OREX MINERALS INC.

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

FOR THE YEAR ENDED APRIL 30, 2015

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Orex Minerals Inc.

We have audited the accompanying consolidated financial statements of Orex Minerals Inc., which comprise the consolidated statements of financial position as at April 30, 2015 and 2014 and the consolidated statements of operations and comprehensive loss, changes in shareholders' equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, 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 consolidated financial statements 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 consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Orex Minerals Inc. as at April 30, 2015 and 2014 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

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Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about Orex Mineral Inc.'s ability to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada

Chartered Professional Accountants

July 22, 2015

OREX MINERALS INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)

	April 30, 2015	April 30, 2014
ASSETS		
Current		
Cash	$ 535,704	$ 4,385,952
Receivables	36,223	144,562
Prepaid expenses and deposits	119,380	303,765
Assets held for sale (Note 7)	8,243,034	-
	8,934,341	4,834,279
Deposits	76,043	71,043
IVA receivable (Note 14)	329,218	200,873
Exploration and evaluation assets (Note 5)	5,186,576	12,363,341
	$ 14,526,178	$ 17,469,536
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current		
Accounts payable and accrued liabilities	$ 520,087	$ 470,649
Promissory note (Note 6)	722,149	-
Liabilities related to assets held for sale (Note 7)	100,984	-
	1,343,220	470,649
Deferred income tax liability (Note 12)	296,748	296,748
	1,639,968	767,397
Shareholders' equity		
Share capital (Note 8)	46,193,414	43,584,696
Reserves (Note 8)	4,428,575	4,405,514
Deficit	(37,735,779)	(31,288,071)
	12,886,210	16,702,139
	$ 14,526,178	$ 17,469,536

Nature and continuance of operations (Note 1)
Commitments (Note 11)
Events after the reporting date (Note 16)

Approved and authorized by the board on July 22, 2015:

/s/ Gary Cope Director *Gary Cope*
Gary Cope

/s/ Rick Sayers Director
Rick Sayers

The accompanying notes are an integral part of these consolidated financial statements.

OREX MINERALS INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
YEAR ENDED APRIL 30
(Expressed in Canadian Dollars)

	2015	2014
EXPLORATION EXPENSES		
Drilling	$ 1,233,094	$ -
Geological	941,302	480,760
Assay	116,478	1,964
General exploration	1,109,986	252,660
	3,400,860	735,384
GENERAL EXPENSES		
Consulting fees	109,137	91,083
Investor relations	244,317	439,004
Management fees	511,322	450,920
Office and administrative	363,003	485,782
Professional fees	287,041	250,488
Rent	206,653	144,829
Share-based payments (Note 8)	142,115	373,902
Transfer agent and filing fees	28,832	45,538
Travel and entertainment	169,676	220,263
	2,062,096	2,501,809
	(5,462,956)	(3,237,193)
Foreign exchange loss on deferred consideration (Note 4)	-	(85,541)
Gain on settlement of deferred consideration (Note 4)	-	1,804,291
Interest expense on deferred consideration (Note 4)	-	(64,833)
Interest expense on promissory note (Note 6)	(931)	-
Interest income	23,508	681
Other foreign exchange gain (loss)	7,308	14,320
Exploration and evaluation impairment (Note 5)	-	(47,025)
Provision for IVA Receivable (Note 14)	(64,900)	-
	(35,015)	1,621,893
Loss from continuing operations before income taxes	(5,497,971)	(1,615,300)
Deferred income tax expense (Note 12)	-	(296,748)
Net loss from continuing operations	(5,497,971)	(1,912,048)
Loss from discontinued operations (Note 7)	(949,737)	(831,158)
Loss and comprehensive loss for the year	$ (6,447,708)	$ (2,743,206)
Basic and diluted loss per common share from continuing operations	$ (0.06)	$ (0.03)
Basic and diluted loss per common share from discontinued operations	$ (0.01)	$ (0.01)
Basic and diluted loss per common share	$ (0.07)	$ (0.04)
Weighted average number of common shares outstanding	98,876,960	63,414,108

The accompanying notes are an integral part of these consolidated financial statements.

OREX MINERALS INC.
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
(Expressed in Canadian Dollars)

	Common Shares	Share Capital	Reserves	Deficit	Total Shareholders' Equity
Balance, April 30, 2013	48,986,699	$ 33,842,338	$ 3,343,114	$ (28,544,865)	$ 8,640,587
Private placements	35,015,000	8,753,750	-	-	8,753,750
Finders' fees	10,500	2,625	-	-	2,625
Share issuance costs	-	(622,578)	107,534	-	(515,044)
Residual value of warrants attached to units	-	(580,964)	580,964	-	-
Shares issued for exploration and evaluation assets	1,165,000	277,025	-	-	277,025
Shares issued for deferred consideration	7,500,000	1,912,500	-	-	1,912,500
Share-based payments	-	-	373,902	-	373,902
Loss and comprehensive loss	-	-	-	(2,743,206)	(2,743,206)
Balance, April 30, 2014	92,677,199	43,584,696	4,405,514	(31,288,071)	16,702,139
Private placements	4,800,000	1,200,000	-	-	1,200,000
Finders' fees	48,000	12,000	-	-	12,000
Share issuance costs	-	(21,086)	-	-	(21,086)
Options exercised	215,000	89,804	(36,054)	-	53,750
Warrants exercised	4,150,000	1,328,000	(83,000)	-	1,245,000
Share-based payments	-	-	142,115	-	142,115
Loss and comprehensive loss	-	-	-	(6,447,708)	(6,447,708)
Balance, April 30, 2015	101,890,199	$ 46,193,414	$ 4,428,575	$(37,735,779)	$ 12,886,210

The accompanying notes are an integral part of these consolidated financial statements.

