaries and respective agents and advisors in connection with their work hereunder except information that was made generally available to the public prior to this engagement or that thereafter becomes generally available to the public other than through a breach by Glanville, McKnight, or any of their respective directors, officers, associates, employees and agents, of their obligations hereunder or was known by any such person prior to this engagement that was provided and/or obtained on a non-confidential basis and except to the extent that any such person is required by law or in connection with any legal process or regulatory proceedings to disclose such information, in which case they shall only disclose that information specifically required to be so disclosed, after receiving advice of counsel. If any such person is so required to disclose any such information, they shall provide Orex with advance written notice of such requirement so that Orex may seek an appropriate protective order.

Proposed Arrangement

The Proposed Arrangement involves a series of transactions, under which Orex's 45% interest in the Barsele Project will be transferred by Orex to SpinCo and the remaining mineral exploration properties and interests of Orex will stay with New Orex. The transaction is expected to be via a plan of arrangement under section 288 of the *Business Corporations Act (British Columbia)*. Pursuant to the Proposed Arrangement, each issued and outstanding Orex share will be exchanged for one New Orex share and one SpinCo share. In addition to the spinout of Orex's 45% interest in the Barsele mineral exploration property, SpinCo will also receive cash of $0.5 million from Orex. Additional information on the Proposed Arrangement is set out in this report, with the details to be provided in the Arrangement Agreement, which will be incorporated in the Information Circular to be provided to the shareholders of Orex. As part of the Fairness Opinion, Glanville and McKnight have estimated the values of the mineral properties of Orex, and have also determined the value of SpinCo and New Orex (which involved the incorporation of other assets and liabilities, of which the working capital is the largest of these other components).

Some of the additional terms of the Arrangement Agreement are set out below:

- the TSX-V will have conditionally approved the listing of New Orex and SpinCo common shares issuable under the Proposed Arrangement, subject to compliance with the normal listing requirements of the TSX-V
- Orex will have received satisfactory advice from its counsel as to the Canadian tax consequences of the Proposed Arrangement to Orex and the Orex shareholders
- all outstanding Orex options will be exchanged for 'equivalent' options of New Orex and SpinCo, subject to adjustment to the exercise prices of such New Orex and Spinco options to reflect the relative values of the companies;
- all outstanding Orex warrants will be exchanged for 'equivalent' warrants of New Orex and SpinCo, with the exercise price of each such New Orex warrant and SpinCo warrant being equal to the exercise price of the Orex warrant so exchanged; and
- the requisite majorities for the passing of the resolutions approving the Proposed Arrangement (the "Arrangement Resolution") will be: (i) two thirds of the votes cast on the Proposed Arrangement Resolution by registered Orex shareholders and optionholders, voting together as a single class, present in person or by proxy at the Meeting; and (ii) two thirds of the votes cast on the Proposed Arrangement Resolution by registered Orex Warrantholders present in person or by proxy at the Meeting.

The completion of the Proposed Arrangement will also be subject to a number of typical conditions precedent, including approvals of the securityholders of Orex and the conditional approval of the TSX-V for the listing of the New Orex and Spinco shares having been obtained and the granting of the interim order and final order by the British Columbia Supreme Court.

Orex Minerals Inc.

Orex is a Canadian-based exploration company listed on the TSX-V, with its trading symbol being REX. As of the date hereof, there are 101.890,199 Orex shares issued and outstanding, and the daily closing share trading prices over the past three months ranged from $0.165 to $0.270 (with the closing price of $0.18 per share on July 23rd, 2015). The high and low prices over the past year were $0.430 and $0.135, respectively. As at April 30, 2015, Orex had $7.591 million in working capital. Taking account the receipt of US$6.0 million from Agnico Eagle (see next

paragraph) as well as ongoing expenditures, the current working capital is estimated to be approximately $6.0 million.

Orex's major properties consist of its interests in Barsele gold project in Sweden, and the Coneto and Los Crestones silver-gold projects in Mexico. The Company also owns 100% of the Jumping Josephine project in British Columbia. Regarding Barsele, Orex received an NI 43-101 compliant resource estimate (based on a cut-off of 0.6 grams of gold per tonne) in May of 2014 that defined 547,000 ounces of gold in the indicated category (14.1 million tonnes grading 1.21 g/t gold) and 627,000 ounces of gold in the inferred category (20.2 million tonnes grading 0.97 g/t gold). On June 11, 2015, Orex announced that it had closed the joint venture transaction with Agnico Eagle that was previously announced on February 23, 2015 (the "Transaction"). Pursuant to the Transaction, Agnico Eagle, through its indirect, wholly-owned subsidiary Agnico Eagle Sweden AB ("AE Sweden"), acquired a 55% interest in Gunnarn Mining A.B. ("Gunnarn"), the corporate entity which owns the Barsele Project, in consideration of an initial payment to Orex of US$6.0 million. An additional US$2.0 million will be payable by AE Sweden, or by Agnico Eagle on AE Sweden's behalf, to Orex in cash or common shares of Agnico Eagle at AE Sweden's election on each of the first and second anniversaries of the closing of the Transaction. AE Sweden has also committed to spend US$7.0 million on Barsele Project expenditures over three years. In addition, if Agnico Eagle or AE Sweden prepares a pre-feasibility study on the Barsele Project and contributes it to Gunnarn, AE Sweden's interest in Gunnarn will increase to 70% and Orex's interest in Gunnarn will be reduced to 30%. If Agnico Eagle decides to prepare a pre-feasibility study, until such pre-feasibility study is contributed to Gunnarn by Agnico Eagle or AE Sweden, all costs and expenses of Gunnarn will be for the account of AE Sweden and, following the completion of such pre-feasibility study, all costs and expenses of Gunnarn will be shared by the AE Sweden and Orex in accordance with their proportionate interest in Gunnarn. Regarding the Coneto project, Orex signed an association agreement with Fresnillo PLC ("Fresnillo") whereby the Orex and Fresnillo properties in the area were 'consolidated', and Fresnillo has the option to incur substantial exploration expenditures in order to earn interests in the combined property varying from 55% to 70% (spending US$6.0 million over three years to earn 55%, and spending up to an additional $21.0 million to increase its interest to 70%). Fresnillo is also Orex's second largest shareholder. The Los Crestones property, 100% owned by Orex, hosts numerous mineralized showings and small-scale workings, and is considered prospective for vein and breccia-hosted low-sulphidation epithermal gold and silver. On the Jumping Josephine project (now owned 100% by Orex), drilling to date has identified an NI 43-101 compliant resource estimate (at a cut-off grade of 0.5 g/t gold) that has defined 34,000 ounces of gold (363,000 tonnes grading 2.95 g/t gold) in the indicated category and 30,000 ounces (448,000 tonnes grading 2.08 g/t gold) in the inferred category.

Barsele Project[4]

The Barsele Project is located approximately 20 kilometers ("km") east-southeast of the town of Storuman in Västerbottens Län (County), Sweden, which is approximately 800 kilometers north

[4] Much of the material in this section of this fairness opinion came from a technical report entitled "Revised NI 43-101 Technical Report, Orex Minerals Inc., Barsele Project, Storuman, Sweden", Prepared for Orex Minerals Inc., Prepared by G.H. Giroux, P.Eng., Giroux Consultants Ltd. and Vance Thornsberry, P. Geo., Independent Consulting Geologist, and dated March 18, 2011. This report was subsequently updated by G.H. Giroux, and a new resource was announced on November 21st, 2012. An update was prepared in May of 2014, and the latest update entitled "NI 43-101 Technical Report June 2015, Barsele Minerals Corp. and Orex Minerals Corp., Barsele Gold Project, Storuman, Sweden", by Giroux Consultants Inc. and Mining Plus Canada Consultants, was completed June 30th, 2015.

of Stockholm. The largest regional centre is Umeå, population 105,000, the administrative headquarters of Västerbottens County, located roughly 210 km from the project site.

On October 27, 2010, Orex signed a letter of intent with Northland Exploration Sweden AB (previously named Barsele Guld AB) ("Northland"), a wholly-owned subsidiary of Northland Resources S.E. (previously named Northland Resources S.A.), to earn 100% interest in the Barsele Project subject to certain terms. Orex and Northland entered into a share sale agreement dated March 22, 2011 (the "Barsele Agreement"), whereby, among other things, Orex was to acquire 100% ownership of Gunnarn, the owner of the claims comprising the Barsele Project.. On October 1, 2013, Orex entered into an agreement (the "Amended Barsele Agreement") with Northland to amend the Barsele Agreement. Under the terms of the Amended Barsele Agreement, Orex satisfied the remaining cash payments to be made to Northland by the payment of US$250,000 in cash and the issuance of 7.5 million Orex Shares at a deemed price of US$0.50 per Orex Share. Northland had the right to receive certain NSR royalties (the "Northland Royalties") pursuant to three royalty agreements between Northland and Gunnarn dated October 16, 2007 (collectively, the "Northland Royalty Agreements"), the terms of which were amended by an option agreement (the "Northland Option Agreement") dated April 29, 2011 between Northland, Orex and Gunnarn. On September 15, 2014, Northland and Gunnarn mutually agreed to terminate the Northland Royalty Agreements and the Northland Option Agreement and to transfer all rights of Northland to the Northland Royalties to Gunnarn in consideration for a payment of US$500,000 to Northland by Gunnarn.

On June 11, 2015, Orex announced that they had closed the Transaction with Agnico Eagle that was previously announced on February 23, 2015. Pursuant to the Transaction, Agnico Eagle, through its indirect, wholly-owned subsidiary AE Sweden, acquired a 55% interest in Gunnarn, the corporate entity which owns the Barsele Project, in consideration of an initial payment to Orex of US$6.0 million. An additional US$2.0 million will be payable by AE Sweden, or by Agnico Eagle on AE Sweden's behalf, to Orex in cash or common shares of Agnico Eagle at AE Sweden's election on each of the first and second anniversaries of the closing of the Transaction. AE Sweden has also committed to spend US$7.0 million on Project expenditures over three years. If AE Sweden or Agnico Eagle prepares a pre-feasibility study on the Project and contributes it to Gunnarn, AE Sweden's interest in Gunnarn will increase to 70% and Orex's interest in Gunnarn will be reduced to 30%. AE Sweden is the operator of the Project for customary compensation, and has a majority of seats on Gunnarn's board of directors. Pursuant to the Transaction, Orex was also granted a 2% NSR royalty on production from the Project, which may be repurchased by Agnico Eagle at any time for US$5.0 million.

Approximately 20% of the former total of 32,000 hectares of mineral exploration concessions have fallen into abeyance, although the main deposit areas have been retained. Effectively, this means several of the concessions have expired, but after one year the Company can apply to re-acquire the concessions, and would get preferential treatment in doing so.

The Barsele Project area is located within a Proterozoic portion of the Fennoscandian Shield, in a boundary region between Bothnian metasediments to the south and metavolcanics to the north. It is situated in an island arc environment considered favourable for VMS style deposits. Because of a wide-spread thin cover of glacial till, geological interpretations and correlations rely heavily on drill holes, trenches, limited outcrops and geophysics. The Proterozoic metasediments and metavolcanics which underlie the property have been intruded by three phases of granitic intrusions, one of which is the host of the Barsele gold mineralization.

Gold mineralization at Barsele occurs in three main zones which are predominantly hosted within a medium-grained, highly fractured granodiorite that ranges in width from 200 to 500 meters with a strike extent in excess of some eight kilometers. There are two main types of mineralization, (a) low to moderate grade gold mineralization associated with networks of thin tourmaline-quartz and quartz-calcite-arsenopyrite veinlets in granodiorite, and (b) high grade gold-silver-zinc-lead mineralization in syn-tectonic quartz-sulphide veins.

The history of mineral exploration in the Barsele Project area goes back to regional geochemical till sampling programs conducted by Terra Mining in the 1980s, which were followed up by basal till sampling in anomalous areas. This work, plus airborne and ground geophysics (EM plus magnetometer), trenching and drilling, led to the discovery of the first gold zone at Barsele. Terra Mining worked on the project until 1998 and completed more than 28,876 meters of diamond and RC drilling, partially delineated three main zones and two minor ones, completed metallurgical testing, and prepared a resource estimate. The project was then sequentially held by William Mining Ltd. and MinMet from 1998 to 2004, who completed more drilling and geophysics. Northland optioned the project in 2004 and completed nearly 5,000 meters more diamond drilling in 30 holes and prepared two more resource estimates, before the project was optioned by Orex in 2011.

After completing the initial phase of ground geophysics in November 2011, Orex commenced diamond drilling to test both the strike extensions and depth potential of the deposits outlined to date. In this first phase of drilling, 16 holes were completed, with 12 in the Central Zone and 4 in the Avan Zone. The assay results from the Central Zone expanded the boundaries of the known mineralization, both laterally and vertically.

An independently verified mineral resource estimate was completed on the Barsele Project by Gary Giroux, P. Eng., MASc., Giroux Consultants Ltd., in November 2012. The resource estimate for the three main zones included in the Giroux Technical Report is summarized in the following table.

Barsele Project Resource Estimate

Au Cut-off (g/t)	Zone	Resource Category	Tonnes	Au Grade (g/t)	Contained ounces Au
0.60	Central	Indicated	13,610,000	1.22	532,000
	Central-Skiråsen	Inferred	9,840,000	1.08	340,000
	Avan	Indicated	490,000	0.97	15,000
		Inferred	10,360,000	0.86	287,000
	Total	**Indicated**	**14,100,000**	**1.21**	**547,000**
		Inferred	**20,200,000**	**0.97**	**627,000**

In addition to the above resource, there is a minor Au-Ag-Cu-Zn resource of less than 0.5 million tonnes in all categories, in the Norra VMS Zone.

The total of all work completed to date on the project includes almost 49,000 meters of drilling (414 diamond drill holes), approximately 16,000 till, basal till, and rock chip samples, six

airborne and ground geophysical surveys, geological mapping, trenching, metallurgy, environmental baseline studies and several resource estimates. Technical work on the project over the past year has been restricted to environmental testing and surface prospecting and sampling. No further exploratory drilling has been conducted.

Coneto Gold-Silver Project[5]

The Coneto Gold-Silver Project is located near the town of Coneto de Comonfort in Durango State, northern Mexico, approximately 110 km north of the city of Durango. The historic Coneto Mining District is situated in the heart of the "Mexican Silver Trend", stretching from Guanajuato in the southeast, through the states of Zacatecas and Durango. The trend hosts some of the world's largest silver deposits, including Fresnillo, Guanajuato, La Pitarrilla, Real de Angeles, and Zacatecas mining camps.

In 2009, Orex purchased seven mineral concessions comprising 3,300 hectares from several vendors to consolidate the disparate holdings into one block. Since then (in late 2009 and early 2010) Orex was granted, upon application, two more exploration concessions (Lomas 3 and 4) to bring the total area of its mineral holdings in the area up to approximately 16,300 hectares.

The original concessions purchase was made by the issuance of shares in Orex to the vendors, and the vendors retaining a 2.5% NSR royalty, of which 1% can be purchased for US $1.0 million. Orex has also negotiated surface access agreements with eight community groups including two "Ejido" (land collective) Councils and six "Bienes Comunales" (community goods) groups. On February 2, 2012, Orex announced it had signed an Association Agreement with Fresnillo PLC. to jointly explore their mineral holdings in the Coneto gold-silver mining district. The Association Agreement, which covers approximately 17,600 hectares, is summarized below:

- Fresnillo will spend a minimum of US$2.0 million during the first year, of which a minimum of 70% must be on Orex's concessions;
- Fresnillo will have the option to spend an additional US$2.0 million per year for each of the following two years, with a minimum of 70% on Orex's concessions;
- When Fresnillo reaches US$6.0 million in expenditures, the two companies will each contribute their respective Coneto concessions into a new company ("NewCo") which will be owned 55:45 by Fresnillo and Orex;
- Fresnillo will have the right to increase its ownership of NewCo to 70% by completing a prefeasibility study ("PFS") or by spending US$21.0 million in advancing a PFS;
- If Fresnillo chooses not to increase its ownership to 70%, the two companies will share the costs of completing a PFS in the ratio 55:45;
- Additional funding required by NewCo will be contributed in proportion to the two companies' respective ownership interests;

[5] Much of the material in this section of the Fairness Opinion has come from technical reports. The first is entitled "Technical Report For The Coneto Silver-Gold Project, Durango, Mexico" prepared for Orex Minerals Inc. by Ben Whiting, P. Geo., and David Gunning, P. Eng., dated 30 November 2009 and revised 15 March 2010. The second report is entitled "Summary Report of the Phase-I Diamond Drilling Program on the Coneto Gold-Silver Project, Durango, Mexico", prepared for Orex Minerals Inc. by Ben Whiting, P. Geo., and Ing. Miguel Davila C., and dated 30 December 2010. In addition, an internal updated report was prepared by Ben Whiting in early April 2014.

- Fresnillo will have the right of first refusal to acquire Orex's interest in NewCo if Orex has received an offer for its interest which it intends to accept; and
- Fresnillo will have the right of first refusal to acquire any additional mineral property in Mexico which Orex has acquired during the life of the Association Agreement and subsequently intends to sell or option.

Phase I drilling (5,000 meters over 21 holes) was conducted in 2010 by Orex prior to the Fresnillo agreement. To date, Fresnillo has expended an estimated US$6.0 million on exploring the property (including 23,742 meters of drilling in 61 holes in Phases II to III), and has commenced a Phase-IV program of approximately 4,500 meters (see April 22, 2015 news release). The first three phases of drilling targeted multiple mineralized structures throughout the Coneto Mining District. This fourth phase is intended to test down dip and along strike from gold-silver intercept on the La Bufa, Santo Nino, Loma Verde, Impulsora, Durazno, and Promontorio structures in about 100 meter step-outs.

The Santo Nino, La Bufa, Loma Verde, Durazno, and Impulsora are steeply-dipping, sub parallel epithermal quartz veins. Promontorio is a quartz-hematite stockwork zone, with veining. These structures are hosted in Tertiary andesites of the Lower Volcanic Sequence, exposed in a window below the Upper Volcanic Sequence rhyolites. Veins are in a northwest oriented corridor extending for over 17 kilometers.

The Coneto region has a long history of prospecting and small scale mining going back over 400 years. Coneto is centrally located in the Mexican Silver Trend on the eastern side of the Sierra Madre Occidental Mountains in an area which has more than 40 known historic gold-silver producers and prospects. Documented mining and smelting by the Spanish in the Coneto district began in 1572, but was discontinued in 1790 due to the inability to handle water in the mine workings. More attempts to dewater and mine began in the late 1800s but were interrupted by the Mexican Revolution in 1910. In the mid to late 20th century, a North American company installed a flotation mill which operated until 1973, with a new Mexican operator resuming activities from 1976 to 1990, although production records are mostly unavailable. During the 1970s and 1980s the Consejo de Recursos Minerales ("CRM") completed considerable underground development and drilling.

During the 1990s and 2000s, several Mexican and Canadian groups conducted limited exploration on the project, and one conducted a cyanidation test of one style of Coneto mineralization. The results were considered encouraging because, without any optimization, they achieved 85% silver recovery and 60% gold recovery.

Since Orex's purchase in 2009, it has conducted detailed geological mapping and geochemical sampling programs and completed 5,000 metres of diamond drilling in 21 holes - testing six targets. After signing the Association Agreement with Fresnillo in February 2012, a Phase-II 12,000 metre diamond drill program was subsequently completed. A Phase III program of 11,744 meters of diamond drilling in 30 holes was completed in 2014. The current Phase IV program, consisting of 4,600 meters in 11 diamond drill holes, will be completed in 2015. In total, 93 diamond drill holes will have been completed, for 33,343 meters of core drilling.

The Coneto gold-silver project is located in a geological sub-province known as the "Mesa Central", on the eastern flank of the Sierra Madre Occidental Mountains. The Mesa Central sub-province is a volcanic-sedimentary highland composed of mainly Tertiary to Quaternary

sequences of andesite, rhyo-dacite and basalt, which in turn rest on a basement of Cretaceous and older calcareous and metasedimentary rocks. The Paleocene-Eocene Lower Volcanic Unit of andesitic tuffs, flows and agglomerate make up the main rocks exposed on the Coneto property and in the underground workings. The Cretaceous basement rocks include shale, mudstone, limestone and a polylithic conglomerate containing volcanic, sedimentary and limestone clasts. The conglomerate units appear to have an association with some of the overlying mining camps in the region.

The Coneto mining camp is characterized by mineralization of the intermediate sulphidation style of epithermal vein emplacement. There is a broad zone of veining and associated hydrothermal alteration which extends approximately 15 km in a mainly northwest-southeast direction, with a width of up to four km, across multiple veins. There are over 40 documented veins in the camp, which are braided and splayed off one another, and over 12 have been named and have had historic mining operations on them. Some individual veins have been mapped for over two km along strike, and vary in thickness from one to twenty meters. Testing on most veins has not been extended beyond 100 meters down-dip.

The first two phases of diamond drilling (17,000 meters over 52 holes) conducted by Orex and Fresnillo obtained significant intersections across many of the known veins. The importance of the Phase-II drilling confirmed mineralization in the Loma Verde, Impulsora, Descubridora and La Bufa structures, but also highlighted the importance of deeper drilling with a spectacular "hit" on the Santo Niño structure almost 400 meters down-hole. This intercept is interpreted to be in the "boiling zone" of an epithermal vein system. Hole BCO-11 intercepted at a depth of 395.40 to 398.70 for 3.30 meters (2.70 meters true thickness) Au 4.34 g/t, Ag 612 g/t for a gold-equivalent of 16.00 g/t, or a silver-equivalent of 840 g/t (excluding base metal values). Base metals in the same intercept yielded Cu 0.16 %, Pb 0.28 % and Zn 0.42 % for a base metal only Zn-Equivalent of 1.24 %.

Trench channel sampling was conducted on multiple veins. In particular, the Impulsora structure was expanded to over 1.6 kilometers strike length on which 69 channels exceeded 100 g/t silver-equivalent. The Loma Verde and Santo Nino structures also yielded significant gold and silver values. Some of the selected trenching results are set out below:

Trench	**Length (m)**	**True Thickness**	**Au (g/t)**	**Ag (g/t)**	**Au-Eq (g/t)**	**Ag-Eq (g/t)**
Impul-3	1.30	1.28	22.10	592	32.86	1,808
Impul-48	2.55	2.51	2.98	287	8.19	451
Impul-104	1.50	1.47	28.00	5	28.10	1,545
CH-329281	0.85	0.83	0.39	452	8.61	473
SN-9	3.45	3.45	6.79	279	11.86	652
SN-14	3.75	3.75	1.18	137	3.67	202
LV-15	4.80	4.80	1.22	187	4.62	254
LV-24	3.20	3.20	1.20	240	5.56	306
LV-48	2.10	2.10	2.43	206	6.17	339

Reconnaissance drilling over the first two phases on the Coneto project has yielded intercepts in six mineralized structures, including Loma Verde, Impulsoro, La Bufa, Santo Nino, Sauces, and Descubridora, identifying them as targets for delineation drilling. Hole BCO-17 in the

Descubridora vein yielded an intercept of core length of 6.45 meters (true width 4.84 meters) grading 153 gpt silver and 0.71 gpt gold, for a gold equivalent of 3.49 gpt (55:1 gold to silver value), or silver equivalent of 192 gpt. Hole BCO-28 in the Impulsora vein yielded an intercept of core length of 7.60 meters (true width 4.56 meters) grading 2.04 gpt gold and 12.3 gpt silver, for a gold equivalent of 2.27 gpt gold, or silver equivalent of 125 gpt.

The results from the Phase III diamond drilling (11,700 meters over 30 holes) in the Promontorio, Impulsora, Loma Verde, La Bufa, and Central areas. Results were announced in news releases dated October 7th, November 18th, and December 8th, 2014, with some of the better results summarized below:

Santo Nino:	4.45 m (3.4 m true width) of 179 gpt silver-equivalent (at 60:1 Au/Ag ratio)
Promontorio:	4.15 m (3.9 m true width) of 181 gpt silver-equivalent (at 60:1 Au/Ag ratio)
Impulsora:	4.05 m (3.1 m true width) of 129 gpt silver-equivalent (at 60:1 Au/Ag ratio)
Descubridora:	5.85 m (4.5 m true width) of 103 gpt silver-equivalent (at 60:1 Au/Ag ratio)
Loma Verde:	4.85 m (4.2 m true width) of 201 gpt silver-equivalent (at 60:1 Au/Ag ratio)
Promontorio	6.45 m (5.6 m true width) of 236 gpt silver-equivalent (at 60:1 Au/Ag ratio)

The Santo Nino, Bufa, and Bufa-Alta are steeply-dipping, sub parallel epithermal veins in the La Bufa Zone, 3.0 kilometers northwest of the village of Coneto de Comonfort. Reliz is a mineralized dyke in the La Bufa Zone. Loma Verde and Gambusino are epithermal veins 1.0 kilometers to the west of the village. Impulsora, Descubridora, Indio, Imtermedia, La Isla, Nogales, Palma, Santa Teresa, and Sauce are steep epithermal veins extending for over 6.0 kilometers southeast of the village. Promontorio is a quartz-hematite stockwork and veining structure 4.0 kilometers to the southeast of the village. There are also andesite breccia and veinlets zones in unnamed structures.

While no formal NI 43-101 compliant technical report on resource estimates has been published to date, there is sufficient diamond drilling to start the process. As a result, it is expected that Fresnillo will prepare a resource before the end of 2015.

Regarding future expenditures beyond the US$6.0 million required for Fresnillo to earn 55%, it is not certain whether Fresnillo will elect to form a 55%/45% (Fresnillo/Orex) joint venture, or sole-fund expenditures with a view to ultimately completing a pre-feasibility study or spending US$21.0 million in advancing a pre-feasibility study to earn an additional 15% - to a total interest of 70%.

Los Crestones Property[6]

The Los Crestones Property is a gold-silver-copper property located in the gold-silver belt of the Sierra Madre Occidental of Sinaloa State, Mexico, approximately 110 km from the state capital of Culiacán. It is accessed by federal and state highways to the town of Surutato, and then on a narrow dirt road to the nearby village of Plan Grande, with final access currently by ATV quads or on foot. The property is comprised of three contiguous claims with a total area of 4,168

[6] Much of the material in this section of this Fairness Opinion was based on technical report entitled "NI 43-101 Technical Report Los Crestones Gold-Silver Project", prepared by B. Malahoff, P. Geo., and D.A. Brittlife, P.Geo., and dated November 20th, 2012.

hectares, and was optioned by Astral Mining Corporation ("Astral"), which was acquired by Orex in early 2013, from local parties in January 2011.

Although there is evidence of considerable historic exploration and sampling on the property, there is no documentation of activity until the staking of the property by members of two local families in 2009. Those families conducted some sampling, and hosted visits by interested exploration groups who carried out sampling and prospecting programs until Astral[7] became involved in late 2010. On January 11, 2011, Astral's wholly-owned Mexican subsidiary signed an option agreement with the two families, which provided that Astral could acquire a 100% interest in the property by making staged payments totaling US$750,000 to the vendors over a five year period. The vendors retained a 0.5% NSR royalty which can be purchased by Orex at any time for US $400,000. In addition, Orex has been in negotiations with two local Ejidos (local agricultural cooperatives) and agreed to make scheduled payments to the Ejidos and provide a 0.5% NSR royalty from the property to be shared by the two Ejidos should it ever go into production.

The Los Crestones Property is located in the western portion of the Sierra Madre Occidental geological province, which is a 1,500 km long, northwest-trending, belt of volcanic rocks proven to host numerous economic, low and high sulphidation-style, epithermal Au-Ag deposits and mineralized porphyry systems in Mexico.

The Sierra Madre belt contains upper and lower volcanic units which unconformably overlie a highly deformed Carboniferous-age sedimentary basement. The lower volcanic unit is of late Cretaceous to Eocene age and characterized by andesitic and dacitic volcanic rocks with minor rhyolite, and associated with diorite, granodiorite and monzonite intrusive phases. The upper volcanics are characterized by basal conglomerates and intermediate to felsic volcanics, which are thought to be Oligocene in age, and were deposited unconformably on the lower volcanics. Much of the exploration work has focused on the contact between the upper and lower volcanics because this horizon has been a favourable zone for the discovery of economic mineralization in western Mexico.

In detail, the property is mainly underlain by granodiorites and monzonites, which have intruded the older andesites. North-south trending rhyolite dykes are also prevalent. The mineralized structures are narrow, north-south trending zones which are composed of highly silicified, healed brittle fractures of intrusive breccias. They are relatively resistant to erosion and stand up as prominent ridges or "crestóns", hence the property name. The three most prominent of them have been named Corona, Bohemia and Indio.

The mineralization is considered by Orex to be low-intermediate sulphidation epithermal style, and appears to occur preferentially in brecciated andesites of the lower volcanics. Minerals include chalcopyrite, bornite, pyrite, silver sulphosalts, and specular hematite, while the alteration includes the hematite plus epidote, chlorite, goethite, and limonite.

The work on the property by Orex has included mapping, prospecting, soil geochemistry, rock sampling, and 2,618 meters of diamond drilling in 18 holes. In the prospecting and rock sampling, they have identified and sampled more than 20 showings and obtained more than 20 samples assaying higher than 0.5 ppm (or 0.5 g/t) gold. Some of the best drill intersections in

[7] Astral was acquired by Orex in early 2013.

each zone are summarized in the following table, which indicates that there are some significant intersections of high grade mineralization on the property.

Los Crestones Property
Selected Drill Intercepts

Zone	Interval (m)	Grade Au (g/t)	Grade Ag (g/t)	Grade Cu (%)
Corona	1.0	1.31	0.5	0.01
Indio	15.0	0.35	7.9	0.44
Indio	3.05	0.13	27.7	1.16
Indio	2.49	20.4	22.0	0.82
Indio	3.09	0.14	479.0	3.50
Bohemia	5.0	39.1	93.3	2.13
Bohemia	4.0	9.1	41.8	0.55

In addition, assay results have been received from samples which had been sent to the laboratory by the previous operator, Astral Mining, but had not been analyzed. Hole 11LD014 included a further 0.45 meters grading Au 45.8 g/t, Ag 87 g/t (Au-Eq 47.4 g/t or Ag-Eq 2,606 g/t), plus Cu 2.41 %. Hole 11LD011 returned 1.50 meters grading Au 5.79 g/t.

The Los Crestones Gold-Copper-Silver Project has undergone an active geological mapping and sampling program. A property-wide helicopter airborne magnetic and radiometric geophysical survey was flow by MPX Geoservices Ltd. in April to May 2014. A follow-up ground geophysical survey, consisting of 18-line-kilometers of Induced Polarization ("IP") and Magnetotellurics was conducted by Quantec Goescience Ltd. in July to August 2014. A Phase II diamond drilling program, planned for 5,000 meters, commenced in late 2014, and continued into 2015. Due to some unexpected results in a particular part of the property, only 2,500 meters of drilling was completed.

Jumping Josephine Property[8]

The Jumping Josephine Property ("JJ Property") is located in southern British Columbia, near Castlegar in the West Kootenay Region. The JJ Property consists of 24 mineral claims and seven crown grants and was owned 60% by Astral and 40% by Kootenay Gold. Orex has recently obtained Kootenay's 40% interest[9], such that Orex now owns 100% of the project.

The JJ Property is underlain by Middle Jurassic granitic rocks, related to the Nelson plutonic suite, which have intruded metavolcanic/sedimentary rocks of the Late Paleozoic Mount Roberts Formation. The Coryell Alkaline intrusive rocks, generally surround the Nelson plutonic rocks and are exposed along the north, west and south side of the JJ Property as numerous small stocks and dykes.

The mineralization on the JJ Property Main Zone consists of quartz veins and silicified shear zones; the quartz stockwork veins of the main prospect show a close association between gold

[8] Much of the information in this section of the Fairness Opinion came from a report entitled "Technical Report on an Initial Resource Estimate for the Jumping Josephine Gold Prospect, South-eastern British Columbia, Canada", prepared for Orex Mining Corporation by Apex Geoscience Ltd., and dated June 24th 2011.
[9] By issuing 1,000,000 shares of Orex.

mineralization and sulphides. The sulphide mineralization is mainly comprised of arsenopyrite, along with minor pyrite, chalcopyrite, sphalerite and galena. Sulphides within the veins are generally coarse-grained and make up less than 10% of the vein material. The monzonitic wall rocks hosting the veins commonly exhibit chlorite and sericite alteration with minor finely disseminated pyrite.

Exploration on the JJ Property was conducted by Orex and predecessor property owners from 2003 to 2011. In addition to drilling, mapping, trenching, geochemistry and geophysics, Orex contracted some preliminary metallurgical testing work, which indicated that the gold mineralization appeared amenable to recovery using gravity concentration plus cyanide leaching. A number of gold showings were discovered in the early work, which led to detailed follow-up work and diamond drilling totaling nearly 25,000 m over 197 holes. In 2011, Apex Geoscience Ltd completed a NI 43-101 compliant resource estimate on the main zone based on 71 diamond drill holes, with hole spacings averaging 20-40 meters, and a composite of 564 one-meter core samples. The results of the resource estimate (at a cut-off grade of 0.5 gpt gold) are summarized in the following table:

Resource Category	Tonnes	Grade (g/t Au)	Contained Gold (oz)
Measured	363,000	2.95	34,000
Indicated	448,000	2.08	30,000

Apex has recommended considerable follow-up work to test other targets, as well as more drilling and trenching followed by bulk sampling on the main zone, and the preparation of a scoping study assessment. Orex (and/or Astral) has expended over $5.0 million on the JJ Property. A 2014-2015 diamond drilling program was conducted for 8,115 meters in 25 holes, utilizing the $1.3 million flow-through financing raised by Orex in late 2013. The JJ Property is currently under review.

Working Capital and Other Assets

As at April 30, 2015, Orex had $7.591 million in working capital. Taking account the receipt of US$6.0 million from Agnico Eagle as well as ongoing expenditures, the current working capital is estimated to be approximately $6.0 million.

Orex also has income tax pools that, in certain situations, may be utilized to reduce future taxable income, and thereby reduce income taxes to be paid. These include non-capital losses of about $20.0 million, plus exploration and evaluation assets of around $8.0 million. In addition, Orex has a TSX-V listing. For purposes of this valuation, Glanville and McKnight have not added any specific additional value for the tax pools and TSX-V listing, since these are not material.

Fairness Opinions and Valuations (CIMVal Standards)

The TSX-V requires that CIMVal Standards (Canadian Institute of Mining, Metallurgy and Petroleum Standards and Guidelines for Valuations of Mineral Properties) be used by issuers and their professional advisors when preparing formal valuations and valuation reports on mineral properties. The CIMVal Standards are limited to valuations of mineral properties (including any

interests therein), and do not apply to fairness opinions or valuations of corporations or other entities that hold mineral properties as assets. As a result, the CIMVal standards are not applicable to this Fairness Opinion, although McKnight and Glanville are familiar with the CIMVal Standards and have applied them where appropriate.

It should be emphasized that this Fairness Opinion is not a technical report nor a formal valuation as defined in The Canadian Institute of Mining, Metallurgy and Petroleum publication of February 2003, and amended December 2005, "Standards and Guidelines for Valuation of Mineral Properties" (CIMVal Standards and Guidelines).

Valuations of Non-Producing Mineral Properties

In the case of valuations of interests in mineral properties which are not at the production, feasibility or preliminary economic assessment stage, discounted cash flow methods may not be used. As a result, other methods must be employed, including comparables (such as values per in-situ ounce of gold), option or joint venture terms, adjusted appraised value (derived from book value or prior expenditures), planned exploration expenditures, and values of similar properties (including dollars-per-hectare comparisons).

Barsele Valuation

Glanville and McKnight have estimate the value of 100% of the Barsele Project based on two different methods, those being the recent transaction with Agnico Eagle and dollars-per-ounce of contained gold in resources for similar projects.

Agreement with Agnico Eagle

On June 11, 2015, Orex announced that they had closed the Transaction with Agnico Eagle that was previously announced on February 23, 2015. Pursuant to the Transaction, Agnico Eagle, through its indirect, wholly-owned subsidiary AE Sweden, acquired a 55% interest in Gunnarn, the corporate entity which owns the Barsele Project, in consideration of an initial payment to Orex of US$6.0 million. An additional US$2.0 million will be payable by AE Sweden, or by Agnico Eagle on AE Sweden's behalf, to Orex in cash or common shares of Agnico Eagle at AE Sweden's election on each of the first and second anniversaries of the closing of the Transaction. AE Sweden has also committed to spend US$7.0 million on Project expenditures over three years. If AE Sweden or Agnico Eagle prepares a pre-feasibility study on the Project and contributes it to Gunnarn, AE Sweden's interest in Gunnarn will increase to 70% and Orex's interest in Gunnarn will be reduced to 30%. AE Sweden is the operator of the Project for customary compensation, and has a majority of seats on Gunnarn's board of directors. Pursuant to the Transaction, Orex was also granted a 2% NSR royalty on production from the Project, which may be repurchased by Agnico Eagle at any time for US$5.0 million.

Based on the foregoing deal, Glanville and McKnight calculated the implied value of 100% of Barsele under two different scenarios, or assumptions, those being as follows:

1. Assuming that Agnico Eagle only carries out its minimum commitment of US$7.0 million on exploration (but does not complete a pre-feasibility study), meaning that Agnico Eagle would have earned a 55% interest in Barsele.

2. Assuming that Agnico Eagle carries out its minimum commitments plus US$20.0 million to complete a pre-feasibility study, meaning that Agnico would have earned a 70% interest in Barsele by incurring total exploration expenditures of US$27.0 million.

It should be noted that Orex will retain a 2% NSR on the project, which is equivalent to about a 10% equity interest (working interest) in the project[10]. Thus, the net interest being acquired by Agnico Eagle is only about 90% of the stated interests being acquired (55% in assumption #1 above, and 70% in assumptions #2 and #3 above).

The calculations for assumption #1 above are set out below:

	Canadian Dollars
US$6.0 million paid:	$7.5 million
US$4.0 million to be paid[11]:	4.5 million
US$6.0 million[12] x 45% carried x 90% = US$2.43	3.2 million
Total cost to Agnico Eagle:	$15.2 million

Since Agnico Eagle would only be acquiring a net interest of 55% x 90% (due to the 2% NSR to be retained by Orex), or 49.5%, the implied value of 100% of Barsele (with no royalty) would be **Cdn$30.7 million** ($15.2 million divided by 49.5%).

The calculations for assumption #2 above are set out below:

	Canadian Dollars
US$6.0 million paid:	$7.5 million
US$4.0 million to be paid[13]:	4.5 million
US$18.8 million[14] x 30% carried x 90% = US$5.08 million	6.6 million
Total cost to Agnico Eagle:	$18.6 million

Since Agnico Eagle would be acquiring a net interest of 70% x 90% (due to the 2% NSR to be retained by Orex), or 63.0%, the implied value of 100% of Barsele (with no royalty) would be **Cdn$29.5 million** ($18.6 million divided by 63.0%).

Based on the foregoing two alternatives, the implied value of 100% of Barsele would be approximately **Cdn$30 million** (the average of the values determined for the two assumptions is $30.1 million).

[10] This is based on assessments of many royalty interests sold, as well as the implied value of same based on market capitalizations of a number of royalty companies (adjusted for size).
[11] Payments are US$2.0 million in one year, and US$2.0 million in two years. The discounted present value of the foregoing is approximately US$3.5 million (at a 10% discount rate), or Cdn $4.5 million.
[12] This assumes that US$2.0 million will be spent on exploration in each of the next two years, and US$3.0 million in the third year. The present value of these total expenditures of US$7.0 million would be about US$6.0 million, or Cdn$7.8 million.
[13] Payments are US$2.0 million in one year, and US$2.0 million in two years. The discounted present value of the foregoing is approximately US$3.5 million (at a 10% discount rate), or Cdn $4.5 million.
[14] This assumes that US$2.0 million will be spent on exploration in each of the next two years, US$3.0 million in the third year, US$5.0 million in each of the next two years, and US$10.0 million (total of US$27.0 million). The present value of these total expenditures of US$27.0 million would be about US$18.8 million, or Cdn$24.4 million.

Dollars Per Ounce

Glanville and McKnight have examined the stock market trading performance of many gold exploration, development, and production companies, as well as the terms of purchases of several similar exploration, development, and production projects, and have examined the adjusted market capitalizations per ounce of in-situ metals for active exploration and development companies. As would be expected, the ranges in adjusted market capitalizations and purchase prices per in-situ quantities are reasonably wide, since the prices depend upon a variety of factors, including the stage of advancement (early stage exploration, 'potential resources', historic resources, inferred resources, drill-indicated resources, proven reserves, production from one operation, or a multi-mine company, for example), the depth and attitude of the deposit (underground or open pit), the likely grade of the resource, the existing and potential size of the deposit, the likely metallurgical recovery, the location (type of infrastructure available), foreign exchange risk, the income tax and royalty structure, third party interests in the property (such as net smelter returns or gross override royalties), the level of technical study (scoping study, pre-feasibility study, feasibility study, operating statistics, etc.), the long term commodity price outlooks (for gold in this case), the exploration potential, the expectations for replacing resources/reserves and adding to them, the political jurisdiction in which the deposit is located, etc. In spite of the reasonably wide range of in-situ values, one can determine a much narrower range for properties with similar attributes. As a result, this method is often utilized as an indicator of value, and market capitalizations per ounce are compiled by mining analysts and mining companies.

Investment dealer and mining analyst CanaccordGenuity periodically compiles the attributed market capitalizations per ounce of gold in resources for a variety of exploration**,** development, and producing gold companies. The CanaccordGenuity Junior Mining Weekly provided a list of 40 non-producing gold companies at the exploration stage through to early-stage development. The average (arithmetic mean) of market capitalizations per gold-equivalent ounce in resource was near US$15 per ounce. The foregoing was utilized to value the Barsele Project.

The NI 43-101 compliant technical report on the Barsele Project, completed by G.H. Giroux, P.Eng., in November 2012, established resources for the Central-Avan-Skirasen zones. At a cut-off grade of 0.6 g/t gold, the indicated resource amounted to 14.10 million tonnes grading 1.21 g/t gold (547,000 contained ounces), while the inferred resource amounted to 20.20 million tonnes grading 0.97 g/t gold (627,000 contained ounces). This report also established a small resource for the Norra volcanogenic massive sulphide deposit.

Based on a review of the CanaccordGenuity 'comparables', and the grade and mineralization of the Barsele deposit, Glanville and McKnight are of the opinion that the value per ounce attributed to the Barsele possible open resources would be about US$15 per ounce. Applying this number to the total of 1,174,000 ounces would result in an indicated value of US$17.6 million, or Cdn$22.9 million for 100% of the property. Glanville and McKnight have increased the foregoing indicated value by 25% to **Cdn$28.6 million** to account for the Norra volcanogenic massive sulphide deposit, as well as the exploration potential.

Summary of Value of Barsele (and Allocations to Orex and SpinCo)

Based on the foregoing two sections of this report, Glanville and McKnight are of the opinion that 100% of the value of the Barsele Project is worth approximately **$30.0 million** (placing slightly more weight on the attributed value based on the current agreement with Agnico Eagle). Since Orex's 2% NSR royalty has been determined to be worth about 10% of the value of 100% of Barsele, it would be worth about $3.0 million to Orex. In addition, Orex has received a cash payment from Agnico Eagle of US$6.0 million (Cdn$7.5 million), and expects to receive additional payments of US$4.0 million (discounted to US$3.5 million, or Cdn$4.5 million). As a result, Orex would retain 'value' of Cdn$15.0 million (Cdn$3.0 million plus Cdn$7.5 million plus Cdn$4.5 million) out of the total value of Cdn$30 million. This, therefore, leaves a property value of Cdn$15.0 million to be transferred to SpinCo. It should be noted, however, that Orex will be transferring Cdn$0.5 million in cash to SpinCo, **so the total indicated value of SpinCo would be Cdn$15.5 million.**

Further to the foregoing Cdn$15.0 million of Barsele 'value' attributed to Orex, one should be clear that Orex has already received about Cdn$7.5 million from Agnico Eagle, and this is now reflected in working capital. As a result, Orex's residual value in Barsele is only Cdn$7.5 million, which is made up of the Cdn$3.0 million value for the 2% NSR, plus the Cdn$4.5 million present value of the remaining cash payments by Agnico (since Orex will be retaining both the 2% NSR and the remaining cash payments from Agnico). In summary, the allocation of the Barsele Property interests after the Proposed Arrangement with SpinCo would be as follows:

Interest of SpinCo:	Cdn$15.0 million
Interest of Orex:	Cdn$ 7.5 million
Subtotal:	Cdn$22.5 million
Already Received by Orex:	Cdn$ 7.5 million
Total Indicated Value of Barsele:	Cdn$30.0 million

It should be noted that a portion of this Cdn$7.5 million has been utilized for general expenses. Thus, it is accounted for in the net working capital of Orex, which is currently estimated to be approximately Cdn$6.0 million.

Coneto Property Valuation

The valuation of Coneto (and the net beneficial interest of Orex) has been based on a combination of factors, including the Fresnillo option terms, dollars per ounce of 'inferred resources' (not NI 43-101 compliant), and dollars per hectare for prospective properties in excellent locations (relative to mineralized trends and other properties or deposits).

Regarding the option terms, on February 12, 2012, an Association Agreement was signed by Orex and Fresnillo, whereby the companies would jointly explore the contiguous mineral concessions held by Orex and Fresnillo in the Coneto mining district. According to the terms of the Agreement, Fresnillo would have the option to spend a minimum of US$2.0 million during each of the first three years (for a total of at least US$6.0 million over the three years), with a minimum of 70% of the exploration expenditures to be conducted on Orex's concessions. Upon Fresnillo spending an aggregate of US$6.0 million, Orex and Fresnillo will each contribute their respective Coneto mining concessions to NewCo that initially would be owned 55% by Fresnillo and 45% by Orex. Fresnillo will have the right to increase its interest in NewCo to 70% by either

completing a prefeasibility study or spending up to an additional US$21.0 million in the process of preparing a prefeasibility study. During the life of the Association Agreement, in the event that Orex, or any of its subsidiaries, enters into a transaction to acquire an interest in any additional mineral properties in Mexico and then later decides to sell or option out that interest to a third party, Fresnillo will have a right of first refusal to participate in such transaction on the same terms and conditions as offered to the third party. In conjunction with entering the Association Agreement with Fresnillo, Orex issued 2,500,000 units to Fresnillo at $0.80 per unit for gross proceeds of $2.0 million. Each unit consisted of one common share and one half of one transferable share purchase warrant (with an exercise price of $1.00 per share over the subsequent two years).

Based upon the terms of the Association Agreement (and adjusting for the timing and estimated probability of continuing with the Association Agreement), the contribution of the Fresnillo property interests in the area, the associated financing by Fresnillo, the expenditures to date by Fresnillo, and the potential interest to be earned by Fresnillo, it is the opinion of Glanville and McKnight that the indicated value of the Coneto Project would be approximately US$10 to US$15 million. Based on applying comparable 'dollars-per-ounce' numbers to 'inferred resources' (internal calculations only), and dollars per hectare of prospective land in known gold belts, the value of 100% of Coneto would be similar to that determined by the Fresnillo option agreement. Utilizing a value of US$12.0 million (within the range of US$10.0 to US$15.0 million), Orex's net interest would be 45% of this, or just over US$5.4 million, or approximately **Cdn$7.0 million**. However, it should be noted that if Fresnillo decides to sole-fund future expenditures up to the an additional US$21 million in the process of preparing a prefeasibility study, the implied value of Orex's interest in Coneto would be substantially higher than the estimated $7.0 million.

Los Crestones Valuation

The Los Crestones Property is an attractive exploration target, with good preliminary exploration results. These results are from chip sampling, mapping, surface geochemistry (soil samples), and a first-pass diamond drill program. The best drill results to date correspond to the northern extension of the Indio vein and central portion of Bohemia. The intersection from the northern drilling at Indio returned 3.09 meters averaging 479 g/t silver and 3.5% copper, while the best results from Bohemia included 5 meters averaging 39.1 g/t gold, 93.3 g/t silver, and 2.13% copper. In addition to the foregoing, assay results have been received from samples which had been sent to the laboratory by the previous operator, Astral Mining, but had not been analysed. Hole 11LD014 included a further 0.45 meters grading Au 45.8 g/t, Ag 87 g/t (Au-Eq 47.4 g/t or Ag-Eq 2,606 g/t), plus Cu 2.41 %. Hole 11LD011 returned 1.50 meters grading Au 5.79 g/t.

Based on the exploration results, the prior exploration and acquisition expenditures by Orex (approximately $2.0 million), the three obvious veins (and associated breccia zones) identified to date, the recommended exploration program, the terms of the prior acquisition agreement, and the halting of the proposed 5,000 meters of drilling after only 2,500 meters had been drilled, it is the opinion of Glanville and McKnight that the value of Orex's net interest in the Los Crestone property would be approximately US$2.5 million (about **Cdn$3.1 million**).

Jumping Josephine Valuation

In June of 2011, Apex Geoscience completed an NI 43-101 technical report on a 400 metre long portion of the mineralized zone at Jumping Josephine Main. Apex calculated an indicated resource of 363,000 tonnes grading 2.95 g/t gold (34,000 contained ounces) and an inferred resource of 448,000 tonnes averaging 2.08 g/t gold (30,000 contained ounces). Although the resource is small, it is located not far from Teck Resources' smelter/refinery in Trail, B.C., as well as processing plants in the general area. As a result, we have applied US$7.0 per contained ounce (the median of a number of similar deposits, as determined by CanaccordGenuity) to arrive at an indicated value of 100% of Jumping Josephine of US$0.45 million, or Cdn$0.58 million. It should also be noted that Orex purchased the minority 40% interest in Jumping Josephine in early 2014 by issuing 1,000,000 Orex shares valued at Cdn$230,000. Although this transaction implied a value of $575,000 for 100% of the project ($230,000 divided by 40%), it should be emphasized that the market for mineral properties was substantially better in early 2014 than today. On balance, Glanville and McKnight are of the opinion that the current value of Jumping Josephine would be approximately **$0.5 million**.

Summary of Values of Mineral Properties

The following values represent the net beneficial interests of Orex (in Canadian dollars) in its mineral exploration properties (plus working capital) after taking into account ownership percentages, royalties payable, and option terms (remaining payments, share issuances, and exploration commitments):

Barsele Project:	$22.5 million[15]
Coneto Project:	7.0 million
Working Capital:	6.0 million
Los Crestones:	3.1 million
Jumping Josephine.:	0.5 million
Total Value of Mineral Properties:	**$39.1 million**

Orex is planning to spin out its 45% interest in the Barsele Project to SpinCo. However, the 2% NSR royalty and the future cash payments from Agnico Eagle (US$2.0 million at each of the first and second anniversary of the closing of the Transaction) will be retained by New Orex (as well as the US$6.0 million cash payment already received by Orex). As a result, the value of the assets to be spun out to SpinCo is estimated to be approximately **$15.5 million** ($15.0 million value of SpinCo's beneficial interest in Barsele, plus $0.5 million cash from Orex). As a result of the foregoing, the value of the assets to remain with New Orex would be **$23.6 million** ($39.1 million minus $15.5 million).

Based on the foregoing, the value of SpinCo would account for almost 40% of the existing value of Orex ($15.5 million divided by $39.1 million), and New Orex would account for just over 60% of Orex ($23.6 million divided by $39.1 million). However, due to the fact that valuations of

[15] This excludes the US$6.0 million (about Cdn$7.5 million) already received by Orex. As a result, the total valuation of Barsele would have been approximately Cdn$30.0 million. The cash received by Orex from Agnico Eagle is accounted for as working capital.

early-stage exploration projects are not precise, Glanville and McKnight are of the opinion that the value of SpinCo would account for somewhere between 35% and 45% of the total value of all of Orex.

Fairness Considerations

In connection with the provision of the Fairness Opinion, Glanville and McKnight have performed a variety of financial, technical, and other analyses. In arriving at the Fairness Opinion, they have not attributed any particular weight to any specific analysis or factor considered by them, but rather Glanville and McKnight have made qualitative judgments based on their experience in rendering such opinions and on the circumstances and information as a whole. Glanville and McKnight considered a number of factors in arriving at the Fairness Opinion, including the foregoing calculations, and the following, among others.

- the general market conditions for selling/buying mineral resource properties;
- the prior exploration expenditures on the mineral exploration projects;
- the ongoing and planned exploration on the respective properties;
- the possible economics associated with the various projects; and
- such other reviews, calculations, analyses, research, and investigations deemed appropriate.

Disclaimer

This Fairness Opinion relies in part on information not within the control of Glanville and McKnight, and while it is believed that the information and assumptions are reliable and valid as of the date hereof, and under the stated conditions and limitations, Glanville and McKnight cannot guarantee their accuracy. In addition, Glanville and McKnight disclose that they have conducted neither a title search, nor an ownership review, nor have they visited the properties or carried out independent geological or mining investigations.

Glanville and McKnight are basing their opinion on their experience, on their examination of market conditions, and on information provided by Orex and others. The use of this Fairness Opinion and/or any information contained in it shall be at the user's sole risk, regardless of any fault or negligence of Glanville or McKnight.

Fairness Opinion

Based upon and subject to the limitations in this Fairness Opinion, and such other matters as McKnight and Glanville have considered relevant, it is their opinion that, as of the date hereof, the terms of the proposed Arrangement are fair from a financial point of view to the Orex shareholders. However, Glanville and McKnight express no opinion as to the expected trading prices of the shares of SpinCo and New Orex if the Proposed Arrangement is completed, or of Orex if it is terminated.

Glanville and McKnight also estimated the values of the net beneficial interests of Orex (in Canadian dollars) in its mineral exploration properties (and working capital) after taking into

account ownership percentages, royalties payable, and option terms (remaining payments, share issuances, and exploration commitments). The major components of value are summarized below:

Barsele Project:	$22.5 million[16]
Coneto Project:	7.0 million
Working Capital:	6.0 million
Los Crestones:	3.1 million
Jumping Josephine.:	0.5 million
Total Value of Mineral Properties:	**$39.1 million**

Orex is planning to spin out its 45% interest in the Barsele project to SpinCo. However, the 2% NSR royalty and the future cash payments from Agnico Eagle (US$2.0 million at each of the first and second anniversary of the closing of the transaction) will be retained by New Orex (as well as the US$6.0 million cash payment already received by Orex). As a result, the value of the assets to be spun out to SpinCo is estimated to be approximately **$15.5 million** ($15.0 million value of SpinCo's beneficial 45% interest in Barsele, plus $0.5 million cash from Orex). As a result of the foregoing, the value of the assets to remain with New Orex would be **$23.6 million** ($39.1 million minus $15.5 million).

Based on the foregoing, the value of SpinCo would account for almost 40% of the existing value of Orex ($15.5 million divided by $39.1 million), and New Orex would account for just over 60% of Orex ($23.6 million divided by $39.1 million). However, due to the fact that valuations of early-stage exploration projects are not precise, Glanville and McKnight are of the opinion that the value of SpinCo would account for somewhere between 35% and 45% of the total value of all of Orex.

This Fairness Opinion may be relied upon (subject to the qualifications set out in this report) by the Board, regulatory authorities including the TSX-V, and shareholders of Orex, but may not be used or relied upon by any other person without express prior written consent of McKnight and Glanville. However, McKnight and Glanville consent to the duplication and inclusion of this Fairness Opinion in the Information Circular.

Yours very truly,

"Ross Glanville" (signed)

Ross Glanville & Associates Ltd.
Ross Glanville, B.A.Sc., P.Eng., CGA, MBA

"Bruce McKnight" (signed)

Bruce McKnight Minerals Advisor Services
Bruce McKnight, B.A.Sc., P.Eng., MBA, FCI

[16] This excludes the US$6.0 million (about Cdn$7.5 million) already received by Orex. As a result, the total valuation of Barsele would have been approximately Cdn$30.0 million. The cash received by Orex from Agnico Eagle is accounted for as working capital.

APPENDIX D
COURT MATERIALS

See attached.

SUPREME COURT
OF BRITISH COLUMBIA
VANCOUVER REGISTRY

AUG 2 1 2015

ENTERED

No. S-156911
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING OREX MINERALS INC. AND BARSELE MINERALS CORP.

OREX MINERALS INC.

PETITIONER

ORDER MADE AFTER APPLICATION
(INTERIM ORDER)

BEFORE	MASTER TAYLOR		21/AUGUST/2015

ON THE APPLICATION of the Petitioner, Orex Minerals Inc. ("Orex") for an Interim Order under section 291 of the British Columbia *Business Corporations Act*, S.B.C. 2002, c. 57, as amended (the "BCBCA") in connection with an arrangement with Barsele Minerals Corp. ("Spinco") under section 288 of the BCBCA

☑ without notice coming on for hearing at 800 Smithe Street, Vancouver, British Columbia on August 21, 2015 and on hearing Jonathan Buysen, counsel for Orex, and upon reading the Affidavit No. 1 of N. Ross Wilmot sworn on August 20, 2015 (the "Wilmot Affidavit");

THIS COURT ORDERS that:

DEFINITIONS

1. As used in this Order, unless otherwise defined, terms beginning with capital letters shall have the respective meanings set out in the notice of meeting related to the

annual and special meeting of the shareholders, optionholders and warrantholders of Orex (the "Notice") and accompanying management information circular of Orex (the "Information Circular"), attached as Exhibit "A" to the Wilmot Affidavit.

ANNUAL AND SPECIAL MEETING

2. Pursuant to section 291(2)(b)(i) and section 289(1)(a)(i) and (e) of the BCBCA, Orex is authorized and directed to call, hold and conduct an annual and special meeting (the "Meeting") of the holders (the "Orex Shareholders") of Orex common shares (the "Orex Shares"), the holders of options ("Orex Options") to purchase Orex Shares (the "Orex Optionholders") and the holders of warrants ("Orex Warrants") to purchase Orex Shares (the "Orex Warrantholders" and together with the Orex Shareholders and Orex Optionholders, the "Orex Securityholders") to be held at the offices of Stikeman Elliott LLP, Suite 1700, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8 on September 23, 2015 at 10:00 am (Vancouver time) to, inter alia, consider and, if deemed advisable, to pass, with or without variation, a special resolution (the "Arrangement Resolution") approving and adopting in accordance with section 289(1)(a)(i) and (e) of the BCBCA an arrangement substantially as contemplated in the Plan of Arrangement (the "Arrangement"), a draft of which special resolution is attached as Appendix "A" to the Information Circular.

3. The Meeting shall be called, held and conducted in accordance with the BCBCA, the Notice, the Information Circular, the articles of Orex and applicable securities laws, subject to the terms of this Interim Order and any further Order of this Court, and the rulings and directions of the Chair of the Meeting (the "Chair"), such rulings and directions not to be inconsistent with this Interim Order, and to the extent of any inconsistency this Interim Order shall govern or, if not specified in the Interim Order, the Information Circular shall govern.

AMENDMENTS

4. Orex is authorized to make, in the manner contemplated by and subject to the Arrangement Agreement, such amendments, modifications or supplements to the Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice as it may determine without any additional notice to or authorization of the Orex Securityholders or further orders of this Court. The Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice as so amended, modified or supplemented, shall be the Arrangement, the Plan of Arrangement, the Arrangement Agreement and the Notice to be submitted to Orex Securityholders at the Meeting, as applicable, and the subject of the Arrangement Resolution.

ADJOURNMENTS AND POSTPONEMENTS

5. Notwithstanding the provisions of the BCBCA and the articles of Orex, the board of directors of Orex (the "Orex Board") shall be entitled to adjourn or postpone the Meeting by resolution on one or more occasions without the necessity of first convening the Meeting or first obtaining any vote of the Orex Securityholders respecting the adjournment or postponement, and without the need for approval of this Court. Notice of any such adjournment or postponement shall be given by press release, newspaper advertisement or notice sent to the Orex Securityholders by one

of the methods specified in paragraph 8 of this Interim Order, as determined to be the most appropriate method of communication by the Orex Board.

RECORD DATE

6. The record date for determining Orex Securityholders entitled to receive the Notice, the Information Circular and the forms of proxy or voting instruction form, as applicable, for use by the Orex Securityholders and in the case of registered Orex Shareholders, also the letter of transmittal (collectively, the "Meeting Materials") shall be 5 p.m. (Vancouver time) on August 17, 2015 (the "Record Date"), as previously approved by the Orex Board and published by Orex. The Record Date shall remain the same despite any adjournments or postponements of the Meeting.

NOTICE OF ANNUAL AND SPECIAL MEETING

7. The Information Circular is hereby deemed to represent sufficient and adequate disclosure, including for the purpose of section 290(1)(a) of the BCBCA, and Orex shall not be required to send to the Orex Securityholders any other or additional statement pursuant to section 290(1)(a) of the BCBCA.

8. The Meeting Materials, with such amendments or additional documents as counsel for Orex may advise are necessary or desirable, and as are not inconsistent with the terms of this Interim Order, shall be sent:

   (a) to registered Orex Shareholders, determined as at the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or delivery, by prepaid ordinary mail or by delivery in person or by recognized courier service, addressed to the registered Orex Shareholder at its address as it appears in Orex's central securities register as at the Record Date;

   (b) to beneficial Orex Shareholders (those whose names do not appear in the securities register of Orex), by providing, in accordance with National Instrument 54-101 - *Communications with Beneficial Owners of Securities of a Reporting Issuer* of the Canadian Securities Administrators, the requisite number of copies of the Meeting Materials to intermediaries and registered nominees to facilitate the distribution of the Meeting Materials to beneficial Orex Shareholders;

   (c) to Orex Optionholders, determined as at the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or delivery, by prepaid ordinary mail or by delivery in person or by recognized courier service, addressed to the Orex Optionholder at its address as it appears in the register of Orex Optionholders as at the Record Date;

   (d) to Orex Warrantholders, determined as at the Record Date, at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing or delivery, by prepaid ordinary mail or by delivery in person or by recognized courier service, addressed to the Orex Warrantholder at its address as it appears in the register of Orex Warrantholders as at the Record Date;

(e) at any time by email or facsimile transmission to any Orex Securityholder who identifies himself to the satisfaction of Orex (acting through its representatives), who requests such email or facsimile transmission; and

(f) to the directors and auditor of Orex by prepaid ordinary mail or by delivery in person or by recognized courier service or by email or facsimile transmission at least twenty-one (21) days prior to the date of the Meeting, excluding the date of mailing, delivery or transmission;

and substantial compliance with this paragraph shall constitute good and sufficient notice of the Meeting.

9. The Meeting Materials shall not be sent to registered Orex Shareholders, Orex Optionholders or Orex Warrantholders where mail previously sent to such holders by Orex or its registrar and transfer agent has been returned to Orex or its registrar and transfer agent on at least two previous consecutive occasions.

10. Accidental failure of or omission by Orex to give notice to any one or more Orex Securityholders, or the non-receipt of such notice, or any failure or omission to give such notice as a result of events beyond the reasonable control of Orex (including, without limitation, any inability to use postal services) shall not constitute a breach of this Interim Order or, a defect in the calling of the Meeting and shall not invalidate any resolution passed or proceeding taken at the Meeting, but if any such failure or omission is brought to the attention of Orex, then it shall use commercially reasonable efforts to rectify it by the method and in the time most reasonably practicable in the circumstances.

DEEMED RECEIPT OF NOTICE

11. The Meeting Materials and any amendments, modifications, updates or supplements to the Meeting Materials and any notice of adjournment or postponement of the Meeting, shall be deemed to have been received,

(a) in the case of mailing, at the time specified at section 6 of the BCBCA;

(b) in the case of delivery in person, upon receipt thereof at the intended recipient's address or, in the case of delivery by courier, one (1) business day after receipt by the courier;

(c) in the case of transmission by email or facsimile, upon the transmission thereof;

(d) in the case of advertisement, at the time of publication of the advertisement;

(e) in the case of electronic filing on SEDAR, upon receipt by Orex from SEDAR of confirmation of filing; and

(f) in the case of beneficial Orex Shareholders, three (3) days after delivery thereof to intermediaries and registered nominees.

UPDATING MEETING MATERIALS

12. Notice of any amendments, modifications, updates or supplements to any of the information provided in the Meeting Materials may be communicated, at any time

prior to the Meeting, to the Orex Securityholders by press release, news release, newspaper advertisement or by notice sent to the Orex Securityholders by any of the means set forth in paragraph 8, as determined to be the most appropriate method of communication by the Orex Board.

PERMITTED ATTENDEES

13. The only persons entitled to attend the Meeting shall be:

(a) the registered Orex Securityholders as at 5 p.m. (Vancouver time) on the Record Date, or their respective proxyholders;

(b) directors, officers, auditors and advisors of Orex;

(c) directors, officers, auditors and advisors of Spinco; and

(d) other persons with the prior permission of the Chair of the Meeting;

and the only persons entitled to vote at the Meeting shall be the registered Orex Securityholders at the close of business on the Record Date.

SOLICITATION OF PROXIES

14. Orex is authorized to use the forms of proxy in substantially the same form as is attached as Exhibit "C" to the Wilmot Affidavit, subject to Orex's ability to insert dates and other relevant information in the final form thereof and to make other non-substantive changes and changes legal counsel advise are necessary or appropriate. Orex is authorized, at its expense, to solicit proxies directly and through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose and by mail, telephone or such other form of personal or electronic communication as it may determine.

15. The procedures for the use of proxies at the Meeting and revocation of proxies shall be as set out in the Notice and the Information Circular.

16. Orex may in its discretion generally waive the time limits for the deposit of proxies by Orex Securityholders if Orex deems it advisable to do so, such waiver to be endorsed on the proxy by the initials of the Chair of the Meeting.

QUORUM AND VOTING

17. At the Meeting, the votes shall be taken on the following bases:

(a) each registered Orex Shareholder whose name is entered on the central securities register of Orex as at 5 p.m. (Vancouver time) on the Record Date is entitled to one (1) vote for each Orex Share registered in his/her/its name;

(b) each registered Orex Optionholder whose name is entered on the register of Orex Optionholders as at 5 p.m. (Vancouver time) on the Record Date is entitled to one (1) vote for each Orex Share such Orex Optionholder would receive upon a valid exercise of Orex Options held by that Orex Optionholder as of 5 p.m. (Vancouver time) on the Record Date;

(c) each registered Orex Warrantholder whose name is entered on the register of Orex Warrantholders as at 5 p.m. (Vancouver time) on the Record Date is entitled to one (1) vote for each Orex Share such Orex Warrantholder would

receive upon a valid exercise of Orex Warrants held by that Orex Warrantholders as of 5 p.m. (Vancouver time) on the Record Date;

(d) the requisite and sole approvals required to pass the Arrangement Resolution shall be the affirmative vote of:

(i) at least two-thirds of the total votes cast by the Orex Shareholders and the Orex Optionholders, voting together as a single class, present in person or by proxy and entitled to vote at the Meeting (excluding from the count of total votes cast any spoiled, illegible and/or defective ballots and abstentions), and

(ii) at least two-thirds of the total votes cast by the Orex Warrantholders, voting as a single class, present in person or by proxy and entitled to vote at the Meeting (excluding from the count of total votes cast any spoiled, illegible and/or defective ballots and abstentions); and

(e) a quorum at the Meeting shall be one (1) person who is or represents by proxy an Orex Shareholder who is otherwise permitted to vote Orex Shares at the Meeting, provided that, if a quorum is not reached within half an hour of the opening of the Meeting, the Meeting shall stand adjourned to be reconvened without further notice on a day in the next week as determined by the Chair at the same time and place and, if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the Meeting, the person or persons present and being, or representing by proxy, a member or members entitled to attend and vote at the Meeting shall constitute a quorum.

SCRUTINEER

18. The scrutineer for the Meeting shall be Computershare Investor Services Inc. (acting through its representatives for that purpose). The duties of the scrutineer shall include:

(a) reviewing and reporting to the Chair on the deposit and validity of proxies;

(b) reporting to the Chair on the quorum of the Meeting;

(c) reporting to the Chair on the polls taken or ballots cast, if any, at the Meeting; and

(d) providing to Orex and to the Chair written reports on matters related to their duties.

OREX SHAREHOLDER DISSENT RIGHTS

19. Each registered Orex Shareholder is granted rights to dissent (the "Dissent Rights") in respect of the Arrangement Resolution in accordance with Division 2 of Part 8 of the BCBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order, including that:

(a) a registered Orex Shareholder intending to exercise the Dissent Rights must give a written notice of dissent (a "Dissent Notice") to Orex at 1130 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 Attention:

Corporate Secretary, to be received by Orex no later than 10:00 a.m. (Vancouver time) on the date that is at least two business days prior to the date of the Meeting or any date to which the Meeting may be postponed or adjourned;

(b) a Dissent Notice must specify the name and address of the registered Orex Shareholder, the number of Orex Shares in respect of which the Dissent Notice is being given (the "Notice Shares") and:

(i) if the Dissent Notice is being given by the registered Orex Shareholder on its own behalf, the Dissent Notice must state that either:

(A) the Notice Shares constitute all of the Orex Shares of which the registered Orex Shareholder is the beneficial owner; or

(B) the Notice Shares constitute all of the Orex Shares of which the registered Orex Shareholder is both the registered and beneficial owner, the number of Orex Shares of which the registered Orex Shareholder is the beneficial owner but not the registered owner and, in respect of such shares of which the registered Orex Shareholder is only the beneficial owner, the names of the registered owners of such shares, the number of such shares held by each of them and that Dissent Notices are being, or have been, given in respect of all such shares;

(ii) if the Dissent Notice is being given by the registered Orex Shareholder on behalf of another person who is the beneficial owner of the Notice Shares (the "Dissenting Owner"), the Dissent Notice must so state and must also:

(A) state the name and address of the Dissenting Owner;

(B) state that the Notice Shares represent all of the Orex Shares registered in the name of the registered Orex Shareholder which are beneficially owned by the Dissenting Owner; and

(C) include a statement from the Dissenting Owner stating the number of Orex Shares of which the Dissenting Owner is the beneficial owner and, in respect of any such shares which are not Notice Shares, stating whether the Dissenting Owner is also the registered owner of any such shares (and, if so, stating the number of such shares) and if not, stating the names of the registered owners of such shares and the number of such shares held by each such registered owner, and that notices of dissent are being, or have been, given in respect of all such shares;

(c) a registered Orex Shareholder must not vote in favour of the Arrangement Resolution any Orex Shares registered in its name in respect of which the Orex Shareholder has given a Dissent Notice;

(d) if the Arrangement Resolution is passed at the Meeting, Orex must send by registered mail to every registered Orex Shareholder which has duly and validly given a Dissent Notice, prior to the date set for the hearing of the Final Order, a notice (a "Notice of Intention") stating that, subject to receipt of the Final Order and satisfaction of the other conditions set out in the Arrangement Agreement, Orex intends to complete the Arrangement and advising the registered Orex Shareholder that if the registered Orex Shareholder wishes to proceed with its dissent, the registered Orex Shareholder must comply with the requirements of paragraph 19(e);

(e) a registered Orex Shareholder that wishes to proceed with its dissent must give to Orex at 1130 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9, Attention: Corporate Secretary, to be received by Orex no later than 4:00 pm (Vancouver time) on the date which is 14 days after the date of mailing of the Notice of Intention:

(i) a written statement that the registered Orex Shareholder requires Orex to purchase all of the Notice Shares,

(ii) the certificates representing the Notice Shares, and

(iii) if paragraph 19(b)(i)(B) or 19(b)(ii) applies, a written statement that:

(A) is signed by the beneficial owner on whose behalf the Dissent Rights are being exercised, and

(B) sets out whether or not the beneficial owner is the beneficial owner of other Orex Shares and, if so, states:

(I) the names of the registered owners of those other shares,

(II) the number of those other shares that are held by each of those registered owners, and

(III) that the Dissent Rights have been exercised in respect of all of those other shares;

(f) if a registered Orex Shareholder fails to strictly comply with the foregoing requirements of the Dissent Rights with respect to any Notice Shares, Orex shall return to the registered Orex Shareholder the certificates representing those Notice Shares, if any, delivered to it pursuant to paragraph 19(e), Orex and Spinco shall cease to have any further obligation to the registered Orex Shareholder under paragraph 19(k) with respect to those Notice Shares and, if the Arrangement is completed, that registered Orex Shareholder shall be deemed to have participated in the Arrangement with respect to those Notice Shares on the same terms as other registered Orex Shareholders who did not give a Dissent Notice to Orex;

(g) if a Dissent Notice is given to Orex in respect of Notice Shares by a registered Orex Shareholder who is the beneficial owner of those Notice Shares, or by a registered Orex Shareholder on behalf of another person who is the beneficial owner of those Notice Shares, and the foregoing Dissent Rights are not

strictly complied with in respect of all the Orex Shares beneficially owned by that beneficial owner, Orex shall return to the registered Orex Shareholder the certificates representing those Notice Shares, if any, delivered to it pursuant to paragraph 19(e), Orex and Spinco shall cease to have any further obligations under paragraph 19(k) with respect to those Notice Shares and, if the Arrangement is completed, that registered Orex Shareholder shall be deemed to have participated in the Arrangement with respect to those Notice Shares on the same basis as other registered Orex Shareholders who did not give a Dissent Notice to Orex;

(h) a registered Orex Shareholder that complies with the foregoing requirements of the Dissent Rights (a "Dissenting Shareholder") with respect to Notice Shares is not able to withdraw its dissent and, on the Effective Date immediately following completion of the steps described in section 2.3 of the Plan of Arrangement, the Dissenting Shareholder shall be deemed to have transferred to Orex all of those Notice Shares (hereinafter the "Dissent Shares") free and clear of any Encumbrances (as defined in the Plan of Arrangement) for cancellation without any further act or formality, and shall have no further right in respect of the Dissent Shares other than to be paid for the Dissent Shares in accordance with paragraph 19(k) and, from and after the time at which the Dissenting Shareholder is deemed to have transferred to Orex the Dissent Shares, in no case shall Orex or Spinco be required to recognize such Dissenting Shareholder as a holder of those Dissent Shares and the name of such Dissenting Shareholder shall be removed from Orex's central securities register with respect to those Dissent Shares;

(i) a Dissenting Shareholder who is ultimately determined not to be entitled, for any reason, to be paid fair value for its Dissent Shares, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Orex Shareholder and shall be entitled to receive only the New Common Shares and Spinco Shares that such non-dissenting Orex Shareholders are entitled to receive pursuant to the Arrangement;

(j) if a Dissenting Shareholder complies with the foregoing requirements of the Dissent Rights, but the Arrangement is not completed, Orex shall return to the Dissenting Shareholder the certificates representing the Dissent Shares, if any, delivered to it pursuant to paragraph 19(e) and Orex shall have no obligations to the Dissenting Shareholder under paragraphs 19(k) and 19(l);

(k) Orex shall promptly pay to a Dissenting Shareholder, for each Dissent Share:

  (i) the amount agreed upon by that Dissenting Shareholder and Orex following the reaching of an agreement; or

  (ii) if that Dissenting Shareholder and Orex are unable to agree upon an amount, the amount determined under paragraph 19(l); and

(l) Orex or a Dissenting Shareholder who has not reached an agreement with Orex under paragraph 19(k)(i) may apply to the Court and the Court may:

(i) determine the fair value that the Dissent Shares had immediately before the passing of the Arrangement Resolution, excluding any appreciation or depreciation in anticipation of the Arrangement unless such exclusion would be inequitable, or order that such fair value be established by arbitration or by reference to the registrar or a referee of the Court;

(ii) join in the application every Dissenting Shareholder, other than a Dissenting Shareholder who has reached an agreement with Orex under paragraph 19(k)(i); and

(iii) make consequential orders and give directions it considers appropriate; and

(m) for greater certainty, neither Orex, Spinco, nor any other person shall be required to recognize a Dissenting Shareholder as a registered or beneficial shareholder of Orex Shares at or after the Effective Time, and at the Effective Time the names of such Dissenting Shareholders shall be deleted from the securities register of Orex.

OREX OPTIONHOLDER DISSENT RIGHTS

20. Each Orex Optionholder is granted rights to dissent (the "Optionholder Dissent Rights") in respect of the Arrangement Resolution in accordance with Division 2 of Part 8 of the BCBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order, including that:

(a) an Orex Optionholder intending to exercise the Dissent Rights must give a written notice of dissent (a "Optionholder Dissent Notice") to Orex at 1130 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 Attention: Corporate Secretary, to be received by Orex no later than 10:00 a.m. (Vancouver time) on the date that is at least two business days prior to the date of the Meeting or any date to which the Meeting may be postponed or adjourned;

(b) an Optionholder Dissent Notice must specify the name and address of the Orex Optionholder, the number of Orex Options in respect of which the Optionholder Dissent Notice is being given (the "Notice Options") and it must state that the Notice Options constitute all of the Orex Options of which the Orex Optionholder is the registered owner;

(c) an Orex Optionholder must not vote in favour of the Arrangement Resolution any Orex Options registered in its name in respect of which the Orex Optionholder has given a Optionholder Dissent Notice;

(d) if the Arrangement Resolution is passed at the Meeting, Orex must send by registered mail to every Orex Optionholder which has duly and validly given a Optionholder Dissent Notice, prior to the date set for the hearing of the Final Order, a notice (a "Optionholder Notice of Intention") stating that, subject to receipt of the Final Order and satisfaction of the other conditions set out in the Arrangement Agreement, Orex intends to complete the Arrangement and advising the Orex Optionholder that if the Orex

Optionholder wishes to proceed with its dissent, the Orex Optionholder must comply with the requirements of paragraph 20(e);

(e) an Orex Optionholder that wishes to proceed with its dissent must give to Orex at 1130 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9, Attention: Corporate Secretary, to be received by Orex no later than 4:00 pm (Vancouver time) on the date which is 14 days after the date of mailing of the Optionholder Notice of Intention:

(i) a written statement that the Orex Optionholder requires Orex to purchase all of the Notice Options; and

(ii) the option agreements representing the Notice Options;

(f) if an Orex Optionholder fails to strictly comply with the foregoing requirements of the Optionholder Dissent Rights with respect to any Notice Options, Orex shall return to the Orex Optionholder the option agreements representing those Notice Options, if any, delivered to it pursuant to paragraph 20(e), Orex and Spinco shall cease to have any further obligation to the Orex Optionholder under paragraph 20(j) with respect to those Notice Options and, if the Arrangement is completed, that Orex Optionholder shall be deemed to have participated in the Arrangement with respect to those Notice Options on the same terms as other Orex Optionholders who did not give an Optionholder Dissent Notice to Orex;

(g) an Orex Optionholder that complies with the foregoing requirements of the Optionholder Dissent Rights (a "Dissenting Optionholder") with respect to Notice Options is not able to withdraw its dissent and, on the Effective Date immediately following completion of the steps described in Section 2.3 of the Plan of Arrangement, the Dissenting Optionholder shall be deemed to have transferred to Orex all of those Notice Options (hereinafter the "Dissent Options") free and clear of any Encumbrances (as defined in the Plan of Arrangement) for cancellation without any further act or formality, and shall have no further right in respect of the Dissent Options other than to be paid for the Dissent Options in accordance with paragraph 20(j) and, from and after the time at which the Dissenting Optionholder is deemed to have transferred to Orex the Dissent Options, in no case shall Orex or Spinco be required to recognize such Dissenting Optionholder as a holder of those Dissent Options and the name of such Dissenting Optionholder shall be removed from Orex's securities register with respect to those Dissent Options;

(h) a Dissenting Optionholder who is ultimately determined not to be entitled, for any reason, to be paid fair value for its Dissent Options, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Orex Optionholder and shall be entitled to receive only the New Orex Options and Spinco Options that such non-dissenting Orex Optionholders are entitled to receive pursuant to the Arrangement;

(i) if a Dissenting Optionholder complies with the foregoing requirements of the Optionholder Dissent Rights, but the Arrangement is not completed, Orex

shall return to the Dissenting Optionholder the option agreements representing the Dissent Options, if any, delivered to it pursuant to paragraph 20(e) and Orex shall have no obligations to the Dissenting Optionholder under paragraphs 20(j) and 20(k);

(j) Orex shall promptly pay to a Dissenting Optionholder, for each Dissent Option:

(i) the amount agreed upon by that Dissenting Optionholder and Orex following the reaching of an agreement; or

(ii) if that Dissenting Optionholder and Orex are unable to agree upon an amount, the amount determined under paragraph 20(k); and

(k) Orex and a Dissenting Optionholder who has not reached an agreement with Orex under paragraph 20(j)(i) may apply to the Court and the Court may:

(i) determine the fair value that the Dissent Options had immediately before the passing of the Arrangement Resolution, excluding any appreciation or depreciation in anticipation of the Arrangement unless such exclusion would be inequitable, or order that such fair value be established by arbitration or by reference to the registrar or a referee of the Court;

(ii) join in the application every Dissenting Optionholder, other than a Dissenting Optionholder who has reached an agreement with Orex under paragraph 20(j)(i); and

(iii) make consequential orders and give directions it considers appropriate; and

(l) for greater certainty, neither Orex, Spinco, nor any other person shall be required to recognize a Dissenting Optionholder as a securityholder of Orex at or after the Effective Time, and at the Effective Time the names of such Dissenting Optionholder shall be deleted from the securities register of Orex.

OREX WARRANTHOLDER DISSENT RIGHTS

21. Each Orex Warrantholder is granted rights to dissent (the "Warrantholder Dissent Rights") in respect of the Arrangement Resolution in accordance with Division 2 of Part 8 of the BCBCA, as modified by the Plan of Arrangement, this Interim Order and the Final Order, including that:

(a) an Orex Warrantholder intending to exercise the Dissent Rights must give a written notice of dissent (a "Warrantholder Dissent Notice") to Orex at 1130 - 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9 Attention: Corporate Secretary, to be received by Orex no later than 10:00 a.m. (Vancouver time) on the date that is at least two business days prior to the date of the Meeting or any date to which the Meeting may be postponed or adjourned;

(b) a Warrantholder Dissent Notice must specify the name and address of the Orex Warrantholder, the number of Orex Warrants in respect of which the Warrantholder Dissent Notice is being given (the "Notice Warrants") and it

must state that the Notice Warrants constitute all of the Orex Warrants of which the Orex Warrantholder is the registered owner;

(c) an Orex Warrantholder must not vote in favour of the Arrangement Resolution any Orex Warrants registered in its name in respect of which the Orex Warrantholder has given a Warrantholder Dissent Notice;

(d) if the Arrangement Resolution is passed at the Meeting, Orex must send by registered mail to every Orex Warrantholder which has duly and validly given a Warrantholder Dissent Notice, prior to the date set for the hearing of the Final Order, a notice (a "Warrantholder Notice of Intention") stating that, subject to receipt of the Final Order and satisfaction of the other conditions set out in the Arrangement Agreement, Orex intends to complete the Arrangement and advising the Orex Warrantholder that if the Orex Warrantholder wishes to proceed with its dissent, the Orex Warrantholder must comply with the requirements of paragraph 21(e);

(e) an Orex Warrantholder that wishes to proceed with its dissent must give to Orex at 1130 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9, Attention: Corporate Secretary, to be received by Orex no later than 4:00 pm (Vancouver time) on the date which is 14 days after the date of mailing of the Warrantholder Notice of Intention:

(i) a written statement that the Orex Warrantholder requires Orex to purchase all of the Notice Warrants; and

(ii) the warrant certificates representing the Notice Warrants;

(f) if an Orex Warrantholder fails to strictly comply with the foregoing requirements of the Warrantholder Dissent Rights with respect to any Notice Warrants, Orex shall return to the Orex Warrantholder the warrant certificates representing those Notice Warrants, if any, delivered to it pursuant to paragraph 21(e), Orex shall cease to have any further obligation to the Orex Warrantholder under paragraph 21(j) with respect to those Notice Warrants and, if the Arrangement is completed, that Orex Warrantholder shall be deemed to have participated in the Arrangement with respect to those Notice Warrants on the same terms as other Orex Warrantholders who did not give a Warrantholder Dissent Notice to Orex;

(g) an Orex Warrantholder that complies with the foregoing requirements of the Warrantholder Dissent Rights (a "Dissenting Warrantholder") with respect to Notice Warrants is not able to withdraw its dissent and, on the Effective Date immediately following completion of the steps described in Section 2.3 of the Plan of Arrangement, the Dissenting Warrantholder shall be deemed to have transferred to Orex all of those Notice Warrants (hereinafter the "Dissent Warrants") free and clear of any Encumbrances (as defined in the Plan of Arrangement) for cancellation without any further act or formality, and shall have no further right in respect of the Dissent Warrants other than to be paid for the Dissent Warrants in accordance with paragraph 21(j) and, from and after the time at which the Dissenting Warrantholder is deemed to have transferred to Orex the Dissent Warrants in no case shall Orex or Spinco be

required to recognize such Dissenting Warrantholder as a holder of those Dissent Warrants and the name of such Dissenting Warrantholder shall be removed from Orex's securities register with respect to those Dissent Warrants;

(h) a Dissenting Warrantholder who is ultimately determined not to be entitled, for any reason, to be paid fair value for its Dissent Warrants, shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting Orex Warrantholder and shall be entitled to receive only the New Orex Warrants and Spinco Warrants that such non-dissenting Orex Warrantholders are entitled to receive pursuant to the Arrangement;

(i) if a Dissenting Warrantholder complies with the foregoing requirements of the Warrantholder Dissent Rights, but the Arrangement is not completed, Orex shall return to the Dissenting Warrantholder the Warrant certificates representing the Dissent Warrants, if any, delivered to it pursuant to paragraph 21(e) and Orex shall have no obligations to the Dissenting Warrantholder under paragraphs 21(j) and 21(k);

(j) Orex shall promptly pay to a Dissenting Warrantholder, for each Dissent Warrant:

(i) the amount agreed upon by that Dissenting Warrantholder and Orex following the reaching of an agreement; or

(ii) if that Dissenting Warrantholder and Orex are unable to agree upon an amount, the amount determined under paragraph 21(k); and

(k) Orex and a Dissenting Warrantholder who has not reached an agreement with Orex under paragraph 21(j)(i) may apply to the Court and the Court may:

(i) determine the fair value that the Dissent Warrants had immediately before the passing of the Arrangement Resolution, excluding any appreciation or depreciation in anticipation of the Arrangement unless such exclusion would be inequitable, or order that such fair value be established by arbitration or by reference to the registrar or a referee of the Court;

(ii) join in the application every Dissenting Warrantholder, other than a Dissenting Warrantholder who has reached an agreement with Orex under paragraph 21(j)(i); and

(iii) make consequential orders and give directions it considers appropriate; and

(l) for greater certainty, neither Orex, Spinco, nor any other person shall be required to recognize a Dissenting Warrantholder as a securityholder of Orex at or after the Effective Time, and at the Effective Time the names of such Dissenting Warrantholder shall be deleted from the securities register of Orex.

APPLICATION FOR FINAL ORDER

22. Orex shall include in the Meeting Materials, when sent in accordance with paragraph 8 of this Interim Order, a copy of the Notice of Petition herein, in substantially the form attached as Exhibit "B" to the Wilmot Affidavit, and the text of this Interim Order (collectively, the "Court Materials"), and such Court Materials shall be deemed to have been served at the times specified in accordance with paragraph 8 and/or 11 of this Interim Order, whether such persons reside within British Columbia or within another jurisdiction.

23. The form of Notice of Petition attached as Exhibit "B" to the Wilmot Affidavit is hereby approved as the form of notice for the hearing of the application for the Final Order.

24. The persons entitled to appear and be heard at any hearing to sanction and approve the Arrangement, shall be only:

    (a) Orex;

    (b) Spinco; and

    (c) Orex Securityholders and other persons who have served and filed a Response to Petition and have otherwise complied with the Supreme Court Civil Rules and paragraph 25 of this Interim Order.

25. The sending of the Meeting Materials in the manner contemplated by paragraph 8, shall constitute good and sufficient service and no other form of service need be effected and no other material need be served on such persons in respect of these proceedings, except with respect to any person who shall:

    (a) file a Response to Petition, in the form prescribed by the Supreme Court Civil Rules, together with any evidence or material which is to be presented to the Court at the hearing of the Application; and

    (b) deliver the filed Response to Petition together with a copy of any evidence or material which is to be presented to the Court at the hearing of the Application, to Orex's counsel at:

        Stikeman Elliott LLP
        Barristers and Solicitors
        1700 – 666 Burrard Street
        Vancouver, British Columbia
        V6C 2X8

        Attention: Jonathan Buysen

by or before 4:00 p.m. (Vancouver time) on September 21, 2015.

26. Upon the approval by the Orex Securityholders of the Arrangement Resolution, in the manner set forth in this Interim Order, Orex may apply to this Court (the "Application") for an Order:

    (a) pursuant to section 291(4)(a) of the BCBCA approving the Arrangement; and

(b) pursuant to section 291(4)(c) of the BCBCA declaring that the Arrangement is fair and reasonable to the Orex Securityholders

(collectively the "Final Order"),

and the hearing of the Application will be held on September 24, 2015 at 9:45 a.m. (Vancouver time) at the Courthouse at 800 Smithe Street, Vancouver, British Columbia or as soon thereafter as the Application can be heard or at such other date and time as this Court may direct.

27. In the event that the hearing of the Application is adjourned, then only those persons who filed and delivered a Response to Petition in accordance with paragraph 25, need be served and provided with notice of the adjourned hearing date.

VARIANCE

28. Orex shall be entitled, at any time, to apply to vary this Interim Order.

29. Rules 8-1 and 16-1(8) - (12) will not apply to any further applications in respect of this proceeding, including the application for the Final Order and any application to vary this Interim Order.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

Signature of Lawyer for the Petitioner,
Orex Minerals Inc.