OREX MINERALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
YEAR ENDED APRIL 30
(Expressed in Canadian Dollars)

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss for the year	$ (6,447,708)	$ (2,743,206)
Items not affecting cash:		
Share-based payments	142,115	373,902
Interest expense on deferred consideration	-	64,833
Foreign exchange loss on deferred consideration	-	85,541
Gain on settlement of deferred consideration	-	(1,804,291)
Deferred income tax expense	-	296,748
Impairment of exploration and evaluation asset	-	47,025
Interest expense on promissory note	931	-
Unrealized foreign exchange	(11,766)	-
Provision for IVA receivable	64,900	-
Changes in non-cash working capital items:		
Decrease in receivables	81,300	1,184
Decrease (increase) in prepaid expenses	172,598	(151,477)
Increase in deposits	(5,000)	(6,000)
Increase in IVA receivable	(193,245)	-
Increase (decrease) in accounts payable and accrued liabilities	150,422	(208,985)
Cash used in operating activities	(6,045,453)	(4,044,726)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for deferred consideration settlement	-	(257,615)
Exploration and evaluation acquisition (Note 5)	(984,642)	(127,506)
Cash used in investing activities	(984,642)	(385,121)
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of share capital	1,200,000	8,753,750
Proceeds from option exercise	53,750	-
Proceeds from warrant exercise	1,245,000	-
Promissory note	732,984	-
Share issue costs	(9,086)	(512,419)
Cash provided by financing activities	3,222,648	8,241,331
Increase (decrease) in cash during the year	(3,807,447)	3,811,484
Cash held in assets held for sale (Note 7)	(42,801)	-
Cash, beginning of year	4,385,952	574,468
Cash, end of year	$ 535,704	$ 4,385,952

Supplemental disclosure with respect to cash flows (Note 10)

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Orex Minerals Inc. (the "Company") was incorporated under the laws of the Province of British Columbia, Canada on April 25, 1996. The Company's principal business activities include the acquisition and exploration of mineral properties in Mexico, Sweden and Canada.

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.

The Company's financial statements and those of its subsidiaries ("consolidated financial statements") are presented in Canadian dollars.

The Company is in the process of exploring and evaluating its resource properties and has not yet determined whether any of its properties contain ore reserves that are economically recoverable. The amounts shown for exploration and evaluation assets do not necessarily represent present or future values. The recoverability of the amounts shown for mineral properties is dependent upon the existence of economically recoverable reserves, the ability of the Company to obtain necessary financing to complete the development of those reserves and upon future profitable production.

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation. The Company has incurred losses from inception and does not currently have the financial resources to sustain operations in the long-term. While the Company has been successful in obtaining its required funding in the past, there is no assurance that such future financing will be available or be available on favourable terms. These material uncertainties may cast significant doubt as to the Company's ability to continue as a going concern.

These consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations. Continued operations of the Company are dependent on the Company's ability to receive financial support, necessary financings, or generate profitable operations in the future.

2. BASIS OF PREPARATION

These consolidated financial statements, including comparatives, have been prepared 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").

These consolidated financial statements have been prepared on a historical cost basis. In addition, these financial statements have been prepared using the accrual basis of accounting except for cash flow information.

2. BASIS OF PREPARATION (cont'd...)

Critical Accounting Estimates

The preparation of these consolidated financial statements in accordance with IFRS requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the consolidated financial statements and the reported expenses during the year. Actual results could differ from these estimates.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the end of the reporting year, that could result in a material adjustment to the carrying amounts of assets and liabilities in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

a) The recoverability of receivables. The Company considers collectability and historical collection rates in estimating the recoverable amount of receivables. If the recoverable amount of receivables is estimated to be less than the carrying amount, the carrying amount of receivables is reduced to the recoverable amount and an impairment loss is recognized in profit or loss for the year.

b) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting year, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

c) The inputs used in calculating the fair value for share-based payments expense included in profit or loss and share-based share issuance costs included in shareholders' equity. The share-based payments expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.

d) The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the goods or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

e) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

3. SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its controlled subsidiaries (Note 13). Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. All significant intercompany balances and transactions have been eliminated upon consolidation.

Exploration and evaluation assets

The Company is currently in the exploration stage with all of its mineral interests. Exploration and evaluation costs include the costs of acquiring concessions, costs incurred to explore and evaluate properties, and the fair value, upon acquisition, of mineral properties acquired in a business combination. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in the statement of operations and comprehensive loss.

Exploration and evaluation expenditures are expensed in the year they are incurred except for expenditures associated with the acquisition of exploration and evaluation assets through a business combination or an asset acquisition. Significant property acquisition costs are capitalized only to the extent that such costs can be directly attributed to an area of interest where it is considered likely to be recoverable by future exploitation or sale.

Impairment

At the end of each reporting year, the Company's assets are reviewed to determine whether there is any indication that those assets may be impaired. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment, if any. The recoverable amount is the higher of fair value less costs to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and the impairment loss is recognized in profit or loss for the year. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash generating unit to which the asset belongs.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but to an amount that does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Provision for environmental rehabilitation

The Company recognizes liabilities for statutory, contractual, constructive or legal obligations associated with the retirement of exploration and evaluation assets and equipment, when those obligations result from the acquisition, construction, development or normal operation of the assets. The net present value of future rehabilitation cost estimates arising from the decommissioning of plant and other site preparation work is capitalized to the related assets along with a corresponding increase in the rehabilitation provision in the year incurred. Discount rates using a pre-tax rate that reflect the time value of money are used to calculate the net present value. The rehabilitation asset is depreciated on the same basis as the related assets.

The Company's estimates of reclamation costs could change as a result of changes in regulatory requirements, discount rates and assumptions regarding the amount and timing of the future expenditures. These changes are recorded directly to the related assets with a corresponding entry to the rehabilitation provision. The Company's estimates are reviewed annually for changes in regulatory requirements, discount rates, effects of inflation and changes in estimates.

Changes in the net present value, excluding changes in the Company's estimates of reclamation costs, are charged to profit or loss for the year.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statements of financial position at fair value with changes in fair value recognized in profit or loss.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in profit or loss.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in profit or loss.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Financial instruments (cont'd...)

Financial assets (cont'd...)

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in profit or loss.

Other financial liabilities: This category includes promissory notes, amounts due to related parties and accounts payable and accrued liabilities, all of which are recognized at amortized cost.

The Company has classified its cash as fair value through profit or loss. The Company's receivables are classified as loans and receivables. The Company's accounts payable and accrued liabilities and promissory note are classified as other financial liabilities.

Foreign exchange

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined for each entity within the Company. The functional currency for all entities within the corporate entity is the Canadian dollar. The functional currency determinations were conducted through an analysis of the consideration factors identified in IAS 21, *The Effects of Changes in Foreign Exchange Rates*.

Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting year, the monetary assets and liabilities of the Company that are denominated in foreign currencies are translated at the rate of exchange at the statement of financial position date while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in profit or loss.

Share-based payments

The Company grants stock options to acquire common shares of the Company to directors, officers, employees and consultants.

The fair value of stock options granted to directors, officers, employees and consultants is measured on the date of grant, using the Black-Scholes option pricing model, and is recognized over the vesting period as expense, with a corresponding increase in reserves. Consideration paid for the shares on the exercise of stock options is credited to share capital.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Share-based payments (cont'd...)

In situations where equity instruments are issued to non-employees and some or all of the goods or services received by the entity as consideration cannot be specifically identified, they are measured at the fair value of the share-based payments. Otherwise, share-based payments are measured at the fair value of goods or services received.

Loss per share

The Company recognizes the dilutive effect on loss per share based on the use of the proceeds that could be obtained upon exercise of options, warrants and similar instruments. It assumes that the proceeds would be used to purchase common shares at the average market price during the year. For the years presented, this calculation proved to be anti-dilutive.

Basic loss per share is calculated using the weighted average number of common shares outstanding during the year.

Income taxes

Income tax on the profit or loss for the years presented comprises current and deferred tax. Income tax is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity. Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at year end, adjusted for amendments to tax payable with regards to previous years.

Deferred tax is recorded by providing for temporary differences, between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes; the initial recognition of assets or liabilities that affect neither accounting or taxable loss; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the statement of financial position date.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. To the extent that the Company does not consider it probable that a deferred tax asset will be recovered, it does not recognize the asset.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3. SIGNIFICANT ACCOUNTING POLICIES (cont'd...)

Changes in accounting policies

IAS 32 Financial Instruments: Presentation ("IAS 32")

The IASB amended IAS 32, "Financial Instruments: Presentation" to clarify certain aspects because of diversity in application of the requirements on offsetting, focused on four main areas:

- the meaning of 'currently has a legally enforceable right of set-off';
- the application of simultaneous realization and settlement;
- the offsetting of collateral amounts; and
- the unit of account for applying the offsetting requirements.

IAS 32 was adopted effective May 1, 2014 and had no significant impact on the Company's consolidated financial statements.

IAS 36 – Impairment of Assets ("IAS 36")

The amendments to IAS 36 restrict the requirement to disclose the recoverable amount of an asset or CGU to years in which an impairment loss has been recognized or reversed. The amendments also expand and clarify the disclosure requirements applicable when an asset or CGU's recoverable amount has been determined on the basis of fair value less cost of disposal. IAS 36 was adopted effective May 1, 2014 and had no significant impact on the Company's consolidated financial statements.

New standards not yet adopted

The following standards have not yet been adopted and are being evaluated to determine their impact on the Company's financial statements:

IFRS 9 Financial Instruments ("IFRS 9")

IFRS 9 was issued by the IASB in October 2010 and will replace IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets. Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 has an effective date of January 1, 2018.

(Expressed in Canadian Dollars)

4. ACQUISITION OF SUBSIDIARIES IN SWEDEN

On October 27, 2010, the Company signed a letter of intent with Barsele Guld A.B. ("Barsele Guld"), a wholly-owned subsidiary of Northland Resources S.A. to purchase all of the issued and outstanding shares of two Swedish companies, Gunnarn Mining A.B. ("Gunnarn Mining") and its wholly-owned subsidiary, Gunnarn Exploration A.B. ("Gunnarn Exploration"). The primary assets of Gunnarn Mining are mining claims for the Barsele Central, Avan, Skiråsen and Norra resource areas located in northern Sweden, collectively known as the Barsele property. Gunnarn Mining's operating results were recognized in the consolidated statements of operations and comprehensive loss beginning April 29, 2011, the effective date of the acquisition.

The Company and Barsele Guld completed the final agreement on April 29, 2011 and as the initial consideration, the Company paid $1,958,230 (US$2,000,000) and issued 1,153,997 common shares valued at $1,015,517 to the vendor. The Company also issued 250,000 common shares valued at $220,000 as a finder's fee. In addition, the Company agreed to make deferred consideration payments to Barsele Guld, in cash and issuances of common shares of the Company, with a total value on the acquisition date, after applying a 7.5% discount rate, of $4,428,940 (US$5,500,000, undiscounted).