Lawyer: Jonathan Buysen

BY THE COURT

Deputy Registrar

AS TO FORM

No. S-156911
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF SECTION 288 OF THE BRITISH COLUMBIA *BUSINESS CORPORATIONS ACT*, S.B.C. 2002, C.57, AS AMENDED

AND

IN THE MATTER OF A PROPOSED ARRANGEMENT INVOLVING OREX MINERALS INC.

OREX MINERALS INC.

PETITIONER

NOTICE OF PETITION

TO: The Securityholders of Orex Minerals Inc. ("Orex")

AND TO: Barsele Minerals Corp. ("Spinco")

NOTICE IS HEREBY GIVEN that a Petition to the Court has been filed by Orex in the Supreme Court of British Columbia for approval, pursuant to section 291 of the *Business Corporations Act*, S.B.C. 2002 c. 57 and amendments thereto, of an arrangement contemplated in an arrangement agreement dated August 6, 2015 between Orex and Spinco (the "Arrangement").

NOTICE IS FURTHER GIVEN that by Order of Master Taylor, a master of the Supreme Court of British Columbia, dated August 21, 2015, the Court has given directions by means of an interim order (the "Interim Order") as to the calling of a meeting (the "Meeting") of the registered holders of Orex common shares (the "Orex Shareholders"), the holders of options to purchase Orex common shares (the "Orex Optionholders") and the holders of warrants to purchase Orex common shares (the "Orex Warrantholders" and together with the Orex Shareholders and the Orex Optionholders, the "Orex Securityholders") for the purpose of, among other things, considering and voting upon the special resolution to approve the Arrangement.

NOTICE IS FURTHER GIVEN that if the Arrangement is approved at the Meeting, Orex intends to apply to the Supreme Court of British Columbia for a final order (the "Final Order") approving the Arrangement and declaring it to be fair and reasonable to the Orex Securityholders, which application will be heard at the courthouse at 800 Smithe Street, in the City of Vancouver, in the Province of British Columbia on September 24, 2015 at 9:45 a.m. (Vancouver time) or so soon thereafter as counsel may be heard or at such other date and time as the Court may direct.

NOTICE IS FURTHER GIVEN that the Court has been advised that, if granted, the Final Order approving the Arrangement and the declaration that the Arrangement is fair to the Orex Securityholders will constitute the basis for an exemption from the registration requirements under the *United States Securities Act of 1933*, pursuant to section 3(a)(10) thereof, upon which the parties will rely for the issuance and exchange of securities in connection with the Arrangement.

IF YOU WISH TO BE HEARD AT THE HEARING OF THE APPLICATION FOR THE FINAL ORDER OR WISH TO BE NOTIFIED OF ANY FURTHER PROCEEDINGS, YOU MUST GIVE NOTICE OF YOUR INTENTION by filing a form entitled "Response to Petition" together with any evidence or materials which you intend to present to the Court at the Vancouver Registry of the Supreme Court of British Columbia and YOU MUST ALSO DELIVER a copy of the Response to Petition and any other evidence or materials to Orex's address for delivery, which is set out below, on or before 4:00 p.m. (Vancouver time) on September 21, 2015.

YOU OR YOUR SOLICITOR may file the Response to Petition. You may obtain a form of Response to Petition at the Registry. The address of the Registry is 800 Smithe Street, Vancouver, British Columbia, V6Z 2E1.

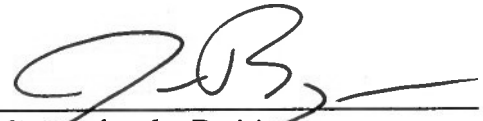
IF YOU DO NOT FILE A RESPONSE TO PETITION AND ATTEND EITHER IN PERSON OR BY COUNSEL at the time of the hearing of the application for the Final Order, the Court may approve the Arrangement, as presented, or may approve it subject to such terms and conditions as the Court deems fit, all without further notice to you. If the Arrangement is approved, it will affect the rights of the Orex Securityholders.

A copy of the Petition to the Court and the other documents that were filed in support of the Interim Order and will be filed in support of the Final Order will be furnished to any Orex Securityholder upon request in writing addressed to the solicitors of the Petitioner at the address for delivery set out below.

The Petitioner's address for delivery is:

Stikeman Elliott LLP
Barristers and Solicitors
1700 - 666 Burrard Street
Vancouver, BC V6C 2X8
Attention: Jonathan Buysen

DATED this 21st day of August, 2015.



Solicitor for the Petitioner,
Orex Minerals Inc.

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APPENDIX E
INFORMATION CONCERNING OREX AFTER THE ARRANGEMENT

The following is a summary of Orex and its business and operations after the Arrangement, which should be read together with the more detailed information and financial data and statements contained elsewhere in the management information circular of Orex Minerals Inc., to which this Appendix E is attached (the "Circular"). The information contained in this Appendix, unless otherwise indicated, is given as of August 21, 2015, the date of the Circular.

All capitalized terms used in this Appendix and not defined herein have the meanings given to them in the "Glossary of Terms" or elsewhere in the Circular. Unless otherwise indicated herein, references to "$", "Cdn$" or "Canadian dollars" are to Canadian dollars and references to "US$" or "U.S. dollars" are to United States dollars. See "Currency and Exchange Rates" in the Circular. See also in the Circular "Cautionary Note Regarding Forward-Looking Statements".

OVERVIEW

On completion of the Arrangement, Orex will continue to be a corporation existing under the Laws of the Province of British Columbia and Orex Shareholders before the Effective Date will be New Orex Shareholders and Spinco Shareholders. On completion of the Arrangement, Orex will continue to hold the assets Orex currently holds except the 45% interest in the Barsele Project and $500,000, which will be held by Spinco.

CORPORATE STRUCTURE

Orex was incorporated under the British Columbia Company Act on April 25, 1996 under the name "Orex Ventures Inc.". On October 13, 2004, Orex completed its transition application under the Business Corporations Act. On December 9, 2004, Orex increased its authorized capital to an unlimited number of common shares without par value. On October 31, 2007, Orex changed its name to "Orex Minerals Inc." On October 19, 2010, Orex consolidated its issued and outstanding common shares on a five-to-one basis. Trading of the consolidated shares commenced on the TSX-V on October 20, 2010.

Following the Arrangement, Orex will remain a reporting issuer in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba and Ontario and the New Common Shares will be listed for trading on the TSX-V under the symbol "REX". Orex's registered and records office will continue to be located at Suite 1700, 666 Burrard Street, Vancouver, British Columbia, V6C 2X8 and its head office will continue to be located at Suite 1130 – 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9.

Upon completion of the Arrangement, the authorized capital of Orex will consist of an unlimited number of New Common Shares without par value.

Intercorporate Relationships

After the Arrangement, Orex will have the following subsidiaries:

Name of Subsidiary	Country of Incorporation	Proportion of Ownership Interest	Principal Activity
OVI Exploration de Mexico S.A. de C.V.	Mexico	100%	Mineral exploration
Servicios Mineros Orex Silver S.A. de C.V.	Mexico	100%	Mineral exploration
Con Exploraciones y Proyectos de Mexico S.A. de C.V.	Mexico	100%	Mineral exploration
Astral Mining Corporation	Canada	100%	Mineral exploration
Astral Mining, S.A. de C.V.	Mexico	100%	Mineral exploration
Exploraciones y Desarrollos Mineros Coneto S.A.P.I.	Mexico	45%	Mineral exploration



DESCRIPTION OF THE BUSINESS

Orex's primary business objective will continue to be to conduct exploration on the Los Crestones Project and Jumping Josephine Project and to maintain its remaining properties. In particular, Orex's objective will be to carry out the exploration programs recommended in the Los Crestones Technical Report and the Jumping Josephine Technical Report.

After the Arrangement Orex also plans to continue to seek out new mineral project opportunities in Mexico and may seek to acquire interests in additional properties if Orex believes such properties have sufficient geologic or economic potential and if Orex has adequate financial resources to complete such acquisitions. Orex may explore joint venture options or otherwise dispose of projects in the normal course of Orex's operations. See "*Mineral Projects*" below for further information on Orex's properties.

Upon completion of the Arrangement, New Orex Shareholders will hold in the aggregate 100% of the issued and outstanding New Common Shares, and Orex will have the same directors, staff and management team as Orex's current directors, staff and management team, plus approximately $5,500,000 in cash to pursue the exploration and maintenance of the Los Crestones Project, the Jumping Josephine Project and its remaining properties.

On June 11, 2015, the Gunnarn JV was completed and Agnico Eagle, through AE Sweden, acquired a 55% interest in Gunnarn in consideration of an initial payment to Orex of US$6,000,000. An additional US$2,000,000 will be payable by AE Sweden, or by Agnico Eagle on AE Sweden's behalf, to Orex in cash or common shares of Agnico Eagle at AE Sweden's election on each of the first and second anniversaries of the closing of the Gunnarn JV. The right to receive such future payments under the share purchase agreement will be retained by Orex after completion of the Arrangement.

As part of the Gunnarn JV and in accordance with the terms of the Gunnarn JV Agreement, which is available for public viewing on Orex's SEDAR profile at www.sedar.com, AE Sweden has committed to spend US$7,000,000 on Barsele Project expenditures over three years. Under the Gunnarn JV Agreement, AE Sweden may make a cash payment to Orex to satisfy any required Barsele Project expenditures that it does not otherwise make. Spinco will be assigned the right to receive any such payments as part of the Spinco Reorganization. Pursuant to the Gunnarn JV Agreement, if AE Sweden or Agnico Eagle prepares a pre-feasibility study on the Barsele Project and contributes it to Gunnarn, AE Sweden's interest in Gunnarn will increase to 70% and Orex's interest in Gunnarn will be reduced to 30%. Until such pre-feasibility study is contributed to Gunnarn by AE Sweden or Agnico Eagle, all costs and expenses of Gunnarn will be for the account of AE Sweden and, following the completion of such pre-feasibility study, all costs and expenses of Gunnarn will be shared by AE Sweden and Orex in accordance with their proportionate interests in Gunnarn. In accordance with the Gunnarn JV Agreement, AE Sweden is the operator of the Barsele Project for customary compensation and has a majority of seats on Gunnarn's board of directors (the "**Gunnarn Board**").

In connection with the Gunnarn JV, Orex was also assigned a 2% NSR on production from the Barsele Project, which NSR interest may be repurchased by Agnico at any time for US$5,000,000. The NSR interest will be retained by Orex after completion of the Arrangement.

Immediately prior to the Effective Time, Orex will assign the Gunnarn JV Agreement to Spinco as part of the Spinco Reorganization. Orex expects that, on the Effective Date, it will be released from substantially all of its obligations under the Gunnarn JV Agreement on the assignment of the Gunnarn JV Agreement to Spinco, other than liabilities arising in respect of conduct that occurred prior to the assignment and its obligations to provide its proportionate share of funds to Gunnarn to satisfy environmental and other obligations of Gunnarn that arose out of activities conducted prior to such assignment.

Three-Year History

For a description of how Orex's business has developed over the last three completed financial years and the period from May 1, 2014 to the date of the Meeting, refer to Orex's MD&A related to the audited consolidated financial statements for the financial years ended April 30, 2015, April 30, 2014 and April 30, 2013, which have been filed on Orex's SEDAR profile at www.sedar.com.

Orex is currently in negotiations with a third party to obtain an option for a potential controlling interest of mineral properties owned by the third party.

Coneto Property, Mexico

On July 16, 2009, Orex signed a letter of intent to purchase 100% of the core mineral concessions within the Coneto Property in Durango State, Mexico, in exchange for 2,200,000 Orex Shares. The definitive purchase agreement, signed on September 1, 2009, was subject to the approval of the TSX-V. After receiving TSX-V approval, on April 15, 2010, Orex issued 2,200,000 Orex Shares to the vendors of the Coneto concessions, valued at $2,090,000. The Coneto Property is subject to a 2.5% NSR payable to the vendors.

Located in the Mesa Central on the eastern flank of the Sierra Madre Occidental Mountains, Coneto is centrally positioned in the "Mexican Silver Trend". This silver trend, stretching from Guanajuato in the southeast, through the states of Zacatecas and Durango, hosts some of the world's largest silver deposits, including Real de Angeles, Zacatecas, Fresnillo, La Preciosa and La Pitarilla mining camps.

The Coneto mining camp has a history going back over 400 years. More than 40 epithermal silver-gold quartz veins have been documented in a window of exposed Tertiary Lower Volcanic andesites. Past underground production was achieved on three of the veins down to the watertable. Prior to Orex, very little diamond drilling had been carried out within the property in spite of its long history of episodic production.

The Coneto mining camp historically consisted of approximately 3,300 hectares of claims. During 2010, Orex announced its successful applications to locate new mineral concessions called Lomas 3 and Lomas 4, which surround the historical claims. With the addition of these new mineral concessions, the total area of the Coneto Property increased to 16,346 hectares.

The initial work program on the Coneto Property consisted of detailed structural geology mapping and geochemical sampling in the areas around Calaveras, Colemanito, Promontorio, Loma Verde, Durazno and Impulsora. This program was designed to guide a diamond drilling program. As of December 2009, regional geology mapping at 1:10,000 scale covered 35 km^2 and detailed structural geology mapping at 1:500 scale covered 15 km^2. Forty-nine line-kilometres of geochemical sampling, both for soil and rock channel/chip/grab, total 1,794 samples. The Loma Verde, Promontorio and Impulsora sectors yielded multiple anomalous values for gold and silver.

The Phase-I drilling campaign of approximately 5,000 metres of HQ and NQ diameter core commenced in May 2010 and was performed by Major Drilling de Mexico, S.A. de C.V. utilizing a surface UDR-200 rig. A total of 21 holes were completed in the Loma Verde, Durazno, Promontorio, Impulsora, Estrella-Calaveras and Sauce-Palma areas. Over 2,000 drill core samples were submitted for analyses to SGS Mineral Services in Durango, Mexico. The assay results of the drilling campaign were announced by news releases of Orex on July 6, 2010, August 9, 2010 and November 1, 2010. Nine holes yielded high values for gold and silver, especially in the Loma Verde and Impulsora areas.

During fiscal 2011, Orex signed a non-binding letter of intent with Fresnillo Plc ("**Fresnillo**") to jointly explore the contiguous mineral concessions held by Orex and Fresnillo in the Coneto mining district. A definitive association agreement was signed on February 2, 2012 (the "**Association Agreement**"). The principal terms of the Association Agreement are as follows:

- Fresnillo will spend a minimum of US$2,000,000 on exploration during the first year after the necessary exploration permits are obtained. A minimum of 70% of this exploration must be conducted on Orex's concessions.

- Fresnillo will have the option to spend an additional US$2,000,000 per year on exploration for each of the following two years. A minimum of 70% of this exploration must also be conducted on Orex's concessions.

- Upon Fresnillo spending an aggregate of US$6,000,000 on exploration activities, Orex and Fresnillo will each contribute their respective Coneto mining concessions to a new company ("**NewCo**") that initially would be owned 55% by Fresnillo and 45% by Orex.

- Fresnillo will have the right to increase its ownership of NewCo to 70% by either completing a prefeasibility study or spending up to an additional US$21,000,000 in the process of preparing a prefeasibility study.

- If Fresnillo chooses not to exercise the right to increase its ownership of NewCo to 70%, the costs incurred to complete a prefeasibility study will be shared by Fresnillo and Orex in proportion to their ownership of NewCo – 55% by Fresnillo and 45% by Orex.

- Any additional funding required by NewCo will be provided by Orex and Fresnillo in proportion to their respective ownership interests in NewCo at that time.

- Fresnillo will have a right of first refusal to acquire Orex's ownership interest in NewCo if Orex receives an offer for its interest in NewCo that it proposes to accept.

- During the life of the Association Agreement, in the event that Orex, or any of its subsidiaries, enters into a transaction to acquire an interest in any additional mineral properties in Mexico and then later decides to sell or option out that interest to a third party, Fresnillo will have a right of first refusal to participate in such transaction on the same terms and conditions as offered to the third party.

In conjunction with entering the Association Agreement with Fresnillo, on February 8, 2012, Orex issued 2,500,000 units to Fresnillo at $0.80 per unit for gross proceeds of $2,000,000 under a non-brokered private placement. Each unit consisted of one Orex Share and one half of one transferable share purchase warrant. The share purchase warrants were not exercised and expired on February 8, 2014.

A Phase-II diamond drilling program of 31 holes, totally 11,998 metres, commenced in late August 2012 and a second drill was added in October 2012. The contracted drilling company, Kluane Drilling Ltd. ("**Kluane**"), utilized modularized mobile drilling equipment that minimizes the need to construct roads on the property. The total cost for the Phase II drilling program, including pre-drilling geological and geophysical mapping, was approximately $3,300,000, an amount which was entirely funded by Fresnillo per the terms of the Association Agreement.

The results from the 31 diamond drill holes in the Loma Verde, Central Zone, Impulsora, Promontorio and La Bufa areas of the Phase-II program, yielded high grade intercepts of gold and silver in the Loma Verde and La Bufa areas, with results announced in news releases of Orex dated November 7, 2012 and January 7 and March 25, 2013.

Also in fiscal 2013, a detailed surface trench channel sampling program was initiated on various mineralized structures at Coneto. Results for the Loma Verde, Santo Nino and Impulsora were announced in news releases of Orex dated July 10, August 20, and October 7, 2013.

On July 2, 2014 a Phase – III diamond drilling program commenced for 30 holes, totalling 11,744 metres. Kluane Drilling Ltd. was awarded the drilling contract and three drilling rigs were utilized.

The results from the Phase – III 30 diamond drill holes in the Promontorio, Impulsora, Loma Verde, La Bufa and Central areas yielded high-grade intercepts in the Loma Verde and Promontorio areas. Results were announced in news releases of Orex dated October 7, November 18 and December 8, 2014.

In August 2014, Fresnillo confirmed that it had met its exploration expenditure obligation for the first investment option stage of US$4,000,000 and it was proceeding directly to the second investment option stage on the Coneto Property.

In March 2015, plans for a Phase-IV diamond drilling program were prepared, totaling approximately 4,500 metres in 11 holes. This program commenced in 2nd quarter 2015 and will be completed in the 3rd quarter 2015.

Total diamond drilling to date on the Coneto Property equals 33,343 metres in 93 holes. Plans for conducting an initial resource estimate on the Coneto Property are scheduled for the 3rd quarter of 2015.

In August 2015, Fresnillo confirmed that effective July 31, 2015, it had spent an aggregate of US$6,000,000 on exploration activities on the Coneto Property. As such, Orex and Fresnillo will continue their joint venture relationship and will contribute their respective Coneto mining concessions to Newco which will continue to be 55% owned by Fresnillo and 45% owned by Orex.

Las Mesas Property, Mexico

On November 30, 2010, Orex entered into an option agreement to acquire a 100% interest in the Las Mesas property in Durango, Mexico from La Cuesta International, S.A. de C.V. ("**La Cuesta**") for US$4,000,000, less any option maintenance payments paid before the exercise of the option. To initiate the option agreement, Orex paid La Cuesta $35,200 (US$35,000) in cash. The Las Mesas property is subject to a 1% NSR payable to La Cuesta. To maintain the option in good standing, Orex was required to make staged cash payments to La Cuesta totalling US$77,500 over four years and then US$40,000 each subsequent year. In addition, Orex was required to incur exploration expenditures of US$50,000 on the Las Mesas property before December 1, 2011. Subsequent to April 30, 2011, Orex received the assays from its drill program on Las Mesas and management was disappointed with the overall results. A decision was made to terminate the Las Mesas option agreement and consequently, mineral property costs of $35,200 were written-off during fiscal year 2011.

Astral Mining Corporation

On February 12, 2013, Orex acquired all of the issued and outstanding common shares of Astral pursuant to a plan of arrangement (the "**Astral Arrangement**"). Astral is now, and following completion of the Arrangement, will continue to be, a wholly-owned subsidiary of Orex. Pursuant to the Astral Arrangement, Orex issued to former Astral shareholders 0.0834 of an Orex Share for each issued and outstanding common share of Astral. A total of 2,083,795 Orex Shares were issued to the former shareholders of Astral. Furthermore, certain unsecured creditors and holders of convertible notes of Astral have converted debt owed to them by Astral into Orex Shares in settlement of the debt. The debt was converted into a total of 840,425 Orex Shares based on a deemed price of $0.571699 per share, which is equal to the volume weighted average closing price of Orex Shares as traded on the TSX-V for the five trading days before the closing of the Astral Arrangement on the terms and conditions contained in debt settlement agreements. Upon issuance of the Orex Shares to the Astral noteholders, their notes have been cancelled and the general security agreements granted by Astral to secure their notes have been discharged. One of the note holders is a company wholly-owned by Manfred Kurschner, former CEO and a director of Astral. Nick DeMare, a former director of Astral, is the sole owner of one company and 50% owner of another company that held convertible notes.

In connection with the Astral Arrangement, Orex acquired the Jumping Josephine Project located in the West Kootenay region of Southeastern British Columbia, Canada and the Los Crestones Project located in the Sierra Madre Occidental of Sinaloa State, western Mexico. See "*Mineral Projects*" below for more information.

Recent Financings

On January 19, 2015, Orex completed a non-brokered private placement consisting of 4,800,000 Orex Shares at a price of $0.25 per share for gross proceeds of $1,200,000. Orex paid a finder's fee of 48,000 Orex Shares to an arm's length individual in connection with the private placement.

Acquisitions

Coneto Property, Mexico

See the description under "*Description of the Business - Three Year History – Coneto Property*" regarding the terms of the definitive agreement pursuant to which Orex acquired the Coneto concessions and the terms of the Association Agreement with Fresnillo to jointly explore the contiguous mineral concessions held by Orex and Fresnillo in the Coneto mining district.

Jumping Josephine Project, British Columbia

The Jumping Josephine Project is located in the West Kootenay region of Southeastern British Columbia, Canada. See also "*Description of the Business - Mineral Projects – Jumping Josephine Project*" for technical information about the Jumping Josephine Project.

Las Mesas Property, Mexico

See the description under "*Description of the Business - Three Year History – Las Mesas Property*" regarding the terms of the option agreement to acquire a 100% interest in the Las Mesas property in Durango, Mexico from La Cuesta, which option agreement was terminated by Orex following disappointing drill results.

Astral Mining Corporation

See the description under "*Description of the Business - Three Year History – Astral Mining Corporation*" regarding the terms of the acquisition of all of the issued and outstanding common shares of Astral. The primary asset of Astral is the Los Crestones Project located in the Sierra Madre Occidental of Sinaloa State, western Mexico. See also "*Description of the Business - Mineral Projects – Los Crestones Project, Mexico*" for technical information about the Los Crestones Project.

Mineral Projects

For the purposes of the Circular, the material mineral properties of Orex following completion of the Arrangement will be the Los Crestones Project and the Coneto Property, Mexico.

Los Crestones Project, Mexico

The information below has been extracted in whole or in part from the summary contained in the Los Crestones Technical Report. Orex Shareholders are encouraged to read the entire Los Crestones Technical Report, which is available for public viewing on Orex's SEDAR profile at www.sedar.com and is incorporated by reference into the Circular.

Property Location and Access

Los Crestones is an early stage gold-silver-copper property located in the gold-silver belt of the Sierra Madre Occidental of Sinaloa State, Western Mexico. The property totals 4,168 hectares in three contiguous claims and was initially optioned by Astral from local parties in January 2011. The property is located approximately 110 km from the state capital of Culiacán and is accessed by way of federal and state highways to the town of Surutato and then by narrow dirt road to the village of Plan Grande. Currently, access to key mineralized showings on the property is facilitated by a network of ATV motorcycle trails from Plan Grande.

Property History

The claims were staked in 2009 and in several locations host evidence of small scale historical exploratory work in the form of small adits and exploratory shafts. This work has focussed on mineralized structures, often silicified, forming erosion resistant ribs locally known as "crestons". The limited extent of historical workings indicates the property has seen no significant production. A total of 208 grab and chip samples were collected by previous operators and the site displays no evidence of mechanized exploration work before Astral's involvement in late 2010. During 2011, Astral conducted first pass geochemical and geological reconnaissance work culminating in an eighteen hole, 2,618 metres diamond drill program which ran from late August to late October 2011 to test the Bohemia, El Indio and Corona structures. Multiple mineralized intercepts were achieved from silicified and brecciated intrusive dykes. Drilling recovered primarily HQ sized core, drill diameter was reduced to NQ2 size where necessary depending on ground conditions and drill capacity at depth. The highest gold content was reported in drill hole 11LD-011, which yielded 5.00 metres (true thickness of 3.54 metres) grading 39.1 g/t gold, 93 g/t silver and 2.13% copper from the Bohemia structure. The highest silver content was reported in drill hole 11LD-006, which yielded 3.09 metres (true thickness of 2.18 metres) grading 0.14 g/t gold, 479 g/t silver and 3.5% copper from the El Indio structure.

During 2014, Orex recommenced exploration at Los Crestones. During the first half of the year, Orex completed first pass geological mapping and prospecting over roughly 30% of the property including collection of 560 grab and channel samples. A property-wide helicopter airborne magnetic and radiometric geophysical survey was flown by MPX Geoservices Ltd. in April to May 2014. A follow-up ground geophysical survey, consisting of 18-line kilometers of Induced Polarization (IP) and Magnetotellurics was conducted by Quantec Geoscience Ltd. in July to August 2014. Phase-II diamond drilling program, planned for 5,000 metres, utilizing a man-portable KD-1000 diamond drilling rig, was awarded to Kluane. This phase commenced on December 7, 2014, shut down for the year-end holiday season and recommenced on January 15, 2015. Five holes of Phase-II were drilled for 2,587 m. Initial results differed from those anticipated and the Los Crestones Project was placed under review. There are additional exploration targets on the property.

Total drilling to date on Los Crestones Project equals 5,387 meters in 23 drill holes.

Geology and Mineralization

The property is located within the Sierra Madre Occidental and is underlain by Early-Mid Miocene andesitic volcanic rocks subsequently intruded by Tertiary multi-phase felsic stock(s) comprising mostly massive granodiorite and monzonite. Upper Tertiary rhyolitic dykes cut all phases of intrusive and volcanic rocks. Originally thought to host low-medium sulphidation epithermal mineralization, Orex's recent work recognizes characteristics of a diatreme-breccia complex or even the upper levels of a mineralized porphyry system on the property. Ongoing work aims to confirm these observations.

Anomalous base metal +/- gold and silver mineralization has been observed on the property related to NNW trending rhyolitic dykes and also as a matrix component in north-south oriented breccias and veins. Strongest mineralization to date has been returned from vein/breccia hosted gold-silver-copper focussed in north trending brittle structural zones within volcanics on the eastern flank of a granodiorite/monzonite intrusive body. Mineralization in these zones (sulphide mineralization in order of abundance: pyrite, chalcopyrite and silver sulphosalts) is often spatially associated with silica flooding and quartz/calcite stockwork veining within brittle structural zones demonstrating a general north-south orientation. Mapping has identified individual zones up to approximately 900 m in length on surface (Indio structure).

The region is host to a new producing mine (See Section 15.0 of the Los Crestones Technical Report: Adjacent Properties), McEwan Mining's El Gallo Deposit (Reserves: 38,176,000 ounces silver and 46,102 ounces gold in the proven and probable categories) located approximately 40 km southwest of the Los Crestones property. The El Gallo District can be classified (Addison, R., Gates, P.A. and McMahon A.M., 2011) as hosting low to intermediate sulphidation epithermal precious metal deposits. Silver and gold mineralization occurs in structural zones consisting of silicified quartz breccias and quartz stockwork that are generally hosted in volcanic rocks and near or along contacts with volcanic and intrusive rocks.

Ownership

The three claims comprising the Los Crestones property are currently registered to five individuals from two families (Coronel 27.5% owner, Esparza 72.5% owner). Astral's 100% owned subsidiary, Astral Mining S.A. de C.V., signed a letter of intent with the owners in January 2011 whereby Astral could earn 100% ownership of the claims by making staged payments totalling US$750,000 over a period of four years. The final payment was made by Astral S.A. de C.V. in January 2015, completing the requirements of the agreement. The Company has now earned a 100% interest in the Los Crestones Property and upon exercise of the option, the vendors will retain a 0.5% NSR (0.25% payable to each family) on the Los Crestones Property, which Astral may purchase for US$400,000.

Recommendations

The property is prospective for both vein/breccia hosted gold-silver +/- copper and bulk tonnage mineralization related to a porphyry system which may include late stage mineralized dykes and/or diatreme-breccia styles of mineralization. Geophysics and surface work indicate that much of the mineralization is related to an intrusive stock located in the southern half of the property and there remain several untested showings related to this intrusion. Early drill results from the 2014-2015 program were not as strong as expected and the program was suspended and the property placed on review. Recommended activities include a comprehensive targeting programme which would include results from a continued geological mapping and sampling program in addition to a reconnaissance stream sediment sampling across the northern half of the property.

NI 43-101 Disclosure

All scientific and technical information in the Circular relating to the Los Crestones Project has been reviewed and approved by Ben Whiting, P.Geo., consultant to Orex, who is a Qualified Person within the meaning of NI 43-101.

Jumping Josephine Project

The following summary information regarding the Jumping Josephine Project is derived from Astral's MD&A for the six months ended September 30, 2012 filed on Astral's SEDAR profile at www.sedar.com on March 15, 2013, which is incorporated by reference into the Circular.

Property Location and Access

Jumping Josephine is located in the West Kootenay Region in southern British Columbia. The property straddles Highway 3 in the Blueberry Paulson summit area roughly 30 km north of the town of Rossland and 30 km west of Castlegar. Access to the property from Highway 3 is by way of well-formed logging roads.

Composed of 24 current mineral claims totalling 11,667 Ha, the property includes the historic Granville Mountain Mining Camp. The Granville Mountain Camp, located in the southern portion of the claims, is

composed of a series crown-granted mineral claims, seven of which Astral controls for a total of 91.93 hectares ("**Ha**"). Other claims in the historic camp which are not controlled by Astral cover approximately 563 Ha.

Property History

The 24 mineral claims comprising Jumping Josephine were staked during 2003 and 2004 by prospectors operating under a grub-stake arrangement with Kootenay Exploration Inc. (now Kootenay Silver Inc. ("**Kootenay**")). In 2006, Astral entered into an option agreement with Kootenay and over the course of the next two years fulfilled the terms of the agreement, earning a 60% share in the property and triggering the establishment of a 60/40 joint venture with Kootenay, Astral being the majority holder and operator.

Astral added five blocks of claims to the property through option agreements with other parties between February 2007 and March 2010. By 2013, the additional claims had been evaluated, deemed unnecessary to the exploration effort and surrendered, thereby returning the property to its original 11,667 Ha, 24 claim configuration. The additional option agreements did not affect the joint venture with Kootenay in any way.

In February 2014, Orex secured 100% ownership of the Jumping Josephine project when it acquired Kootenay's 40% share in the property in exchange for issuing 1,000,000 Orex Shares, valued at $230,000.

Exploration History

The JJ Main Gold Zone is the most advanced showing on the property and much of the exploration to date has focussed on this zone. JJ Main comprises structurally-controlled quartz stockwork veining intersected by drilling over a strike length of 2.25 km and to vertical depths of up to 290 m. Current information indicates JJ Main has an estimated maximum true width of 12.6 m as evidenced by hole 07JD013. Infill aeromagnetics, geological mapping and surface geochemistry had suggested the host structure for JJ Main's mineralized stockwork could extend for over three km. Recent drilling intersections support this idea, quartz stockwork veining carrying anomalous gold values has been intersected along the trend over a length of 2.25 km. In addition, drilling has also encountered gold and silver mineralization hidden under an area of no outcrop possibly representing a structure parallel to JJ Main. JJ Main is the subject of a NI 43-101 compliant resource calculation which has identified and modelled potentially economic mineralization over a 300 m strike length within the core of the mineralized system.

Astral completed two phases of drilling in 2007. The Phase I drill program started in the spring of 2007 and targeted JJ Main (20 holes for 1,431 m), Bonanza Pass (2 holes for 643 m) and Albion-Dubrovnik areas (9 holes for 553 m). The Phase II drill program comprised 5,101 m in 38 holes on the JJ Main Gold Zone. In 2008, Astral carried out a 34-hole 5,071 m drill program and conducted a 40 line km 3D-IP survey as well as carrying out geological mapping and trenching.

Infill drilling at JJ Main in 2008 comprised 30 HQ diamond drill holes (08JD070-100, 08JD091 was abandoned) for a total of 3,632.49 m; all holes intersected quartz stockwork veining within and below the known JJ Main stockwork zone. The 2008 drilling provides better definition to the mineralized zone delineated in 2007 with significant assays including 4 m grading 21.04 g/t gold from Hole 08JD092. Drilled intercept density within the higher-grade mineralized shoot underneath the surface discovery zone is now approximately 20m x 20 m.

Other drilling completed in 2008 included testing of two selected IP chargeability anomalies (2 holes for 893.59m) and further work along trend (2 holes for 545.73m). Independent NI 43-101 reports detailing

work on the Jumping Josephine Project Claims up to the end of 2009 have been completed by Apex Geoscience and are posted on Orex's SEDAR profile at www.sedar.com.

A multi-stage exploration program was recommended in the July 2009 NI 43-101 report by Apex Geoscience referred to above and much of the work was carried out during the 2009 field season. Details of the work are included in the technical report, which is posted Orex's SEDAR profile at www.sedar.com. Phase 1A included prospecting, stream sediment sampling and a large regional 5,000 point soil program over much of the northern part of the JJ Property. The program was designed to identify gold and arsenic soil anomalies related to JJ Main type gold-bearing structures with associated arsenopyrite mineralization. Phase 1B included 136 m of trenching at the Highway showing, located 1.5 km southwest of the drilling carried out to date along the JJ Main structure.

Astral's 2010 exploration program included a total of 644 m of trenching at the Hillside (211 m), Highway (222 m), Big Sheep (165 m) and Siren (46 m) showings. Weakly anomalous results were returned from most trenches. Astral completed an additional 31 diamond drill holes for a total of 5054 m during summer 2010. The program aimed to test for extensions and/or parallel mineralized zones at the JJ Main prospect. Three holes for 531 m were drilled at the Big Sheep prospect area roughly 4.3 km southwest of the JJ Main showing for no significant results. In addition, a late fall drilling program comprising five holes for 520 m was completed in the newly identified Cedar zone prospect, a potential parallel zone of mineralization roughly 250 m northwest of the JJ Main showing. Completed in December 2010, these holes were logged and analyzed in early 2011.

Summer drilling in 2010 identified extensions of the JJ Main structure, which may be projected from JJ Main to the Highway showing, a total length of 2.25 km. Results from the step out drilling were anomalous although high grade shoots such as the core of the JJ Main zone were not encountered. Best values from the 2010 drilling at JJ Main include 13.21 m averaging 0.57 g/t gold. Summer drilling also targeted a potential parallel zone 250 m northwest of the JJ Main and returned best drill results of 0.5 m averaging 2.90 g/t Au and 1.73 m averaging 1.60 g/t from an area of no outcrop known as the "Cedar Zone". Drilling during late fall of that year at Cedar returned elevated silver concentrations compared to comparable intercepts from the JJ Main Zone. Best results from the late drilling included 1 m averaging 3.17 g/t Au and 138 g/t silver and 1.2 m averaging 3.39 g/t gold and 284 g/t silver.

In June 2011, Astral reported a gold resource for the core JJ Main discovery area. Apex Geoscience completed a NI 43-101 compliant resource calculation on a 400 m long portion of the mineralized zone at JJ Main. Apex Geoscience calculated the current resource at 363,000 tonnes averaging 2.95 g/t Au for 34,000 ounces indicated category and 448,000 tonnes averaging 2.08 g/t Au for 30,000 ounces Au inferred category. The report dated June 24, 2011 is the most recent technical report on JJ Main and is posted on Orex's SEDAR profile at www.sedar.com.

The 2014 exploration programme included geological mapping, prospecting, trenching and diamond drilling of key areas on the claims. The programme commenced in late May 2014 and was designed to culminate in a two phase drill program. Phase I targeted down-dip extensions beneath the resource area of JJ Main Gold Zone (4287 metres). A range of satellite showings were tested in Phase II; Bonanza (Golden Crown and BZT showings – 2085 metres), Hillside (720 metres), Borrow Pit (198 metres) and JJ West (825 metres). Phase I encountered significant faulting and dyke emplacement through the target zone at depth and strong mineralization was not encountered, best results of 13 m averaging 0.60 g/t gold were returned. Mineralization intersected in Phase II included 1 m grading 12.90 g/t gold from the BZT showing. At the close of the program total of 8,115 metres in 25 HQ and NQ holes were drilled. In addition, trench re-sampling by Orex at JJ Main sought to confirm Astral's previously quoted surface values, with results were announced by Orex in news releases dated November 14 and December 19, 2014. New trenching work was performed at Hillside showing four trenches totalling 978 m were

excavated with 62 m of prospective rock sampled for no significant results. Total drilling to date on the Jumping Josephine Project equals 26,499 metres in 164 drill holes.

All drill core samples from Astral's programs were from NQ or HQ diameter core halved by diamond saw. Given the occurrence of visible gold often observed in the mineralized zone, a large 1,000 gram portion of each pulverized sample was analyzed for gold by the screen fire assay method. All reported analyses from 2007 to 2009 were carried out by ALS Chemex in North Vancouver B.C. ALS Chemex is an internationally-recognized analytical service provider compliant with ISO 9001:2000 for the provision of assay and geochemical services. The Vancouver laboratory has also been accredited to ISO 17025 standards for specific laboratory procedures by the Standards Council of Canada. The 2010 analytical work was completed by Eco-Tech Laboratory Ltd., then owned by The Stewart Group Global, which is fully accredited to ISO 9001-2008. In addition to laboratory standards, Astral has included independently prepared standards into the sample sequence to assure proper quality assurance/quality control ("**QA/QC**"). Drill core samples from the 2014 Orex drilling program were either split or cut and analyzed for gold by screen fire method or standard fire assay at the logging geologists' discretion. As with previous programs, independently prepared standards and site prepared blanks were inserted into the sample sequence to ensure program QA/QC.

The exploration work at the Jumping Josephine Claims was completed under the supervision of Dale Brittliffe, B.Sc., P.Geo., a Qualified Person as defined in NI 43-101.

NI 43-101 Disclosure

All scientific and technical information in the Circular relating to the Jumping Josephine Project has been reviewed and approved by Dale Brittliffe, P.Geo., consultant to Astral and Orex, who is a Qualified Person within the meaning of NI 43-101.

DESCRIPTION OF CAPITAL STRUCTURE

As at the close of business on August 21, 2015, 101,890,199 Orex Shares were issued and outstanding. Pursuant to the Arrangement, all outstanding Orex Shares as at the Effective Date will be exchanged for New Common Shares. See "*The Meeting – The Arrangement – Principal Steps of the Arrangement*" in the Circular.

The share capital of Orex after the arrangement will remain unchanged as a result of the completion of the Arrangement, other than with respect to the issuance of the New Common Shares and elimination of the Orex Shares pursuant to the Arrangement.

The TSX-V has conditionally approved the listing of the New Common Shares to be issued under the Arrangement and issuable on exercise of the New Orex Options and New Orex Warrants after completion of the Arrangement, subject to filing certain documents following the closing of the Arrangement.

At the Effective Time, the authorized share structure of Orex will consist of an unlimited number of New Common Shares, of which 101,890,199 New Common Shares are expected to be issued upon completion of the Arrangement.

See "*Financial Statements – Selected Orex Unaudited Pro Forma Financial Information*" for a table that describes and summarizes the expected share capital of Orex following completion of the Arrangement.

Following the Arrangement, Orex Shareholders will have exchanged their Orex Shares for New Common Shares and Spinco Shares. Orex expects that an aggregate of 101,890,199 New Common Shares will be

issued in respect of the 101,890,199 Orex Shares outstanding as at August 21, 2015. Orex expects that an aggregate of up to 20,937,680 New Common Shares will be issued or issuable in respect of the Orex Options to acquire 6,294,000 Orex Shares and 14,643,680 Orex Warrants outstanding as at August 21, 2015.

Common Shares

All of the New Common Shares will be of the same class and, once issued, rank equally as to dividends, voting powers and participation in assets and in all other respects, on liquidation, dissolution or winding up of Orex, whether voluntary or involuntary, or any other distribution of the assets of Orex among its shareholders for the purpose of winding up its affairs after Orex has paid out its liabilities. The issued New Common Shares will not be subject to call or assessment by Orex nor are there any pre-emptive, conversion, exchange, redemption or retraction rights attaching to the New Common Shares.

All registered New Orex Shareholders will be entitled to receive notice of any general or special meeting to be convened by Orex. At any general or special meeting, subject to the restrictions on joint registered owners of New Common Shares, each holder of New Common Shares will be entitled to one vote per share for each New Common Share of which it is the registered owner and may exercise such votes either in person or by proxy. Otherwise, on a show of hands every New Orex Shareholder who is present in person and entitled to vote will have one vote, and on a poll every New Orex Shareholder will have one vote for each New Common Share of which it is the registered owner. Orex's articles, after the Arrangement, will provide that the rights and provisions attached to any class of shares, in which shares are issued, may not be modified, amended or varied unless consented to by special resolution passed by a majority of not less than two-thirds of the votes cast in person or by proxy by holders of shares of that class.

Warrants

In connection with the Arrangement, all Orex Warrants outstanding immediately before the Effective Time which have not been duly exercised will be and will be deemed to be exchanged for New Orex Warrants and Spinco Warrants. Each New Orex Warrant will entitle the holder thereof to purchase from Orex one New Common Share at a purchase price per New Common Share equal to the exercise price of the Orex Warrant for which such New Orex Warrant was exchanged. The expiry date of each New Orex Warrant will be the same as the expiry date of the Orex Warrant for which such New Orex Warrant was exchanged. All other terms and conditions of the New Orex Warrants will be as set out in the form of New Orex Warrant Certificate attached as Schedule C of the Arrangement Agreement, which can be found under Orex's SEDAR profile at www.sedar.com.

Orex expects that New Orex Warrants to purchase an aggregate of 14,643,680 New Common Shares will be outstanding following completion of the Arrangement in respect of the Orex Warrants outstanding as at August 21, 2015, representing approximately 11.9% of the 101,890,199 New Common Shares expected to be outstanding following completion of the Arrangement on a fully-diluted basis.

New Orex Option Plan and New Orex Options

Subject to Orex Securityholder Approval, the only equity compensation plan Orex will have after the Arrangement is the New Orex Option Plan. The New Orex Option Plan will be established to provide incentive to employees, directors, officers, management companies, and consultants who provide services to Orex or any of its subsidiaries. The TSX-V requires that all companies listed on the TSX-V adopt a stock option plan if they wish to grant options, and that all stock option plans that reserve a maximum of 10% of the issued and outstanding share capital of the issuer must be approved and ratified by shareholders

on an annual basis. See "*The Meeting – The Arrangement – Orex Option Plan and Treatment of Orex Options*" for information on how New Orex Options will be issued.

Under the New Orex Option Plan, the total number of New Common Shares allotted and reserved for future issuance will not exceed 10% of the issued and outstanding share capital of Orex from time to time.

Terms of the New Orex Option Plan

The following is a summary of the material terms of the New Orex Option Plan:

Number of Shares Reserved: The number of New Common Shares reserved for issuance under the New Orex Option Plan will not exceed 10% of the number of New Common Shares outstanding (on a non-diluted basis) at any given time.

Administration: The New Orex Option Plan will be administered by the New Orex Board.

Eligible Persons: Stock options may only be issued to directors, senior officers, employees of Orex or any of its Subsidiaries; consultants engaged by Orex or any of its Subsidiaries at the time a New Orex Option is granted; or a company that is wholly-owned by any of the foregoing. Such persons and entities are referred to herein as "**Eligible Persons**".

Board Discretion: The number of New Common Shares subject to each New Orex Option, the exercise price, the expiry time, the extent to which such New Orex Option is exercisable, and other terms and conditions relating to such New Orex Option will be determined by the New Orex Board.

Maximum Term of Options: Options granted under the New Orex Option Plan will be for a term not exceeding five years from the date of grant.

Maximum Options per Person: The number of New Common Shares reserved for issuance to any one option holder pursuant to New Orex Options granted under the New Orex Option Plan during any twelve-month period may not exceed 5% (or, in the case of a consultant, 2%) of the issued and outstanding New Common Shares at the time of grant. The number of New Common Shares reserved for issuance to employees who are engaged in Investor Relations Activities is limited to an aggregate of 2% of the issued and outstanding New Common Shares at the time of grant.

No Assignment: The New Orex Options may not be assigned or transferred.