During the year ended April 30, 2012, the Company fulfilled its 1st anniversary obligations by paying $996,200 (US$1,000,000) and issuing 852,764 common shares valued at $492,400 to Barsele Guld.

On October 21, 2013 the remaining deferred consideration valued at $3,974,406 was settled with the issuance of 7,500,000 shares of the Company valued at $1,912,500, and cash of $257,615 (USD 250,000). As a result the Company recorded a gain on settlement of deferred consideration in the amount of $1,804,291. The Company recorded interest expense on the deferred consideration of $64,833, to reflect amortization of the discount, and a foreign exchange loss of $85,541, to reflect the impact of changes in the foreign exchange rate between the US dollar and the Canadian dollar.

Barsele Guld retained a 2% net smelter returns royalty on the Barsele property, which the Company could purchase at any time for US$2,000,000 per percentage point, or a total of US$4,000,000. On October 15, 2014 the Company purchased the remaining 2% net smelter royalty for cash in the amount of US$500,000 ($549,800).

5. EXPLORATION AND EVALUATION ASSETS

	Coneto, Mexico	Barsele, Sweden	Jumping Josephine, Canada	Los Crestones, Mexico	Total
Balance, as at April 30, 2013	$ 2,090,000	$ 7,611,607	$ 500,000	$ 1,804,228	$ 12,005,835
Acquisition costs	-	-	230,000	127,506	357,506
Balance, as at April 30, 2014	2,090,000	7,611,607	730,000	1,931,734	12,363,341
Acquisition costs	-	549,800	-	434,842	984,642
Assets held for sale (Note 7)	-	(8,161,407)	-	-	(8,161,407)
Balance, as at April 30, 2015	$ 2,090,000	$ -	$ 730,000	$ 2,366,576	$ 5,186,576

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyance history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

5. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Coneto, Mexico

On July 16, 2009, the Company signed a letter of intent to purchase 100% of the core mineral concessions within the Coneto silver-gold mining camp in Durango State, Mexico, in exchange for 2,200,000 common shares of the Company. The definitive purchase agreement, signed on September 1, 2009, was subject to the approval of the TSX Venture Exchange. After receiving TSX Venture Exchange approval, on April 15, 2010, the Company issued 2,200,000 shares to the vendors of the Coneto concessions, valued at $2,090,000.

The Coneto property is subject to a 2.5% NSR royalty payable to the vendors.

During fiscal 2011, the Company signed a non-binding letter of intent with Fresnillo PLC ("Fresnillo") to jointly explore the contiguous mineral concessions held by the Company and Fresnillo in the Coneto mining district. A definitive Association Agreement was signed on February 2, 2012. The principal terms of the agreement are:

a) Fresnillo will spend a minimum of US$2,000,000 on exploration during the first year after the necessary exploration permits are obtained (Fresnillo fulfilled this commitment during fiscal 2013). A minimum of 70% of this exploration was required to be conducted on the Company's concessions.

b) 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 the Company's concessions.

c) Upon Fresnillo spending an aggregate of US$6,000,000 on exploration activities, the Company 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 the Company.

d) 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 to not 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 the Company in proportion to their ownership of NewCo; 55% by Fresnillo and 45% by the Company.

e) Any additional funding required by NewCo will be provided by the Company and Fresnillo in proportion to their respective ownership interests in NewCo at that time.

f) Fresnillo will have a right of first refusal to acquire the Company's ownership interest in NewCo if the Company receives an offer for its interest in NewCo that it proposes to accept.

g) During the life of the Association Agreement, in the event that the Company, 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.

5. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Barsele, Sweden

On April 29, 2011, the Company completed the final agreement with Barsele Guld to purchase all of the issued and outstanding shares of Gunnarn Mining and its wholly-owned subsidiary, Gunnarn Exploration (Note 4). The primary assets of Gunnarn Mining are mining claims for the Barsele Central, Avan, Skiråsen and Norra resource areas located in northern Sweden, collectively known as the Barsele property.

Per the terms of the agreement, the Company agreed to make direct exploration expenditures on the Barsele property as follows:

a) Before the 1st anniversary of completing the final agreement, US$1,000,000 of exploration expenditures (the Company fulfilled this commitment during fiscal 2012);

b) Before the 2nd anniversary of completing the final agreement, an additional US$2,000,000 of exploration expenditures (the Company fulfilled this commitment during fiscal 2013).

Barsele Guld retained a 2% net smelter returns royalty on the Barsele property, which the Company could purchase at any time for US$2,000,000 per percentage point, or a total of US$4,000,000. On October 15, 2014 the Company purchased the remaining 2% net smelter royalty for cash in the amount of US$500,000 ($549,800).

Subsequent to April 30, 2015, the Company completed a transaction to sell 55% of Gunnarn Mining (Note 16).

Jumping Josephine, Canada

On February 12, 2013, the Company completed the acquisition of Astral and as a result, acquired a 60% interest in mining claims, collectively known as the Jumping Josephine Property, located in the West Kootenay Mining District of British Columbia, Canada. The remaining 40% interest is held by Kootenay Silver Inc. On February 3, 2014 the Company acquired the remaining 40% of their Jumping Josephine Property from Kootenay Silver Inc. by issuing 1,000,000 common shares of the Company valued at $230,000.

Los Crestones, Mexico

The Company has the option to acquire a 100% interest in mining claims, collectively known as the Los Crestones Property, located in the Sinaloa State, Mexico.

During the year ended April 30, 2015, the Company paid $434,842 (US$385,000) to the optionors of the Los Crestones Property. The Company has earned a 100% interest in the Los Crestones Property.

The vendors retain a 0.5% net smelter returns royalty on the Los Crestones Property, which the Company may purchase for US$400,000.

5. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Persistence Property, Canada

On June 26, 2013 the Company entered into an option agreement with Cazador Resources Ltd. ("Cazador") to earn a 100% interest in mining claims located in northern British Columbia, collectively known as the Persistence Property. The option agreement was subject to TSX Venture Exchange approval which was received on August 2, 2013. On July 31, 2013 Company made a share payment of 150,000 common shares to Cazador valued at $42,750 towards 100% interest in the Persistence Property and 15,000 shares issued for a finder's fee valued at $4,275. Subsequent to the share issuance the Company chose to terminate the agreement with Cazador effective March 27, 2014, returning the Persistence Property to the vendor, and no further cash or share payments are necessary. Capitalized Persistence Property costs of $47,025 were written off.

6. PROMISSORY NOTE

On April 24, 2015, the Company entered into unsecured non-convertible promissory note with Agnico Eagle Mines Limited ("Agnico"), pursuant to which Agnico agreed to lend the Company US$600,000 ($732,984). Amounts outstanding under the promissory note will incur interest at a rate of 7.850% per annum and the principal and interest payable thereon will mature on April 24, 2016 or the date on which the closing of assets held for sale (Note 7) occurs. Interest of $931 was accrued as of April 30, 2015.

Subsequent to April 30, 2015 the note was settled (Note 16).

7. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

On February 23, 2015, the Board of Directors of the Company announced that it had entered into a letter of intent ("LOI") with Agnico Eagle Mines Limited ("Agnico") with respect to the development of the Company's Barsele Gold Project, located in Sweden ("Project").

Pursuant to the terms of the LOI, Agnico would acquire an initial 55% interest in the Project, by acquiring 55% of Gunnarn Mining, on payment to the Company of US $10 million (US $6 million on closing of the transaction and US $2 million on each of the first and second anniversaries of closing of the transaction). As part of the transaction, Agnico would commit to spend US $7 million on exploration over three years. Agnico would earn an additional 15% interest by completing a pre-feasibility study on the Project. The Company will also be granted a 2% NSR, which may be terminated in exchange for a payment to Orex of US $5 million. In June 2015, the Company closed the transaction and received the US $6 million.

At April 30, 2015, these assets and related liabilities were measured at carrying amounts which was the lower of their carrying amount and estimated fair value less cost to sell. No fair value adjustment was recognized in the year. Assets held for sale include $8,161,407 of exploration and evaluation assets and additional current assets of $81,627. Liabilities related to assets held for sale include $100,984 of current liabilities.

(Expressed in Canadian Dollars)

7. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (cont'd…)

Loss from discontinued operations reported in the consolidated statements of operations and comprehensive loss is as follows:

	April 30, 2015	April 30, 2014
Exploration expenses		
Geological	$ 375,892	$ 407,063
Assay	4,144	53,149
General exploration	268,982	183,784
	649,018	643,996
General expenses		
Professional fees	247,356	163,934
	247,356	163,934
	(896,374)	(807,930)
Other foreign exchange (loss)	(53,363)	(23,228)
Loss from discontinued operations	$ (949,737)	$ (831,158)

(Expressed in Canadian Dollars)

7. ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS (cont'd…)

Cash flows from discontinued operations reported in the consolidated statements of cash flows is as follows:

	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss from discontinued operations:	$ (949,737)	$ (831,158)
Changes in non-cash working capital items:		
Decrease/ (increase) in receivables	30,429	(36,619)
Decrease/(increase) in prepaid expenses	17,445	(2,800)
Increase in accounts payable and accrued liabilities	(16,174)	39,069
Cash used in operating activities	(918,037)	(831,508)
CASH FLOWS FROM INVESTING ACTIVITIES		
Exploration and evaluation acquisition	(549,800)	-
Cash used in investing activities	(549,800)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Cash attributed to continuing operations	1,497,303	792,710
Cash used in financing activities	1,497,303	792,710
Increase (decrease) in cash during the year	29,466	(38,798)
Cash, beginning of the year	13,335	52,133
Cash, end of year	$ 42,801	$ 13,335

8. SHARE CAPITAL AND RESERVES

Authorized

Unlimited number of common shares without par value.

Private placements

On September 13, 2013, the Company completed a non-brokered private placement of 8,228,600 units at $0.25 per unit, of which 5,547,900 were flow-through units, for gross proceeds of $2,057,150. Each unit consisted of one common share of the Company and one-half share purchase warrant. Each whole warrant is exercisable into one common share at a price of $0.30 per share until September 13, 2015. The shares were valued at $0.24 each based on the closing price the day the shares were issued and a value was assigned to the warrants based on the residual value method of $82,286 or $0.01 per warrant. In connection with the private placement the Company paid finders' fees of $69,650 in cash and incurred other cash share issuance costs in the amount of $24,427. In connection with the issuance of flow-through common, the Company had a commitment to incur $1,386,975 of qualifying flow-through expenditures by December 31, 2014, under the look-back rule. As at April 30, 2015 the Company had incurred the required $1,386,975 on qualifying flow-through expenditures by December 31, 2014.

On November 21, 2013, the Company completed a non-brokered private placement of 6,786,400 units at $0.25 per unit, for gross proceeds of $1,696,600. Each unit consisted of one common share of the Company and one-half share purchase warrant. Each whole warrant is exercisable into one common share at a price of $0.30 per share until November 21, 2015. The shares were valued at $0.205 each the value of the closing the day the shares were issued, and the warrants were assigned a residual value of $305,388 or $0.09 per warrant. In connection with the private placement the Company paid finders' fees of 10,500 shares valued at $2,625 and cash share issuance costs of $13,033.