Termination Before Expiry: Generally, New Orex Options will expire and terminate on a date stipulated by the New Orex Board at the time of grant. If the employment of an option holder who is an Eligible Person is terminated without cause, such option holder's New Orex Options (vested or unvested) will terminate 90 days following notice of termination or on the expiry of such New Orex Options, whichever is earlier. If the employment of an option holder who is an Eligible Person is terminated for cause, such option holder's New Orex Options (vested or unvested) will terminate on the day of termination. If the employment of an option holder who is engaged in Investor Relations Activities is terminated, such option holder's New Orex Options (vested or unvested) will terminate 30 days following notice of termination or on the expiry of such New Orex Options, whichever is earlier. If an option holder dies, the vested New Orex Options of the deceased option holder will be exercisable by his/her estate for a period not exceeding 12 months following the date of the deceased option holder's death or on the expiry of such vested New Orex Options, whichever is earlier. If an option holder ceases to become an Eligible person by virtue of disability, the New Orex Board may allow such option holder to exercise any vested New Orex Options for a period not exceeding 12 months following the date of such option holder ceasing to be an Eligible Person or on the expiry of such vested New Orex Options, whichever is earlier. Upon any

attempt to transfer, assign, pledge, hypothecate or otherwise dispose of a New Orex Option, such New Orex Option will, at the election of Orex, cease and terminate.

Exercise Price: Subject to any adjustments made pursuant to the New Orex Option Plan and excluding the New Orex Options exchanged for Orex Options outstanding as of the Effective Time pursuant to the Arrangement, New Orex Options granted under the terms of the New Orex Option Plan will be exercisable at a price that is not less than the market price of the New Common Shares on the TSX-V.

Full Payment for Shares: Orex will not issue New Common Shares pursuant to the exercise of New Orex Options granted under the New Orex Option Plan unless and until the exercise price for those New Common Shares has been fully paid.

Reduction of Exercise Price: The exercise price of New Orex Options granted to insiders may not be decreased without disinterested shareholder approval.

Change of Control: If a Change of Control Event (as defined in the New Orex Option Plan occurs, then the New Orex Board may authorize and implement one or more of the following actions: (a) accelerate the vesting of any New Orex Options and any New Orex Options that are not exercised or surrendered by the effective time of the Change of Control Event will be deemed to have expired; (b) offer to acquire from each option holder his or her New Orex Options for a cash payment equal to the In the Money Amount (as defined in the New Orex Option Plan) and any New Orex Options that are not so surrendered by the effective time of the Change of Control Event will be deemed to have expired; and/or (c) deem that a New Orex Option granted under the New Orex Option Plan be exchanged for an option to acquire, for the same exercise price, that number and type of securities as would be distributed to a holder of New Orex Options in respect of the New Common Shares issued to such option holder had he or she exercised the New Orex Option before the effective time of the Change of Control Event, provided that any such replacement option must provide that it survives for a period of not less than one year from the effective time of the Change of Control Event, regardless of the continuing directorship, officership or employment of the option holder.

Termination of Plan: The New Orex Option Plan will terminate when it is terminated by Orex. Any New Orex Options outstanding when the New Orex Option Plan is terminated will remain in effect until they are exercised or they expire.

As at the date hereof, Orex has reserved 6,294,000 Orex Shares pursuant to outstanding Orex Options under the Orex Option Plan, and to the extent such Orex Options are not exercised prior to the Effective Date, such Orex Options will be exchanged for New Orex Options on the Effective Date.

Dividends or Distributions

Orex has not paid any dividends on the Orex Shares since incorporation. Orex's management anticipates that Orex will retain all future earnings and other cash resources for the future operation and development of its business. Orex does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the New Orex Board after taking into account many factors, including Orex's operating results, financial condition and current and anticipated cash needs.

ESCROWED SECURITIES

There are no securities of Orex that are held in escrow or that are subject to a contractual restriction on transfer, and Orex expects that no such securities of Orex will be held in escrow on the Effective Date.

PRINCIPAL SECURITYHOLDERS

To the knowledge of the directors and executive officers of Orex, immediately after completion of the Arrangement, no Person will beneficially own directly or indirectly, control, or direct securities of Orex carrying 10% or more of the voting rights attached to any class of outstanding securities, except:

- Gary Cope, who directly and indirectly through his holding company, 683192 B.C. Ltd., will have control and direction over 12,356,800 New Common Shares, which will represent 12.13% of the voting rights attached to all of the issued and outstanding New Common Shares; and

- Robert Gipson, who directly will own and have control and direction over 12,000,000 New Common Shares, which will represent 11.78% of the votes attached to all of the issued and outstanding New Common Shares.

MANAGEMENT CONTRACTS

Management functions of Orex are substantially performed by directors or executive officers of Orex and not to any substantial degree by any other person with whom Orex has contracted other than the following:

1. Pursuant to the Cope Agreement, 683192 B.C. Ltd. provides consulting services to Orex. 683192 B.C. Ltd. of 242 Turtlehead Road, Belcarra, BC is engaged in the business of mineral exploration and development. Under the terms of the Cope Agreement, Orex pays to 683192 B.C. Ltd. a monthly consulting fee. Orex or 683192 B.C. Ltd. may terminate the Cope Agreement at any time in accordance with the terms and conditions of the Cope Agreement provided reasonable notice has first been provided to either Orex or 683192 B.C. Ltd., as applicable. Effective March 1, 2014 the Cope Agreement was amended to provide for an increase of the monthly fee to $20,750 plus applicable GST. This amendment was made to reflect the increase in allocated time that Mr. Cope is required to spend on Orex's projects.

2. Pursuant to the Wilmot Agreement, Cedarwoods Group provides consulting services to Orex. Cedarwoods Group of 13548 19th Avenue, South Surrey, British Columbia is engaged in the business of financial services. Under the terms of the Wilmot Agreement, Orex pays to Cedarwoods Group an annual consulting fee of $151,200 plus applicable GST. Either of Orex or Cedarwoods Group may terminate the Wilmot Agreement at any time in accordance with the terms and conditions of the Wilmot Agreement provided reasonable notice has first been provided to either Orex or Cedarwoods Group, as applicable.

PRO FORMA CAPITALIZATION

Outstanding Securities

The following sets out the number and percentage of New Common Shares expected to be outstanding after giving effect to the Arrangement on fully-diluted basis:

Description	Number of Securities	Percentage of Total
New Common Shares expected to be issued and outstanding as a result of the exchange of Orex Shares for New Common Shares	101,890,199	83%
New Common Shares reserved for issuance pursuant to outstanding New Orex Options	6,294,000	5.1%

Description	Number of Securities	Percentage of Total
New Common Shares reserved for issuance pursuant to outstanding New Orex Warrants	14,643,680	11.9%
TOTAL	122,827,879	100%

Consolidated Capitalization

The following table sets forth Orex's consolidated capitalization as at April 30, 2015 on a *pro forma* basis, both before and after giving effect to the Arrangement. The table should be read in conjunction with the audited consolidated annual financial statements of Orex as at and for the year ended April 30, 2015 including the notes thereto, and MD&A thereof, both incorporated by reference into the Circular and available on Orex's SEDAR profile at www.sedar.com, Orex's unaudited *pro forma* consolidated financial statements and the accompanying notes thereto attached as Appendix K to the Circular, and the other financial information contained in or incorporated by reference in the Circular.

Description	As of April 30, 2015 (Audited)	As of April 30, 2015 after giving effect to the Arrangement (Unaudited)
Shareholders' Equity:		
Share capital	$46,193,414	$45,693,413
Reserves	$4,428,575	$4,428,575
Deficit	$(37,735,779)	$(33,889,893)
Total shareholders' equity	$12,886,210	$16,232,095
Number of shares outstanding	101,890,199	101,890,199

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Available Funds

Assuming completion of the Arrangement and pursuant to the terms of the Arrangement Agreement, on the Effective Date, Orex will have available working capital of approximately $5,500,000**.**

Principal Purposes

The following table summarizes expenditures anticipated by Orex, required to achieve its business objectives during the 18 months following listing of the New Common Shares on the TSX-V (see "*Business Objectives and Milestones*" which follows).

Principal purpose	Amount
Exploration expenditures	$2,000,000
General & administrative expenses(1)	$2,000,000
Unallocated working capital	$1,500,000
Total:	$5,500,000(1)

(1) Orex's working capital will increase by an additional US$2,000,000 on June 11, 2016 upon receipt of a payment of an additional US$2,000,000 from AE Sweden, or by Agnico Eagle on AE Sweden's behalf, in cash or common shares of Agnico Eagle at AE Sweden's election, pursuant to the terms of the share purchase agreement dated June 11, 2015 relating to the Gunnarn JV.

Orex intends to spend the funds available to it as stated in the table above. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

BUSINESS OBJECTIVES AND MILESTONES

With the funds available to it as described under heading "*Available Funds*" and "*Principal Purposes*", above, Orex intends to continue exploration of the Los Crestones Project and Jumping Josephine Project as recommended in the Los Crestones Technical Report and the Jumping Josephine Technical Report, respectively, meet its contractual obligations and expand its portfolio of exploration properties as and when suitable opportunities are identified and the capital market conditions for junior exploration companies improve.

FINANCIAL STATEMENTS

The audited consolidated financial statements of Orex for the years ended April 30, 2015 and April 30, 2014, which comprise of the consolidated statement of financial position as at April 30, 2015 and April 30, 2014, the consolidated statement of operations and comprehensive loss, consolidated statement of change in equity and the consolidated statements of cash flows for the years ended April 30, 2015 and April 30, 2014, together with the notes thereto, the auditor's report thereon, and MD&A filed in connection with those annual consolidated financial statements can be found under Orex's SEDAR profile at www.sedar.com. *Pro forma* financial statements are attached as Appendix K of the Circular.

Selected Orex Unaudited Pro Forma Financial Information

The selected unaudited *pro forma* consolidated financial information set forth below should be read in conjunction with Orex's unaudited *pro forma* consolidated financial statements and the accompanying notes thereto attached as Appendix K to the Circular. The unaudited *pro forma* consolidated statement of financial position has been prepared from the April 30, 2015 audited consolidated statements of financial position of each of Orex and Barsele and gives *pro forma* effect to the successful completion of the Arrangement as if the transactions occurred on April 30, 2015. The *pro forma* consolidated statement of operations and comprehensive loss for the year ended April 30, 2015 has been prepared from the audited consolidated statement of operations and comprehensive loss of Orex for the year ended April 30, 2015, and gives *pro forma* effect to the successful completion of the Arrangement as if the transactions occurred on April 30, 2015.

The summary unaudited *pro forma* consolidated financial information is not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. Actual amounts recorded upon consummation of the Arrangement will differ from the *pro forma* information presented below. No attempt has been made to calculate or estimate the overlapping expenses of Orex and Barsele. The unaudited *pro forma* consolidated financial statement information set forth below is extracted from and should be read in conjunction with the unaudited *pro forma* consolidated financial statements of Orex and the accompanying notes included in Appendix K to the Circular.

	Orex Minerals Inc.	Barsele Minerals Corp.	Note	Pro Forma Adjustments	Pro Forma Balance
	April 30, 2015	**April 30, 2015**			
Current Assets					
Cash	$535,704	$1	3(a)	$6,490,031	$6,525,736
			3(d)	(500,000)	
Receivables	36,223	-	3(b)	2,404,060	4,811,978
Prepaid expenses and deposits	119,380	-		-	119,380
Assets held for sale	8,243,034	-	3(c)	(8,243,034)	-
Total current assets	**8,934,341**	**1**		**2,522,752**	**9,085,399**
Non-current assets					
Deposits	76,043	-		-	76,043
Receivables	-	-	3(b)	2,371,695	2,371,695
IVA receivable	329,218	-		-	329,218
Investment in associate	-	-	3(c)	1	-
			3(d)	(1)	
Exploration and evaluation assets	5,186,576	-		-	5,186,576
Total non-current assets	**5,591,837**	**-**		**-**	**7,963,532**
TOTAL ASSETS	**14,526,178**	**1**		**2,522,752**	**17,048,931**
Current Liabilities					
Accounts payable and accrued liabilities	$520,087	$ -		$ -	$520,087
Promissory note	722,149	-	3(a)	(722,149)	-
Liabilities related to assets held for sale	100,984	-	3(c)	(100,984)	-
Total current liabilities	**1,343,220**	**-**		**(823,133)**	**520,087**
Deferred income tax liability	296,748	-		-	296,748
Total non-current liabilities	**296,748**	**-**		**-**	**296,748**
TOTAL LIABILITIES	**1,639,968**	**-**		**(823,133)**	**816,835**
Shareholders' equity					
Share capital	46,193,414	1	3(d)	(1)	46,193,414
Reserves	4,428,575	-		-	4,428,575
Deficit	(37,735,779)	-	3(c)	3,845,886	(34,389,893)
			3(d)	(500,000)	
Total shareholders' equity	**12,886,210**	**1**		**3,345,885**	**16,232,096**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$14,526,178**	**$1**		**$2,522,752**	**$17,048,931**

**The accompanying notes are an integral part of these unaudited pro forma consolidated financial statements.*

RISK FACTORS

An investment in New Common Shares, as well as Orex's prospects, is highly speculative due to the high-risk nature of its business and the present stage of its development. New Orex Shareholders may lose their entire investment. The risks described below are not the only ones that will face Orex after the Arrangement. Additional risks not currently known to Orex, or that Orex currently deems immaterial, may also impair Orex's operations. If any of the following risks actually occur, Orex's business, financial condition and operating results could be adversely affected.

Orex Shareholders should consult with their professional advisors to assess the Arrangement and their resulting investment in Orex. In evaluating Orex and its business and whether to vote in favour of the Arrangement, Orex Shareholders should carefully consider, in addition to the other information contained in the Circular and this Appendix E, the risk factors which follow, as well as the risks associated with the Arrangement (see in the Circular "*The Meeting – The Arrangement – Risks Associated with the Arrangement*"). These risk factors may not be a definitive list of all risk factors associated with the Arrangement, an investment in Orex or in connection with Orex's business and operations.

Exploration and Development Risks

All of Orex's operations will continue to involve exploration and development and there is no guarantee that any such activity will result in commercial production of mineral deposits. Mineral exploration and development involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. Most exploration projects do not result in the discovery of commercially mineable deposits. There is no certainty that the expenditures made or to be made by Orex in the exploration and development of the mineral properties will result in the discovery of gold, silver or other mineralized materials in commercial quantities. While discovery of a gold or silver deposit may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that Orex's current exploration programs will result in profitable commercial mining operations.

The commercial viability of a mineral deposit is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, allowable production, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the negative combination of these factors may result in Orex not receiving an adequate return on invested capital. There is no certainty that expenditures made by Orex will result in discoveries of commercial quantities of ore.

Title Risks

There can be no assurance that the interest held by Orex in the properties is free from defects. Orex has investigated its rights to explore and exploit the properties and has caused standard forms of title opinions to be obtained. To the best of Orex's knowledge, those rights are in good standing. However, there is no assurance that such rights will not be revoked or significantly altered to Orex's detriment. There can be no assurance that Orex's rights will not be challenged or impugned by third parties. The mineral property interests comprising Orex's properties have not been surveyed, and as such their location and boundaries may be in doubt.

Market Price of Gold, Silver and Other Metals

Orex's long-term viability and future profitability will depend, in large part, upon the market price of gold and other metals and minerals produced from its mineral properties. The market price of gold and other metals is volatile and is impacted by numerous factors beyond Orex's control, including:

- expectations with respect to the rate of inflation;
- the relative strength of the Canadian dollar and certain other currencies;
- interest rates;
- global or regional political or economic conditions;
- supply and demand for jewelry and industrial products containing metals;
- sales by central banks and other holders, speculators and producers of gold and other metals in response to any of the above factors; and
- any executive order curtailing the production or sale of gold.

The volatility of mineral prices represents a substantial risk which no amount of planning or technical expertise can fully eliminate. In the event gold prices decline or remain low for prolonged periods of time, Orex may be unable to develop its properties, which may adversely affect its results of operations, financial performance and cash flows.

A decrease in the market price of gold and other metals could affect the commercial viability of Orex's properties and its anticipated development of such properties in the future. Lower gold prices could also adversely affect Orex's ability to finance exploration and development of its properties.

Global Economy

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede Orex's access to capital or increase the cost of capital. From 2007 to 2009, the United States credit markets began to experience serious disruption due to deterioration in residential property values, defaults and delinquencies in the residential mortgage market and a decline in the credit quality of mortgage-backed securities. These problems led to a slow-down in residential housing market transactions, declining housing prices, delinquencies in non-mortgage consumer credit and a general decline in consumer confidence. These conditions caused a loss of confidence in the broader United States and global credit and financial markets and resulted in the collapse of, and government intervention in, major banks, financial institutions and insurers and created a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions which continued throughout 2012 with continued uncertainty in the European marketplace and continued uncertainty surrounding the "fiscal cliff" and United States government spending cuts. Notwithstanding various actions by the United States and foreign governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to deteriorate and stock markets to fluctuate substantially.

These disruptions in the current credit and financial markets have had a significant material adverse impact on a number of financial institutions and have limited access to capital and credit for many companies, including junior mining companies. These disruptions could, among other things, make it more difficult for Orex to obtain, or increase its cost of obtaining, capital and financing for its operations. Access to additional capital may not be available to Orex on terms acceptable to it, or at all.

Foreign Currency Fluctuations

Orex will continue to maintain its accounts and raise its capital funding through the sale of equity securities in Canadian dollars. Orex's exploration operations in Canada and Mexico are paid for in either Canadian dollars, Mexican pesos or United States dollars. Orex is therefore subject to foreign currency exchange fluctuations relative to the Mexican peso, as well as the United States dollar, which may materially affect Orex's financial position and operating results. Further, there is no guarantee that the governments of Mexico, or any other foreign government in which Orex carries on business, will not impose restrictions on the convertibility of or obligations to remit and convert into the local currency in the future, which may also have a material adverse effect on Orex's financial position and operations. Orex does not currently have a formal hedging program to mitigate foreign currency exchange risks.

Environmental Regulation

Orex will continue to be subject to substantial environmental and other regulatory requirements and such regulations are becoming more stringent. All phases of development operations are subject to environmental regulations. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulations, if any, will not adversely affect Orex's operations. Environmental hazards may exist on the properties which are presently unknown to Orex and which have been caused by previous or existing owners or operators of the properties.

Competition

The international mining industry is highly competitive. The mining industry is global and consists of a small, decreasing number of large players. Competition for new mining properties by these larger, more established companies may prevent Orex from acquiring interests in additional properties or mining operations. Significant and increasing competition exists for mineral acquisition opportunities in Canada and Mexico. As a result of this competition, some of which is with larger, more established mining companies with substantial capabilities and greater financial and technical resources than Orex, Orex may be unable to acquire rights to exploit additional attractive mining properties on terms Orex considers acceptable. Accordingly, there can be no assurance that Orex will acquire any interest in additional operations that would yield reserves or result in commercial mining operations.

Management

The success of Orex will continue to be largely dependent on the performance of its officers. The loss of the services of these persons would have a material adverse effect on Orex's business and prospects. There is no assurance Orex will maintain the services of its officers or other qualified personnel required to operate its business.

Key Person Insurance

Orex does not maintain key person insurance on any of its directors or officers, and, as a result Orex would bear the full loss and expense of hiring and replacing any director or officer in the event of the loss of any such Persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by Orex from such loss of any director or officer.

Dividends

Orex currently intends to retain future earnings to finance the operation, development and expansion of its business. Orex does not anticipate paying cash dividends on the New Common Shares in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of the New Orex Board and will depend on Orex's financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that the New Orex Board may consider relevant. Accordingly, investors will only see a return on their investment if the value of the New Common Shares appreciates.

Conflicts of Interest

Some of the directors and officers of Orex are engaged and will continue to be engaged as directors and officers of Orex in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with Orex. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the Business Corporations Act.

Some of the directors and officers of Orex are or may become directors or officers of other companies engaged in other business ventures, including Spinco. In order to avoid the possible conflict of interest which may arise between the directors' duties to Orex and their duties to the other companies on whose boards they serve, the directors and officers of Orex have agreed to the following:

- participation in other business ventures offered to the directors and officers will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;

- no commissions or other extraordinary consideration will be paid to such directors and officers; and

- business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to Orex, except on the same or better terms than the basis on which they are offered to third party participants.

Impact of Hedging Activities on Profitability

Although Orex has no present intention to do so, it may hedge a portion of any of its future gold or silver production to protect Orex against low prices and/or to satisfy covenants required to obtain project financings. Hedging activities are intended to protect Orex from the fluctuations of the price of gold or silver and to minimize the effect of declines in prices on results of operations for a period of time. Although hedging activities may protect a company against low prices, they may also limit the price that can be realized on that mineral that is subject to forward sales and call options where the market price of gold or silver exceeds the price in a forward sale or call option contract.

Influence of Third Party Stakeholders

The lands in which Orex holds or will acquire an interest, or the exploration equipment and road or other means of access which Orex intends to utilize in carrying out its work programs or general business mandates, may be subject to interests or claims by third parties. If any such third parties assert any claims, Orex's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for Orex.

Political and Economic Instability in Foreign Countries

Orex's properties after the Arrangement will be located in Canada and Mexico and Orex may acquire mineral property interests in other foreign countries. Exploration in foreign jurisdictions will expose Orex to risks that may not otherwise be experienced if all operations were domestic. The risks include, but are not limited to military repression, extreme fluctuations in currency exchange rates, labour instability or militancy, socioeconomic conditions, mineral title irregularities and high rates of inflation. In addition, changes in mining or investment policies, or shifts in political attitude in foreign countries in which Orex operates may adversely affect its business. The distribution of earnings back to Canada would require Mexican currency to be reconverted to foreign currency for repatriation. Orex may be affected in varying degrees by government regulation with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of exploration or mining rights, environmental legislation, land use, land claims of local people, water use and mine safety. The effect of these factors cannot be accurately predicted. Political risks may adversely affect Orex's existing assets and operations. Orex does not maintain and Orex does not intend to purchase political risk insurance. Real and perceived political risks in some countries may also affect Orex's ability to finance exploration programs and attract joint venture partners and may affect future mine development opportunities.

Price Volatility

Securities markets have recently had a high level of price and volume volatility, and the securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Factors unrelated to the financial performance or prospects of Orex may include macroeconomic developments locally and globally, and market perceptions of the attractiveness of particular industries. There can be no assurance that continued fluctuations in mineral prices will not occur. As a result of any of these factors, the market

price of the New Common Shares at any given point in time may not accurately reflect the long term value of Orex.

In the past, following periods of volatility in the market price of a company's securities, shareholders have in some cases instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial cost and diversion of management attention and resources, which could significantly harm profitability and the reputation of Orex.

Dilution

Orex will require additional funds in respect of the further development of Orex's mineral projects. If Orex raises funds by issuing additional equity securities, such financing will dilute the equity interests of its shareholders.

Discretion in the Use of Available Funds

Management will have broad discretion concerning the use of the available funds of Orex as well as the timing of their expenditures. As a result, shareholders and investors will be relying on the judgment of management of Orex on completion of the Arrangement for the application of the available funds of Orex (see "*Available Funds and Principal Purposes*" above). Management may use the available funds in ways that an investor may not consider desirable. The results and the effectiveness of the application of the available funds are uncertain. If the available funds are not applied effectively, Orex's results of operations may suffer.

Joint Venture Risk

Certain of the properties in which Orex has an interest are operated through joint ventures with other mining companies and are subject to the risks normally associated with the conduct of joint ventures. Such risks include: inability to exert control over strategic decisions made in respect of such properties; disagreement with partners on how to develop and operate mines efficiently; inability of partners to meet their obligations to the joint venture or third parties; and litigation between partners regarding joint venture matters. Any failure of such other companies to meet their obligations to Orex or to third parties, or any disputes with respect to the parties' respective rights and obligations, could have a material adverse effect on the joint ventures or their respective properties, which could have a material adverse effect on Orex.

DOCUMENTS INCORPORATED BY REFERENCE

Information has been incorporated by reference in the Circular from documents filed by Orex with certain Canadian securities regulatory authorities. Copies of the documents incorporated by reference in the Circular, as well as additional information relating to Orex, may be obtained by accessing Orex's SEDAR profile at www.sedar.com. Copies of the documents incorporated by reference in the Circular may also be obtained on request without charge from Orex at Suite 1130 - 1055 W. Hastings Street Vancouver, BC Canada V6E 2E9, telephone: (604) 687-8566.

The following documents of Orex, filed with certain securities regulatory authorities in Canada, are specifically incorporated by reference into and form an integral part of the Circular on the basis set forth under "*Information Concerning Orex after the Arrangement*":

- the audited consolidated financial statements of Orex for the years ended April 30, 2015 and April 30, 2014, which comprise of the consolidated statement of financial position as at April 30, 2015 and April 30, 2014, the consolidated statement of operations and comprehensive loss,

consolidated statement of change in equity and the consolidated statements of cash flows for the years ended April 30, 2015 and April 30, 2014, together with the notes thereto, the auditor's report thereon, and MD&A filed in connection with those annual consolidated financial statements on SEDAR on July 23, 2015;

- material change report dated August 12, 2015, in connection with Orex entering into the Arrangement Agreement;
- the Arrangement Agreement filed on SEDAR on August 12, 2015;
- material change report dated June 11, 2015 in connection with the closing of the Gunnarn JV announced on February 23, 2015;
- management information circular as at September 19, 2014 in respect of the annual general meeting of Orex Shareholders held on October 22, 2014 filed on SEDAR on September 26, 2014;
- the Jumping Josephine Technical Report filed on SEDAR on March 15, 2013; and
- the Los Crestones Technical Report filed on SEDAR on March 15, 2013.

All documents of the type referred to above and any business acquisition reports, material change reports and financial statements filed by Orex with any securities commission or similar regulatory authority in Canada subsequent to the date of the Circular and before the date of the Meeting will be deemed to be incorporated by reference into the Circular.

Any statement contained herein or in a document incorporated or deemed to be incorporated by reference herein will be deemed to be modified or superseded for the purposes of the Circular to the extent that a statement contained herein, or in any other subsequently filed document which also is incorporated or is deemed to be incorporated by reference herein, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document which it modifies or supersedes. The making of a modifying or superseding statement will not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to constitute a part of the Circular.

PROMOTER

Other than its directors and officers, there is no person who is or who has been within the two years immediately preceding the Record Date, a "promoter" of Orex as defined under applicable Canadian Securities Laws.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

Since May 1, 2015, Orex has not been a party to, nor has any of its property been subject to, any legal proceedings and no such proceedings are known by Orex to be contemplated.

Regulatory Actions

Orex has not been subject to any penalties or sanctions imposed by a court or regulatory body and has not been party to any settlement agreement entered into before a court or regulatory body, relating to provincial or territorial securities legislation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the directors or executive officers of Orex, any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding Orex Shares, nor any associate or affiliate of the foregoing persons, has any material interest, direct or indirect, in any transaction of Orex in the last three years before the date hereof which has or is reasonably expected to materially affect Orex.

AUDITOR, TRANSFER AGENTS AND REGISTRARS

Auditor

The auditor of Orex will continue to be Davidson & Company LLP, Chartered Professional Accountants, of Suite 1200, 609 Granville Street, Vancouver, British Columbia, V7Y 1G6.

Registrar and Transfer Agents

The registrar and transfer agent for the New Common Shares will continue to be Computershare Investor Services Inc., 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following will be the only material contracts entered into by Orex since the beginning of the last financial year ending before the date of the Circular or before the beginning of the last financial year ending before the date of the Circular for any material contract that is still in effect:

1. New Orex Option Plan;

2. Cope Agreement described under "*Management Contracts*" herein;

3. Wilmot Agreement described under "*Management Contract*" herein;

4. Gunnarn JV Agreement described under "*Description of the Business – Gunnarn JV Agreement*" in Appendix F of the Circular; and

5. Arrangement Agreement described under "*The Meeting – The Arrangement – The Arrangement Agreement*" in the Circular.

Copies of all such material contracts may be inspected at any time up to the Meeting during normal business hours at the business office of Orex at Suite 1130, 1055 West Hastings Street, Vancouver, British Columbia, V6E 2E9. Material contracts not in the ordinary course of business are also available under Orex's profile on SEDAR at www.sedar.com.

INVESTOR RELATIONS ARRANGEMENTS

Other than work performed by directors of Orex, Orex will have no written agreements to provide promotional or investor relations services for Orex or its securities.

OTHER MATERIAL FACTS

There are no other material facts relating to Orex after the Arrangement and not disclosed elsewhere in the Circular.

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APPENDIX F
INFORMATION CONCERNING SPINCO AFTER THE ARRANGEMENT

The following is a summary of Spinco, its business and operations, which should be read together with the more detailed information and financial data and statements contained elsewhere in the management information circular of Orex Minerals Inc., to which this Appendix F is attached (the "Circular"). The information contained in this Appendix, unless otherwise indicated, is given as of August 21, 2015, the date of the Circular.

All capitalized terms used in this Appendix and not defined herein have the meanings given to them in the "Glossary of Terms" or elsewhere in the Circular. Unless otherwise indicated herein, references to "$", "Cdn$" or "Canadian dollars" are to Canadian dollars and references to "US$" or "U.S. dollars" are to United States dollars. See "Currency and Exchange Rates" in the Circular. See also in the Circular "Cautionary Note Regarding Forward-Looking Statements".

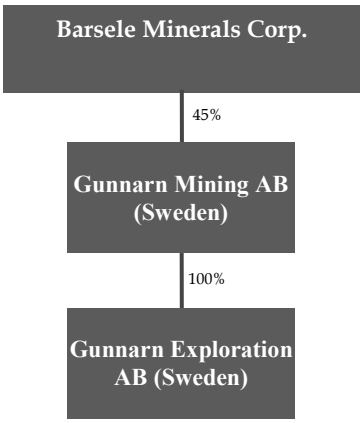
CORPORATE STRUCTURE

Barsele Minerals Corp. ("**Barsele**") was incorporated on February 20, 2013 pursuant to the Business Corporations Act. While in the body of the Circular the term Spinco is used to describe Barsele and the creation and distribution of its shares and how they are dealt with under the Arrangement, in this Appendix F the term Barsele, which reflects the current business name of Spinco, is used. Barsele is not currently a reporting issuer and the common shares of Barsele (the "**Spinco Shares**") are not listed or quoted for trading on any stock exchange. Upon completion of the Arrangement, Barsele will become a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba and Ontario. Barsele has applied to the TSX-V for the listing of the Spinco Shares on the TSX-V. Listing is subject to Barsele fulfilling all the requirements of the TSX-V; however, there can be no assurances as to if, or when, such listing will occur. See in this Appendix F, "*Description of the Business – General Development of Barsele's Business*", "*Description of Securities Distributed*" and "*Risks Associated with Barsele*".

Barsele's head office is located at 1130 – 1055 West Hastings Street, Vancouver, British Columbia V6E 2E9. Barsele's registered and records office is located at Suite 1700, 666 Burrard Street, Vancouver, British Columbia V6C 2X8.

Intercorporate Relationships

As of the date of the Circular, Barsele is a wholly-owned subsidiary of Orex. On completion of the Arrangement, Former Orex Shareholders will hold all of the issued and outstanding Spinco Shares. Upon completion of the Arrangement the interests in the subsidiaries held by Barsele, the jurisdictions of incorporation of those subsidiaries and the percentage of voting securities held, directly or indirectly, by Barsele, will be as follows:



DESCRIPTION OF THE BUSINESS

General Development of Barsele's Business

Barsele was incorporated to acquire, hold and operate Orex's 45% interest in the Barsele Project. To that end, Barsele will acquire from Orex before the Effective Time, a 45% interest in the Barsele Project through the transfer of 45% of the Gunnarn Shares. The Barsele Project is 100% owned by Gunnarn and is subject to the Gunnarn JV Agreement. AE Sweden is the owner of the other 55% of the Gunnarn Shares and is the operator of the Barsele Project. AE Sweden is a wholly-owned subsidiary of Agnico Eagle, a public company listed on the Toronto Stock Exchange and the New York Stock Exchange.

Upon completion of the Arrangement, New Orex Shareholders together will hold 100% of the then issued Spinco Shares, and Barsele will have the same directors, staff and management team as Orex's current directors, staff and management team, plus approximately $500,000 in cash.

See in the Circular, "*The Meeting – The Arrangement*". See in this Appendix F, "*Available Funds and Principal Purposes – Available Funds*", "*Available Funds and Principal Purposes - Principal Purposes*", "*Financial Information*", "*Description of Securities Distributed*", "*Pro Forma Capitalization - Consolidated Capitalization*" and "*Promoters*".

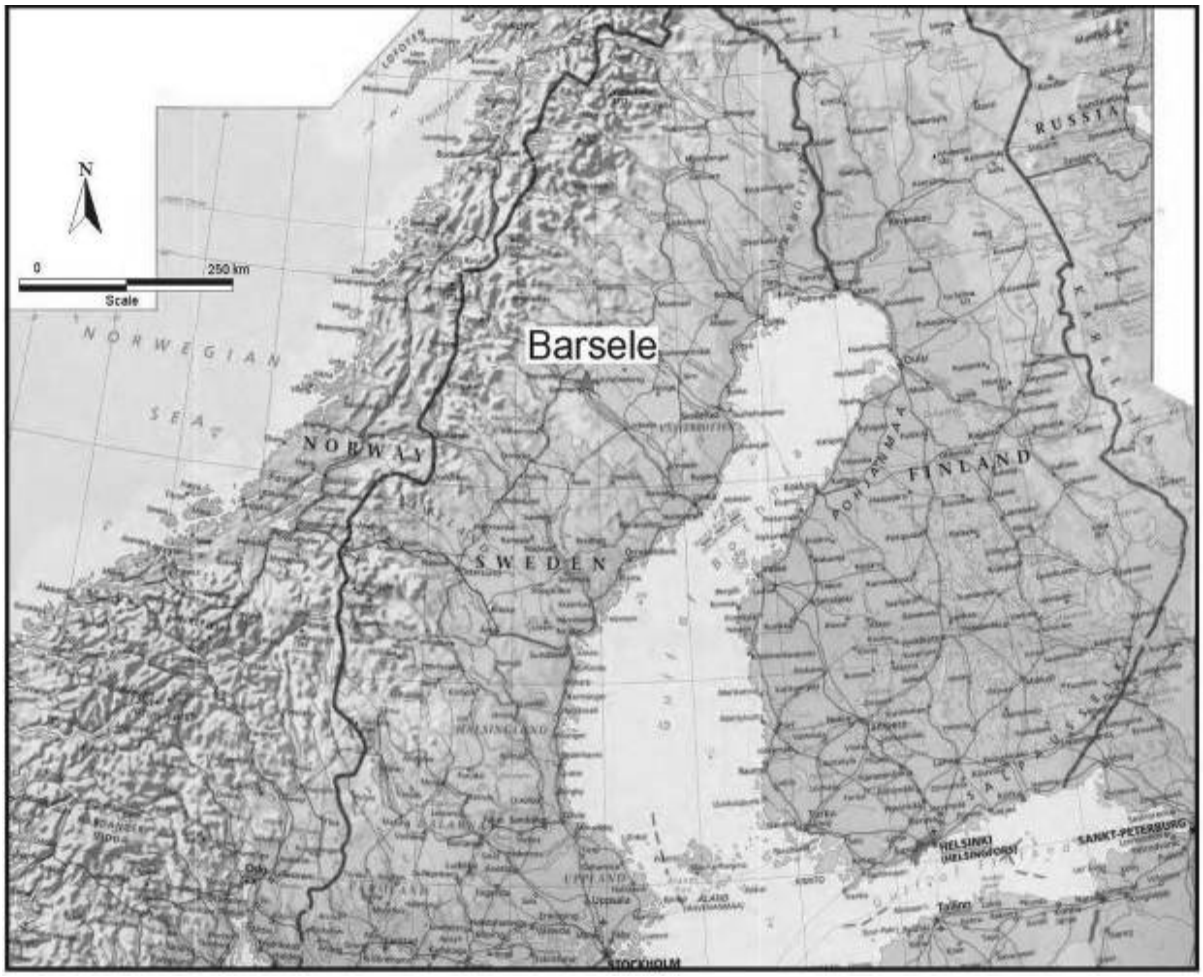
For a discussion regarding the current status of exploration on the Barsele Project, see Orex's MD&A for the year ended April 30, 2015, which is incorporated by reference in the Circular (see in the Circular, "*Documents Incorporated by Reference*").

Barsele Project, Sweden

The information below has been extracted in whole or in part from the summary contained in the Barsele Technical Report. Orex Securityholders are encouraged to read the entire Barsele Technical Report, which will be available for public viewing on Orex's SEDAR profile at www.sedar.com concurrently with the filing of the Circular on SEDAR and is incorporated by reference into this Appendix F. The Barsele Technical Report will also be available under Barsele's SEDAR profile at www.sedar.com following completion of the Arrangement. The scientific and technical information included in such disclosure has also been reviewed and approved by Ben Whiting, who is the VP, Exploration of Orex and a "Qualified Person" within the meaning of NI 43-101.

Project Description

The Barsele Project, located near Storuman, Sweden, is currently 100% owned by Gunnarn, 45% of which is owned by Orex and 55% of which is indirectly owned by Agnico Eagle. The Barsele Project includes the Central-Avan-Skiråsen gold deposits ("**CAS**") and the Norra VMS deposit (copper, lead, zinc, gold and silver). Total area for the exploration permits is 28,405 hectares plus 134.5 hectares in exploitation concessions. These are also 164 hectares of permits with a prohibited status.



Project Location Map

The Barsele Central Gold Deposit, discovered in 1988, is located west of Lake Skirträsket and consists of the Central, Avan and Skiråsen deposits extending over a strike length of 2.6 km. The Norra VMS Deposit is located to the north of Barsele Central, Avan and Skiråsen mineralized zones.

The authors of the Barsele Technical Report were retained by Orex and Barsele to evaluate the exploration results of the Barsele Project and render independent recommendations for further work in a technical report in the form required by NI 43-101. The authors reviewed data provided by Orex. Michael Collins conducted a site visit on November 6 and 7, 2012 to confirm the data and mineralization and review the project site.

Project Ownership

On October 27, 2010, Orex signed a letter of intent with Northland Exploration Sweden AB (previously named Barsele Guld AB) ("**Northland**"), a wholly-owned subsidiary of Northland Resources S.E. (previously named Northland Resources S.A.), to earn 100% interest in the Barsele Project subject to certain terms. Orex and Northland entered into a share sale agreement dated March 22, 2011 (the "**Barsele Agreement**"), whereby, among other things, Orex was to acquire 100% ownership of Gunnarn, the owner of the claims comprising the Barsele Project. The Barsele Agreement was approved on April 29, 2011 by the TSX-V. On October 1, 2013, Orex entered into an agreement (the "**Amended Barsele Agreement**") with Northland to amend the Barsele Agreement.

Under the terms of the Amended Barsele Agreement, Orex satisfied the remaining cash payments to be made to Northland by the payment of US$250,000 in cash and the issuance of 7,500,000 Orex Shares at a deemed price of US$0.50 per Orex Share. The TSX-V approved the Amended Barsele Agreement and Orex issued the 7,500,000 Orex Shares to Northland, which were subject to a hold period that concluded on February 22, 2014.

Northland had the right to receive certain NSR royalties (the "**Northland Royalties**") pursuant to three royalty agreements between Northland and Gunnarn dated October 16, 2007 (collectively, the "**Northland Royalty Agreements**"), the terms of which were amended by an option agreement (the "**Northland Option Agreement**") dated April 29, 2011 between Northland, Orex and Gunnarn. On September 15, 2014, Northland and Gunnarn mutually agreed to terminate the Northland Royalty Agreements and the Northland Option Agreement and to transfer all rights of Northland to the Northland Royalties to Gunnarn in consideration for a payment of US$500,000 to Northland by Gunnarn.

On February 19, 2015, Orex and Agnico Eagle entered into a letter of intent setting out the terms of a proposed joint venture transaction whereby AE Sweden, an indirect wholly-owned subsidiary of Agnico Eagle, would acquire an initial 55% joint venture interest in the Barsele Project. Orex and Agnico Eagle subsequently negotiated a term sheet, which was finalized on April 30, 2015 and which set out the terms for a definitive share purchase, joint venture agreement and royalty agreements among Orex, Agnico Eagle, AE Sweden and Gunnarn. On June 11, 2015, the Gunnarn JV was completed and Agnico Eagle, through AE Sweden, acquired a 55% interest in Gunnarn in consideration of an initial payment to Orex of US$6,000,000. An additional US$2,000,000 will be payable by AE Sweden, or by Agnico Eagle on AE Sweden's behalf, to Orex in cash or common shares of Agnico Eagle at AE Sweden's election on each of the first and second anniversaries of the closing of the Gunnarn JV. The right to receive such future payments under the share purchase agreement will be retained by Orex after completion of the Arrangement.

As part of the Gunnarn JV and in accordance with the terms of the Gunnarn JV Agreement among Orex, Gunnarn, Agnico Eagle and AE Sweden, which is available for public viewing on Orex's SEDAR profile at www.sedar.com and is incorporated by reference into this Appendix F, AE Sweden has committed to spend US$7,000,000 on Barsele Project expenditures over three years. Under the Gunnarn JV Agreement, AE Sweden may make a cash payment to Orex to satisfy any required Barsele Project expenditures that it does not otherwise make. Spinco will be assigned the right to receive any such payments as part of the Spinco Reorganization. Pursuant to the Gunnarn JV Agreement, if Agnico Eagle or AE Sweden prepares a pre-feasibility study on the Barsele Project and contributes it to Gunnarn, AE Sweden's interest in Gunnarn will increase to 70% and Orex's interest in Gunnarn will be reduced to 30%. Until such pre-feasibility study is contributed to Gunnarn by Agnico Eagle or AE Sweden, all costs and expenses of Gunnarn will be for the account of AE Sweden and, following the completion of such pre-feasibility study, all costs and expenses of Gunnarn will be shared by AE Sweden and Orex in accordance with their proportionate interest in Gunnarn. In accordance with the Gunnarn JV Agreement, AE Sweden is the operator of the Barsele Project for customary compensation and has a majority of seats on Gunnarn's board of directors.

In connection with the Gunnarn JV, Orex was also assigned a 2% NSR on production from the Barsele Project which may be repurchased by Agnico at any time for US$5,000,000. The royalty will be retained by Orex after completion of the Arrangement.

For more details regarding the Gunnarn JV Agreement, see "*Description of the Business - Gunnarn JV Agreement*" below.

Property Location, Infrastructure and Access

The Barsele Project is located approximately 20 km east-southeast of the town of Storuman in Västerbottens Län, Sweden. Regionally the Barsele Project is situated approximately 210 km from Umeå, population 105,000 and the administrative headquarters of Västerbotten County; and about 800 km north of Stockholm. The geographic coordinates for the Project are about 65°05' north latitude and 17°30' east longitude.

Property Geology and Mineralization

The Barsele Project area is overlain with a thin layer of glacial till, and consequently geological interpretations rely heavily on limited outcrop, drill-core data, geophysics and a few trenches excavated in the Central, Avan and Norra zones. The project is situated within the southeast-trending Umeå-River shear zone and parallels this dominant structural fabric, which controls drainage and glacial vectors.

The project area covers a sequence of metasedimentary and metavolcanic rocks of the Proterozoic Svecofennian system. Three main phases of granitoid intrusions in the region are referred to as early, middle and post with respect to the Svecofennian orogeny. An early orogenic granodiorite is the host rock of the Barsele gold mineralization.

The granodiorite exhibits a well-developed S2 penetrative foliation, which is cut by ductile shear zones, faults, fractures and dilational quartz and quartz-carbonate sulphide veining. The granodiorite is quartz-feldspar phyric and is composed of sericitized plagioclase, quartz, biotite and lesser K-feldspar and in composition is quartz monzodiorite to granodiorite.

Gold mineralization at the Barsele Project is predominantly hosted within a medium-grained, highly fractured granodiorite that ranges in width from 200 to 500 m with a strike-extent in excess of some 8 km. The intrusion bends from an east-west orientation in the east to a northwest trend in the west where the three major zones of gold mineralization have been identified. The Central and Skiråsen Zones have a combined strike length of 1.35 km by some 350 m wide while the Avan Zone has a strike length of 1.4 km and a width of 250 m. A fourth mineralized gold zone, Skirträskbäcken, is located approximately 3 km southeast of the Barsele Central Zone and extends into the Risberget gold prospect.

Two main styles of mineralization are interpreted at the Central, Avan, and Skiråsen Zone: (a) low to moderate grade gold mineralization associated with networks of thin tourmaline-quartz and quartz-calcite-arsenopyrite veinlets in granodiorite; and (b) high-grade gold-silver-zinc-lead mineralization in syn-tectonic quartz-sulphide veins. Most exploration in the Central and Avan Zones has focused on the low-grade gold resource and there remains potential for discovery of additional high-grade quartz-sulphide vein mineralization.

Gold occurs as native metal alloyed with silver, and has a general association with arsenopyrite but also occurs with pyrrhotite, calcite, chlorite and biotite. Base metal content of the deposit is typically low. Carbonate, sulphide and quartz-tourmaline veinlets are locally mineralized. The host-granodiorite contains less than two percent disseminated fine-grained sulphides consisting of arsenopyrite, pyrrhotite and pyrite.