On March 24, 2014, the Company completed a brokered private placement of 18,658,000 units at $0.25 per unit, for gross proceeds of $4,664,500. Each unit consisted of one common share of the Company and one-half share purchase warrant. Each whole warrant is exercisable into one common share at a price of $0.30 per share, with 9,329,000 valid until March 24, 2016. The shares were valued at $0.24 each the value of the closing the day the shares were issued, and the warrants were assigned a residual value of $186,580 or $0.02 per warrant. In connection with the private placement, the Company issued 1,192,240 broker's warrants valued at $ 99,387, each warrant is exercisable into one common share at a price of $0.25 per share until March 24, 2016. The broker warrants were valued with the Black-Scholes option pricing model using the assumptions that they would have an expected life of 1.6 years, volatility of 72.85%, and risk-free rate of 1.06%. The Company also paid finder's fees of $298,060 and cash share issuance costs of $81,219.

On March 31, 2014, the Company completed a non-brokered private placement of 1,342,000 units at $0.25 per unit, for gross proceeds of $335,500. Each unit consisted of one common share of the Company and one-half share purchase warrant. Each whole warrant is exercisable into one common share at a price of $0.30 per share until March 31, 2016. The shares were valued at $0.245 each the value of the closing the day the shares were issued, and the warrants were assigned a residual value of $6,710 or $0.01 per warrant. In connection with the private placement, the Company issued 93,940 broker's warrants valued at $8,147, each warrant is exercisable into one common share at $0.25 per share until March 31, 2016. The broker warrants were valued with the Black-Scholes option pricing model using the assumptions that they would have an expected life of 1.6 years, volatility of 72.85%, and risk-free rate of 1.06%. The Company also paid finder's fees of $23,485 and cash share issuance costs of $2,545.

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(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (cont'd…)

Private placements (cont'd…)

On January 18, 2015, the Company completed a non-brokered private placement of 4,800,000 common shares at $0.25 per share, for gross proceeds of $1,200,000. In connection with the private placement the Company paid finders' fees of 48,000 shares valued at $12,000 and cash share issuance costs of $9,086.

Stock options and warrants

The Company has a plan to grant stock options to directors, officers, employees and consultants of the Company. Under the plan, the board of directors has the discretion to issue the equivalent of up to 10% of the issued and outstanding shares of the Company from time to time. Stock options are generally for a term of up to five years from the date granted and are exercisable at a price that is not less than the market price on the date granted.

Vesting terms are determined at the discretion of the board of directors. Options issued to consultants providing investor relations services must vest in stages over a minimum of 12 months with no more than one-quarter of the options vesting in any three-month period.

During the year ended April 30, 2015, 215,000 options were exercised, each option was exercised for one common share of the Company. The options were exercised at $0.25 per option for proceeds of $53,750. The fair value of the options exercised was $36,054.

During the year ended April 30, 2015 a total of 4,150,000 warrants were exercised, each warrant was exercised for one common share of the Company. The warrants were exercised at $0.30 per warrant for proceeds of $1,245,000. The fair value of the warrants exercised was $83,000.

Stock option and share purchase warrant transactions are summarized as follows:

	Warrants		Stock options	
	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding, April 30, 2013	6,006,392	$ 1.17	3,486,459	$ 0.84
Granted	18,793,680	0.30	2,360,000	0.25
Expired	(3,409,144)	0.93	(132,659)	1.23
Forfeited	-	-	(632,800)	0.83
Outstanding, April 30, 2014	21,390,928	0.44	5,081,000	0.55
Granted	-	-	700,000	0.33
Exercised	(4,150,000)	0.30	(215,000)	0.25
Expired	(2,597,248)	1.48	(872,000)	1.07
Forfeited	-	-	(455,000)	0.36
Outstanding, April 30, 2015	14,643,680	0.30	4,239,000	0.48
Exercisable at April 30, 2015	14,643,680	$ 0.30	4,239,000	$ 0.48

(Expressed in Canadian Dollars)

8. SHARE CAPITAL AND RESERVES (cont'd…)

Stock options and warrants (cont'd…)

The following stock options to acquire common shares of the Company were outstanding at April 30, 2015:

Number of Shares	Exercise Price	Expiry Date
Options		
70,000*	$ 0.90	June 9, 2015
1,739,000	0.74	February 17, 2017
1,730,000	0.25	January 17, 2019
200,000	0.25	May 9, 2019
250,000	0.365	July 2, 2016
250,000	0.37	September 10, 2016
4,239,000		

*subsequent to year-end, these options expired unexercised

The following warrants to acquire common shares of the Company were outstanding at April 30, 2015:

Number of Shares	Exercise Price	Expiry Date
Warrants		
4,114,300	0.30	September 13, 2015
3,393,200	0.30	November 21, 2015
5,179,000	0.30	March 24, 2016
671,000	0.30	March 31, 2016
1,192,240	0.25	March 24, 2016
93,940	0.25	March 31, 2016
14,643,680		

During the year ended April 30, 2015, the Company granted 700,000 (2014 – 2,360,000) stock options to consultants, employees and directors of the Company. The weighted average fair values of options granted are calculated using the Black-Scholes option pricing model. During the year ended April 30, 2015, the weighted average fair value of each option granted was $ 0.18 (2014 - $0.17) and was calculated using the following weighted average assumptions:

	Year Ended April 30, 2015	Year Ended April 30, 2014
Expected option lives	2.85 years	4 years
Risk-free interest rate	1.27%	1.42%
Expected dividend yield	0%	0%
Expected stock price volatility	96.17%	120%

The share-based payments expense for stock options vesting during in the year ended April 30, 2015 was $ 142,115 (2014 - $373,902).

9. CAPITAL MANAGEMENT

The Company defines its capital as shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management due to the nature of the Company's business. The Company has in the past invested its capital in liquid investments to obtain adequate returns. The investment decision is based on cash management to ensure working capital is available to meet the Company's short-term obligations while maximizing liquidity and returns on unused capital. The Company does not pay dividends. The Company is not subject to any externally imposed capital requirements.

The Company raises capital to fund its corporate and exploration costs and other obligations through the sale of its common shares or units consisting of common shares and warrants in order to operate its business and safeguard its ability to continue as a going concern. Although the Company has been successful at raising funds in the past through issuance of share capital, it is uncertain whether it will continue this financing due to uncertain economic conditions. There have been no changes to the Company's approach to capital management during the year.

10. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the year ended April 30, 2015 included:

a) Options exercised with fair value of $36,054 (Note 8).

b) Warrants exercised with fair value of $83,000 (Note 8).

c) Issuing 48,000 finders' fee shares valued at $12,000 (Note 8).

Significant non-cash transactions during the year ended April 30, 2014 included:

a) Issuing 165,000 common shares valued at $47,025 to acquire the Persistence Property (Note 5).

b) Issuing 1,000,000 common shares valued at $230,000 to acquire 40% of the Jumping Josephine Property (Note 5).

c) Issuing 7,500,000 common shares for settlement of deferred consideration valued at $1,912,500 (Note 4).

d) Issuing 17,507,500 warrants valued at $580,964 (Note 8).

e) Issuing 1,286,180 broker warrants valued at $107,534 (Note 8).

f) Issuing 10,500 finders' fee shares valued at $2,625 (Note 8).

(Expressed in Canadian Dollars)

11. COMMITMENTS

On February 13, 2013, the Company entered into an agreement to lease office premises commencing March 1, 2013 and expiring November 30, 2016. The Company entered into an additional lease agreement effective November 1, 2013, expiring on November 30, 2016. The Company's lease commitment for the term of the lease is $499,107.

Fiscal Year	Lease Payments
2015	$ 194,233
2016	194,233
2017	110,641

In connection with the issuance of flow-through common shares in September 2013, the Company had a commitment to incur $1,386,975 of qualifying flow-through expenditures by December 31, 2014, under the look-back rule. As of December 17, 2014 the Company spent 100% of its flow-through share commitments.

12. INCOME TAXES

A reconciliation of income taxes (recovery) at statutory rates with the reported taxes is as follows:

	2015	2014
Loss before income taxes	$ (6,447,708)	$ (2,446,458)
Expected income tax (recovery)	$ (1,716,000)	$ (667,000)
Change in statutory, foreign tax, foreign exchange rates and other	(28,000)	(872,000)
Permanent difference	201,000	(42,000)
Impact of initial recognition of 7.5% mining royalty in Mexico	-	297,000
Share issue cost	(5,000)	(133,000)
Impact of Flow-through shares	344,000	13,000
Change in unrecognized deductible temporary differences	1,204,000	1,701,000
Total income tax expense (recovery)	$ -	$ 297,000
Current income tax expense	$ -	$ -
Deferred income tax expense	$ -	$ 297,000

The significant components of the Company's deferred tax assets and liabilities are as follows:

	2015	2014
Deferred Tax Assets (liabilities)		
Exploration and evaluation assets	$ (297,000)	$ (297,000)
Net deferred tax liability	$ (297,000)	$ (297,000)

(Expressed in Canadian Dollars)

12. INCOME TAXES (cont'd…)

The Canadian income tax rate increased during the year due to changes in the law that reduced federal corporate income tax rates in Canada. The future Canadian income tax rate increased during the year due to changes in the law that increased provincial corporate income tax rates in British Columbia.

On December 11, 2013, the Mexican government enacted a tax reform to introduce a mining royalty effective January 2014. This royalty is deductible for tax purposes and is calculated as 7.5% of a royalty base which is computed as taxable revenues for income tax purposes (except interest and inflationary adjustment), less allowable deductions for income tax purposes (except interest, inflationary adjustment, depreciation and mining fees), less prospecting and exploration expenses of the year. This new mining royalty was the significant item impacting the 2014 effective tax rate.

The Company has taken the position that the 7.5% mining royalty is an income tax in accordance with IFRS for financial reporting purpose, as it is based on a measure of revenue less certain specified costs. On substantial enactment, a taxable temporary difference arises, as exploration and evaluation assets have book basis but no tax basis for purposes of the royalty. The Company has recognized a deferred tax liability of $297,000 as at April 30, 2014 in respect of this royalty.

The significant components of the Company's temporary difference, unused tax credits and unused tax losses that have not been included on the consolidated statement of financial position are as follows:

	2015	2014	Expiry date range
Temporary differences:			
Exploration and evaluation assets	$ 11,716,000	$ 11,124,000	No expiry date
Property and equipment	22,000	22,000	No expiry date
Share issue costs	408,000	665,000	2033-2038
Deferred consideration	-	-	No expiry date
Non-capital losses available for future period	24,769,000	20,750,000	2014 to onward

Tax attributes are subject to review, and potential adjustment, by tax authorities.

(Expressed in Canadian Dollars)

13. RELATED PARTY TRANSACTIONS

The financial statements include the financial statements of Orex Minerals Inc. and its subsidiaries listed in the following table:

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
Exploraciones y Desarrollos Mineros Coneto S.A.P.I.	Mexico	45%	Mineral exploration
Gunnarn Mining AB	Sweden	100%	Mineral exploration
Gunnarn Exploration AB	Sweden	100%	Mineral exploration
Astral Mining Corporation	Canada	100%	Mineral exploration
Astral Mining S.A. de C.V.	Mexico	100%	Mineral exploration
Barsele Minerals Corp.	Canada	100%	Mineral exploration

During the year ended April 30, 2015, the Company entered into the following transactions with related parties, directors and key management personnel. Key management personnel are individuals responsible for planning, directing and controlling the activities of the Company and include all directors and officers.