The Norra Zone consists of massive sulphide mineralization hosted within a sequence of sheared felsic volcanics, foliated pyritic shales and pelitic sediments with a basal massive-sulphide zone and an upper-zone dominated by andesitic volcanics. The footprint of the main mineralized body at

Norra, based on drilling, is some 300 m in strike-length varying from 5 to 50 m in width within a broadly anomalous zone some 300 m in strike length by 50 m in width.

The sulphide mineralization and associated alteration is likely a volcanic hosted massive sulphide ("**V-HMS**") type. Gold is associated with the basal semi-massive arsenopyrite, pyrrhotite, chalcopyrite, galena, and sphalerite mineralization. Gold is probably remobilized and is likely enriched by a later overprinting epithermal phase of mineralization.

Deposit Type & Exploration Concept

There are a number of different styles of gold deposits within the Svecofennian Shield, Skellefteå district of northern Sweden such as:

- intrusion related gold systems;
- volcanic-hosted massive sulphide;
- high-sulphidation epithermal; and
- mesothermal vein-type.

It is probable that a host of different mineral forming systems were active at the Barsele Project and the nearby Skellefteå district including the dominant V-HMS, epithermal and mesothermal systems. Historically the Skellefteå district is known to contain some 80 separate volcanic massive sulphide and lode gold occurrences loosely aligned in an east west orientation. The Barsele Project is located at the intersection of the Skellefteå belt and the Gold Line trend. Exploration potential of the northwest-southeast orientated Gold Line trend suite of lode gold deposits has only recently been recognized.

There are three broad styles of mineralization at the Barsele Project:

1. Orogenic or mesothermal intrusive-hosted gold related to the Gold-Line Trend;
2. High-grade gold-silver-lead-zinc mineralization hosted by syn-tectonic quartz-sulphide veins; and
3. Epithermal gold-rich V-HMS regionally referred to as Skellefteå-style.

Regional geochemical till sampling followed by detailed base-of-till sampling was successful in identifying anomalous gold concentrations both in surface and basal till at the Barsele CAS and Norra deposits. These anomalies were subsequently drilled, leading to the identification of bedrock gold mineralization. The Barsele Project area is covered by a thin veneer of glacial till. None of the discoveries were exposed at the surface.

Reconnaissance, geochemical till sampling is an exploration technique utilized extensively in Sweden and has resulted in the discovery of a number of deposits including the nearby Björkdal gold mine.

In 1995, Terra Mining (a former owner), contracted Anamet Services to complete a mineralogical and preliminary metallurgical testwork on a one tonne bulk sample of mineralized rock excavated from a trench at the northwestern part of the Barsele Central Zone. The average head-grade of the sample was 5.1 g/t gold and 4.3 g/t silver, considerably higher in grade than the historic Barsele Central drill grades where previous drilling programs had indicated a grade of about 1.5-2 g/t gold. No

conclusions have been drawn as to why the grades are so different. Coarse gold could be a contributing factor so future exploration must consider the possible influence of free gold in the host rock.

Further exploration by Northland included ground geophysical surveys to augment regional geophysics. The intrusive hosted CAS Zone is associated with a distinct magnetic anomaly low. The completed high resolution airborne geophysics followed by further ground geophysical surveys will assist in identifying additional similar targets in areas beyond the historic ground geophysical coverage. The Norra V-HMS target is associated with a coincident magnetic and electromagnetic anomaly and detailed airborne geophysics has identified areas of similar potential.

Drilling of past geochemical and geophysical anomalies has proven successful in previous exploration campaigns and will continue to be an exploration tool utilized in future exploration programs. Detailed geological interpretation including structural geology also must be utilized in future exploration.

Status of Exploration Development and Operations

Orex initiated and completed an airborne survey and followed up targets from the airborne with ground geophysics on the Barsele Project, beginning in May 2011. Orex has also completed a drill campaign in late 2011 and 2012 on the Central and Avan zones totalling 6,210 m.

Past work has outlined four deposits by utilizing an integrated exploration approach of geochemistry, geophysics and drilling. During 2005 Northland constructed a modern core handling and logging facility in Storuman with a core-sawing unit. Sample rejects, the master pulps and split core from the 2004, 2005 and 2006 drilling campaigns are retained on the project site in a secure and dry facility. Digital photos from all drilling campaigns are retained in the Storuman office and on DVDs in a bank vault in Storuman. Gunnarn has managed and stored their core and samples from the 2011 and 2012 drilling 8 km from the project in a cold storage facility.

At the same time Northland was completing their last drill program, they retained the Swedish office of Golder Associates, an independent international consulting firm, to complete the application for the conversion of key areas of the property, containing the four known deposits, into Exploitation Concessions. This process consisted of field studies and investigatory work that were performed in order to apply for Exploitation Concession status from the Mining Inspectorate of Sweden. The application with an appended Environmental Impact Assessment ("**EIA**") (Swedish: MKB) for Exploitation Concession was submitted Dec 27, 2006 and it was granted by the Swedish Mining Inspector on June 21, 2007. An MKB is the first step in obtaining a permit to open a mine at Barsele.

On February 28, 2011 Orex released the results of an updated NI 43-101 resource estimate. The mineral resources were estimated by Gary Giroux, P.Eng., M.A.Sc. The Norra volcanic massive sulphide ("**VMS**") zone, the Avan Gold zone, the Central and Central-Skiråsen zones were estimated separately. The Avan, Central and Central-Skiråsen zones are all considered to be structurally controlled mesothermal intrusive hosted gold deposits.

Further drilling was conducted in late 2011 and into the spring of 2012. On December 3, 2012 Orex released the results of an updated NI 43-101 resource estimate. The mineral resources were estimated by Gary Giroux, P.Eng., M.A.Sc. and the Avan Gold zone were Central and Skiråsen zones were estimated separately. The Norra VMS zone resource was unchanged from previous estimate in 2011. The Avan, Central and Skiråsen zones are all considered to be structurally controlled mesothermal intrusive hosted gold deposits.

Between the publishing of the December 3, 2012 NI 43-101 resource estimate and the present estimates, Orex has conducted annual field sampling programs and desktop studies.

The current mineral resources are summarized in Table 1.1 below:

Table 1.1 Summary of Mineral Resources in the Avan, Central and Skiråsen Gold Zones

Au Cut-off (g/t)	Zone	Resource Category	Tonnes	Au Grade (g/t)	Contained Ounces Au
0.4	Central	Indicated	15,500,000	1.13	563,000
	Central-Skiråsen	Inferred	14,390,000	0.89	413,000
	Avan	Indicated	830,000	0.77	21,000
		Inferred	19,460,000	0.69	433,000
	TOTAL	Indicated	16,470,000	1.12	595,000
		Inferred	34,180,000	0.78	862,000
0.5	Central	Indicated	14,740,000	1.16	552,000
	Central-Skiråsen	Inferred	11,890,000	0.98	376,000
	Avan	Indicated	650,000	0.87	18,000
		Inferred	14,650,000	0.77	363,000
	TOTAL	Indicated	15,390,000	1.15	570,000
		Inferred	26,540,000	0.87	739,000
0.6	Central	Indicated	13,610,000	1.22	532,000
	Central-Skiråsen	Inferred	9,840,000	1.08	340,000
	Avan	Indicated	490,000	0.97	15,000
		Inferred	10,360,000	0.86	287,000
	TOTAL	**Indicated**	**14,100,000**	**1.21**	**547,000**
		Inferred	**20,200,000**	**0.97**	**627,000**

For the Avan, Central and Skiråsen estimates, the data base consisted of 300 drillholes completed between 1989 and 2006 totalling 34,210 m. In 2011 and 2012 an additional 16 drillholes totalling 6,210 m were added by Orex. Presently 316 diamond drillholes totalling 40,420 m have been drilled and used to develop this 2012 mineral resource. Gold assays from each zone were capped based on their grade distributions. Downhole composites, 3 m in length, were formed for each zone. The Avan zone had a geologic three dimensional solid to constrain the estimation. Variography was completed for gold, indicating an anisotropic structure with longest range NW-SE. For the Central and Skiråsen zones, there was no current constraining three dimensional solid, so an indicator approach was used

to determine which blocks were above a gold cut-off. Semivariogram analysis indicated the longest continuity along azimuth 150°. A block model with blocks 3 m x 3 m x 3 m was superimposed over the three zones and gold grades were estimated by ordinary kriging.

The Norra VMS deposit, measuring 300 m along strike and from 5 to 50 m in width, was outlined by 68 diamond drillholes completed from 1990-2006, thirty-nine of which intersected the mineralized zone. Assays for Au, Ag, Cu and Zn were capped and formed into 3 m composites. Semivariograms were produced for each variable and all showed the longest range of continuity along azimuth 345°. A 3 m x 3 m x 3 m block model was placed over the mineralized VMS solid, and grades for each variable were estimated by ordinary kriging.

A bulk density of 3.4 for the Norra VMS zone was derived from a 100 tonne bulk-test conducted by Boliden in 1992. Golder established a specific gravity for the Central zone based on 2003 drill core. The results varied from 2.70 to 2.75. Because these tests were completed on crushed material the lower limit of 2.70 was used for this resource estimate. It is recommended that an extensive specific gravity collection program be conducted on any future drill program on these properties.

In general, the classification of blocks into resource categories was made, based on the semivariogram range and the distance of samples from estimated blocks. Blocks within Avan, Central and Norra were classified as indicated if estimated in search ellipses with dimensions up to ½ the semivariogram range. All others were classified as inferred. All estimated blocks at Skiråsen, which has been drilled on wider spaced lines, were classified as Inferred.

Conclusions and Recommendations

The conclusions and recommendations set forth in the Barsele Technical Report, as summarized below, are based on previous exploration programs undertaken on the Barsele Project by Orex and the previous owners of the Barsele Project prior to the acquisition by AE Sweden of a 55% joint venture interest in the Barsele Project. As the operator of the Barsele Project, AE Sweden is solely responsible for preparing, in accordance with the terms of the Gunnarn JV Agreement, work programs and budgets. As the majority shareholder of Gunnarn, AE Sweden also controls which work programs and budgets and related matters, including those relating to exploration programs, development, capital expenditures, production decisions, mining plans, and expansion plans, are recommended to the Gunnarn Board for approval. Pursuant to the terms of the Gunnarn JV Agreement, the Gunnarn Board is bound to provide all approvals and make all decisions as are necessary to give effect to any such recommendations. Orex and Barsele have been advised by AE Sweden that it does not intend to implement the recommendations set forth in the Barsele Technical Report. It is anticipated that AE Sweden will present a new work plan and related budget to the Gunnarn Board in mid-September 2015.

Previous exploration programs undertaken on the Barsele Project have outlined four small deposits; three gold deposits: Central, Avan and Skiråsen, and the Norra V-HMS deposit. High quality regional targets within the licenses have been identified that require further work such as the Skirträskbäcken- Risberget, Nasvattnet, Tattartjärnliden, and Storträsket. In addition, Gunnarn has recently acquired 23,425 Ha of new ground that has not been explored in the detail of the original property acquired from Northland and will need to be properly evaluated. Some of this concession area has been allowed to lapse and more is awaiting decision by the government. It is concluded that further work is warranted over the entire property and the most effective way to test the targets is outlined in the proposed exploration program described in the Barsele Technical Report and includes:

Phase I

Phase I work programs would include orientation geological mapping on new targets developed from the airborne survey, further specific gravity determinations, trenching on Avan and elsewhere to map geological structures, upgrading of the 3-D computer model for the CAS and Norra deposits, further environmental studies and conceptual engineering studies.

Phase II

Diamond Drilling - A three pronged 8,850 m drilling program:

1. drilling south-west dipping holes in the Central Zone to: (a) test the premise that the Au mineralization has a preferred South-East plunging orientation; and (b) extending these to depth;

2. a three hole fence on Line 7200 between the Central and Avan Zones; testing a strong IP anomaly and looking for a connection between the two zones; and

3. 10 drillholes 200 m each dedicated to the regional exploration program which should be able to test 3 discrete targets and prioritized by the local geology team.

Underground Bulk Sample - Drill four large diameter (PQ size) core holes ± 100 m each in the CAS zone to:

1. provide material for preliminary metallurgical testing criteria; and

2. determine the location for a larger underground bulk sample (minimum 100 tonnes).

Regional Exploratory Diamond Drilling - 2,500 m drilling of outside targets such as Skirträskbäcken and Tattartjärnliden.

The Phase I exploration program should take about six months to complete and is budgeted at US$250,000. The sections of this program are not totally season dependent; much of the work can be done in the winter as easily as in the summer.

Phase II recommendations are contingent upon the successful completion of the Phase I work and are budgeted at US$4,650,000. Exact targets for the recommended 8,000 m and 2,500 m drilling programs will be determined at the successful conclusion of the Phase I program.

Opinion of Merit

In the opinions of the authors of the Barsele Technical Report, the character of the Barsele Project is of sufficient merit to justify the recommended Phase I program.

Gunnarn JV Agreement

The following is a summary description of certain material provisions of the Gunnarn JV Agreement, is not comprehensive and is qualified in its entirety by reference to the full text of the Gunnarn JV Agreement, which is available under Orex's profile at www.sedar.com and will be available under Barsele's profile at www.sedar.com following completion of the Arrangement. Capitalized terms used but not otherwise defined herein have the meanings set out in the Gunnarn JV Agreement.

As part of the Spinco Reorganization, immediately prior to the Effective Time, Orex will assign all of its right, title and interest in and to, and all of Orex's benefits and obligations under, the Gunnarn JV Agreement to Barsele. Orex expects that, on the Effective Date, it will be released from substantially all of its obligations under the Gunnarn JV Agreement on the assignment of the Gunnarn JV Agreement to Barsele, other than liabilities arising in respect of conduct that occurred prior to the assignment, and its obligations to provide its proportionate share of funds to Gunnarn to satisfy environmental and other obligations of Gunnarn that arose out of activities conducted prior to such assignment (the "**Excluded Obligations**"). Accordingly, all references to Orex's benefits and obligations other than the Excluded Obligations under the Gunnarn JV Agreement should be read as references to Barsele's benefits and obligations from and after the Effective Date.

Gunnarn Board and Management Committee

AE Sweden has a majority of the seats on the Gunnarn Board. As of the date hereof, the Gunnarn Board is comprised of three directors, two of whom have been designated by AE Sweden and one of whom has been designated by Orex. All matters or questions requiring action, approval or decision by the Gunnarn Board are to be determined by a majority vote of the directors voting on the matter, with each director entitled to one vote.

AE Sweden and Orex have established a Management Committee to determine overall policies, objectives, procedures, methods, actions and other matters relating to the Barsele Project, the Barsele Operations and Gunnarn during the term of the Gunnarn JV Agreement. The Gunnarn Board has delegated to the Management Committee, to the full extent permitted by applicable Law, all of its authority in respect of Gunnarn, the Barsele Project and the Barsele Operations. In addition, the Gunnarn Board is required at each meeting to duly consider and vote on the ratification of all decisions made by the Management Committee during the period following the previous Gunnarn Board meeting. As of the date hereof, the Management Committee consists of two members, with AE Sweden and Orex each designating one member. Except for those matters requiring unanimous approval described below, all matters coming before the Management Committee require for approval the affirmative vote of the members present at the meeting representing a simple majority of votes. The number of votes held by AE Sweden and Orex's members of the Management Committee are 55 and 45, respectively. Practically speaking, this means that AE Sweden has control over all matters relating to the Barsele Project, the Barsele Operations and Gunnarn except for the following, which matters are subject to the unanimous approval of the Management Committee:

(a) recommending to the Gunnarn shareholders the approval of the sale of all or substantially all of the Barsele Project;

(b) the determination to carry on a material business other than in respect of the Barsele Project;

(c) recommending to the Gunnarn shareholders the approval of the allotment, reservation, setting aside or issuance or repurchase, redemption or acquisition of the common shares of Gunnarn other than as contemplated by the Gunnarn JV Agreement;

(d) recommending to the Gunnarn shareholders the approval of the reduction of the authorized capital of Gunnarn by means of a share consolidation or the increase or reduction of the issued capital of Gunnarn by way of conversion or exchange of securities or similar transaction;

(e) recommending to the Gunnarn shareholders or the Gunnarn Board the approval of the amalgamation, merger, entry into an arrangement or other reorganization involving Gunnarn;

(f) requiring any additional capital contribution by a Gunnarn shareholder in excess of that set out in an Approved Work Program and Budget or in respect of certain cost overruns or emergency or unexpected expenditures of Gunnarn;

(g) entering into any loan arrangement with a Gunnarn shareholder;

(h) the repayment of a loan to a Gunnarn shareholder, other than a loan repaid in accordance with its terms;

(i) making any loan to any person or guaranteeing the obligations of any person, other than a wholly-owned subsidiary;

(j) entering into any agreement or other transaction with any person who is not at arm's length to Gunnarn or the Gunnarn shareholders, other than: (A) as contemplated by the Gunnarn JV Agreement; or (B) a contract on customary commercial terms (or terms more favourable to Gunnarn) entered into in the ordinary course of business;

(k) the amendment of the Corporate Documents, other than amendments contemplated by, or necessary or desirable to conform such Corporate Documents to the provisions of the Gunnarn JV Agreement;

(l) the grant of any royalty other than in connection with the Royalty Agreement;

(m) approving the acquisition of Additional Property Rights for the Barsele Project at any time prior to the PFS Completion Date;

(n) recommending to the Board that Gunnarn make Distributions at any time prior to the PFS Completion Date;

(o) recommending to the Gunnarn shareholders any change in the external auditors of Gunnarn at any time prior to the PFS Completion Date;

(p) approving the commencement of any bankruptcy or other insolvency proceeding by Gunnarn, whether or not subject to the supervision of a court or other authority at any time prior to the PFS Completion Date;

(q) recommending to the Gunnarn shareholders the approval of the winding-up or dissolution of the Company at any time prior to the PFS Completion Date; and

(r) delegating to the Operator any of the Management Committee's authority under the Gunnarn JV Agreement.

Operator

AE Sweden is, and has the right to appoint a Qualified Affiliate to be, the operator of the Barsele Project to act for and on behalf of Gunnarn (the "**Operator**"). As the Operator, AE Sweden is responsible for preparing, in accordance with the terms of the Gunnarn JV Agreement, Work Programs and Budgets and for carrying out all Approved Work Programs and Budgets. Without

limiting the generality of the foregoing, AE Sweden, as the Operator, has the following powers and duties in respect of the Barsele Operations:

(a) managing, directing, and controlling all Barsele Operations;

(b) implementing the decisions of the Management Committee made in accordance with the Gunnarn JV Agreement, causing Gunnarn to make all expenditures necessary to carry out Approved Work Programs and Budgets, and, during the Joint Funding Period, promptly advising Gunnarn if it lacks sufficient funds to carry out its responsibilities under the Gunnarn JV Agreement;

(c) subject to the availability of funds in Gunnarn: (A) making or arranging for all payments required by leases, licences, permits, contracts, Mineral Rights and other agreements related to the Barsele Project; (B) paying all taxes and royalties (including income taxes), assessments and like charges on Barsele Operations as and when due, except taxes determined or measured by a Gunnarn shareholder's sales revenue or net income, which will be that Gunnarn shareholder's own responsibility; and (C) using its commercially reasonable efforts to do all other acts as may be reasonably necessary or advisable in the reasonable judgment of the Operator to maintain and preserve the Mineral Rights and the Barsele Project assets while the Gunnarn JV Agreement is in effect;

(d) making arrangements for Gunnarn to (subject to the availability of funds in Gunnarn) use its commercially reasonable efforts to: (A) keep the Properties free and clear of any title defect or Encumbrance arising after the Effective Date, except Encumbrances specifically approved by the Management Committee, and (B) keep the Barsele Project assets free and clear of any Encumbrance arising after the Effective Date, except Encumbrances existing at the time of, or created concurrently with, the acquisition of such assets, or mechanic's or materialman's liens (which will be contested, released or discharged in a diligent manner) or Encumbrances specifically approved by the Management Committee;

(e) on behalf of Gunnarn, using its commercially reasonable efforts to: (A) apply for all necessary permits and licences and approvals, including any renewals thereof; (B) comply in all material respects with all applicable Legal Requirements; (C) promptly notify the Management Committee in writing of any allegations of substantial violation of such Legal Requirements; and (D) prepare and file all reports and notices required for Barsele Operations pursuant to the Legal Requirements;

(f) keeping and maintaining all required accounting and financial records pursuant to accounting procedures to be prescribed by the Management Committee, which procedures must be in accordance with customary cost accounting practices in the mining industry;

(g) keeping and maintaining all required records, making elections and preparing and filing all tax returns or other forms required to be filed by Gunnarn under applicable Laws;

(h) keeping and maintaining, or causing to be kept or maintained, all required books and records of Gunnarn and other books and records relating to the Barsele Project;

(i) arranging for any audit required under the Laws of Sweden;

(j) maintaining the insurance policies and coverage of Gunnarn, which must have terms and coverage consistent with industry standards;

(k) preparing, on a quarterly basis and on an annual basis, a written report (the "**Quarterly Operations Report**" and the "**Annual Operations Report**", respectively) that details the Barsele Operations undertaken, expenditures (including Exploration Expenditures, PFS Expenditures and Joint Funded Expenditures) incurred and the results of the Barsele Operations and variance with respect to Work Programs and Budgets or Approved Work Programs and Budgets, as applicable, with accompanying and supporting documents and information, such as, accounting and financial records, pertinent plans, assays, maps, surveys, analyses, reports, drill logs and other engineering data, core, pulps and any other information required to be prepared under Legal Requirements, and submitting the Quarterly Operations Report to Gunnarn within 30 days of the end of each quarterly accounting period and the Annual Operations Report within 60 days of the end of each annual accounting period;

(l) entering into contracts on behalf of Gunnarn that are in the ordinary course of the Gunnarn's business;

(m) interacting with any Governmental Authority relating to Gunnarn or the Barsele Operations, including in relation to the Mineral Rights and any other Governmental Authorizations;

(n) hiring, retaining, engaging, assuming, laying-off, severing, terminating or discharging all employees and consultants of or to Gunnarn, and any other persons in any way involved in Gunnarn or the Barsele Operations (to the extent of such involvement);

(o) prosecuting and defending, but not initiating or settling where the amount of any such Claim or settlement exceeds $25,000 without consent of the Management Committee, all litigation or administrative proceedings involving Gunnarn or arising out of the Barsele Project or Barsele Operations;

(p) reviewing all invoices to Gunnarn for approval and arranging for payment by Gunnarn of all invoices approved by the Operator pursuant to procedures, if any, approved by the Management Committee;

(q) at a Gunnarn shareholder's reasonable request and expense: (A) granting access to the requesting Gunnarn shareholder during regular business hours to Gunnarn's books and records and any other books and records relating to the Barsele Project, and (B) providing such additional information to the requesting Gunnarn shareholder, to satisfy the requesting Gunnarn shareholder's audit, reporting, governance and regulatory requirements;

(r) performing its duties and obligations and all exploration work in a sound and workmanlike manner, in accordance with sound mining and engineering practices, and in material compliance with all applicable Laws and in compliance with the Gunnarn JV Agreement;

(s) overseeing the marketing of Mineral Products in accordance with policies approved by the Management Committee from time to time;

(t) overseeing the preparation and completion of any preliminary economic assessment, Pre-Feasibility Study, feasibility study or Technical Report that is authorized by the Management Committee;

(u) including in each Work Program and Budget and Approved Work Program and Budget, as applicable, sufficient funding to implement the Environmental Compliance plan and to satisfy the financial assurance requirements of any applicable Law or contractual obligation pertaining to Environmental Compliance;

(v) undertaking to perform Continuing Obligations when and as economic and appropriate, whether before or after termination of Gunnarn. The Operator will have the right to delegate performance of Continuing Obligations to persons having demonstrated skill and experience in relevant disciplines. As part of each Work Program and Budget and Approved Work Program and Budget, as applicable, submittal, the Operator must specify in such Work Program and Budget or Approved Work Program and Budget, as applicable, the measures to be taken for performance of Continuing Obligations and the cost of such measures. The Operator must keep the Management Committee reasonably informed about the Operator's efforts to discharge Continuing Obligations. Authorized representatives of each Gunnarn shareholder, upon reasonable notice being provided to the Operator, will have the right from time to time to enter the Properties during business hours to inspect work directed toward satisfaction of Continuing Obligations, provided that such Gunnarn shareholder's representatives comply with all safety and other rules of the Operator regarding the Barsele Operations; and

(w) undertaking all other activities reasonably necessary to fulfil the foregoing.

Exploration Period

AE Sweden must incur an aggregate of US$7,000,000 in Exploration Expenditures (the "**Exploration Commitment**") on or before July 11, 2018 (subject to extension pursuant to Section 19.1 of the Gunnarn JV Agreement in the event of a Force Majeure) (the "**Exploration Period**") by: (i) funding directly Exploration Expenditures undertaken by AE Sweden, as Operator, and contributing such work as capital to Gunnarn; (ii) contributing as capital to Gunnarn funds in respect of Exploration Expenditures to be undertaken by the Operator on behalf of Gunnarn; (iii) contributing as capital to Gunnarn cash amounts; or (iv) any combination of (i), (ii) and (iii). No additional Gunnarn Shares will be issued, nor will Gunnarn incur any debt unless such debt is forgiven before the end of the year in which such debt is incurred, in connection with any capital contribution made in connection with the Exploration Expenditures.

If AE Sweden fails or elects not to satisfy the Exploration Commitment prior to the end of the Exploration Period, AE Sweden must, upon written notice by Orex, pay to Orex within five Business Days of the later of: (i) the day of AE Sweden's receipt of such written notice from Orex; and (ii) the day that all disputes, if any, related to the satisfaction of the Exploration Commitment have been resolved in accordance with the terms of the Gunnarn JV Agreement, an amount equal to the difference between US$7,000,000 and the aggregate Exploration Expenditures made by or on behalf of AE Sweden under the Gunnarn JV Agreement prior to the receipt by AE Sweden of such written notice from Orex. Such payment will be Orex's and Gunnarn's sole and exclusive remedy for a failure to satisfy the Exploration Commitment.

Contribution of Pre-Feasibility Study

If AE Sweden or Agnico Eagle prepares a Pre-Feasibility Study on the Barsele Project and contributes it as capital to Gunnarn, AE Sweden's interest in Gunnarn will increase to 70% and Orex's interest in Gunnarn will be reduced to 30%. All costs and expenses related to preparation of the Pre-Feasibility Study will be for the account of AE Sweden or Agnico Eagle, as the case may be, and for greater certainty, such costs and expenses will not be included in Exploration Expenditures.

Joint Funding

Until the date the Pre-Feasibility Study is contributed to Gunnarn (the "**PFS Completion Date**"), all costs and expenses of Gunnarn will be for the account of AE Sweden. Following the PFS Completion Date, all costs and expenses of Gunnarn will be shared by AE Sweden and Orex in accordance with their proportionate interests in Gunnarn. From and after the PFS Completion Date and until the time the Gunnarn JV Agreement is terminated (the "**Joint Funding Period**"), each of Orex and AE Sweden will be required to fund its respective Proportionate Share of all Joint Funded Expenditures required under each Approved Work Program and Budget and any amounts payable pursuant to Sections 8.4, 8.5 and 8.6 of the Gunnarn JV Agreement.

During the Joint Funding Period, the Operator will give each of Orex and AE Sweden at least 30 days' notice of any requirement that such shareholder contribute funds as a capital contribution to fund its Proportionate Share of all expenditures expected to be incurred (as well as required under Sections 8.4, 8.5 and 8.6 of the Gunnarn JV Agreement) during a period not to exceed three months (such notice, a "**Contribution Notice**"). Each Contribution Notice will include: (i) the amount of funds that each shareholder is required to contribute; and (ii) the date by which each such contribution must be paid (the "**Contribution Date**"). If Orex or AE Sweden (the "**Non-Funding Shareholder**") fails to provide such required funding by the Contribution Date (such failure to provide funds, a "**Funding Default**"), the other shareholder (the "**Funding Shareholder**") will have the right (but not the obligation) to fund all or a portion of the amount not funded by the Non-Funding Shareholder (a "**Make-Up Payment**") during the 10 days following the Contribution Date. In the event that the Make-Up Payment, if any, is less than the full amount to have been contributed by the Non-Funding Shareholder, the Operator will have the right, in its discretion, to cancel or rescind all or any part of the applicable Approved Work Program and Budget or to revise the Approved Work Program and Budget to a level, scope and size commensurate with the amount of funds contributed, and likely to be contributed in the future, by Orex and AE Sweden.

If, during the Joint Funding Period, Orex or AE Sweden fails to contribute to Gunnarn its Proportionate Share of the funding required, and regardless of whether the Funding Shareholder chooses to make a Make-Up Payment, then the Proportionate Share of the Non-Funding Shareholder will be diluted as provided in Section 11.2 of the Gunnarn JV Agreement.

If, at any time during the Joint Funding Period, Orex or AE Sweden's ownership of Gunnarn Shares falls to 10% or less of the issued and outstanding Gunnarn Shares, such shareholder must, upon receiving notice to that effect from the other shareholder, sell, and the other shareholder must purchase, all, but not less than all, of such small shareholder's Gunnarn Shares at a price equal to Fair Market Value of such Gunnarn Shares.

Call Rights

If Orex undergoes a Change of Control without the prior written consent of AE Sweden, AE Sweden will have the right to require Orex to transfer all (but not less than all) of the Gunnarn Shares held by

Orex to AE Sweden, free of any Encumbrances, at a purchase price equal to the Fair Market Value of the Gunnarn Shares held by Orex

If: (i) Orex or AE Sweden commits a material breach of its obligations as a shareholder under the Gunnarn JV Agreement (other than a Funding Default); or (ii) the Gunnarn Board nominee of Orex or AE Sweden casts his or her vote on a matter in a manner that is contrary to (A) the agreement of the parties in the Gunnarn JV Agreement, or (B) a determination of the Management Committee, in either case, that results in a material breach of the shareholder's obligations under the Gunnarn JV Agreement (in each such case, such shareholder is referred to as the "**Breaching Shareholder**") and fails to remedy such material breach (if such material breach is capable of being remedied) within 20 days of receiving notice thereof from the other shareholder (the "**Non-Breaching Shareholder**"), the Non-Breaching Shareholder will have the right to require the Breaching Shareholder to transfer all (but not less than all) of the Gunnarn Shares held by the Breaching Shareholder to the Non-Breaching Shareholder, free of any Encumbrances, at a purchase price equal to 50% of the Fair Market Value of the Shares held by Breaching Shareholder.

If Orex or AE Sweden: (i) has a receiver, receiver-manager, interim receiver, monitor, liquidator, assignee, custodian, trustee, sequestator or other similar agent for it or for any substantial part of its assets or property; or (ii) is the subject of any bankruptcy or other insolvency proceeding, whether or not subject to the supervision of a court or other authority (in each such case, such shareholder is referred to as the "**Insolvent Shareholder**"), the other shareholder will have the right to require the Insolvent Shareholder to transfer all (but not less than all) of the Gunnarn Shares held by the Insolvent Shareholder to the other shareholder, free of any Encumbrances, at a purchase price equal to the Fair Market Value of the Gunnarn Shares held by the Insolvent Shareholder.

Right of First Refusal, Tag-Along Right and Drag-Along Right

Each of Orex and AE Sweden is permitted to sell all, but not less than all, of its Gunnarn Shares to a Third Party Purchaser, subject to a right of first refusal in favour of the other shareholder, as more particularly set out in Section 13.4 of the Gunnarn JV Agreement. If AE Sweden wishes to sell all, but not less than all, of its Gunnarn Shares to a Third Party Purchaser and Orex does not exercise its right of first refusal in accordance with Section 13.4 of the Gunnarn JV Agreement, then: (i) Orex will have the right to require the Third Party Purchaser to purchase all of Orex's Gunnarn Shares on the same terms and conditions as the sale by AE Sweden to the Third Party Purchaser, as more particularly set out in Section 13.5 of the Gunnarn JV Agreement; and (ii) AE Sweden will have the right to require Orex to sell all, but not less than all, of Orex's Gunnarn Shares to the Third Party Purchaser on the same terms and conditions as the sale by AE Sweden to the Third Party Purchaser, as more particularly set out in Section 13.6 of the Gunnarn JV Agreement.

AVAILABLE FUNDS AND PRINCIPAL PURPOSES

Available Funds

Assuming completion of the Spinco Reorganization and the Arrangement, on the Effective Date, Barsele will have available working capital of approximately $500,000.

Principal Purposes

The following table summarizes expenditures anticipated by Barsele, required to achieve its business objectives during the 18 months following listing of the Spinco Shares on the TSX-V (see "*Business Objectives and Milestones*" which follows).

Principal purpose	Amount
General & administrative expenses	$300,000
Unallocated working capital	$200,000
Total:	$500,000

Barsele intends to spend the funds available to it as stated in the table above. However, there may be circumstances where, for sound business reasons, a reallocation of funds may be necessary.

BUSINESS OBJECTIVES AND MILESTONES

With the funds available to it as described under the headings "*Available Funds and Principal Purposes - Available Funds*" and "*Available Funds and Principal Purposes - Principal Purposes*", above, Barsele intends to investigate other potential mineral properties in Sweden, pay geologists and other specialists to evaluate such mineral properties, pay listing fees and other sustaining fees including legal fees, audit, accounting and secretarial expenses, as well as pay management and office overhead.

DIVIDENDS OR DISTRIBUTIONS

Barsele has not paid any dividends on the Spinco Shares since incorporation. Barsele management anticipates that Barsele will retain all future earnings and other cash resources for the future operation and development of its business. Barsele does not intend to declare or pay any cash dividends in the foreseeable future. Payment of any future dividends will be at the discretion of the Barsele Board after taking into account many factors including Barsele's operating results, financial condition and current and anticipated cash needs.

FINANCIAL INFORMATION

The audited financial statement of Barsele as at April 30, 2015 is set out in Appendix J of the Circular.

Selected Barsele Unaudited Pro Forma Financial Information

The selected unaudited *pro forma* financial information set forth below should be read in conjunction with Barsele's unaudited *pro forma* financial statement and the accompanying notes thereto attached as Appendix K to the Circular. The unaudited *pro forma* statement of financial position has been prepared from the April 30, 2015 audited statements of financial position of each of Orex and Barsele and gives *pro forma* effect to the successful completion of the Arrangement as if the transactions occurred on April 30, 2015.

The summary unaudited *pro forma* financial information is not intended to be indicative of the results that would actually have occurred, or the results expected in future periods, had the events reflected herein occurred on the dates indicated. Actual amounts recorded upon consummation of the Arrangement will differ from the *pro forma* information presented below. No attempt has been made to calculate or estimate the overlapping expenses of Orex after the Arrangement and Barsele. The unaudited *pro forma* financial statement information set forth below is extracted from and should be read in conjunction with the unaudited *pro forma* financial statement of Barsele and the accompanying notes included in Appendix K to the Circular.

	Barsele Minerals Corp.	Note	Pro Forma Adjustments	Pro Forma Balance
	April 30, 2015			
Current Assets				
Cash	$1	3(a)	$500,000	$500,001
Total current assets	**1**		**500,000**	**500,001**
Non-current assets				
Exploration and evaluation assets	-	3(a)	1	1
Total non-current assets	**-**		**1**	**1**
TOTAL ASSETS	**1**		**500,001**	**500,002**
Shareholders' equity				
Share capital	1	3(a)	500,001	500,002
Total shareholders' equity	**1**		**500,001**	**500,002**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$1**		**$500,001**	**$500,002**

**The accompanying notes are an integral part of this unaudited pro forma financial statement.*

DESCRIPTION OF SECURITIES DISTRIBUTED

Barsele's authorized share capital consists of an unlimited number of common shares without par value, being the Spinco Shares. Assuming completion of the Arrangement and pursuant to its terms, approximately 101,890,199 Spinco Shares will be issued and outstanding as fully paid and non-assessable on completion of the Arrangement, of which approximately 101,890,199 Spinco Shares or 100% will be distributed to Former Orex Shareholders. The calculation in this Appendix F of the approximate aggregate number of Spinco Shares to be distributed pursuant to the Arrangement assumes that: (a) there are no Dissent Shares; (b) no outstanding Orex Warrants have been exercised; and (c) no outstanding Orex Options have been exercised. For further details with respect to the distribution of the Spinco Shares on completion of the Arrangement, see in the Circular, "*The Meeting – The Arrangement*" — and in particular: "*The Meeting – The Arrangement - Principal Steps of the Arrangement*", " *The Meeting – The Arrangement - Procedure for Exchange of Orex Shares*", " *The Meeting – The Arrangement - Orex Option Plan and Treatment of Orex Options*", "*Summary - Treatment of Warrants*", "*The Meeting – The Arrangement - Cancellation of Rights After Six Years*" and " *The Meeting – The Arrangement - Risks Associated with the Arrangement*".

Common Shares

The authorized share structure of Barsele consists of an unlimited number of Spinco Shares, of which one Spinco Share is issued and outstanding as at the date of the Circular.

All of the Spinco Shares are of the same class and, once issued, rank equally as to dividends, voting powers and participation in assets and in all other respects, on liquidation, dissolution or winding up of Barsele, whether voluntary or involuntary, or any other distribution of the assets of Barsele among its shareholders for the purpose of winding up its affairs after Barsele has paid out its liabilities. The issued Spinco Shares are not subject to call or assessment by Barsele nor are there any pre-emptive, conversion, exchange, redemption or retraction rights attaching to the Spinco Shares.

All registered Spinco Shareholders are entitled to receive a notice of any general or special meeting to be convened by Barsele. At any general or special meeting, subject to the restrictions on joint registered owners of Spinco Shares, on a show of hands every Spinco Shareholder who is present in

person and entitled to vote has one vote and on a poll, every Spinco Shareholder has one vote for each Spinco Share of which it is the registered owner and may exercise such vote either in person or by proxy. Barsele's articles provide that the rights and provisions attached to any class of shares, in which shares are issued, may not be modified, amended or varied unless consented to by ordinary resolution passed by a simple majority of the votes cast in person or by proxy by holders of shares of that class.

Approximately 101,890,199 Spinco Shares are expected to be issued to Orex immediately prior to the Effective Time pursuant to the Spinco Reorganization. Pursuant to the Arrangement, all outstanding Orex Shares as at the Effective Date will be exchanged for, among other things, Spinco Shares. As of the date hereof, it is expected that, based on the number of issued and outstanding Orex Shares as of the Record Date, approximately 101,890,199 Spinco Shares will be issued and outstanding, representing approximately 100% of the Spinco Shares issued upon completion of the Arrangement. See in the Circular "*The Meeting – The Arrangement – Principal Steps of the Arrangement*".

Spinco Options

Subject to the receipt of Orex Securityholder Approval, the only equity compensation plan Spinco will have is the Spinco Option Plan. The Spinco Option Plan will be established to provide incentive to employees, directors, senior officers, management companies, and consultants who provide services to Barsele. TSX-V policy requires that all companies listed on the TSX-V adopt a stock option plan if they wish to grant options, and that all stock option plans that reserve a maximum of 10% of the issued and outstanding share capital of the issuer at the time of grant must be approved and ratified by shareholders on an annual basis. See "*The Meeting – The Arrangement – Principal Steps of the Arrangement*" for information on how Spinco Options will be issued.

Under the Spinco Option Plan, the total number of Spinco Shares allotted and reserved for future issuance will not exceed 10% of the issued and outstanding share capital of Barsele from time to time.

As of the date of the Circular, Barsele has not granted any incentive stock options under the Spinco Option Plan, or otherwise, nor has it issued any other rights or securities to purchase Spinco Shares.

Spinco Warrants

In connection with the Arrangement, all Orex Warrants outstanding immediately before the Effective Time which have not been duly exercised will be exchanged for New Orex Warrants and Spinco Warrants. Each Spinco Warrant will entitle the holder thereof to purchase from Barsele one Spinco Share at a purchase price per Spinco Share equal to the exercise price of the Orex Warrant before the Effective Time for which such Spinco Warrant was exchanged. The expiry date of each Spinco Warrant will be equivalent to the respective expiry date of such Orex Warrant so exchanged. All other terms and conditions of the Spinco Warrant will be as set out in the form of Spinco Warrant Certificate attached as Schedule D of the Arrangement Agreement, which can be found under Orex's SEDAR profile at www.sedar.com.

Barsele expects that 14,643,680 Spinco Warrants will be issued under the Arrangement in respect of the 14,643,680 Orex Warrants outstanding as at the Record Date.

Listing of Spinco Shares

Spinco has applied to the TSX-V for the listing of the Spinco Shares on the TSX-V. Any listing will be subject to Barsele fulfilling all the requirements of the TSX-V. There can be no assurances as to if, or when, the Spinco Shares will be listed or traded on the TSX-V, or any other stock exchange.

As at the date of the Circular, there is no market through which the Spinco Shares to be distributed pursuant to the Arrangement may be sold and Orex Shareholders may not be able to resell the Spinco Shares to be distributed to them pursuant to the Arrangement. This may affect the pricing of the Spinco Shares in the secondary market, the transparency and availability of trading prices, the liquidity of the Spinco Shares, and the extent of issuer regulation.

As at the date of the Circular, Barsele does not have any of its securities listed or quoted, has not applied to list or quote any of its securities, and does not intend to apply to list or quote any of its securities on the Toronto Stock Exchange, a U.S. marketplace, or a marketplace outside Canada and the United States of America.

See in this Appendix F, "*Risks Associated with Barsele*".

PRO FORMA CAPITALIZATION

Outstanding Securities

The following sets out the number and percentage of Spinco Shares expected to be outstanding after giving effect to the Arrangement on a fully-diluted basis:

Description	Number of Securities	Percentage of Total
Spinco Shares expected to be issued and outstanding as a result of the exchange of Orex Shares for Spinco Shares	101,890,199	83%
Spinco Shares reserved for issuance pursuant to outstanding Spinco Options	6,294,000	5.1%
Spinco Shares reserved for issuance pursuant to outstanding Spinco Warrants	14,643,680	11.9%
TOTAL	122,827,879	100%

Consolidated Capitalization

The following table sets forth Barsele's consolidated capitalization as at April 30, 2015 on a *pro forma* basis, both before and after giving effect to the Arrangement. The table should be read in conjunction with the audited financial statement of Barsele as at April 30, 2015, including the notes thereto and the auditor's report thereon, attached as Appendix J to the Circular and Barsele's unaudited *pro forma* financial statement, including the notes thereto, attached as Appendix K to the Circular.

Description	As of April 30, 2015 (Audited)	As of April 30, 2015 after giving effect to the Arrangement (Unaudited)
Shareholders' Equity:		
Share capital	$1	$500,002
Total shareholders' equity	$1	$500,002
Number of shares outstanding	1	101,890,199

OPTIONS AND OTHER RIGHTS TO PURCHASE SECURITIES OF BARSELE

Spinco Option Plan

Terms of the Spinco Option Plan

The following is a summary of the material terms of the Spinco Option Plan:

Number of Shares Reserved: The number of Spinco Shares reserved for issuance under the Spinco Option Plan will not exceed 10% of the number of Spinco Shares outstanding (on a non-diluted basis) at any given time.

Administration: The Spinco Option Plan will be administered by the Barsele Board.

Eligible Persons: The Spinco Option Plan will provide that stock options may be issued only to directors, senior officers, employees of Barsele or any of its Subsidiaries; consultants engaged by Barsele or any of its Subsidiaries at the time a Spinco Option is granted; or a company that is wholly-owned by any of the foregoing. Such persons and entities are referred to herein as "**Eligible Persons**".

Board Discretion: The Spinco Option Plan will provide that, generally, the number of Spinco Shares subject to each Spinco Option, the exercise price, the expiry time, the extent to which such Spinco Options are exercisable, and other terms and conditions relating to such Spinco Option will be determined by the Barsele Board.

Maximum Term of Options: Options granted under the Spinco Option Plan will be for a term not exceeding five years from the date of grant.

Maximum Options per Person: The number of Spinco Shares reserved for issuance to any one option holder pursuant to Spinco Options granted under the Spinco Option Plan during any twelve-month period will not exceed 5% (or, in the case of a consultant, 2%) of the issued and outstanding Spinco Shares at the time of grant. The number of Spinco Shares reserved for issuance to employees who are engaged in Investor Relations Activities will be limited to an aggregate of 2% of the issued and outstanding Spinco Shares at the time of grant.

No Assignment: The Spinco Options may not be assigned or transferred.