Compensation paid or payable to key management personnel for services rendered are as follows:

	Year ended April 30, 2015	Year ended April 30, 2014
Management fees	$ 409,600	$ 372,500
Geological consulting fees	300,600	316,600
Share-based compensation	19,512	167,685
Total	$ 729,712	$ 856,785

	Year ended April 30, 2015	Year ended April 30, 2014
Administration fees*	$ 212,896	$ 254,470
Total	$ 212,896	$ 254,470

*Administration fees paid to a management service company controlled by the chief executive officer and director of the Company that provides a corporate secretary, and accounting and administration staff to the Company.

Included in accounts payable and accrued liabilities as at April 30, 2015 is $29,653 (2014 - $40,915) due to directors or officers or companies controlled by directors.

14. FINANCIAL AND CAPITAL RISK MANAGEMENT

Financial instruments measured at fair value are classified into one of three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are described below.

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and
Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Fair value of financial instruments

The Company has various financial instruments including cash, receivables, accounts payable and accrued liabilities and promissory note. Cash is carried at fair value using a level 1 fair value measurement. The carrying values of receivables, accounts payable and accrued liabilities, and promissory note approximate their fair values due to the short-term maturity of these financial instruments.

Concentrations of business risk

The Company maintains a majority of its cash with a major Canadian financial institution and the remainder of its cash with a major Mexican financial institution and a major Swedish financial institution. Deposits held with these institutions may exceed the amount of insurance provided on such deposits.

As the Company operates in an international environment, some of the Company’s transactions are denominated in currencies other than the Canadian dollar. Fluctuations in the exchange rates between these currencies and the Canadian dollar could have a material effect on the Company’s business, financial condition and results of operations. The Company does not engage in any hedging activity.

Credit risk

The Company is exposed to credit risk only with respect to uncertainties as to timing and amount of collectability of receivables. The Company believes its credit risk is low because its receivables are primarily comprised of value added tax (VAT), input value-added tax (IVA) and goods and services tax (GST), which are recoverable from the governing body in Sweden, Mexico and Canada, respectively. As the Company’s exploration operations are conducted in Sweden, Mexico and Canada, the Company’s operations are also subject to the economic risks associated with those countries.

As of April 30, 2014 the Company classified their IVA receivable of $200,873 due from the Government of Mexico from short-term to long-term due to an administrative slowdown in processing of IVA refunds. As of April 30, 2015 the Company has IVA receivable of $329,218. A provision of $64,900 has been taken for IVA receivables with a lowered probability of collection.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk through the management of its capital structure.

Accounts payable and accrued liabilities are due within the current operating year.

14. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd…)

Foreign exchange risk

A portion of the Company's operational transactions are originally or effectively denominated in US dollars. As well, because the Company's operations are in Mexico and Sweden, some costs are denominated in Mexican Pesos and Swedish Kronor. Accordingly, the results of the Company's operations and comprehensive loss as stated in Canadian dollars will be impacted by exchange rate fluctuations. The Company does not hedge its exposures to movements in the exchange rates at this time.

The Company's exposure to foreign currency risk is on its cash, receivables, accounts payable and accrued liabilities. At April 30, 2015, a hypothetical change of 10% in the foreign exchange rate between the Canadian dollar and US dollar would have a negligible effect on profit or loss; a hypothetical change of 10% in the foreign exchange rate between the Canadian dollar and the Mexican Peso would have a negligible effect; a hypothetical change of 10% in the foreign exchange rate between the Canadian dollar and the Swedish Krona would have a negligible effect.

Interest rate risk

The Company limits its exposure to interest rate risk by holding cash deposits at major Canadian financial institutions and accordingly is not subject to significant interest rate risk.

Price risk

Mineral prices, in particular gold and silver, are volatile, and have fluctuated sharply in recent years. The prices are subject to market supply and demand, political and economic factors, and commodity speculation, all of which can interact with one another to cause significant price movement from day to day and hour to hour. These price movements can affect the Company's ability to operate and to raise financing through the sale of its common shares.

15. SEGMENTED INFORMATION

The Company's one reportable operating segment is the acquisition and exploration of mineral properties. Geographic information is as follows:

	April 30, 2015	April 30, 2014
Exploration and evaluation assets		
Mexico	$ 4,456,576	$ 4,021,734
Sweden	-	7,611,607
Canada	730,000	730,000

16. EVENTS AFTER THE REPORTING DATE

On June 11, 2015, the Company closed the joint venture transaction with Agnico Eagle Mines Limited ("Agnico") with respect to the Company's Barsele Project. Agnico acquired a 55% interest in the corporate entity which owns the Project in consideration of an initial payment to the Company of US $6 million (received), with an additional US $2 million payable by Agnico in cash or shares at Agnico's election to the Company on each of the first and second anniversaries of the closing. As part of the Transaction, Agnico has committed to spend US $7 million on Project expenditures over three years and will earn an additional 15% interest in the corporate entity which owns the Project if it completes a pre-feasibility study. Pursuant to the transaction, the Company was also granted a 2% net smelter royalty on production from the Project which may be repurchased by Agnico at any time for US $5 million. The Company settled the outstanding promissory note of US $600,000 and applied interest to June 11, 2015.

On June 26, 2015, the Company granted 2,225,000 stock options to directors, officers and consultants at an exercise price of $0.25 per share with a five year term. The options will vest immediately.