Termination Before Expiry: Generally, Spinco Options must expire and terminate on a date stipulated by the board of directors of Barsele at the time of grant. If the employment of an optionholder who is an Eligible Person is terminated without cause, such option holder's Spinco Options (vested or unvested) will terminate 90 days following notice of termination or on the expiry of such Spinco Options, whichever is earlier. If the employment of an optionholder who is an Eligible Person is terminated with cause, such option holder's Spinco Options (vested or unvested) will terminate on the date of termination. If the employment of an optionholder who is engaged in Investor Relations Activities is terminated, such option holder's Spinco Options (vested or unvested) will terminate 30 days following notice of termination or on the expiry of such Spinco Options, whichever is earlier. If an optionholder dies, the vested Spinco Options of the deceased optionholder will be exercisable by his/her estate for a period not exceeding 12 months following the date of the deceased option holder's death or on the expiry of such vested Spinco Options, whichever is earlier. If an option holder ceases to become an Eligible person by virtue of disability, the board of directors of Barsele may allow such option holder to exercise any vested Spinco Options for a period not exceeding 12 months following the date of such option holder ceasing to be an Eligible Person or on the expiry of such vested Spinco Options, whichever is earlier. Upon any attempt to transfer, assign, pledge,

hypothecate or otherwise dispose of a Spinco Option, such Spinco Option will, at the election of Barsele, cease and terminate.

Exercise Price: Subject to any adjustments made pursuant to the Spinco Option Plan and excluding the Spinco Options exchanged for Orex Options outstanding as of the Effective Time pursuant to the Arrangement, Spinco Options granted under the terms of the Spinco Option Plan will be exercisable at a price that is not less than the market price of the Spinco Shares on the TSX-V.

Full Payment for Shares: Barsele will only issue Spinco Shares pursuant to the exercise of Spinco Options granted under the Spinco Option Plan once the exercise price for those Spinco Shares have been fully paid.

Reduction of Exercise Price: The exercise price of stock options granted to insiders may not be decreased without disinterested shareholder approval.

Change of Control: If a Change of Control Event (as defined in the Spinco Option Plan occurs, then the board of directors of Barsele will be able to, in its sole discretion, authorize and implement one or more of the following actions: (a) accelerate the vesting of any Spinco Options and any Spinco Options that are not exercised or surrendered by the effective time of the Change of Control Event will be deemed to have expired; (b) offer to acquire from each option holder his or her Spinco Options for a cash payment equal to the In the Money Amount (as defined in the Spinco Option Plan in Appendix H) and any Spinco Options that are not so surrendered by the effective time of the Change of Control Event will be deemed to have expired; and (c) that a Spinco Option granted under the Spinco Option Plan be exchanged for an option to acquire, for the same exercise price, that number and type of securities as would be distributed to a Spinco Option holder in respect of the Spinco Shares issued to such option holder had he or she exercised the Spinco Option before the Effective Time of the Change of Control Event, provided that any such replacement option will have to provide that it survives for a period of not less than one year from the effective time of the Change of Control Event, regardless of the continuing directorship, officership or employment of the option holder.

Termination of Plan: The Spinco Option Plan will terminate when it is terminated by Barsele. Any Spinco Options outstanding when the Spinco Option Plan is terminated will remain in effect until they are exercised or they expire.

PRIOR SALES

Barsele has not issued any securities in the 12 month period before the date of the Circular.

PRINCIPAL SECURITYHOLDERS

As of the date of the Circular, the one issued and outstanding Spinco Share is owned by Orex as follows:

Name	Type of Ownership	Number of Spinco Shares at date of Circular	Percentage of Spinco Shares at date of Circular	Number of Spinco Shares assuming completion of the Arrangement[1]	Percentage of Spinco Shares assuming completion of the Arrangement[1]
Orex Minerals Inc.	Direct	1	100%	0	0%[2]

[1] Pursuant to the Plan of Arrangement, upon completion of the Arrangement, one Spinco Share will be distributed for each Orex Share held by each Orex Shareholder on the Effective Date (see in this Appendix F, "*Description of Securities Distributed*"

and see in the Circular "*The Meeting - The Arrangement*", "*The Meeting – The Arrangement - Principal Steps of the Arrangement*", "*The Meeting – The Arrangement - Procedure for Exchange of Orex Shares*" and "*The Meeting – The Arrangement - Cancellation of Rights After Six Years*"). Information as to holdings of Orex Shares for the purposes of these calculations has been taken from the central securities registers of Orex or from insider reports or other disclosure documents electronically filed with regulators and publicly available through the Internet at the website for the Canadian System for Electronic Disclosure by Insiders (SEDI) at www.sedi.ca or SEDAR at www.sedar.com .

(2) Upon completion of the Arrangement, each Orex Shareholder will receive one Spinco Share for each Orex Share held such that all of the issued and outstanding Spinco Shares will be held by Orex Shareholders.

Immediately upon completion of the Arrangement and based on the 101,890,199 Orex Shares issued and outstanding as of the Record Date, to the knowledge of the Barsele Board, no Person will beneficially own directly or indirectly, control, or direct more than 10% of the issued and outstanding Spinco Shares, except:

- Gary Cope, who directly and indirectly through his holding company, 683192 B.C. Ltd., will have control and direction over 12,356,800 Spinco Shares, which will represent 12.13% of the voting rights attached to all of the issued and outstanding Spinco Shares; and

- Robert Gipson, who directly will own and have control and direction over 12,000,000 Spinco Shares, which will represent 11.78% of the voting rights attached to all of the issued and outstanding Spinco Shares.

See in the Circular "*The Meeting - The Arrangement*", " *The Meeting – The Arrangement - Principal Steps of the Arrangement*" and " *The Meeting – The Arrangement - Procedure for Exchange of Orex Shares*".

DIRECTORS AND EXECUTIVE OFFICERS

Name, Address, Occupation and Security Holdings

The following table sets out the names of directors and officers, the positions and offices which they presently hold with Barsele, their respective principal occupations within the five preceding years and the number of Spinco Shares which each beneficially will own, directly or indirectly, or over which control or direction will be exercised immediately after completion of the Arrangement. The term of office of each director expires at the next annual general meeting of Barsele's Shareholders.

Name, Jurisdiction of Residence and Position	Director and/or Officer Since	Principal Occupation during the Past Five Years [1]	Number of Spinco Shares to be Beneficially Owned, Directly or Indirectly, or Controlled or Directed immediately after completion of the Arrangement[2]
Gary Cope[3] President, Chief Executive Officer and Director BC, Canada	February 20, 2013	Mining Executive; President and CEO of Orex. Independent contractor through 683192 B.C. Ltd.	12,356,800
N. Ross Wilmot Chief Financial Officer and Director BC, Canada	February 20, 2013	Financial Consultant, Cedarwoods Group (financial consulting); director and officer of several listed companies	594,800
Arthur Freeze Director BC, Canada	February 20, 2013	Consulting Geologist, Stillwater Enterprises Ltd. (geology consulting); director and officer of several listed companies	727,500
Rick Sayers[3] Director BC, Canada	February 20, 2013	VP Finance, Lordco Parts Ltd. (automotive parts retail)	8,000
William Henry White[3] Director BC, Canada	May 9, 2014	Principal of H White Consulting	Nil
Bernard Henry Whiting *VP, Exploration* BC, Canada	August 14, 2015	Principal of Whiting Geological Consulting Inc.	556,400
Melissa Martensen Corporate Secretary BC, Canada	February 20, 2013	Corporate secretary and office manager for Orko Silver Corp. and Orex. Private Banking Associate for RBC Private Banking.	Nil

(1) The information as to principal occupation, business or employment and shares beneficially owned or controlled is not within the knowledge of the management of Barsele and has been furnished by the respective directors. Each director has held the same or similar principal occupation with the organization indicated or a predecessor thereof for the last five years.

(2) Based on the 101,890,199 Orex Shares issued and outstanding as of the Record Date.

(3) Denotes an expected member of the Audit Committee, Corporate Governance Committee, and Compensation Committee, as of the Effective Date.

Management of Barsele

See "*Directors and Officers – Name, Address, Occupation and Security Holdings*" above for information regarding the principal occupations of members of Barsele's management during the five years before the date of the Circular.

Name, Age, and Position	Responsibilities with Barsele	Relevant Educational Background
Gary Cope, 57 President, Chief Executive Officer and Director	Chairman of the Board, and executive strategy and overall management	Substantial industry experience

Name, Age, and Position	Responsibilities with Barsele	Relevant Educational Background
N. Ross Wilmot, 71 Chief Financial Officer and Director	Financial reporting, corporate governance, audit and compliance	Chartered Professional Accountant
Bernard Henry Whiting, 59 VP, Exploration	Management of exploration and geology	Professional Geologist
Melissa Martensen, 36 Corporate Secretary	Corporate records and Board liaison	B.Comm (Finance)

The members of Barsele's management team are independent contractors and have not entered into any non-competition or non-disclosure agreement with Barsele. Immediately following completion of the Arrangement, the executive officers of Barsele are expected to devote a nominal amount of time to the business of Barsele.

Corporate Cease Trade Orders or Bankruptcies

To the knowledge of Barsele, no proposed director is, as at the date of the Circular, or has been, within 10 years before the date of the Circular, a director, CEO or CFO of any company (including Barsele) that:

(a) was the subject, while the proposed director was acting in the capacity as director, CEO or CFO of such company, of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days; or

(b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days, that was issued after the proposed director ceased to be a director, CEO or CFO but which resulted from an event that occurred while the proposed director was acting in the capacity as director, CEO or CFO of such company, except as follows:

(i) On June 10, 2003, while Mr. Wilmot was a director and officer of CTF Technologies Inc. ("**CTF**"), CTF was subject to a cease trade order in British Columbia for failure to file its financial statements for the year ended December 31, 2002, and for the first quarter ended March 31, 2003, due to the CTF's determination in late 2002 that an accounting change to the manner in which it accounted for some of its revenues would be appropriate. The financial statements were filed and the cease trade order was revoked on April 4, 2008.

(ii) On September 7, 2007, while Mr. Wilmot was a director of Biotech Holdings Ltd. ("**Biotech**"), a company listed on the TSX-V, the TSX-V notified Biotech that it had initiated a review of its filings. Following review by the TSX-V in respect of certain compliance matters and direct discussions with the TSX-V, Biotech's management decided to apply to delist the shares of Biotech from the TSX-V. Subsequently, Mr. Wilmot resigned as a director of Biotech on October 15, 2007.

To the knowledge of management of Barsele, there has been no director or officer, or any shareholder holding a sufficient number of securities of Barsele to affect materially the control of Barsele that is, as at the Record Date, or has been within the 10 years before the Record Date, a director or executive officer of any company (including Barsele) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under

any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets.

Personal Bankruptcies

To the knowledge of management of Barsele, there has been no director or officer, or any shareholder holding a sufficient number of securities of Barsele to affect materially the control of Barsele, or a personal holding company of any such person that has, within the 10 years before the Record Date, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or was subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or shareholder.

Penalties or Sanctions

To the knowledge of management of Barsele, no director or officer, or any shareholder holding a sufficient number of securities of Barsele to affect materially the control of Barsele, has been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

Conflicts of Interest

There are potential conflicts of interest to which the directors and officers of Barsele will be subject in connection with the operations of Barsele. In particular, certain of the directors and officers of Barsele are involved in managerial or director positions with other mineral exploration and investment companies whose operations may, from time to time, be in direct competition with those of Barsele or with entities which may, from time to time, provide financing to, or make equity investments in, competitors of Barsele. Conflicts, if any, will be subject to the procedures and remedies available under the Business Corporations Act. The Business Corporations Act provides that if a director has a material interest in a contract or proposed contract or agreement that is material to Barsele, the director will disclose his interest in such contract or agreement and will refrain from voting on any matter in respect of such contract or agreement, subject to and in accordance with, the Business Corporations Act.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation Philosophy

Barsele's overall compensation philosophy will be to provide a compensation package that enables Barsele to attract, retain and motivate named executive officers to achieve its short-term and long-term business goals. Consistent with this philosophy, the following goals provide a framework for Barsele's named executive officers compensation program:

- pay competitively to attract, retain, and motivate named executive officers;
- relate total compensation for each named executive officer to overall company performance;

- aggregate the elements of total compensation to reflect competitive market requirements and to address strategic business needs;

- expose a portion of each named executive officer's compensation to risk, the degree of which will positively correlate to the level of the named executive officer's responsibility and performance; and

- align the interests of Barsele's named executive officers with those of Spinco Shareholders.

Oversight of Executive Compensation Program

The Barsele Board will be responsible for establishing a compensation policy and administering the compensation programs of our executive officers. The amount of compensation proposed to be paid by Barsele to each of its directors and named executive officers and the terms of those Persons' employment is determined solely by the Barsele Board.

Executive Compensation Program Overview

The executive compensation package proposed for Barsele's named executive officers is comprised of:

- base salary or fees; and

- equity based compensation in the form of Spinco Options.

Base Salary

Immediately after completion of the Arrangement, Barsele will pay the consulting companies of each of Messrs. Cope and Wilmot, the two named executive officers, monthly compensation of $1,000 plus applicable GST. The other executive officers of Barsele will only receive compensation from Orex.

If and when Barsele secures additional financing to pursue its business objectives, the base salaries of the executive officers will be examined and revised to reflect the time each executive officer devotes to the affairs of Barsele, based on the following base salary compensation strategy:

- The base salary proposed to be paid to Barsele's executive officers will be commensurate with the nature of Barsele's business and the individual's experience, duties and scope of responsibilities. Barsele will seek to pay competitive base salaries required to recruit and retain executives of the quality that it must employ to ensure success.

- In making determinations of salary levels for Barsele's executive officers, the Barsele Board is likely to consider the entire compensation package for executive officers, including the equity compensation provided under the Spinco Option Plan. Barsele intends for salary levels to be consistent with competitive practices of comparable institutions and each executive's level of responsibility. The Barsele Board is likely to determine, through discussion only, with no formal objectives (performance or otherwise) or criteria, the level of any salary (or salary increase) after reviewing the qualifications, experience, and performance of the particular executive officer and the nature of Barsele's business, the complexity of its activities, the importance of the executive's contribution to the success of the business and the amount of time the executive will dedicate to Barsele.

- The Barsele Board may also take into consideration salaries paid to others in similar positions in Barsele's industry based on the experience of the directors and review of publicly available

information. The discussion of the information and factors considered and given weight by the Barsele Board is not intended to be exhaustive, but it is believed to include all material factors considered by the Barsele Board. In reaching the determination to approve and recommend the base salaries of Barsele's executive officers following completion of the Arrangement, the Barsele Board will not assign any relative or specific weight to the factors which are considered, and the members may give a different weight to each factor. The Barsele Board will review and adjust the base salaries of Barsele's executive officers when deemed appropriate.

Option-based Awards

Executive officers of Barsele, as well as directors, employees and consultants (together referred to in this section as "**optionees**"), are eligible to participate in the Spinco Option Plan. Stock option grants are an important part of Barsele's incentive strategy, permitting executive officers to share in any appreciation of the market value of Spinco Shares over a stated period of time reinforcing commitment to long-term growth and shareholder value. Stock options reward overall corporate performance, as measured through the price of Spinco Shares, and enable executive officers to acquire and maintain a significant ownership position in Barsele.

Management will recommend the grant of individual stock options to the Barsele Board and the size of the grants will be dependent on, among other things, each optionee's level of responsibility, authority and importance to Barsele and the degree to which such long-term contribution to Barsele will be responsible for its long-term success. The Barsele Board will also evaluate the number of options an optionee has been previously granted, the exercise price of the options and the term remaining on those options when considering further grants.

Options will typically be priced at the closing trading price of the Spinco Shares on the last trading day immediately preceding the date of grant and the proposed policy of the Barsele Board is that options will expire five years from the date of grant and vest immediately.

Barsele will grant Spinco Options to an executive officer when they first join Barsele, based on their level of responsibility. Additional grants may be made periodically to ensure that the number of options granted to any particular officer is commensurate with the officer's ongoing level of responsibility within Barsele.

Benefits and Perquisites

Barsele's executive officers will not receive perquisites or benefits that are not generally available to all employees or consultants of Barsele.

Named Executive Officer Compensation

As of the date of the Circular, Barsele's "**Named Executive Officers**" as defined in applicable securities legislation are:

- Gary Cope, President, Chief Executive Officer and a director of Barsele; and
- Ross Wilmot, Chief Financial Officer and director of Barsele.

During the period from its incorporation on February 20, 2013 to April 30, 2015, and as at the date of the Circular, Barsele's Named Executive Officers have not been compensated by Barsele for their services as such. Barsele's Named Executive Officers are also Orex's Named Executive Officers and

have been compensated for their services to date by Orex. Barsele has entered into consulting agreements with its Named Executive Officers pursuant to which, with effect concurrent with completion of the Arrangement, the Named Executive Officers will provide management and administrative services to, and be compensated for those services by, Barsele, and which provide for payments to the Named Executive Officers at, following, or in connection with any termination (whether voluntary, involuntary or constructive), resignation or retirement, or as a result of a change in control of Barsele or a change in a Named Executive Officer's responsibilities, all as more particularly described below under heading "*Proposed Compensation – Consulting Agreements*".

Proposed Compensation –Consulting Agreements

Barsele has entered into consulting agreements with its Named Executive Officers, which commence and become effective concurrent with completion of the Arrangement and are summarized as follows. Should the Arrangement not complete, these consulting agreements will be deemed terminated and of no further force and effect.

Gary Cope – President, Chief Executive Officer and Director

Barsele has entered into a consulting agreement (the "**Cope Barsele Agreement**") with 683192 B.C. Ltd., a company wholly-owned by Gary Cope, to provide consulting services to Barsele. 683192 B.C. Ltd. of 242 Turtlehead Road, Belcarra, BC is engaged in the business of mineral exploration and development. Under the terms of the Cope Barsele Agreement, Barsele will pay to 683192 B.C. Ltd. a monthly consulting fee of $1,000 plus applicable GST. Barsele or 683192 B.C. Ltd. may terminate the Cope Barsele Agreement at any time in accordance with the terms and conditions of the Cope Barsele Agreement provided reasonable notice has first been provided to either Barsele or 683192 B.C. Ltd., as applicable.

Ross Wilmot –Chief Financial Officer and Director

Barsele has entered into a consulting agreement (the "**Wilmot Barsele Agreement**") with Cedarwoods Group, a company wholly-owned by Ross Wilmot, to provide consulting services to Barsele. Cedarwoods Group of 13548 19th Avenue, South Surrey, British Columbia is engaged in the business of financial services. Under the terms of the Wilmot Barsele Agreement, Barsele will pay to Cedarwoods Group a monthly consulting fee of $1,000 plus applicable GST. Either of Barsele or Cedarwoods Group may terminate the agreement at any time in accordance with the terms and conditions of the agreement provided reasonable notice has first been provided to either Barsele or Cedarwoods Group, as applicable.

Termination and Change of Control Benefits

Under the terms of the Cope Barsele Agreement and Wilmot Barsele Agreement summarized above, in the event of termination of the respective agreements other than for cause, assuming an effective date for these agreements of April 30, 2015, and assuming that the triggering of such an event takes place on April 30, 2016 (Barsele's next year end), Messrs. Cope and Wilmot would be entitled to the following compensation by Barsele:

Name	Position	Termination with cause	Termination without cause	Termination on change of control
Gary Cope	President & CEO	Nil	$12,000	$24,000
Ross Wilmot	Chief Financial Officer	Nil	$12,000	$24,000

Further, outstanding Spinco Options granted to executive officers that have vested as of the date of termination of employment for reasons other than cause will remain exercisable for 90 days following such termination. The value of any unexercised In the Money Spinco Options (as defined in the Spinco Option Plan) as at the date of any such termination of employment described above will be the difference between the option exercise price and the market price of the Spinco Shares as at the date of termination.

Director Compensation

Since its incorporation, Barsele has not paid its directors a fee for acting as such, nor has it granted to its directors any option or share-based awards. Directors are entitled to be reimbursed for reasonable expenditures incurred in performing their duties as directors, and Barsele may, from time to time, grant to its directors Spinco Options (see "*Options and Other Rights to Purchase Securities of Barsele*").

INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

No person who is or at any time since the commencement of Barsele's most recently completed financial year was a director, executive officer or senior officer of Barsele, and no associate of any of the foregoing persons has been indebted to Barsele at any time since the commencement of Barsele's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by Barsele at any time since the beginning of the most recently completed financial year with respect to any indebtedness of any such person, other than amounts not exceeding $30,000 for travel advances.

AUDIT COMMITTEE

NI 52-110 requires Barsele's Audit Committee to meet certain requirements. It also requires Barsele to disclose in the Circular certain information regarding the Audit Committee. That information is disclosed below.

The Audit Committee's Charter

The Barsele Board has adopted a charter for its Audit Committee which sets out the Audit Committee's mandate, organization, powers and responsibilities. The complete charter is attached as Appendix I to the Circular.

Composition of Orex's Audit Committee

The following table sets out the names of the members of the Audit Committee and whether they are "independent" and "financially literate".

Name of Member	Independent[1]	Financially Literate[2]
Gary Cope	No	Yes
Rick Sayers (Chair)	Yes	Yes
William White	Yes	Yes

[1] To be considered independent, a member of the Audit Committee must not have any direct or indirect "material relationship" with Barsele. A material relationship is a relationship which could, in the view of the Barsele Board, reasonably interfere with the exercise of a member's independent judgment. Mr. Cope is not considered to be independent as he is the President and Chief Executive Officer of Barsele.

(2) To be considered financially literate, a member of the Audit Committee must have the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by Barsele's financial statements.

Relevant Education and Experience

The education and experience of each member of Barsele's Audit Committee that is relevant to the performance of his responsibilities as an Audit Committee member and, in particular, any education or experience that would provide the member with:

- an understanding of the accounting principles used by Barsele to prepare its financial statements;
- the ability to assess the general application of such accounting principles in connection with the accounting for estimates, accruals and reserves;
- experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by Barsele's financial statements, or experience actively supervising one or more persons engaged in such activities; and
- an understanding of internal controls and procedures for financial reporting,

are as follows:

Name of Member	Education/Experience
Gary Cope	Mr. Cope is currently the President of Orex, which is a publicly listed company on the TSX-V. He serves as a director for various private and public companies and has an understanding of the financial issues that affect exploration companies.
Rick Sayers	Mr. Sayers is a Chartered Professional Accountant. He serves as the VP Finance and Chief Financial Officer for Lordco Parts Ltd.
William White	Mr. White has a MBA from Harvard Business School

Pre-Approval Policies and Procedures

Barsele has not adopted specific policies and procedures for the engagement of non-audit services as described in paragraph 8 of the Audit Committee Charter, attached to the Circular as Appendix I.

External Auditor Service Fees (By Category)

Audit Fees

The aggregate fees billed by Barsele's external auditor for the financial year ended April 30, 2015 for audit, assurance and related services were $nil.

Audit-Related Fees

The aggregate fees billed by Barsele's external auditor for financial year ended April 30, 2015 for audit-related services were $nil.

Tax Fees

The aggregate fees billed for tax compliance, tax advice and tax planning services by Barsele's external auditor for the financial year ended April 30, 2015 were $nil.

All Other Fees

The aggregate fees billed by Barsele's external auditor for the financial year ended April 30, 2015 for review of unaudited interim financial statements, compilation of consolidated financial statements and related services were $nil.

Reliance on Exemptions

At no time since the commencement of Barsele's most recently completed financial year has Barsele relied on the exemption in Section 2.4 (De Minimis Non-audit Services) of NI 52-110 or an exemption from NI 52-110, in whole or in part, granted by a securities regulator under Part 8 (Exemptions) of NI 52-110.

Reliance on Certain Other Exemptions

Since Barsele will be a "venture issuer", as defined in NI 52-110, it will rely on the exemption contained in Section 6.1 of NI 52-110 from the requirements of Part 3 Composition of the Audit Committee (which requires all members of the Audit Committee to be independent subject to limited exceptions) Part 5 Reporting Obligations of NI 52-110 (which requires certain prescribed disclosure about the Audit Committee in the Circular).

CORPORATE GOVERNANCE

National Policy 58-101 - *Disclosure of Corporate Governance Practices* requires Barsele to annually disclose certain information regarding its corporate governance practices, which information is disclosed below.

Board of Directors

The Barsele Board, at present, is composed of five directors, two of whom are executive officers of Barsele and three of whom are considered to be "independent," as that term is defined in applicable securities legislation. Messrs. Arthur Freeze, Rick Sayers, and William White are considered to be independent directors. Mr. Gary Cope, President and CEO of Barsele, and Mr. Ross Wilmot, CFO of Barsele, by reason of their respective offices, are not. In determining whether a director is independent, the Barsele Board chiefly considers whether the director has a relationship which could, or could be perceived to, interfere with the director's ability to objectively assess the performance of management.

The Barsele Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Barsele Board consideration and approval is also required for material contracts and business transactions, as well as all debt and equity financing transactions.

The Barsele Board delegates to management the responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on Barsele's business in the ordinary course, managing Barsele's cash flow, evaluating new business opportunities, recruiting staff, and complying with applicable regulatory requirements. The Barsele Board also looks to

management to furnish recommendations respecting corporate objectives, long-term strategic plans, and annual operating plans.

The Barsele Board and management will play a diminished role with respect to the Barsele Project as the overall policies, objectives, procedures, methods, actions and other matters relating to the Barsele Project, the Barsele Operations and Gunnarn during the term of the Gunnarn JV Agreement will be determined by the Management Committee pursuant to the terms of the Gunnarn JV Agreement. See "*Description of the Business - Gunnarn JV Agreement*" above. However, the Barsele Board and management will nevertheless remain involved in the Barsele Project through their representation on the Gunnarn Board and Management Committee, respectively. As of the date hereof, Arthur Freeze, a member of the Barsele Board, and Ben Whiting, Barsele's Vice, President, Exploration, are Barsele's designees on the Gunnarn Board and the Management Committee, respectively.

Directorships

The following table lists which of the directors of Barsele are also directors of other reporting issuers (or equivalent) in a jurisdiction or a foreign jurisdiction.

Name of Director	Name of Other Reporting Issuer (or Equivalent in Foreign Jurisdiction)
Gary Cope	Orex Minerals Inc.
Ross Wilmot	Orex Minerals Inc., Barksdale Capital Corp. and FTC Cards Inc.
Arthur Freeze	Orex Minerals Inc. and Canasil Resources Inc.
William White	Orex Minerals Inc.
Rick Sayers	Orex Minerals Inc.

Orientation and Continuing Education

Barsele has not yet developed an official orientation or training program for new directors. As required, new directors will have the opportunity to become familiar with Barsele by meeting with the other directors and with officers and employees. Orientation and continuing education activities will be tailored to the particular needs and experience of each director and the overall needs of Barsele's Board.

Ethical Business Conduct

The Barsele Board monitors the ethical conduct of Barsele and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Barsele Board has found that the fiduciary duties placed on individual directors by Barsele's governing corporate legislation and the common law, as well as the restrictions placed by applicable corporate legislation on the individual director's participation in decisions of the Barsele Board in which the director has an interest, have been sufficient to ensure that the Barsele Board operates independently of management and in the best interests of Barsele.

Nomination of Directors

The Barsele Board has not appointed a nominating committee because the Barsele Board fulfills these functions. The Barsele Board periodically reviews suggestions from existing directors regarding potential changes to the Barsele Board.

Compensation

All compensation matters are dealt with by the Barsele Board, based on recommendations by the Compensation Committee.

To determine compensation payable, the Compensation Committee reviews compensation paid to directors, CEOs, and CFOs of companies of similar size and stage of development. The Compensation Committee determines an appropriate compensation package that reflects the need to provide incentive and compensation for the time and effort expended by the directors and senior management, while taking into account the financial and other resources of Barsele. In setting the compensation, the independent directors annually review the performance of the CEO and CFO in light of Barsele's objectives and consider other factors that may have impacted the success of Barsele in achieving its objectives.

None of the Compensation Committee members has specific direct experience relevant to his responsibilities in executive compensation, except Gary Cope's extensive history as an executive in the junior mining industry, Rick Sayers' accounting and management background, and William White's graduate business school background and management experience.

Committees of the Board of Directors

The following table shows the members of Barsele's board-appointed Audit Committee, Compensation Committee, and Corporate Governance Committee.

Audit Committee	Compensation Committee	Corporate Governance Committee
Gary Cope *Rick Sayers *William White	Gary Cope *Rick Sayers *William White	Gary Cope *Rick Sayers *William White

*Independent

A description of the function of the Audit Committee can be found in this Appendix F under the heading "*Audit Committee*".

The purpose of the Corporate Governance Committee is to assist the Barsele Board in fulfilling its oversight responsibilities with respect to corporate governance in general, and specifically to ensure that the requirements for the Barsele Board and its activities conform to Barsele's corporate governance policy, the requirements of the Business Corporation Act and all relevant regulatory bodies.

Assessments

The Barsele Board has not adopted formal procedures for assessing the effectiveness of the Barsele Board, its committees, or its individual directors. The relatively small size of Barsele enables the Barsele Board to satisfy itself that individual directors are performing effectively. As Barsele grows, the Barsele Board will consider adopting formal procedures for evaluating director and committee performance.

RISKS ASSOCIATED WITH BARSELE

An investment in Spinco Shares, as well as Barsele's prospects, is highly speculative due to the high-risk nature of its business and the present stage of its development. Shareholders of Barsele may lose their entire investment. The risks described below are not the only ones facing Barsele. Additional

risks not currently known to Barsele, or that Barsele currently deems immaterial, may also impair Barsele's operations. If any of the following risks actually occur, Barsele's business, financial condition and operating results could be adversely affected.

Orex Shareholders should consult with their professional advisors to assess the Arrangement and their resulting investment in Barsele. In evaluating Barsele and its business and whether to vote in favor of the Arrangement, Orex Shareholders should carefully consider, in addition to the other information contained in the Circular and this Appendix F, the risk factors which follow, as well as the risks associated with the Arrangement (see in the Circular "*The Meeting – The Arrangement – Risks Associated with the Arrangement*"). These risk factors may not be a definitive list of all risk factors associated with the Arrangement, an investment in Barsele or in connection with Barsele's business and operations.

Joint Venture Risk

The Barsele Project is currently operated under the Gunnarn JV Agreement and other properties in which Barsele may acquire an interest may also be operated through joint ventures with other mining companies. As a result, the Barsele Project is, and other mining properties of Barsele may become, subject to the risks normally associated with the conduct of joint ventures. Such risks include: inability to exert control over strategic decisions made in respect of such properties; disagreement with partners on how to develop and operate mines efficiently; inability of partners to meet their obligations to the joint venture or third parties; and litigation between partners regarding joint venture matters. Any failure of such other companies to meet their obligations to Barsele or to third parties, or any disputes with respect to the parties' respective rights and obligations, could have a material adverse effect on the joint ventures or their respective properties, which could have a material adverse effect on Barsele.

Gunnarn Dilution Risk

Pursuant to the Gunnarn JV Agreement, if AE Sweden or Agnico Eagle prepares a pre-feasibility study on the Barsele Project and contributes it to Gunnarn, AE Sweden's ownership interest in Gunnarn will increase to 70% and, as a result, Barsele's ownership interest in Gunnarn would decrease to 30%. As a result, Barsele is at risk of having its ownership interest in the Barsele Project diluted from 45% to 30%. Additionally, if Barsele is unable to raise the financing necessary to meet its future obligations under the Gunnarn JV Agreement to fund the Barsele Project in proportion to its ownership interest in Gunnarn, it will be at risk of having its ownership interest in the Barsele Project further diluted. If Barsele's ownership interest in Gunnarn falls to 10% or less, Barsele will be required, upon receiving notice to that effect from the AE Sweden, to sell all, but not less than all, of Barsele's Gunnarn Shares at a price equal to Fair Market Value (as defined in the Gunnarn JV Agreement). See "*Description of the Business - Gunnarn JV Agreement*" above.

No Assurance of Listing of Spinco Shares

The Spinco Shares are not currently listed on any stock exchange. Although Barsele has applied for the listing of the Spinco Shares on the TSX-V, there is no assurance as to when, or if, the Spinco Shares will be listed on the TSX-V or on any other stock exchange. Until the Spinco Shares are listed on a stock exchange, shareholders of Barsele may not be able to sell their Spinco Shares. Even if a listing is obtained, ownership of Spinco Shares will involve a high degree of risk.

Dividends

Barsele currently intends to retain future earnings to finance the operation, development and expansion of its business. Barsele does not anticipate paying cash dividends on the Spinco Shares in the foreseeable future. Payment of future cash dividends, if any, will be at the discretion of the Barsele Board and will depend on Barsele's financial condition, results of operations, contractual restrictions, capital requirements, business prospects and other factors that the Barsele Board considers relevant. Accordingly, investors will only see a return on their investment if the value of Spinco Shares appreciates.

Exploration and Development Risks

All Barsele's operations involve exploration and development and there is no guarantee that any such activity will result in commercial production of mineral deposits. Mineral exploration and development involves substantial expenses and a high degree of risk, which even a combination of experience, knowledge and careful evaluation may not be able to adequately mitigate. Most exploration projects do not result in the discovery of commercially mineable deposits. There is no certainty that the expenditures made or to be made by Barsele in the exploration and development of the mineral properties will result in the discovery of gold, silver or other mineralized materials in commercial quantities. While discovery of a gold deposit may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. Major expenses may be required to establish reserves by drilling and to construct mining and processing facilities at a site. It is impossible to ensure that Barsele's current exploration programs will result in profitable commercial mining operations.

The commercial viability of a mineral deposit is also dependent upon a number of factors, some of which are the particular attributes of the deposit, such as size, grade and proximity to infrastructure, metal prices which are highly cyclical and government regulations, including regulations relating to prices, taxes, royalties, allowable production, land tenure, land use, importing and exporting of minerals and environmental protection. The exact effect of these factors cannot be accurately predicted, but the negative combination of these factors may result in Barsele not receiving an adequate return on invested capital. There is no certainty that expenditures made by Barsele will result in discoveries of commercial quantities of ore.

Title Risks

There can be no assurance that the interest held by Barsele in mineral properties is free from defects. Barsele has investigated its rights to explore and exploit the properties and has caused a standard form of title opinion to be obtained. To the best of Barsele's knowledge, those rights are in good standing. However, there is no assurance that such rights will not be revoked, or significantly altered, to Barsele's detriment. There can be no assurance that Barsele's rights will not be challenged or impugned by third parties. The mineral property interests comprising Barsele's properties have not been surveyed, and as such their location and boundaries may be in doubt.

Market Price of Gold, Silver and Other Metals

Barsele's long-term viability and future profitability will depend, in large part, upon the market price of gold and other metals and minerals produced from its mineral properties. The market price of gold and other metals is volatile and is impacted by numerous factors beyond Barsele's control, including:

- expectations with respect to the rate of inflation;
- the relative strength of the Canadian dollar and certain other currencies;

- interest rates;
- global or regional political or economic conditions;
- supply and demand for jewelry and industrial products containing metals;
- sales by central banks and other holders, speculators and producers of gold and other metals in response to any of the above factors; and
- any executive order curtailing the production or sale of gold.

The volatility of mineral prices represents a substantial risk which no amount of planning or technical expertise can fully eliminate. In the event gold prices decline or remain low for prolonged periods of time, Barsele may be unable to develop its properties, which may adversely affect its results of operations, financial performance and cash flows.

A decrease in the market price of gold and other metals could affect the commercial viability of Barsele's properties and its anticipated development of such properties in the future. Lower gold prices could also adversely affect Barsele's ability to finance exploration and development of its properties.

Foreign Currency Fluctuations

Upon completion of the Arrangement, Barsele will operate in more than one country and its functional currency is the Canadian Dollar. Barsele's offices will be located in Canada, and its mining exploration properties will be located in Sweden. Barsele's financial results will be reported in Canadian Dollars. Any appreciation in the currency of Sweden or other countries where Barsele may carry out exploration activities against the Canadian Dollar will increase Barsele's costs of carrying out operations in such countries. Fluctuations in and among the various currencies in which Barsele operates could have a material effect on Barsele's operations and financial results.

Environmental Regulation

Barsele is subject to substantial environmental and other regulatory requirements and such regulations are becoming more stringent. All phases of development operations are subject to environmental regulations. Environmental legislation is evolving in a manner which will require stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There is no assurance that future changes in environmental regulations, if any, will not adversely affect Barsele's operations. Environmental hazards may exist on the properties which are presently unknown to Barsele and which have been caused by previous or existing owners or operators of the properties.

Competition

The international mining industry is highly competitive. The mining industry is global and consists of a small, decreasing number of large players. Competition for new mining properties by these larger, more established companies may prevent Barsele from acquiring interests in additional properties or mining operations. Significant and increasing competition exists for mineral acquisition opportunities in Sweden. As a result of this competition, some of which is with larger, more established mining companies with substantial capabilities and greater financial and technical resources than Barsele, Barsele may be unable to acquire rights to exploit additional attractive mining properties on terms Barsele considers acceptable. Accordingly, there can be no assurance that Barsele will acquire any interest in additional operations that would yield reserves or result in commercial mining operations.

Management

The success of Barsele is currently largely dependent on the performance of its officers. The loss of the services of these persons will have a material adverse effect on Barsele's business and prospects. There is no assurance Barsele can maintain the services of its officers or other qualified personnel required to operate its business.

Key Person Insurance

Barsele does not maintain key person insurance on any of its directors or officers, and as a result Barsele would bear the full loss and expense of hiring and replacing any director or officer in the event of the loss of any such Persons by their resignation, retirement, incapacity, or death, as well as any loss of business opportunity or other costs suffered by Barsele from such loss of any director or officer.

Conflicts of Interest

Some of the directors and officers are engaged and will continue to be engaged in the search for additional business opportunities on behalf of other corporations, and situations may arise where these directors and officers will be in direct competition with Barsele. Conflicts, if any, will be dealt with in accordance with the relevant provisions of the Business Corporations Act.

Some of the directors and officers of Barsele are or may become directors or officers of other companies engaged in other business ventures. In order to avoid the possible conflict of interest which may arise between the directors' duties to Barsele and their duties to the other companies on whose boards they serve, the directors and officers of Barsele have agreed to the following:

- participation in other business ventures offered to the directors and officers will be allocated between the various companies and on the basis of prudent business judgment and the relative financial abilities and needs of the companies to participate;

- no commissions or other extraordinary consideration will be paid to such directors and officers; and

- business opportunities formulated by or through other companies in which the directors and officers are involved will not be offered to Barsele, except on the same or better terms than the basis on which they are offered to third party participants.

Impact of Hedging Activities on Profitability

Although Barsele has no present intention to do so, it may hedge a portion of any of its future gold or silver production to protect Barsele against low prices and/or to satisfy covenants required to obtain project financings. Hedging activities are intended to protect Barsele from the fluctuations of the price of gold or silver and to minimize the effect of declines in prices on results of operations for a period of time. Although hedging activities may protect a company against low prices, they may also limit the price that can be realized on that mineral that is subject to forward sales and call options where the market price of gold or silver exceeds the price in a forward sale or call opinion contract.

Influence of Third Party Stakeholders

The lands in which Barsele holds an interest, or the exploration equipment and road or other means of access which Barsele intends to utilize in carrying out its work programs or general business

mandates may be subject to interests or claims by third parties. If any such third parties assert any claims, Barsele's work programs may be delayed even if such claims are not meritorious. Such delays may result in significant financial loss and loss of opportunity for Barsele.

Political and Economic Instability in Foreign Countries

Barsele's mineral properties after the Arrangement will be located in Sweden and Barsele may acquire mineral property interests in other foreign countries. Exploration in foreign jurisdictions exposes Barsele to risks that may not otherwise be experienced if all operations were domestic. The risks include, but are not limited to military repression, extreme fluctuations in currency exchange rates, labour instability or militancy, socioeconomic conditions, mineral title irregularities and high rates of inflation. In addition, changes in mining or investment policies or shifts in political attitude in foreign countries in which Barsele operates may adversely affect its business. The distribution of earnings back to Canada would require Swedish currency to be reconverted to foreign currency for repatriation. Barsele may be affected in varying degrees by government regulation with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, maintenance of exploration or mining rights, environmental legislation, land use, land claims of local people, water use and mine safety. The effect of these factors cannot be accurately predicted. Political risks may adversely affect Barsele's existing assets and operations. Barsele does not maintain and does not intend to purchase political risk insurance. Real and perceived political risks in some countries may also affect Barsele's ability to finance exploration programs and attract joint venture partners and may affect future mine development opportunities.

Price Volatility

Securities markets have recently had a high level of price and volume volatility, and the securities of many companies have experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. Factors unrelated to the financial performance or prospects of Barsele may include macroeconomic developments locally and globally and market perceptions of the attractiveness of particular industries. There can be no assurance that continued fluctuations in mineral prices will not occur. As a result of any of these factors, once the Spinco Shares are listed on the TSX-V, the market price of such shares at any given point in time may not accurately reflect the long term value of Barsele.

In the past, following periods of volatility in the market price of a company's securities, shareholders have in some cases instituted class action securities litigation against those companies. Such litigation, if instituted, could result in substantial cost and diversion of management attention and resources, which could significantly harm profitability and the reputation of Barsele.

Dilution

Barsele will require additional funds in respect of the further development of Barsele's mineral projects. If Barsele raises funds by issuing additional equity securities, such financing will dilute the equity interests of its shareholders.

Discretion in the Use of Available Funds

Management will have broad discretion concerning the use of the available funds of Barsele as well as the timing of their expenditures. As a result, shareholders and investors will be relying on the judgment of management of Barsele on completion of the Arrangement for the application of the available funds of Barsele (see "*Available Funds and Principal Purposes - Available Funds*" and "*Available Funds and Principal Purposes - Principal Purposes*" above). Management may use the available funds in

ways that an investor may not consider desirable. The results and the effectiveness of the application of the available funds are uncertain. If the available funds are not applied effectively, Barsele's results of operations may suffer.

Global Economy

Recent market events and conditions, including disruptions in the international credit markets and other financial systems and the deterioration of global economic conditions, could impede Barsele's access to capital or increase the cost of capital. From 2007 to 2009, the United States credit markets began to experience serious disruption due to deterioration in residential property values, defaults and delinquencies in the residential mortgage market and a decline in the credit quality of mortgage-backed securities. These problems led to a slow-down in residential housing market transactions, declining housing prices, delinquencies in non-mortgage consumer credit and a general decline in consumer confidence. These conditions caused a loss of confidence in the broader United States and global credit and financial markets and resulted in the collapse of, and government intervention in, major banks, financial institutions and insurers and created a climate of greater volatility, less liquidity, widening of credit spreads, a lack of price transparency, increased credit losses and tighter credit conditions which continued throughout 2012 with continued uncertainty in the European marketplace and continued uncertainty surrounding the "fiscal cliff" and United States government spending cuts. Notwithstanding various actions by the United States and foreign governments, concerns about the general condition of the capital markets, financial instruments, banks, investment banks, insurers and other financial institutions caused the broader credit markets to deteriorate and stock markets to fluctuate substantially.

These disruptions in the current credit and financial markets have had a significant material adverse impact on a number of financial institutions and have limited access to capital and credit for many companies, including junior mining companies. These disruptions could, among other things, make it more difficult for Barsele to obtain, or increase its cost of obtaining, capital and financing for its operations. Access to additional capital may not be available to Barsele on terms acceptable to it, or at all.

PROMOTERS

Orex took the initiative of founding and organizing Barsele and its business and operations and, as such, may be considered to be the promoter of Barsele for the purposes of applicable securities legislation. As at the date of the Circular, Orex is the sole (100%) shareholder of Barsele and will transfer Orex's 45% interest in the Barsele Project to Barsele as contemplated by the terms of the Arrangement. See in this Appendix F, "*Description of the Business - General Development of Barsele's Business*", "*Description of the Business – Barsele Project, Sweden*" and "*Prior Sales*". See also in the Circular, "*The Meeting – The Arrangement – Background to the Arrangement*", "*The Meeting – The Arrangement – Reasons for the Arrangement*" and "*Information Concerning Orex after the Arrangement*".

Assuming completion of the Arrangement in accordance with its terms, Orex Shareholders will hold approximately 100% of the then issued and outstanding Spinco Shares. See in this Appendix F, "*Pro Forma Capitalization - Consolidated Capitalization*" and see in the Circular, "*The Meeting –The Arrangement – Principal Steps of the Arrangement*".

Since its incorporation on April 25, 1996, Orex has not been subject to:

(a) a cease trade order (including any management cease trade order which applied to directors or executive officers of a company, whether or not the person is named in the order), except as follows:

(i) On June 10, 2003, while Mr. Wilmot was a director and officer of CTF Technologies Inc. ("**CTF**"), CTF was subject to a cease trade order in British Columbia for failure to file its financial statements for the year ended December 31, 2002, and for the first quarter ended March 31, 2003, due to the CTF's determination in late 2002 that an accounting change to the manner in which it accounted for some of its revenues would be appropriate. The financial statements were filed and the cease trade order was revoked on April 4, 2008;

(ii) On September 7, 2007, while Mr. Wilmot was a director of Biotech Holdings Ltd. ("**Biotech**"), a company listed on the TSX-V, the TSX-V notified Biotech that it had initiated a review of its filings. Following review by the TSX-V in respect of certain compliance matters and direct discussions with the TSX-V, Biotech's management decided to apply to delist the shares of Biotech from the TSX-V. Subsequently, Mr. Wilmot resigned as a director of Biotech on October 15, 2007;

(b) an order similar to a cease trade order; or

(c) an order that denied the relevant company access to any exemption under securities legislation, that was in effect for a period of more than 30 consecutive days;

nor has Orex been subject to:

(d) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or

(e) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision,

nor has Orex become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver manager or trustee appointed to hold its assets.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

Since the beginning of most recently completed financial year, Barsele has not been a party to, nor has any of its property been subject to, any legal proceedings and no such proceedings are known by Barsele to be contemplated.

Regulatory Actions

Barsele has not been subject to any penalties or sanctions imposed by a court or regulatory body and has not been party to any settlement agreement entered into before a court or regulatory body, relating to provincial or territorial securities legislation.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

None of the directors or executive officers of Barsele, any person who beneficially owns, directly or indirectly, shares carrying more than 10% of the voting rights attached to all outstanding Spinco Shares, nor any associate or affiliate of the foregoing persons, has any material interest, direct or

indirect, in any transaction of Barsele in the last three years before the date hereof which has or is reasonably expected to materially affect Barsele, except Orex in connection with Barsele's incorporation (see in this Appendix F, "*Corporate Structure*" and "*Promoters*"), the entering into of the Arrangement Agreement (see in the Circular, "*The Meeting - The Arrangement*"), and the sale of the Barsele Project to Barsele in connection with the Arrangement (see in this Appendix F, "*Description of the Business - General Development of Barsele's Business*"). See also in this Appendix F, "*Material Contracts*" below.

AUDITORS, TRANSFER AGENTS AND REGISTRARS

Auditor

The auditor of Barsele will continue to be Davidson & Company LLP, Chartered Professional Accountants, of Suite 1200, 609 Granville Street, Vancouver, British Columbia, V7Y 1G6.

Registrar and Transfer Agents

The registrar and transfer agent for the Spinco Shares will be Computershare Investor Services Inc., 510 Burrard Street, 3rd Floor, Vancouver, British Columbia, V6C 3B9.

INTERESTS OF EXPERTS

To the best of Barsele's knowledge, as at the date hereof, Stikeman Elliott LLP, Davidson & Company LLP, Ross Glanville & Associates Ltd., Snell & Wilmer LLP, Bruce McKnight Minerals Advisor Services and Michael Collins, P.Geo of Mining Plus Canada Consultants Ltd., each being companies, partnerships or persons who have prepared certain sections of the Circular, or are named as having prepared or certified a report, statement or opinion in or incorporated by reference in the Circular, or any director, officer, employee or partner thereof, as applicable, have not received a direct or indirect interest in a property of Barsele or any associate or affiliate thereof.

As of the date hereof, each of: (a) the partners and associates of Stikeman Elliott LLP; (b) the partners and associates of Davidson & Company LLP; (c) the partners and associates of Ross Glanville & Associates Ltd.; (d) the partners and associates of Snell & Wilmer LLP; (e) the partners and associates of Bruce McKnight Minerals Advisor Services; and (f) Michael Collins, P.Geo of Mining Plus Canada Consultants Ltd. owned, directly or indirectly, less than one percent of the Spinco Shares.

None of the aforementioned persons nor any directors, officers, employees and partners, as applicable, of each of the aforementioned companies and partnerships, is currently expected to be elected, appointed or employed as a director, officer or employee of Barsele, or any associate or affiliate of Barsele, or has received or will receive as a result of the Arrangement a direct or indirect interest in a property of Barsele, or any associate or affiliate thereof.

Davidson & Company LLP is the auditor for Barsele. Davidson & Company LLP certified the auditor's report on the annual financial statement of Barsele as at April 30, 2015 and has confirmed that they are independent with respect to Barsele within the meaning of the Rules of Professional Conduct of the Institute of Chartered Professional Accountants of British Columbia.

MATERIAL CONTRACTS

Except for contracts made in the ordinary course of business, the following are the only material contracts entered into by Barsele since the beginning of the last financial year ending before the date

of the Circular or before the beginning of the last financial year ending before the date of the Circular for any material contract that is still in effect:

1. Spinco Option Plan;

2. Cope Barsele Agreement described under "*Management Contracts*" herein;

3. Wilmot Barsele Agreement described under "*Management Contracts*" herein; and

4. Arrangement Agreement described under "*The Meeting - The Arrangement – The Arrangement Agreement*" in the Circular.

Copies of all such material contracts may be inspected at any time up to the Meeting during normal business hours at the business office of Barsele at 1130-1055 West Hastings Street, Vancouver, British Columbia V6E 2E9. Material contracts not in the ordinary course of business are also available under Orex's profile on the SEDAR website at www.sedar.com.

OTHER MATERIAL FACTS

There are no other material facts other than as disclosed herein.

SIGNIFICANT ACQUISITIONS

Other than the acquisition of a 45% interest in Gunnarn pursuant to the Spinco Reorganization and in connection with the Arrangement, Barsele has made no significant acquisitions since incorporation. See in this Appendix F, "*Description of the Business - General Development of Barsele's Business*".

APPENDIX G
NEW OREX OPTION PLAN

OREX MINERALS INC.

2015 AMENDED AND RESTATED STOCK OPTION PLAN

See attached.

OREX MINERALS INC.

2015 AMENDED AND RESTATED STOCK OPTION PLAN

1. **Purpose of this Plan**

1.1 The purpose of this Plan is to give to Eligible Persons the opportunity to participate in the success of the Corporation by granting to such individuals options to acquire common shares of the Corporation in accordance with the terms of this Plan, thereby giving such Eligible Persons an ongoing proprietary interest in the Corporation.

2. **Defined Terms**

Where used herein, the following terms will have the following meanings:

2.1 "**2014 Plan**" means the 2014 amended and restated stock option plan of the Corporation that was last authorized, ratified and confirmed by shareholders of the Corporation at its annual general meeting on October 22, 2014 of which this Plan amends, restates and supersedes in its entirety.

2.2 "**Acquiring Person**" means, any Person who is the beneficial owner of twenty percent (20%) or more of the outstanding Shares of the Corporation.

2.3 "**BCSA**" means the *Securities Act* (British Columbia).

2.4 "**Blackout Period**" means a period of time during which the Optionee cannot exercise an Option, or sell the Shares issuable pursuant to an exercise of Options, due to applicable policies of the Corporation in respect of insider trading.

2.5 "**Board**" means the board of directors of the Corporation, or, if established and duly authorized to act with respect to this Plan, any committee of the board of directors of the Corporation.

2.6 "**Broker**" has the meaning given to it in Section 11.1.

2.7 "**Change of Control Event**" has the meaning given to it in Section 9.1.

2.8 "**Company**" means, unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

2.9 "**Consultant**" has the meaning given to it in National Instrument 45-106 – *Prospectus and Registration Exemptions*.

2.10 "**Corporation**" means Orex Minerals Inc. and its successors.

2.11 "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to permanently prevent the Optionee from:

(a) being employed or engaged by the Corporation or its Subsidiaries in a position the same as or similar to that in which the Optionee was last employed or engaged by the Corporation or its Subsidiaries; or

(b) acting as a director or officer of the Corporation or its Subsidiaries.

2.12 "**Effective Time**" means, in relation to a Change of Control Event, the time at which the Change of Control Event is, or is deemed to have been, completed.

2.13 "**Eligible Person**" means a *bona fide*:

(a) director, senior officer, or Employee of the Corporation or any of its Subsidiaries at the time an Option is granted;

(b) a Consultant engaged by the Corporation or any of its Subsidiaries at the time an Option is granted; or

(c) a Company that is wholly-owned by any of the foregoing.

2.14 "**Employee**" has the meaning given to it in the Exchange Manual.

2.15 "**Event of Termination**" has the meaning given to it in Section 6.2.

2.16 "**Exchange**" means the TSX Venture Exchange, or, if any time the Shares are not listed for trading on such exchange, any other stock exchange (including the Toronto Stock Exchange) on which the Shares are then listed and posted for trading from time to time as may be designated by the Board.

2.17 "**Exchange Manual"** means the Corporate Finance Manual of the Exchange.

2.18 "**Exchanged Share**" means a security that is exchanged for a Share in a Change of Control Event.

2.19 "**Exchanged Share Price**" means the product of the Share to Exchanged Share ratio multiplied by the five day volume weighted average price of the Exchanged Shares on an exchange for the period ending one day prior to the Effective Time of the Change of Control Event, or, in the case of Exchanged Shares that are not listed or quoted for trading, the fair value of those Exchanged Shares, as determined by the Board as of the day immediately preceding the Effective Time of the Change of Control Event.

2.20 "**Exercise Price**" means the price at which an Option may be exercised for an Optioned Share.

2.21 "**Expiry Time**" means, with respect to any Option, the close of business on the date upon which such Option expires.

2.22 "**In the Money Amount**" means: (a) in the case of a Change of Control Event in which the holders of Shares will receive only cash consideration, the difference between the Exercise Price and the cash consideration paid per Share pursuant to that Change of Control Event; (b) in the case of a Change of Control Event in which the holders of Shares will receive Exchanged Shares, the difference between the Exercise Price and the Exchanged Share Price; or (c) in the case of a Change of Control Event in which the holders of Shares will receive cash consideration and Exchanged Shares, the difference between the Exercise Price and the sum of the cash consideration paid per Share plus the Exchanged Share Price.

2.23 "**Insider**" has the meaning given to it in the Exchange Manual.

2.24 "**Investor Relations Activities**" has the meaning given to it in the Exchange Manual.

2.25 "**Market Price**" at any date in respect of the Shares means the closing sale price of the Shares on the Exchange on the last day when Shares were traded before the date an Option is granted.

2.26 "**Option**" means an option to purchase Shares granted to an Eligible Person under this Plan.

2.27 "**Option Price**" means the price per Share at which Optioned Shares may be purchased under an Option, as the same may be adjusted from time to time in accordance with Article 8.

2.28 **"Optioned Shares"** means the Shares issuable pursuant to an exercise of Options.

2.29 "**Optionee**" means an Eligible Person to whom an Option has been granted and who continues to hold such Option.

2.30 "**Person**" means any individual, firm, partnership, limited partnership, limited liability company or partnership, unlimited liability company, joint stock company, association, trust, trustee, executor, administrator, legal or personal representative, government, governmental body, entity or authority, group, body corporate, corporation, unincorporated organization or association, syndicate, joint venture or any other entity, whether or not having legal personality, and any of the foregoing in any derivative, representative or fiduciary capacity and pronouns have a similar extended meaning.

2.31 "**Plan**" means this amended and restated stock option plan of the Corporation, as the same may be amended from time to time.

2.32 "**Shares**" means the Common shares of the Corporation.

2.33 "**Subsidiary**" means any corporation which is a subsidiary, as such term is defined in Subsection 1(1) of the BCSA.

2.34 "**Withholding Obligations**" has the meaning given to it in Section 11.1.

3. **Administration of this Plan**

3.1 This Plan will be administered by the Board.

3.2 The Board will have the power, where consistent with the general purpose and intent of this Plan and subject to the specific provisions of this Plan to:

(a) establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of this Plan;

(b) interpret and construe this Plan and to determine all questions arising out of this Plan or any Option, and any such interpretation, construction or determination made by the Board will be final, binding and conclusive for all purposes;

(c) determine the number of Optioned Shares issuable on the exercise of each Option, the Option Price thereunder and the time or times when the Options will be granted, exercisable and expire;

(d) determine if the Optioned Shares which are issuable on the exercise of an Option will be subject to any restrictions upon the exercise of such Option;

(e) prescribe the form of the instruments relating to the grant, exercise and other terms of Options; and

(f) determine, in accordance with Section 9.1, how to administer this Plan in connection with a Change of Control Event.

3.3 A member of the Board may be entitled to participate in this Plan only if such member does not participate in any manner whatsoever in the granting of any Options to, the terms and conditions of, or any other determinations made with respect to, such member of the Board or to such Option.

3.4 The Board may, in its discretion, require as conditions to the grant or exercise of any Option that the Optionee will have, among other things:

(a) represented, warranted and agreed in form and substance satisfactory to the Corporation that such Optionee is acquiring and will acquire such Option and the Optioned Shares for such Optionee's own account, and not with a view to or in connection with any distribution or resale, that such Optionee has had access to such information as is necessary to enable such Optionee to evaluate the merits and risks of such investment and that such Optionee is able to bear the economic risk of investing in the Shares;

(b) agreed to restrictions on transfer in form and substance satisfactory to the Corporation and to an endorsement on any option agreement or certificate representing the Shares making appropriate reference to such restrictions; and

(c) agreed to indemnify the Corporation in connection with the foregoing.

4. **Shares Subject to this Plan**

4.1 Subject to Article 8, the maximum number of Shares with respect to which Options may be granted from time to time pursuant to this Plan will not exceed 10% of the Corporation's outstanding Shares (on a non-diluted basis) at the time of any grant of Options.

4.2 If any Option is exercised, terminated, cancelled or has expired without being fully exercised, any unissued Shares which have been reserved to be issued upon the exercise of the Option will become available to be issued upon the exercise of Options subsequently granted under this Plan.

5. **Eligibility, Grant and Terms of Options**

5.1 Options may be granted to any Eligible Person in accordance with Section 5.2.

5.2 Options may be granted by the Corporation pursuant to the recommendations of a committee of the Board from time to time provided and to the extent that such decisions are approved by the Board.

5.3 Subject to any adjustments pursuant to the provisions of Article 8 and Section 5.4 hereof, the Option Price of any Option will in no circumstances be lower than the Market Price. If, as and when any Shares have been duly purchased and paid for under the terms of an Option, such Optioned Shares will be conclusively deemed to be allotted and issued as fully paid and non-assessable Shares at the price paid therefor.

5.4 The Option Price of all Options granted under the plan of arrangement (the "**Arrangement**") pursuant to an arrangement agreement dated August 6, 2015 between the Company and Barsele Minerals Corp. will be determined in accordance with the terms of the Arrangement. For greater certainty and notwithstanding Section 5.3 hereof, the Option Price of Options granted under the Arrangement may be lower than the Market Price at the time of granting of such Options, being the date of completion of the Arrangement.

5.5 Subject to Section 5.10, the term of an Option will not exceed five years from the date of the grant of the Option.

5.6 No Options will be granted to any Optionee if such grant could result, at any time, in:

(a) the issuance to any one individual and any Company that is wholly-owned by that individual, within a one-year period, of a number of Shares exceeding 5% of the issued and outstanding Shares calculated on the date an Option is granted to that individual or any Company that is wholly-owned by the individual, unless the Company has obtained the requisite approval of disinterested Shareholders pursuant to the requirements of the Exchange Manual;

(b) the issuance to any one Consultant, in any 12 month period, of a number of Shares exceeding 2% of the issued and outstanding Shares calculated on the date an Option is granted to that Consultant; and

(c) the issuance to all Persons conducting Investor Relations Activities, in any 12-month period, of an aggregate number of Shares exceeding 2% of the issued and outstanding Shares calculated on the date an Option is granted to any such Person,

unless permitted otherwise by the Exchange.

5.7 With respect to any Options granted to an Employee or Consultant, the Corporation and the Optionee will represent and confirm that the Optionee is a bona fide Employee or Consultant, as applicable.

5.8

(a) An Option will vest and may be exercised (in each case to the nearest full Share) in whole or in part at any time during the term of such Option after the date of the grant as determined by the resolution of the Board granting the Option; or

(b) in the case of an Option issued to a Person retained to provide Investor Relations Activities, must vest in stages over a period of not less than 12 months with no more than ¼ of such Option vesting in less than a three-month period within the first 12 months after such Option is issued.

5.9 No fractional Shares may be purchased or issued under this Plan.

5.10 Notwithstanding anything else contained in this Plan, and subject to the application provisions in the Exchange Manual, if an Option expires during a Blackout Period applicable to the relevant Optionee, then the expiration date for that Option will be the date that is the tenth business day after the expiry date of such Blackout Period. This section applies to all Options outstanding under this Plan.

6. **Termination of Employment or Engagement with the Corporation**

6.1 Subject to Sections 6.2 and 6.3 hereof and to any express resolution passed by the Board with respect to an Option, an Option, vested or unvested, and all rights to purchase Optioned Shares pursuant thereto will expire and terminate immediately upon the Optionee ceasing to be an Eligible Person in any capacity and does not otherwise become an Eligible Person in another capacity with 10 business days, provided that:

(a) in the case of termination of employment without cause, such Option and all rights to purchase Optioned Shares in respect thereof will expire and terminate:

(i) in the case of an Optionee who is an Eligible Person, 90 days following notice of termination of employment or on the Expiry Time, whichever is earlier; and

(ii) in the case of an Optionee who is engaged in Investor Relations Activities, 30 days following notice of termination to provide such Investor Relation Activities or on the Expiry Time, whichever is earlier; or

(b) in the case of termination for cause, such Option and all rights to purchase Optioned Shares in respect thereof will expire and terminate on the date of such termination will be cancelled as of that date or on the Expiry Time, whichever is earlier.

6.2 If, before the Expiry Time of an Option, an Optionee will cease to be an Eligible Person (an "**Event of Termination**") as a result of the Optionee's Disability, then the Board, at its discretion, may allow the Optionee to exercise any vested Options to the extent that the Optionee was entitled to do so at the time of such Event of Termination, at any time up to and including, but not after, a date 12 months following the date of such Event of Termination or on the Expiry Time, whichever is earlier.

6.3 If an Optionee dies before the Expiry Time of an Option, the Optionee's heirs, administrators or legal representative(s) may, subject to the terms of the Option and this Plan, exercise any vested Options to the extent that the Optionee was entitled to do so at the date of the Optionee's death at any time up to and including, but not after, a date 12 months following the date of the Optionee's death or on the Expiry Time, whichever is earlier.

6.4 For greater certainty, an Option will not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director, senior officer or employee of the Corporation or any of its Subsidiaries provided that the Optionee continues to be an Eligible Person.

6.5 If the Optionee is a Company that is wholly-owned by an Eligible Person, the references to the Optionee in this Article 6 will be deemed to refer to the Eligible Person associated with such Company.

6.6 Notwithstanding anything contained in this Article 6, the Board may when granting an Option to a Consultant impose specific rules respecting the cessation of participation of such Consultant, which rules may vary from, and will supersede, those contained in this Article 6.

7. Exercise of Options

7.1 Subject to the provisions of this Plan, an Option may be exercised from time to time by delivery to the Corporation at its principal office in Vancouver, British Columbia of a written notice of exercise (substantially in the form attached hereto as Schedule "B") specifying the number of Optioned Shares with respect to which the Option is being exercised and accompanied by payment in full, by cash or cheque, of the Option Price of the Shares then being purchased and, if required by the Corporation, the amount necessary to satisfy any applicable Withholding Obligations. The Optioned Shares so purchased will be issued and delivered to the Optionee within a reasonable time following the receipt of such notice and payment. The transfer and delivery of any

Optioned Shares issued upon exercise of any Option will be effected according to the procedures established by the transfer agent of the Corporation for the transfer and delivery of the Shares.

7.2 Notwithstanding any of the provisions contained in this Plan or in any Option, the Corporation's obligation to issue Shares to an Optionee pursuant to the exercise of any Option will be subject to:

(a) completion of such registration or other qualification of such Shares or obtaining approval of such governmental or regulatory authority as the Corporation will determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;

(b) the admission of such Shares to listing on the Exchange;

(c) the receipt from the Optionee of such representations, warranties, agreements and undertakings, as the Corporation or its counsel determines to be necessary or advisable; and

(d) the satisfaction of any conditions on exercise, including those prescribed under Section 3.4.

7.3 No member of the Board will be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this Plan or any Options granted under it.

7.4 Options will be evidenced by a share option agreement, instrument or certificate in such form not inconsistent with this Plan as the Board may from time to time determine as provided for under Subsection 3.2(e) (substantially in the form attached as Schedule "A").

8. **Certain Adjustments**

8.1 In the event of any reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other corporate change involving a change to the Shares at any time after the grant of any Option to any Optionee and prior to the expiration of the term of such Option, such Optionee will receive at the time of any subsequent exercise of his or her Option in accordance with the terms hereof, in lieu of the number of Optioned Shares to which the Optionee was entitled upon such exercise, but for the same aggregate consideration therefor, such number of Optioned Shares as such Optionee would have held as a result of such change if on the record date thereof the Optionee had been the registered holder of the number of Optioned Shares to which the Optionee was previously entitled upon such exercise.

8.2 If the Corporation declares and pays a special cash dividend or other distribution out of the ordinary course, a special dividend in specie on the Shares, or a stock dividend other than in the ordinary course, the Option Price of all Options outstanding on the record

date of such dividend or other distribution will be reduced by an amount equal to the cash payment or other distribution or the fair market value of the dividend in specie or stock dividend or other distribution, as determined by the Board in its sole discretion but subject to all necessary regulatory approvals.

9. **Change of Control Event**

9.1 If at any time when an Option granted under this Plan remains unexercised with respect to any Shares and:

(a) a Person makes an offer to acquire Shares that, regardless of whether the acquisition is completed, would make the Person an Acquiring Person;

(b) an Acquiring Person makes an offer, regardless of whether the acquisition is completed, to acquire Shares;

(c) the Corporation proposes to sell all or substantially all of its assets and undertaking;

(d) the Corporation proposes to merge, amalgamate or be absorbed by or into any other corporation (save and except for a Subsidiary) under any circumstances which involve or may involve or require the liquidation of the Corporation, a distribution of its assets among its shareholders, or the termination of the corporate existence of the Corporation;

(e) the Corporation proposes an arrangement as a result of which a majority of the outstanding Shares of the Corporation would be acquired by a third party; or

(f) any other form of transaction is proposed which the majority of the Board determines is reasonably likely to have similar effect any of the foregoing,

(each a "**Change of Control Event**"),

(g) then, in connection with of any of the foregoing Change of Control Events, the Board in its sole discretion, may authorize and implement one or more of the following courses of action:

(i) accelerate the vesting of the Option and the time for the fulfillment of any conditions or restrictions on such vesting to a date or time prior to the Effective Time of the Change of Control Event, and any Options not exercised or surrendered by the Effective Time of the Change of Control Event will be deemed to have expired;

(ii) offer to acquire from each Optionee his or her Options for a cash payment equal to the In the Money Amount, and any Options not so surrendered or exercised by the Effective Time of the Change of Control Event will be deemed to have expired; and

(iii) that an Option granted under this Plan be exchanged for an option to acquire, for the same exercise price, that number and type of securities as would be distributed to the Optionee in respect of the Shares issued to the Optionee had the Optionee exercised the Option prior to the Effective Time of the Change of Control Event, provided that any such replacement option must provide that it survives for a period of not less than one year from the Effective Time of the Change of Control Event, regardless of the continuing directorship, officership or employment of the holder.

9.2 For greater certainty, and notwithstanding anything else to the contrary contained in this Plan, the Board will have the power, in its discretion, in any Change of Control Event which may or has occurred, to make such arrangements as it will deem appropriate for the exercise of outstanding Options including, without limitation, to modify the terms of this Plan and/or the Options, subject to the prior written approval of the Exchange. If the Board exercises such power after having received such approval from the Exchange, the Options will be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board prior to or in conjunction with completion of the Change of Control Event.

10. **Amendment or Discontinuance of this Plan**

10.1 The Board may suspend or terminate this Plan at any time, or from time to time amend the terms of this Plan or of any Option granted under this Plan and any stock option agreement relating thereto, provided that any such suspension, termination or amendment:

(a) complies with applicable law and the requirements of the Exchange, including applicable requirements relating to requisite shareholder approval and prior approval of the Exchange or any other relevant regulatory body;

(b) is, in the case of an amendment that materially adversely affects the rights of any Optionee, made with consent of such Optionee; and

(c) is, in the case of any reduction in the Option Price of Options held by Optionees that are Insiders at the time of the proposed reduction, subject to approval by disinterested shareholders of the Corporation in accordance with the Exchange Manual.

10.2 If this Plan is terminated, the provisions of this Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Option or any rights pursuant thereto remain outstanding and, notwithstanding the termination of this Plan, the Board will remain able to make such amendments to this Plan or the Options as they would have been entitled to make if this Plan were still in effect.

10.3 No amendment, suspension or discontinuance of this Plan may contravene the requirements of the Exchange or any securities commission or regulatory body to which this Plan or the Corporation is now or may hereafter be subject.

11. Withholding Obligations

11.1 The Corporation may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amounts as are required by law to be withheld or deducted as a consequence of the Optionee's exercise of Options or other participation in this Plan ("**Withholding Obligations**"). The Corporation will have the right, in its discretion, to satisfy any Withholding Obligations by:

(a) selling or causing to be sold, on behalf of any Optionee, such number of Shares issued to the Optionee on the exercise of Options as is sufficient to fund the Withholding Obligations;

(b) retaining the amount necessary to satisfy the Withholding Obligations from any amount which would otherwise be delivered, provided or paid to the Optionee by the Corporation, whether under this Plan or otherwise;

(c) requiring the Optionee, as a condition of exercise under Article 3 to:

(i) remit the amount of any such Withholding Obligations to the Corporation in advance;

(ii) reimburse the Corporation for any such Withholding Obligations; or

(iii) cause a broker who sells Shares acquired by the Optionee on behalf of the Optionee to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligations and to remit such amount directly to the Corporation; and

(d) making such other arrangements as the Corporation may reasonably require.

The sale of Shares by the Corporation, or by a broker engaged by the Corporation (the "**Broker**"), under this Section 11.1 will be made on the Exchange. The Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on the Optionee's behalf and acknowledges and agrees that:

(i) the number of Shares sold will, at a minimum, be sufficient to fund Withholding Obligations net of all selling costs, which costs are the responsibility of the Optionee and which the Optionee hereby authorizes to be deducted from the proceeds of such sale;

(ii) in effecting the sale of any such shares, the Corporation or the Broker will exercise its sole judgement as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and

(iii) neither the Corporation nor the Broker will be liable for any loss arising out of any sale of such Shares including any loss relating to the pricing, manner or timing of such sales or any delay in transferring any Shares to an Optionee or otherwise. The Optionee further acknowledges that the sale price of Shares will fluctuate with the market price of the Corporation's Shares and no assurance can be given that any particular price will be received upon any sale.

11.2 For greater certainty, no action may be taken by the Corporation or any other Person pursuant to Section 11.1 that would result in:

(a) an alteration of the Exercise Price of the Options at issue; or

(b) a cashless exercise of the Options at issue,

and any action taken by the Corporation or any other Person pursuant to Section 11.1 must be in compliance with the Exchange Manual.

12. **Miscellaneous Provisions**

12.1 This Plan amends, restates and supersedes the 2014 Plan in its entirety and applies to all Options granted under this Plan after this Plan is approved by shareholders of the Corporation and the Exchange.

12.2 The operation of this Plan and the issuance and exercise of all Options and Optioned Shares contemplated by this Plan are subject to compliance with all applicable laws, and all rules and requirements of the Exchange. For greater certainty, disinterested shareholder approval of the shareholders of the Corporation will be obtained in connection with any matter regarding this Plan where required by the Exchange Manual.

12.3 As a condition of participating in this Plan, each Optionee agrees to comply with all applicable laws and the policies and requirements of the Exchange, and to fully cooperate with the Corporation in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance with such laws, rules and requirements, including all Withholding Obligations.

12.4 Participation in this Plan is voluntary and does not constitute a condition of employment or continued employment or service. An Optionee will not have any rights as a shareholder of the Corporation with respect to any of the Optioned Shares underlying any Option until the date of issuance of a certificate for Shares upon the exercise of such Option, in full or in part, and then only with respect to the Shares represented by such certificate or certificates. Without in any way limiting the generality of the foregoing, no adjustment will be made for dividends or other rights for which the record date is prior to the date such share certificate is issued.

12.5 Nothing in this Plan or any Option will confer upon an Optionee any right to continue or be re-elected as a director of the Corporation or any right to continue in the employ or engagement of the Corporation or any Subsidiary, or affect in any way the right of the Corporation or any Subsidiary to terminate the Optionee's employment or engagement at any time; nor will anything in this Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any Subsidiary to extend the employment or engagement of any Optionee beyond the time which the Optionee would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Subsidiary or any present or future retirement policy of the Corporation or any Subsidiary, or beyond the time at which the Optionee would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.

12.6 An Option will be personal to the Optionee and will be non-assignable and non-transferable (whether by operation of law or otherwise), except as provided for herein. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of an Option contrary to the provisions of this Plan, or upon the levy of any attachment or similar process upon an Option, the Option will, at the election of the Corporation, cease and terminate and be of no further force or effect whatsoever. Notwithstanding the above, if the Optionee is a Company that is wholly-owned by an Eligible Person, the Option may be transferred or assigned between the Optionee and the Eligible Person associated with the Optionee.

12.7 This Plan (including any amendment to this Plan), the terms of the issue or grant of any Option under this Plan, the grant and exercise of Options hereunder, and the Corporation's obligation to sell and deliver Optioned Shares upon the exercise of Options, will be subject to all applicable law and the requirements of the Exchange, and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Corporation, be necessary or advisable. The Corporation will not be obliged by any provision of this Plan or the grant of any Option hereunder to issue or sell Shares in violation of such laws, rules and regulations or any condition of such approvals.

12.8 This Plan and all matters to which reference is made herein will be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

SCHEDULE "A"

OREX MINERALS INC.
STOCK OPTION AGREEMENT

OPTION AGREEMENT made as of _____ 201___.

BETWEEN:

OREX MINERALS INC., a corporation incorporated under the laws of the Province of British Columbia,

(hereinafter called the "**Corporation**")

- and -

_____
(Name)

_____

_____
(Address)

(hereinafter called the "**Optionee**")

WHEREAS the Corporation has established the amended and restated stock option plan (the "**Plan**") for Eligible Persons.

AND WHEREAS the Optionee is an "Eligible Person" under this Plan and the board of directors of the Corporation (the "**Board**") has authorized the granting by the Corporation of an option to the Optionee pursuant to and in accordance with the provisions of this Plan on the terms hereinafter set forth.

NOW THEREFORE THE CORPORATION AND THE OPTIONEE AGREE AS FOLLOWS:

1. The Corporation hereby grants to the Optionee, subject to the terms and conditions set forth in this Agreement and this Plan, options ("**Options**") to purchase that number of common shares ("**Shares**") of the Corporation set forth below, at the exercise price(s) set forth below, which Options will vest and be exercisable as of the vesting date(s) set forth

below and expire (to the extent not previously exercised) as of the close of business on the expiry date(s) set forth below:

Number of Shares	Exercise Price	Vesting Date	Expiry Date
•	$•	•	•
•	$•	•	•
•	$•	•	•

2. As of the close of business on the expiry date(s) set forth in Section 1 above, any Options that remain unexercised will expire and be of no further force or effect.

3. The Optionee acknowledges receipt of a copy of this Plan and hereby agrees that the Options are subject to the terms and conditions of this Plan, including all amendments to this Plan required by the Exchange or other regulatory authority or otherwise consented to by the Optionee. This Plan contains provisions permitting the termination of this Plan and outstanding Options.

4. By signing this Agreement, the Optionee acknowledges and agrees that:

   (a) the Optionee has read and understands this Plan and has been advised to seek independent legal advice with respect to his rights in respect of the Options and agrees to the terms and conditions thereof and of this Stock Option Agreement;

   (b) in addition to any resale restrictions under applicable securities laws, all Options and Optioned Shares may be legended with a hold period as required by the Exchange or other regulatory authority;

   (c) the Optionee has not been induced to participate in this Plan by expectation of appointment, employment, or service or continued appointment, employment or service; and

   (d) if the Optionee is a Company that is wholly-owned by an Eligible Person, it agrees not to effect or permit any transfer of ownership or option of shares of the Company nor to issue further shares of any class in the Company to any other individual or entity as long as any Options granted to the Optionee remain outstanding, except with the written consent of the Exchange.

5. The Optionee acknowledges and agrees that the Board may, in its discretion, require as conditions to the grant or exercise of any Option that the Optionee will have, among other things:

   (a) represented, warranted and agreed in form and substance satisfactory to the Corporation that such Optionee is acquiring and will acquire such Option and the Optioned Shares for such Optionee's own account, and not with a view to or in connection with any distribution or resale, that such Optionee has had access to such information as is necessary to enable such Optionee to evaluate the merits and risks of such investment and that such Optionee is able to bear the economic risk of investing in the Shares;

(b) agreed to restrictions on transfer in form and substance satisfactory to the Corporation and to an endorsement on any option agreement or certificate representing the Shares making appropriate reference to such restrictions; and

(c) agreed to indemnify the Corporation in connection with the foregoing.

7. The Optionee represents and warrants that, if the Optionee or any Company (as defined in this Plan) that is wholly-owned by the Optionee is being granted Options on the basis of such Optionee being an Employee or a Consultant of the Corporation (as such terms are defined in this Plan), the Optionee is a *bona fide* Employee or Consultant, as applicable.

8. Time is of the essence of this Agreement.

9. This Agreement will enure to the benefit of and be binding upon the Corporation, its successors and assigns. Other than as provided for in this Plan, the Options under this option agreement are not transferable or assignable by the Optionee.

10. In the event of any inconsistency between the terms of this Agreement and the terms of this Plan, the terms of this Plan will govern.

11. The grant of the Options is strictly confidential and the information concerning the number or price of Optioned Shares granted under this Plan should not be disclosed to anyone.

12. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and will be treated in all respects as a British Columbia contract.

OREX MINERALS INC.

Per: _____
Authorized Signatory

_____
Optionee

SCHEDULE "B"

NOTICE OF EXERCISE OF STOCK OPTIONS



Orex Minerals Inc.
Suite 1130
1055 W Hastings St
Vancouver, BC
V6E 2E9

To Orex Minerals Inc.;

This letter constitutes an unconditional and irrevocable notice that I hereby exercise (certain of) the stock options granted to me by Orex Minerals Inc. (the "**Company**") on _____, 201__ (date).

Pursuant to the terms of such option(s), I wish to purchase _____ (number) shares of the common stock covered by such option(s) at the exercise price(s) of $____ per share. Enclosed is a wire transfer, cheque, or bank draft for the total of $_____ payable to Orex Minerals Inc. in full payment of the exercise price.

Please send payment with this form to: Suite 1130 - 1055 W Hastings St, Vancouver, BC V6E 2E9 Attn: Corporate Secretary.

These shares should be registered in the name below and delivered by mail or courier as follows:

Name**:** _____

Address: _____

_____

_____

I also confirm my understanding that the grant of the options to me is subject to all provisions, including the non-transferability and transfer restrictions, set forth in the Company's Amended and Restated Stock Option Plan.

Signed on date: _____, 201__

_____
Printed Name of Optionee

_____
Signature of Optionee

APPENDIX H
SPINCO OPTION PLAN

BARSELE MINERALS CORP.

2015 STOCK OPTION PLAN

See attached.

BARSELE MINERALS CORP.

2015 STOCK OPTION PLAN

1. **Purpose of this Plan**

1.1 The purpose of this Plan is to give to Eligible Persons the opportunity to participate in the success of the Corporation by granting to such individuals options to acquire common shares of the Corporation in accordance with the terms of this Plan, thereby giving such Eligible Persons an ongoing proprietary interest in the Corporation.

2. **Defined Terms**

Where used herein, the following terms will have the following meanings:

2.1 "**Acquiring Person**" means, any Person who is the beneficial owner of twenty percent (20%) or more of the outstanding Shares of the Corporation.

2.2 "**BCSA**" means the *Securities Act* (British Columbia).

2.3 "**Blackout Period**" means a period of time during which the Optionee cannot exercise an Option, or sell the Shares issuable pursuant to an exercise of Options, due to applicable policies of the Corporation in respect of insider trading.

2.4 "**Board**" means the board of directors of the Corporation, or, if established and duly authorized to act with respect to this Plan, any committee of the board of directors of the Corporation.

2.5 "**Broker**" has the meaning given to it in Section 11.1.

2.6 "**Change of Control Event**" has the meaning given to it in Section 9.1.

2.7 "**Company**" means, unless specifically indicated otherwise, a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

2.8 "**Consultant**" has the meaning given to it in National Instrument 45-106 – *Prospectus and Registration Exemptions*.

2.9 "**Corporation**" means Barsele Minerals Corp. and its successors.

2.10 "**Disability**" means any disability with respect to an Optionee which the Board, in its sole and unfettered discretion, considers likely to permanently prevent the Optionee from:

(a) being employed or engaged by the Corporation or its Subsidiaries in a position the same as or similar to that in which the Optionee was last employed or engaged by the Corporation or its Subsidiaries; or

(b) acting as a director or officer of the Corporation or its Subsidiaries.

2.11 "**Effective Time**" means, in relation to a Change of Control Event, the time at which the Change of Control Event is, or is deemed to have been, completed.

2.12 "**Eligible Person**" means a *bona fide*:

(a) director, senior officer, or Employee of the Corporation or any of its Subsidiaries at the time an Option is granted;

(b) a Consultant engaged by the Corporation or any of its Subsidiaries at the time an Option is granted; or

(c) a Company that is wholly-owned by any of the foregoing.

2.13 "**Employee**" has the meaning given to it in the Exchange Manual.

2.14 "**Event of Termination**" has the meaning given to it in Section 6.2.

2.15 "**Exchange**" means the TSX Venture Exchange, or, if any time the Shares are not listed for trading on such exchange, any other stock exchange (including the Toronto Stock Exchange) on which the Shares are then listed and posted for trading from time to time as may be designated by the Board.

2.16 "**Exchange Manual"** means the Corporate Finance Manual of the Exchange.

2.17 "**Exchanged Share**" means a security that is exchanged for a Share in a Change of Control Event.

2.18 "**Exchanged Share Price**" means the product of the Share to Exchanged Share ratio multiplied by the five day volume weighted average price of the Exchanged Shares on an exchange for the period ending one day prior to the Effective Time of the Change of Control Event, or, in the case of Exchanged Shares that are not listed or quoted for trading, the fair value of those Exchanged Shares, as determined by the Board as of the day immediately preceding the Effective Time of the Change of Control Event.

2.19 "**Exercise Price**" means the price at which an Option may be exercised for an Optioned Share.

2.20 "**Expiry Time**" means, with respect to any Option, the close of business on the date upon which such Option expires.

2.21 "**In the Money Amount**" means: (a) in the case of a Change of Control Event in which the holders of Shares will receive only cash consideration, the difference between the Exercise Price and the cash consideration paid per Share pursuant to that Change of Control Event; (b) in the case of a Change of Control Event in which the holders of Shares will receive Exchanged Shares, the difference between the Exercise Price and the Exchanged Share Price; or (c) in the case of a Change of Control Event in which the holders of Shares will receive cash consideration and Exchanged Shares, the difference

between the Exercise Price and the sum of the cash consideration paid per Share plus the Exchanged Share Price.

2.22 "**Insider**" has the meaning given to it in the Exchange Manual.

2.23 "**Investor Relations Activities**" has the meaning given to it in the Exchange Manual.

2.24 "**Market Price**" at any date in respect of the Shares means the closing sale price of the Shares on the Exchange on the last day when Shares were traded before the date an Option is granted.

2.25 "**Option**" means an option to purchase Shares granted to an Eligible Person under this Plan.

2.26 "**Option Price**" means the price per Share at which Optioned Shares may be purchased under an Option, as the same may be adjusted from time to time in accordance with Article 8.

2.27 **"Optioned Shares"** means the Shares issuable pursuant to an exercise of Options.

2.28 "**Optionee**" means an Eligible Person to whom an Option has been granted and who continues to hold such Option.

2.29 "**Person**" means any individual, firm, partnership, limited partnership, limited liability company or partnership, unlimited liability company, joint stock company, association, trust, trustee, executor, administrator, legal or personal representative, government, governmental body, entity or authority, group, body corporate, corporation, unincorporated organization or association, syndicate, joint venture or any other entity, whether or not having legal personality, and any of the foregoing in any derivative, representative or fiduciary capacity and pronouns have a similar extended meaning.

2.30 "**Plan**" means this amended and restated stock option plan of the Corporation, as the same may be amended from time to time.

2.31 "**Shares**" means the Common shares of the Corporation.

2.32 "**Subsidiary**" means any corporation which is a subsidiary, as such term is defined in Subsection 1(1) of the BCSA.

2.33 "**Withholding Obligations**" has the meaning given to it in Section 11.1.

3. Administration of this Plan

3.1 This Plan will be administered by the Board.

3.2 The Board will have the power, where consistent with the general purpose and intent of this Plan and subject to the specific provisions of this Plan to:

(a) establish policies and to adopt rules and regulations for carrying out the purposes, provisions and administration of this Plan;

(b) interpret and construe this Plan and to determine all questions arising out of this Plan or any Option, and any such interpretation, construction or determination made by the Board will be final, binding and conclusive for all purposes;

(c) determine the number of Optioned Shares issuable on the exercise of each Option, the Option Price thereunder and the time or times when the Options will be granted, exercisable and expire;

(d) determine if the Optioned Shares which are issuable on the exercise of an Option will be subject to any restrictions upon the exercise of such Option;

(e) prescribe the form of the instruments relating to the grant, exercise and other terms of Options; and

(f) determine, in accordance with Section 9.1, how to administer this Plan in connection with a Change of Control Event.

3.3 A member of the Board may be entitled to participate in this Plan only if such member does not participate in any manner whatsoever in the granting of any Options to, the terms and conditions of, or any other determinations made with respect to, such member of the Board or to such Option.

3.4 The Board may, in its discretion, require as conditions to the grant or exercise of any Option that the Optionee will have, among other things:

(a) represented, warranted and agreed in form and substance satisfactory to the Corporation that such Optionee is acquiring and will acquire such Option and the Optioned Shares for such Optionee's own account, and not with a view to or in connection with any distribution or resale, that such Optionee has had access to such information as is necessary to enable such Optionee to evaluate the merits and risks of such investment and that such Optionee is able to bear the economic risk of investing in the Shares;

(b) agreed to restrictions on transfer in form and substance satisfactory to the Corporation and to an endorsement on any option agreement or certificate representing the Shares making appropriate reference to such restrictions; and

(c) agreed to indemnify the Corporation in connection with the foregoing.

4. **Shares Subject to this Plan**

4.1 Subject to Article 8, the maximum number of Shares with respect to which Options may be granted from time to time pursuant to this Plan will not exceed 10% of the Corporation's outstanding Shares (on a non-diluted basis) at the time of any grant of Options.

4.2 If any Option is exercised, terminated, cancelled or has expired without being fully exercised, any unissued Shares which have been reserved to be issued upon the exercise of the Option will become available to be issued upon the exercise of Options subsequently granted under this Plan.

5. **Eligibility, Grant and Terms of Options**

5.1 Options may be granted to any Eligible Person in accordance with Section 5.2.

5.2 Options may be granted by the Corporation pursuant to the recommendations of a committee of the Board from time to time provided and to the extent that such decisions are approved by the Board.

5.3 Subject to any adjustments pursuant to the provisions of Article 8 and Section 5.4 hereof, the Option Price of any Option will in no circumstances be lower than the Market Price. If, as and when any Shares have been duly purchased and paid for under the terms of an Option, such Optioned Shares will be conclusively deemed to be allotted and issued as fully paid and non-assessable Shares at the price paid therefor.

5.4 The Option Price of all Options granted under the plan of arrangement (the "**Arrangement**") pursuant to an arrangement agreement dated August 6, 2015 between the Company and Orex Minerals Inc. will be determined in accordance with the terms of the Arrangement. For greater certainty and notwithstanding Section 5.3 hereof, the Option Price of Options granted under the Arrangement may be lower than the Market Price at the time of granting of such Options, being the date of completion of the Arrangement.

5.5 Subject to Section 5.10, the term of an Option will not exceed five years from the date of the grant of the Option.

5.6 No Options will be granted to any Optionee if such grant could result, at any time, in:

(a) the issuance to any one individual and any Company that is wholly-owned by that individual, within a one-year period, of a number of Shares exceeding 5% of the issued and outstanding Shares calculated on the date an Option is granted to that individual or any Company that is wholly-owned by the individual, unless the Company has obtained the requisite approval of disinterested Shareholders pursuant to the requirements of the Exchange Manual;

(b) the issuance to any one Consultant, in any 12 month period, of a number of Shares exceeding 2% of the issued and outstanding Shares calculated on the date an Option is granted to that Consultant; and

(c) the issuance to all Persons conducting Investor Relations Activities, in any 12-month period, of an aggregate number of Shares exceeding 2% of the issued and outstanding Shares calculated on the date an Option is granted to any such Person,

unless permitted otherwise by the Exchange.

5.7 With respect to any Options granted to an Employee or Consultant, the Corporation and the Optionee will represent and confirm that the Optionee is a bona fide Employee or Consultant, as applicable.

5.8

(a) An Option will vest and may be exercised (in each case to the nearest full Share) in whole or in part at any time during the term of such Option after the date of the grant as determined by the resolution of the Board granting the Option; or

(b) in the case of an Option issued to a Person retained to provide Investor Relations Activities, must vest in stages over a period of not less than 12 months with no more than ¼ of such Option vesting in less than a three-month period within the first 12 months after such Option is issued.

5.9 No fractional Shares may be purchased or issued under this Plan.

5.10 Notwithstanding anything else contained in this Plan, and subject to the application provisions in the Exchange Manual, if an Option expires during a Blackout Period applicable to the relevant Optionee, then the expiration date for that Option will be the date that is the tenth business day after the expiry date of such Blackout Period. This section applies to all Options outstanding under this Plan.

6. Termination of Employment or Engagement with the Corporation

6.1 Subject to Sections 6.2 and 6.3 hereof and to any express resolution passed by the Board with respect to an Option, an Option, vested or unvested, and all rights to purchase Optioned Shares pursuant thereto will expire and terminate immediately upon the Optionee ceasing to be an Eligible Person in any capacity and does not otherwise become an Eligible Person in another capacity with 10 business days, provided that:

(a) in the case of termination of employment without cause, such Option and all rights to purchase Optioned Shares in respect thereof will expire and terminate:

(i) in the case of an Optionee who is an Eligible Person, 90 days following notice of termination of employment or on the Expiry Time, whichever is earlier; and

(ii) in the case of an Optionee who is engaged in Investor Relations Activities, 30 days following notice of termination to provide such Investor Relation Activities or on the Expiry Time, whichever is earlier; or

(b) in the case of termination for cause, such Option and all rights to purchase Optioned Shares in respect thereof will expire and terminate on the date of such termination will be cancelled as of that date or on the Expiry Time, whichever is earlier.

6.2 If, before the Expiry Time of an Option, an Optionee will cease to be an Eligible Person (an "**Event of Termination**") as a result of the Optionee's Disability, then the Board, at its discretion, may allow the Optionee to exercise any vested Options to the extent that the Optionee was entitled to do so at the time of such Event of Termination, at any time up to and including, but not after, a date 12 months following the date of such Event of Termination or on the Expiry Time, whichever is earlier.

6.3 If an Optionee dies before the Expiry Time of an Option, the Optionee's heirs, administrators or legal representative(s) may, subject to the terms of the Option and this Plan, exercise any vested Options to the extent that the Optionee was entitled to do so at the date of the Optionee's death at any time up to and including, but not after, a date 12 months following the date of the Optionee's death or on the Expiry Time, whichever is earlier.

6.4 For greater certainty, an Option will not be affected by any change of employment of the Optionee or by the Optionee ceasing to be a director, senior officer or employee of the Corporation or any of its Subsidiaries provided that the Optionee continues to be an Eligible Person.

6.5 If the Optionee is a Company that is wholly-owned by an Eligible Person, the references to the Optionee in this Article 6 will be deemed to refer to the Eligible Person associated with such Company.

6.6 Notwithstanding anything contained in this Article 6, the Board may when granting an Option to a Consultant impose specific rules respecting the cessation of participation of such Consultant, which rules may vary from, and will supersede, those contained in this Article 6.

7. Exercise of Options

7.1 Subject to the provisions of this Plan, an Option may be exercised from time to time by delivery to the Corporation at its principal office in Vancouver, British Columbia of a written notice of exercise (substantially in the form attached hereto as Schedule "B") specifying the number of Optioned Shares with respect to which the Option is being exercised and accompanied by payment in full, by cash or cheque, of the Option Price of the Shares then being purchased and, if required by the Corporation, the amount necessary to satisfy any applicable Withholding Obligations. The Optioned Shares so purchased will be issued and delivered to the Optionee within a reasonable time following the receipt of such notice and payment. The transfer and delivery of any Optioned Shares issued upon exercise of any Option will be effected according to the procedures established by the transfer agent of the Corporation for the transfer and delivery of the Shares.

7.2 Notwithstanding any of the provisions contained in this Plan or in any Option, the Corporation's obligation to issue Shares to an Optionee pursuant to the exercise of any Option will be subject to:

(a) completion of such registration or other qualification of such Shares or obtaining approval of such governmental or regulatory authority as the Corporation will determine to be necessary or advisable in connection with the authorization, issuance or sale thereof;

(b) the admission of such Shares to listing on the Exchange;

(c) the receipt from the Optionee of such representations, warranties, agreements and undertakings, as the Corporation or its counsel determines to be necessary or advisable; and

(d) the satisfaction of any conditions on exercise, including those prescribed under Section 3.4.

7.3 No member of the Board will be liable for any action or determination taken or made in good faith in the administration, interpretation, construction or application of this Plan or any Options granted under it.

7.4 Options will be evidenced by a share option agreement, instrument or certificate in such form not inconsistent with this Plan as the Board may from time to time determine as provided for under Subsection 3.2(e) (substantially in the form attached as Schedule "A").

8. Certain Adjustments

8.1 In the event of any reorganization, recapitalization, stock split, stock dividend, combination of shares, merger, consolidation, rights offering or any other corporate change involving a change to the Shares at any time after the grant of any Option to any Optionee and prior to the expiration of the term of such Option, such Optionee will receive at the time of any subsequent exercise of his or her Option in accordance with the terms hereof, in lieu of the number of Optioned Shares to which the Optionee was entitled upon such exercise, but for the same aggregate consideration therefor, such number of Optioned Shares as such Optionee would have held as a result of such change if on the record date thereof the Optionee had been the registered holder of the number of Optioned Shares to which the Optionee was previously entitled upon such exercise.

8.2 If the Corporation declares and pays a special cash dividend or other distribution out of the ordinary course, a special dividend in specie on the Shares, or a stock dividend other than in the ordinary course, the Option Price of all Options outstanding on the record date of such dividend or other distribution will be reduced by an amount equal to the cash payment or other distribution or the fair market value of the dividend in specie or stock dividend or other distribution, as determined by the Board in its sole discretion but subject to all necessary regulatory approvals.

9. **Change of Control Event**

9.1 If at any time when an Option granted under this Plan remains unexercised with respect to any Shares and:

(a) a Person makes an offer to acquire Shares that, regardless of whether the acquisition is completed, would make the Person an Acquiring Person;

(b) an Acquiring Person makes an offer, regardless of whether the acquisition is completed, to acquire Shares;

(c) the Corporation proposes to sell all or substantially all of its assets and undertaking;

(d) the Corporation proposes to merge, amalgamate or be absorbed by or into any other corporation (save and except for a Subsidiary) under any circumstances which involve or may involve or require the liquidation of the Corporation, a distribution of its assets among its shareholders, or the termination of the corporate existence of the Corporation;

(e) the Corporation proposes an arrangement as a result of which a majority of the outstanding Shares of the Corporation would be acquired by a third party; or

(f) any other form of transaction is proposed which the majority of the Board determines is reasonably likely to have similar effect any of the foregoing,

(each a "**Change of Control Event**"),

(g) then, in connection with of any of the foregoing Change of Control Events, the Board in its sole discretion, may authorize and implement one or more of the following courses of action:

(i) accelerate the vesting of the Option and the time for the fulfillment of any conditions or restrictions on such vesting to a date or time prior to the Effective Time of the Change of Control Event, and any Options not exercised or surrendered by the Effective Time of the Change of Control Event will be deemed to have expired;

(ii) offer to acquire from each Optionee his or her Options for a cash payment equal to the In the Money Amount, and any Options not so surrendered or exercised by the Effective Time of the Change of Control Event will be deemed to have expired; and

(iii) that an Option granted under this Plan be exchanged for an option to acquire, for the same exercise price, that number and type of securities as would be distributed to the Optionee in respect of the Shares issued to the Optionee had the Optionee exercised the Option prior to the Effective Time of the Change of Control Event, provided that any such

replacement option must provide that it survives for a period of not less than one year from the Effective Time of the Change of Control Event, regardless of the continuing directorship, officership or employment of the holder.

9.2 For greater certainty, and notwithstanding anything else to the contrary contained in this Plan, the Board will have the power, in its discretion, in any Change of Control Event which may or has occurred, to make such arrangements as it will deem appropriate for the exercise of outstanding Options including, without limitation, to modify the terms of this Plan and/or the Options, subject to the prior written approval of the Exchange. If the Board exercises such power after having received such approval from the Exchange, the Options will be deemed to have been amended to permit the exercise thereof in whole or in part by the Optionee at any time or from time to time as determined by the Board prior to or in conjunction with completion of the Change of Control Event.

10. **Amendment or Discontinuance of this Plan**

10.1 The Board may suspend or terminate this Plan at any time, or from time to time amend the terms of this Plan or of any Option granted under this Plan and any stock option agreement relating thereto, provided that any such suspension, termination or amendment:

(a) complies with applicable law and the requirements of the Exchange, including applicable requirements relating to requisite shareholder approval and prior approval of the Exchange or any other relevant regulatory body;

(b) is, in the case of an amendment that materially adversely affects the rights of any Optionee, made with consent of such Optionee; and

(c) is, in the case of any reduction in the Option Price of Options held by Optionees that are Insiders at the time of the proposed reduction, subject to approval by disinterested shareholders of the Corporation in accordance with the Exchange Manual.

10.2 If this Plan is terminated, the provisions of this Plan and any administrative guidelines and other rules and regulations adopted by the Board and in force on the date of termination will continue in effect as long as any Option or any rights pursuant thereto remain outstanding and, notwithstanding the termination of this Plan, the Board will remain able to make such amendments to this Plan or the Options as they would have been entitled to make if this Plan were still in effect.

10.3 No amendment, suspension or discontinuance of this Plan may contravene the requirements of the Exchange or any securities commission or regulatory body to which this Plan or the Corporation is now or may hereafter be subject.

11. **Withholding Obligations**

11.1 The Corporation may withhold from any amount payable to an Optionee, either under this Plan or otherwise, such amounts as are required by law to be withheld or deducted as a consequence of the Optionee's exercise of Options or other participation in this Plan ("**Withholding Obligations**"). The Corporation will have the right, in its discretion, to satisfy any Withholding Obligations by:

(a) selling or causing to be sold, on behalf of any Optionee, such number of Shares issued to the Optionee on the exercise of Options as is sufficient to fund the Withholding Obligations;

(b) retaining the amount necessary to satisfy the Withholding Obligations from any amount which would otherwise be delivered, provided or paid to the Optionee by the Corporation, whether under this Plan or otherwise;

(c) requiring the Optionee, as a condition of exercise under Article 3 to:

(i) remit the amount of any such Withholding Obligations to the Corporation in advance;

(ii) reimburse the Corporation for any such Withholding Obligations; or

(iii) cause a broker who sells Shares acquired by the Optionee on behalf of the Optionee to withhold from the proceeds realized from such sale the amount required to satisfy any such Withholding Obligations and to remit such amount directly to the Corporation; and

(d) making such other arrangements as the Corporation may reasonably require.

The sale of Shares by the Corporation, or by a broker engaged by the Corporation (the "**Broker**"), under this Section 11.1 will be made on the Exchange. The Optionee consents to such sale and grants to the Corporation an irrevocable power of attorney to effect the sale of such Shares on the Optionee's behalf and acknowledges and agrees that:

(i) the number of Shares sold will, at a minimum, be sufficient to fund Withholding Obligations net of all selling costs, which costs are the responsibility of the Optionee and which the Optionee hereby authorizes to be deducted from the proceeds of such sale;

(ii) in effecting the sale of any such shares, the Corporation or the Broker will exercise its sole judgement as to the timing and the manner of sale and will not be obligated to seek or obtain a minimum price; and

(iii) neither the Corporation nor the Broker will be liable for any loss arising out of any sale of such Shares including any loss relating to the pricing, manner or timing of such sales or any delay in transferring any Shares to an Optionee or otherwise. The Optionee further acknowledges that the

sale price of Shares will fluctuate with the market price of the Corporation's Shares and no assurance can be given that any particular price will be received upon any sale.

11.2 For greater certainty, no action may be taken by the Corporation or any other Person pursuant to Section 11.1 that would result in:

(a) an alteration of the Exercise Price of the Options at issue; or

(b) a cashless exercise of the Options at issue,

and any action taken by the Corporation or any other Person pursuant to Section 11.1 must be in compliance with the Exchange Manual.

12. **Miscellaneous Provisions**

12.1 This Plan applies to all Options granted under this Plan after this Plan is approved by shareholders of the Corporation and the Exchange.

12.2 The operation of this Plan and the issuance and exercise of all Options and Optioned Shares contemplated by this Plan are subject to compliance with all applicable laws, and all rules and requirements of the Exchange. For greater certainty, disinterested shareholder approval of the shareholders of the Corporation will be obtained in connection with any matter regarding this Plan where required by the Exchange Manual.

12.3 As a condition of participating in this Plan, each Optionee agrees to comply with all applicable laws and the policies and requirements of the Exchange, and to fully cooperate with the Corporation in doing all such things, including executing and delivering all such agreements, undertakings or other documents or furnishing all such information as is reasonably necessary to facilitate compliance with such laws, rules and requirements, including all Withholding Obligations.

12.4 Participation in this Plan is voluntary and does not constitute a condition of employment or continued employment or service. An Optionee will not have any rights as a shareholder of the Corporation with respect to any of the Optioned Shares underlying any Option until the date of issuance of a certificate for Shares upon the exercise of such Option, in full or in part, and then only with respect to the Shares represented by such certificate or certificates. Without in any way limiting the generality of the foregoing, no adjustment will be made for dividends or other rights for which the record date is prior to the date such share certificate is issued.

12.5 Nothing in this Plan or any Option will confer upon an Optionee any right to continue or be re-elected as a director of the Corporation or any right to continue in the employ or engagement of the Corporation or any Subsidiary, or affect in any way the right of the Corporation or any Subsidiary to terminate the Optionee's employment or engagement at any time; nor will anything in this Plan or any Option be deemed or construed to constitute an agreement, or an expression of intent, on the part of the Corporation or any

Subsidiary to extend the employment or engagement of any Optionee beyond the time which the Optionee would normally be retired pursuant to the provisions of any present or future retirement plan of the Corporation or any Subsidiary or any present or future retirement policy of the Corporation or any Subsidiary, or beyond the time at which the Optionee would otherwise be retired pursuant to the provisions of any contract of employment with the Corporation or any Subsidiary.

12.6 An Option will be personal to the Optionee and will be non-assignable and non-transferable (whether by operation of law or otherwise), except as provided for herein. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of an Option contrary to the provisions of this Plan, or upon the levy of any attachment or similar process upon an Option, the Option will, at the election of the Corporation, cease and terminate and be of no further force or effect whatsoever. Notwithstanding the above, if the Optionee is a Company that is wholly-owned by an Eligible Person, the Option may be transferred or assigned between the Optionee and the Eligible Person associated with the Optionee.

12.7 This Plan (including any amendment to this Plan), the terms of the issue or grant of any Option under this Plan, the grant and exercise of Options hereunder, and the Corporation's obligation to sell and deliver Optioned Shares upon the exercise of Options, will be subject to all applicable law and the requirements of the Exchange, and to such approvals by any regulatory or governmental agency as may, in the opinion of counsel to the Corporation, be necessary or advisable. The Corporation will not be obliged by any provision of this Plan or the grant of any Option hereunder to issue or sell Shares in violation of such laws, rules and regulations or any condition of such approvals.

12.8 This Plan and all matters to which reference is made herein will be governed by and interpreted in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

SCHEDULE "A"

BARSELE MINERALS CORP.
STOCK OPTION AGREEMENT

OPTION AGREEMENT made as of _____ 201___.

BETWEEN:

BARSELE MINERALS CORP., a corporation incorporated under the laws of the Province of British Columbia,

(hereinafter called the "**Corporation**")

- and -

_____
(Name)

_____

_____
(Address)

(hereinafter called the "**Optionee**")

WHEREAS the Corporation has established the amended and restated stock option plan (the "**Plan**") for Eligible Persons.

AND WHEREAS the Optionee is an "Eligible Person" under this Plan and the board of directors of the Corporation (the "**Board**") has authorized the granting by the Corporation of an option to the Optionee pursuant to and in accordance with the provisions of this Plan on the terms hereinafter set forth.

NOW THEREFORE THE CORPORATION AND THE OPTIONEE AGREE AS FOLLOWS:

1. The Corporation hereby grants to the Optionee, subject to the terms and conditions set forth in this Agreement and this Plan, options ("**Options**") to purchase that number of common shares ("**Shares**") of the Corporation set forth below, at the exercise price(s) set

forth below, which Options will vest and be exercisable as of the vesting date(s) set forth below and expire (to the extent not previously exercised) as of the close of business on the expiry date(s) set forth below:

Number of Shares	Exercise Price	Vesting Date	Expiry Date
•	$•	•	•
•	$•	•	•
•	$•	•	•

2. As of the close of business on the expiry date(s) set forth in Section 1 above, any Options that remain unexercised will expire and be of no further force or effect.

3. The Optionee acknowledges receipt of a copy of this Plan and hereby agrees that the Options are subject to the terms and conditions of this Plan, including all amendments to this Plan required by the Exchange or other regulatory authority or otherwise consented to by the Optionee. This Plan contains provisions permitting the termination of this Plan and outstanding Options.

4. By signing this Agreement, the Optionee acknowledges and agrees that:

   (a) the Optionee has read and understands this Plan and has been advised to seek independent legal advice with respect to his rights in respect of the Options and agrees to the terms and conditions thereof and of this Stock Option Agreement;

   (b) in addition to any resale restrictions under applicable securities laws, all Options and Optioned Shares may be legended with a hold period as required by the Exchange or other regulatory authority;

   (c) the Optionee has not been induced to participate in this Plan by expectation of appointment, employment, or service or continued appointment, employment or service; and

   (d) if the Optionee is a Company that is wholly-owned by an Eligible Person, it agrees not to effect or permit any transfer of ownership or option of shares of the Company nor to issue further shares of any class in the Company to any other individual or entity as long as any Options granted to the Optionee remain outstanding, except with the written consent of the Exchange.

5. The Optionee acknowledges and agrees that the Board may, in its discretion, require as conditions to the grant or exercise of any Option that the Optionee will have, among other things:

   (a) represented, warranted and agreed in form and substance satisfactory to the Corporation that such Optionee is acquiring and will acquire such Option and the Optioned Shares for such Optionee's own account, and not with a view to or in connection with any distribution or resale, that such Optionee has had access to such information as is necessary to enable such Optionee to evaluate the

merits and risks of such investment and that such Optionee is able to bear the economic risk of investing in the Shares;

(b) agreed to restrictions on transfer in form and substance satisfactory to the Corporation and to an endorsement on any option agreement or certificate representing the Shares making appropriate reference to such restrictions; and

(c) agreed to indemnify the Corporation in connection with the foregoing.

7. The Optionee represents and warrants that, if the Optionee or any Company (as defined in this Plan) that is wholly-owned by the Optionee is being granted Options on the basis of such Optionee being an Employee or a Consultant of the Corporation (as such terms are defined in this Plan), the Optionee is a *bona fide* Employee or Consultant, as applicable.

8. Time is of the essence of this Agreement.

9. This Agreement will enure to the benefit of and be binding upon the Corporation, its successors and assigns. Other than as provided for in this Plan, the Options under this option agreement are not transferable or assignable by the Optionee.

10. In the event of any inconsistency between the terms of this Agreement and the terms of this Plan, the terms of this Plan will govern.

11. The grant of the Options is strictly confidential and the information concerning the number or price of Optioned Shares granted under this Plan should not be disclosed to anyone.

12. This Agreement will be governed by and construed in accordance with the laws of the Province of British Columbia and will be treated in all respects as a British Columbia contract.

BARSELE MINERALS CORP.

Per: _____
Authorized Signatory

_____
Optionee

SCHEDULE "B"

NOTICE OF EXERCISE OF STOCK OPTIONS

To Barsele Minerals Corp.

This letter constitutes an unconditional and irrevocable notice that I hereby exercise (certain of) the stock options granted to me by Barsele Minerals Corp. (the "**Company**") on _____, 201__ (date).

Pursuant to the terms of such option(s), I wish to purchase _____ (number) shares of the common stock covered by such option(s) at the exercise price(s) of $____ per share. Enclosed is a wire transfer, cheque, or bank draft for the total of $_____ payable to Barsele Minerals Corp. in full payment of the exercise price.

Please send payment with this form to: Suite 1130 - 1055 W Hastings St, Vancouver, BC V6E 2E9 Attn: Corporate Secretary.

These shares should be registered in the name below and delivered by mail or courier as follows:

Name**:** _____

Address: _____

_____

_____

I also confirm my understanding that the grant of the options to me is subject to all provisions, including the non-transferability and transfer restrictions, set forth in the Company's Amended and Restated Stock Option Plan.

Signed on date: _____, 201__

_____
Printed Name of Optionee

_____
Signature of Optionee

APPENDIX I
AUDIT COMMITTEE CHARTER OF OREX AND BARSELE AFTER THE ARRANGEMENT

For the purposes of this Appendix I, the Company means each of Orex after the Arrangement and Barsele, as applicable.

PURPOSE

The purpose of the Audit Committee (the "**Committee**") is to assist the Board of Directors in fulfilling its oversight responsibilities by reviewing the financial information which will be provided to the shareholders and others; reviewing the systems of internal controls which management and the Board of Directors have established; appointing, retaining and overseeing the performance of independent accountants; and overseeing the Company's accounting and financial reporting processes and the audits of the Company's financial statements.

The Committee will fulfill these responsibilities by carrying out the activities defined below under "Duties and Responsibilities." The Committee will be given full and direct access to the Board Chairman, Company executives, and independent accountants as necessary to carry out these responsibilities. However, the Committee's function is one of oversight only and will not relieve the Company's management of its responsibilities for preparing financial statements which accurately and fairly present the Company's financial results and condition, or the responsibilities of the independent accountants relating to the audit or review of financial statements.

COMPOSITION OF THE AUDIT COMMITTEE

The Committee will be comprised of not less than three directors, each of whom will be independent to the extent possible and as regulated. No member of the Committee, to the extent possible, will have participated in the preparation of the financial statements of the Company or any current subsidiary of the Company at any time during the preceding year. Each appointed Committee member will be subject to annual reconfirmation and may be removed by the Board of Directors at any time.

All members of the Committee will be able to read and understand fundamental financial statements, including a balance sheet, income statement and cash flow statement. At least one member of the Committee will have past employment experience in finance or accounting, requisite professional certification in accounting, or any other comparable experience or background, which results in the individual's financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

DUTIES AND RESPONSIBILITIES

To fulfill its duties and responsibilities, the Committee will:

1. Review annually the Committee Charter for adequacy and recommend any changes to the Board of Directors.

2. Review the significant accounting principles, policies and practices followed by the Company in accounting for and reporting its financial results of operations in accordance with International Financial Reporting Standards ("**IFRS**").

3. Review the financial, investment and risk management policies followed by the Company in operating its business activities.

4. Review the Company's annual audited financial statements, related disclosures, including the MD&A portion of the Company's filings, and discuss with the independent accountants the matters required to be discussed by auditing standards, including (a) the quality as well as acceptability of the accounting principles applied in the financial statements, and (b) new or changed accounting policies; significant estimates, judgments, uncertainties or unusual transactions; and accounting policies relating to significant financial statement items. Also review with Management the results of the Company's review of Internal Controls over Financial Reporting for each quarter, and more generally its Disclosure Controls and Procedures.

5. Review any management letters or internal control reports prepared by the independent accountants and responses to prior management letters, and review with the independent accountants the Company's internal financial controls.

6. Review the effectiveness of the independent audit effort, including approval of the scope of, and fees charged in connection with, the annual audit, quarterly reviews and any non-audit services being provided.

7. Be directly responsible for the appointment, determination of the compensation for, retention and oversight of the work of the independent accountants employed to conduct the audit (including resolution of disagreements between the independent accountants and management regarding financial reporting) or other audit, review or attest services. The independent accountants will report directly to the Committee.

8. Pre-approve all audit services and permissible non-audit services by the independent accountants. The Committee may establish pre-approval policies and procedures for the engagement of independent accountants to render services to the Company, including but not limited to policies that would allow the delegation of pre-approval authority to one or more members of the Committee, provided that any pre-approvals delegated to one or more members of the Committee are reported to the Committee at its next scheduled meeting.

9. Review the hiring policies for any employees or former employees of the independent accountants.

10. Obtain on an annual basis a formal written statement from the independent accountants delineating all relationships between the accountants and the Company, and review and discuss with the accountants any disclosed relationships or services the accountants have with the Company which may affect the accountants' independence and objectivity. The Committee is responsible for taking, or recommending that the full Board of Directors take appropriate action to oversee the independence of the independent accountants.

11. For each of the first three fiscal quarters and at year end, at a Committee meeting, review with management the financial results, the proposed earnings press release and formal guidance which the Company may plan to offer.

12. Review management's analysis of any significant accounting issues, changes, estimates, judgments or unusual items relating to the financial statements and the selection, application and effects of critical accounting policies applied by the Company (including an analysis of the effect of alternative IFRS methods) and review with the independent accountants the reports on such subjects delivered.

13. Following completion of the annual audit, review separately with the independent accountants and management any significant difficulties encountered during the course of the audit.

14. Engage and determine funding for such independent professional advisers and counsel as the Committee determines are appropriate to carry out its functions hereunder. The Company will provide appropriate funding to the Committee, as determined by the Committee, for payment of (1) compensation to the independent accountants for services approved by the Committee, (2) compensation to any outside advisers retained by the Committee, and (3) ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

15. Report to the Board of Directors on a regular basis on the major events covered by the Committee and make recommendations to the Board of Directors and management concerning these matters.

16. Perform any other activities consistent with this charter, the Company's Bylaws and governing law as the Committee or the Board of Directors deems necessary or appropriate, including but not limited to the Company's legal and regulatory compliance.

17. Approve all related party transactions, as defined by regulation to which the Company is a party.

18. Establish procedures for:

    (a) the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, and (b) the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

AUDIT COMMITTEE MEETINGS

The Committee will meet on a regular basis at least four times each year, and will hold special meetings as circumstances require. The timing of the meetings to be scheduled for an upcoming fiscal year will be determined by the Committee before the beginning of such fiscal year. A calendar of proposed meetings will be reviewed by the Committee at the same time as the annual Committee Charter review. The calendar will include appropriate meetings to be held separately with representatives of the independent accountants and management. In addition, the Committee will meet at any time that the independent accountants believe communication to the Committee is required.

At all Committee meetings a majority of the total number of members will constitute a quorum. Minutes will be taken at each meeting of the Committee and retained.

APPENDIX J
FINANCIAL STATEMENT OF SPINCO

See attached.

BARSELE MINERALS CORP.

FINANCIAL STATEMENT
(Expressed in Canadian Dollars)

APRIL 30, 2015

INDEPENDENT AUDITORS' REPORT

To the Directors of
Barsele Minerals Corp.

We have audited the accompanying financial statement of Barsele Minerals Corp., which comprise the statement of financial position as at April 30, 2015 and 2014, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the financial statements

Management is responsible for the preparation and fair presentation of the financial statement in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement presents fairly, in all material respects, the financial position of Barsele Minerals Corp. as at April 30, 2015 and 2014 in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the financial statement which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Barsele Minerals Corp.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada — Chartered Professional Accountants

August 7, 2015

BARSELE MINERALS CORP.
STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	April 30, 2015	April 30, 2014
ASSETS		
Cash	$ 1	$ 1
Shareholder equity		
Share capital (Note 3)	$ 1	$ 1

Nature and continuance of operations (Note 1)
Subsequent event (Note 4)

Approved and authorized by the board on August 7, 2015

/s/ Gary Cope Director *(s/ Rick Sayers* Director
Gary Cope Rick Sayers

The accompanying notes are an integral part of these financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Barsele Minerals Corp. (the "Company") was incorporated under the laws of the Province of British Columbia, Canada on February 20, 2013 and is a wholly-owned subsidiary of Orex Minerals Inc. ("Orex").

The head office of the Company is located at Suite 1130 - 1055 West Hastings Street, Vancouver, BC, Canada, V6C 2E9. The registered address and records office of the Company is located at Suite 1700, Park Place, 666 Burrard Street, Vancouver, BC, Canada V6C 2X8.

Orex is in the process of completing an arrangement as described in Note 4 that will result in the Company holding a 45% interest in Gunnarn Mining AB ("Gunnarn") which holds title to various exploration properties located in Sweden.

This financial statement reflects the financial position of the Company as at April 30, 2015 and 2014.The Company has not conducted any operating activities for the years ended April 30, 2015 and 2014 and accordingly no statements of operations, cash flows or changes in shareholders' equity have been presented.

While this financial statement has been prepared on a going concern basis which assumes the realization of assets and liquidation of liabilities in the normal course of business, there are conditions that cast significant doubt on the validity of this assumption. The Company has no sources of funding and its business and arrangement disclosed in Note 4 are dependent on approvals by the shareholders of Orex, applicable regulatory authorities and the Supreme Court of British Columbia.

2. BASIS OF PREPARATION

This financial statement, including comparatives, has been prepared using accounting policies consistent with IFRS as issued by the International Accounting Standards Board and interpretations issued by the International Financial Reporting Interpretations Committee.

3. SHARE CAPITAL

The Company's authorized share capital consists of an unlimited number of common shares without par value.

Upon incorporation on February 20, 2013, the Company issued one common share at a price of $1.

4. SUBSEQUENT EVENT

Subsequent to April 30, 2015, the Company is a party to a proposed plan of arrangement (the "Arrangement") involving Orex, the Company, a wholly-owned subsidiary of Orex, and the security holders of Orex. The Arrangement is primarily being conducted in order for Orex to spin out its 45% interest in Gunnarn, the corporate entity which owns 100% of the Barsele Gold Project ("Barsele Project") in Sweden to the Company, which will be a separate publicly-listed company following completion of the Arrangement.

Under the Arrangement, the security holders of Orex will be entitled to receive:

- for each Orex common share held (an "Orex Share"), one new common share of Orex (a "New Common Share") and one common share of the Company (a "Company Share");

- for each unexercised option to purchase an Orex Share, one fully-vested option to purchase from Orex one New Common Share and one fully-vested option to purchase from the Company one Company Share, each with adjusted exercise prices to reflect the respective valuations of Orex and the Company; and

- for each unexercised warrant to purchase an Orex Share, one warrant to purchase from Orex one New Common Share and one warrant to purchase from the Company one Company Share, each with the same exercise price as the Orex warrant for which such warrants are exchanged.

As a result of the Arrangement, the Company will hold Orex's 45% interest in the Barsele Project, which is subject to a joint venture with Agnico Eagle Mines Limited, and Orex will retain the other mineral assets currently held by Orex, including the Los Crestones Project and Coneto Project in Mexico and the Jumping Josephine Project in British Columbia, Canada. Upon completion of the Arrangement, each Orex shareholder will retain its respective interest in Orex and hold a proportional interest in the Company.

APPENDIX K
UNAUDITED PRO FORMA FINANCIAL STATEMENTS

See attached.

Orex Minerals Inc.

PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

(Prepared by Management - Expressed in Canadian dollars)

Orex Minerals Inc.
Pro Forma Consolidated Statement of Financial Position
As at April 30, 2015 (Prepared by Management)
(Unaudited - Expressed in Canadian dollars)

	Orex Minerals Inc.	Barsele Minerals Corp.	Note	Pro Forma Adjustments	Pro Forma Balance
	April 30, 2015	April 30, 2015			
Current Assets					
Cash	$535,704	$1	3(a)	$6,490,031	$6,525,736
			3(d)	(500,000)	
Receivables	36,223	-	3(b)	2,404,060	4,811,978
Prepaid expenses and deposits	119,380	-		-	119,380
Assets held for sale	8,243,034	-	3(c)	(8,243,034)	-
Total current assets	**8,934,341**	**1**		**2,522,752**	**9,085,399**
Non-current assets					
Deposits	76,043	-		-	76,043
Receivables	-	-	3(b)	2,371,695	2,371,695
IVA receivable	329,218	-		-	329,218
Investment in associate	-	-	3(c)	1	-
			3(d)	(1)	
Exploration and evaluation assets	5,186,576	-		-	5,186,576
Total non-current assets	**5,591,837**	**-**		**-**	**7,963,532**
TOTAL ASSETS	**14,526,178**	**1**		**2,522,752**	**17,048,931**
Current Liabilities					
Accounts payable and accrued liabilities	$520,087	$ -		$ -	$520,087
Promissory note	722,149	-	3(a)	(722,149)	-
Liabilities related to assets held for sale	100,984	-	3(c)	(100,984)	-
Total current liabilities	**1,343,220**	**-**		**(823,133)**	**520,087**
Deferred income tax liability	296,748	-		-	296,748
Total non-current liabilities	**296,748**	**-**		**-**	**296,748**
TOTAL LIABILITIES	**1,639,968**	**-**		**(823,133)**	**816,835**
Shareholders' equity					
Share capital	46,193,414	1	3(d)	(1)	46,193,414
Reserves	4,428,575	-		-	4,428,575
Deficit	(37,735,779)	-	3(c)	3,845,886	(34,389,893)
			3(d)	(500,000)	
Total shareholders' equity	**12,886,210**	**1**		**3,345,885**	**16,232,096**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**$14,526,178**	**$1**		**$2,522,752**	**$17,048,931**

The accompanying notes are an integral part of these unaudited pro forma consolidated financial statements.

	Orex Minerals Inc. April 30, 2015	Barsele Minerals Corp. April 30, 2015	Note	Pro Forma Adjustments	Pro Forma Balance
EXPLORATION EXPENDITURES					
Drilling	$ 1,233,094	$ -		$ -	$ 1,233,094
Geological	941,302	-		-	941,302
Assay	116,478	-		-	116,478
Assay	1,109,986	-		-	1,109,986
	3,400,860	-		-	3,400,860
GENERAL AND ADMINISTRATIVE EXPENSES					
Consulting fees	109,137	-		-	109,137
Investor relations	244,317	-		-	244,317
Management fees	511,322	-		-	511,322
Office and miscellaneous	363,003	-		-	363,003
Professional fees	287,041	-		-	287,041
Rent	206,653	-		-	206,653
Share-based payments	142,115	-		-	142,115
Transfer agent and filing fees	28,832	-		-	28,832
Travel and entertainment	169,676	-		-	169,676
Total general and administrative expenses	2,062,096	-		-	2,062,096
	(5,462,956)	-		-	(5,462,956)
Foreign exchange gain	7,308	-		-	7,308
Interest on promissory note	(931)	-		-	(931)
Interest income	23,508	-		-	23,508
Provision for IVA Receivable	(64,900)	-		-	(64,900)
Loss from continuing operations	(5,497,970)	-		-	(5,497,970)
Gain on assets held for sale	-	-	3 (c)	3,845,886	3,845,886
Loss from discontinued operations	(949,737)	-		-	(949,737)
Income (loss) from discontinued operations	(949,737)	-		3,845,886	2,896,149
Loss and comprehensive loss for the year	(6,447,708)	-		3,845,886	(2,601,821)
Loss per common share					
Basic and diluted loss per common share – continuing	$ (0.06)	$ -			$ (0.06)
Basic and diluted loss per common share – discontinued operations	(0.01)	-			0.03
Weighted average number of common shares outstanding	98,876,960	-			98,876,960

The accompanying notes are an integral part of these unaudited pro forma consolidated financial statements.

1. Basis of presentation

The unaudited pro forma consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the year ended April 30, 2015 of Orex Minerals Inc. ("Orex") and the audited financial statement for the year ended April 30, 2015 of Barsele Minerals Corp. ("Barsele"). These pro forma consolidated financial statements have been compiled from and include:

a) an unaudited pro forma consolidated statement of financial position as at April 30, 2015 is derived from the audited consolidated statement of financial position of Orex as at April 30, 2015 with the audited statement of financial position of Barsele as at April 30, 2015;

b) an unaudited pro forma consolidated statement of comprehensive loss for the year ended April 30, 2015 is derived from the audited consolidated statement of comprehensive loss of Orex for the year ended April 30, 2015.

In the opinion of management, the pro forma consolidated financial statements presented include all of the adjustments and assumptions, contained in Notes 2 to 3, necessary for fair presentation. The pro forma unaudited consolidated statement of financial position is presented as though the transaction occurred on April 30, 2015. The pro forma consolidated statement of comprehensive loss for the year ended April 30, 2015 has been prepared as if the transaction occurred at May 1, 2014.

These statements have been prepared in accordance with the same accounting policies and methods of application as the most recent audited financial statements of Orex for the year ended April 30, 2015, except that they do not include all note disclosures required for annual audited financial statements.

These unaudited pro forma consolidated financial statements are presented for illustrative purposes and are not intended to reflect the financial statements that would have occurred if the events reflected therein had been in effect at the closing date. Actual amounts recorded upon consummation of the transaction will differ from those recorded in the unaudited pro forma consolidated financial statements and the differences may be material.

2. Plan of Arrangement

Orex is a party to a proposed plan of arrangement (the "Arrangement") involving Orex, Barsele, a wholly-owned subsidiary of Orex, and the security holders of Orex. The Arrangement is primarily being conducted in order for Orex to spin out its 45% interest in Gunnarn Mining AB, the corporate entity which owns 100% of the Barsele Gold Project ("Barsele Project") in Sweden to Barsele, which will be a separate publicly-listed company following completion of the Arrangement.

Under the Arrangement, the security holders of Orex will be entitled to receive:

- for each Orex common share (an "Orex Share") held, one new common share of Orex (a "New Common Share") and one common share of Barsele (a "Barsele Share");

- for each unexercised option to purchase an Orex Share, one fully-vested option to purchase from Orex one New Common Share and one fully-vested option to purchase from Barsele one Barsele Share, each with adjusted exercise prices to reflect the respective valuations of Orex and Barsele; and

2. Plan of Arrangement (continued)

- for each unexercised warrant to purchase an Orex Share, one warrant to purchase from Orex one New Common Share and one warrant to purchase from Barsele one Barsele Share, each with the same exercise price as the Orex warrant for which such warrants are exchanged.

As a result of the Arrangement, Barsele will hold Orex's 45% interest in the Barsele Project, which is subject to a joint venture with Agnico Eagle Mines Limited, and Orex will retain the other mineral assets currently held by Orex, including the Los Crestones Project and Coneto Project in Mexico and the Jumping Josephine Project in British Columbia, Canada. Upon completion of the Arrangement, each Orex shareholder will retain its respective interest in Orex and hold a proportional interest in Barsele.

3. Pro Forma Assumptions and Adjustments

The following adjustments have been reflected in Orex's unaudited pro forma consolidated financial statements:

(a) To reflect the initial proceeds $7,212,180 (6M USD) upon the sale of 55% of the Barsele Project to Agnico Eagle Mines Limited less advanced promissory note payable $722,149 (600K USD)
(b) To reflect the present value of proceeds $11,987,935 (10M USD) less initial proceeds received $7,212,180 (6M USD).
(c) To reflect the disposal of net assets held for sale at carrying value $8,142,050 (Assets held for sale of $8,243,034 less liabilities related to assets held for sale of $100,984). Gain on sale of assets of $3,845,886 represented by present value of proceeds $11,987,935 (10M USD) less net assets disposed of $8,142,049.
(d) To reflect the transfer of Investment in associate to Barsele $1 and $500,000 working capital

4. Share Capital

Share capital as at April 30, 2015 in the unaudited pro-forma consolidated statement of financial position is comprised of the following:

	Number of common shares	Share capital	Reserve
Authorized			
Unlimited common shares without par value			
Issued			
Balance as at April 30, 2015	101,890,199	$46,193,414	$4,428,575
Old common shares cancelled following share exchange	(101,890,199)	-	-
Transfer of Investment in associate to Barsele	-	-	-
New common shares issued following share exchange	101,890,199	-	-
	101,890,199	$45,693,414	$4,428,575

5. Pro Forma Loss Per Share

The pro forma basic and diluted loss per share for the year-ended April 30, 2015 is based on the weighted average number of common shares outstanding as follows:

Weighted average number of Orex common shares outstanding for the year ended April 30, 2015	98,876,960
Weighted average number of common shares outstanding	98,876,960
Pro forma net loss for the year ended April 30, 2015 – continuing operations	$(5,497,970)
Pro forma basic and diluted loss per share – continuing operations	$(0.06)
Pro forma income for the year ended April 30, 2015 – discontinued operations	$2,896,149
Pro forma basic and diluted loss per share – discontinued operations	$0.03
Pro forma Loss and comprehensive loss for the year for the year ended April 30, 2015	$(2,601,821)
Pro forma basic and diluted loss per share – Loss and comprehensive loss	$(0.03)

Barsele Minerals Corp.

PRO FORMA FINANCIAL STATEMENT
April 30, 2015

(Prepared by Management - Expressed in Canadian dollars)

	Barsele Minerals Corp.	Note	Pro Forma Adjustments	Pro Forma Balance
	April 30, 2015			
Current Assets				
Cash	$1	3(a)	$500,000	$500,001
Total current assets	**1**		**500,000**	**500,001**
Non-current assets				
Exploration and evaluation assets	-	3(a)	1	1
Total non-current assets	**-**		**1**	**1**
TOTAL ASSETS	**1**		**500,001**	**500,002**
Shareholder equity				
Share capital	1	3(a)	500,001	500,002
Total shareholder equity	**1**		**500,001**	**500,002**
TOTAL SHAREHOLDER EQUITY	**$1**		**$500,001**	**$500,002**

The accompanying notes are an integral part of this unaudited pro forma financial statement.

1. Basis of presentation

This unaudited pro forma financial statement should be read in conjunction with the audited financial statement as at April 30, 2015 of Barsele Minerals Corp. ("Barsele" or the "Company"). This pro forma financial statement has been compiled from and includes the unaudited pro forma statement of financial position as at April 30, 2015 reflecting the audited statement of financial position of Barsele as at April 30, 2015.

In the opinion of management, the pro forma financial statement presented include all of the adjustments and assumptions, contained in Notes 2 to 3, necessary for fair presentation. The pro forma unaudited financial statement is presented as though the transaction occurred on April 30, 2015.

This unaudited pro forma financial statement has been prepared in accordance with the same accounting policies and methods of application as the most recent audited financial statement of Barsele for the year ended April 30, 2015, except that it does not include all note disclosures required for annual audited financial statements.

This unaudited pro forma financial statement is presented for illustrative purposes and is not intended to reflect the financial statement that would have occurred if the events reflected therein had been in effect at the closing date. Actual amounts recorded upon consummation of the transaction will differ from those recorded in the unaudited pro forma financial statement and the differences may be material.

2. Plan of Arrangement

The Company is a party to a proposed plan of arrangement (the "Arrangement") involving Orex Minerals Inc. ("Orex"), the Company, a wholly-owned subsidiary of Orex, and the security holders of Orex. The Arrangement is primarily being conducted in order for Orex to spin out its 45% interest in Gunnarn Mining AB ("Gunnarn"), the corporate entity which owns 100% of the Barsele Gold Project ("Barsele Project") in Sweden to the Company, which will be a separate publicly-listed company following completion of the Arrangement.

Under the Arrangement, the security holders of Orex will be entitled to receive:

- for each Orex common share (an "Orex Share") held, one new common share of Orex (a "New Common Share") and one common share of the Company (a "Company Share");

- for each unexercised option to purchase an Orex Share, one fully-vested option to purchase from Orex one New Common Share and one fully-vested option to purchase from the Company one Company Share, each with adjusted exercise prices to reflect the respective valuations of Orex and the Company; and

- for each unexercised warrant to purchase an Orex Share, one warrant to purchase from Orex one New Common Share and one warrant to purchase from the Company one Company Share, each with the same exercise price as the Orex warrant for which such warrants are exchanged.

2. Plan of Arrangement (continued)

As a result of the Arrangement, the Company will hold Orex's 45% interest in the Barsele Project, which is subject to a joint venture with Agnico Eagle Mines Limited, and Orex will retain the other mineral assets currently held by Orex, including the Los Crestones Project and Coneto Project in Mexico and the Jumping Josephine Project in British Columbia, Canada. Upon completion of the Arrangement, each Orex shareholder will retain its respective interest in Orex and hold a proportional interest in the Company.

3. Pro Forma Assumptions and Adjustments

The following adjustments have been reflected in the Company's unaudited pro forma financial statement:

(a) To reflect the transfer of $500,000 in cash and $1 which represents a 45% interest in the Barsele Project through the transfer of 45% of the issued and outstanding shares of Gunnarn. Upon completion of the Arrangement, the Orex shareholders together will hold 100% of Barsele. The Company will grant for each unexercised option to purchase an Orex Share, one fully-vested option to purchase from Orex one New Common Share and one fully-vested option to purchase from the Company one Company Share. The value of the Company options was immaterial.

4. Share Capital

Share capital as at April 30, 2015 in the unaudited pro-forma statement of financial position is comprised of the following:

	Number of common shares	Share capital
Authorized		
Unlimited common shares without par value		
Issued		
Balance as at April 30, 2015	1	$1
Cancellation of shares	(1)	(1)
Barsele Shares expected to be issued and outstanding as a result of the exchange of Orex Shares for Barsele Shares	101,890,199	500,002
	101,890,199	$500,002