



December 19, 2017

Orex, Canasil and Pan American Sign Letter of Intent to Advance the Exploration in the Sandra Escobar Mining Camp, Durango State, Mexico

Vancouver, BC – Orex Minerals Inc. – (TSX.V: REX – OTCQX: ORMNF) (“Orex”), is pleased to announce that they have signed a non-binding letter of intent (“LOI”) with **Canasil Resources Inc. – (TSX.V: CLZ)** (“Canasil”) and **Pan American Silver Corp. – (TSX: PAAS – NASDAQ: PAAS)** through its subsidiary Plata Panamericana SA de CV (“Pan American”) to advance exploration in the Sandra Escobar Mining Camp, northern Durango State, Mexico.

Gary Cope, President of Orex states, *“We are very pleased to bring in a respected and major mining company, as their involvement validates Sandra Escobar and there is still potential for significant upside at the project. We look forward to working closely with both our partners and unlocking future value for our shareholders.”*

The interests of the parties are currently governed by separate agreements. Pan American and Canasil entered into an option agreement dated March 24, 2009, pursuant to which Canasil earned a 40% interest in the Escobar Property with the remaining 60% interest held by Pan American. On September 15, 2015, Canasil and Orex entered into an option agreement under which Orex completed the required conditions to earn a 55% interest in Canasil’s interest in the project such that Orex and Canasil agreed to proceed as a joint venture, of which Orex will have a 55% interest, and Canasil will have the remaining 45% interest (the “Orex Canasil JV”).

The obligations of the parties under the LOI are subject to the parties entering into a definitive agreement that reflects the terms of the LOI. Under the terms of the LOI:

1. The Orex-Canasil JV will grant to Pan American an undivided 10% interest in the Sandra Property.
2. During the four years after the effective date of the definitive agreement (the “Earn-In Period”), Pan American will have the right to earn an additional 41% undivided interest in the Sandra Property by contributing an aggregate amount of US\$5 million toward the operations on both properties, of which US\$2 million will be required within the initial two years of the Earn-In Period.
3. Should Pan American choose not to continue during the Earn-In Period, the initial 10% interest in the Sandra Property granted to Pan American would revert back to the Orex-Canasil JV.
4. Also during the Earn-In Period, the Orex-Canasil JV will have the right to earn an additional 9%

undivided interest in the Escobar Property by contributing an aggregate amount of US\$1 million toward the operations on both properties. Transfer of this 9% interest in the Escobar Property will only take place once both the Pan American contribution and the Orex-Canasil JV contribution are made in full.

5. Upon completion of all required financial contributions by all parties, Pan American will hold an undivided 51% interest and the Orex-Canasil JV will hold an undivided 49% interest in the Escobar and Sandra properties.
6. If Pan American elects to further advance the properties by completing a pre-feasibility study, each party's respective interest will be adjusted at the completion of the pre-feasibility study, such that Pan American will hold an undivided 60% interest and the Orex-Canasil JV will hold the remaining 40% interest in the Escobar and Sandra properties.
7. During the term of the definitive agreement, a "Technical Committee" will be formed consisting of representatives from each party. This committee will review and recommend exploration programs. The Orex-Canasil JV will be the operator under the agreement.

Sandra Escobar Silver-Gold Project, Durango, Mexico

Sandra Escobar is situated north of the town of Tepehuanes, Durango, in the heart of the "Mexican Silver Trend", midway between the mining districts of Tovar and Guanacevi and is 75 km west of Silver Standard's La Pitarrilla. This prolific trend hosts some of the world's largest silver camps and deposits, including Fresnillo, Guanajuato, La Pitarrilla, La Preciosa, Real de Angeles and Zacatecas.

The project consists of the Sandra Property of 6,335 hectares and Escobar Property of 635 hectares of mineral concessions and covers multiple mineralized epithermal quartz veins, disseminated horizons and breccia structures. These veins form a high level silver-gold-base metals system, hosted in andesitic and rhyolitic rocks, centered on a large rhyolite dome complex in the north and silver systems in smaller rhyolite complexes to the southeast. Intense alteration zones and fluid flooding in permeable formations indicates the presence of bulk tonnage targets. Excellent infrastructure exists in the Sandra Escobar area, including paved road access, electrical power, water and manpower from nearby communities.

The Boleras Silver Deposit, a near surface silver resource hosted in a crystal rhyolite tuff, is located on the Sandra Property (see Orex news release dated 31 October 2016). At a "Base Case" of 45 g/t Ag cut-off, the Inferred Resource Estimate yielded 9.75 million tonnes grading 106.2 g/t Ag for a total of 33.3 million ounces of silver.

Ben Whiting, P.Geol., and Dale Brittliffe, P.Geol., are Qualified Persons as defined in NI 43-101 and take responsibility for the technical disclosure contained within this news release.

ABOUT OREX MINERALS INC.

Orex Minerals Inc. is a mineral exploration company focused on precious and base metals exploration in Mexico and Canada. Orex has several current projects: the Coneto Silver-Gold Project in Durango, Mexico, as a joint venture with Fresnillo PLC; the Sandra Escobar Silver Project, in Durango, Mexico, as a joint venture with Canasil Resources Inc., and the Jumping Josephine Gold Project in British Columbia, Canada. Orex is under the management provided by the experienced Belcarra Group Management Ltd. ("Belcarra Group"). The Belcarra Group is comprised of highly qualified mining and financial professionals.

ON BEHALF OF THE BOARD OF DIRECTORS

Gary Cope,

President and CEO

For further information, please contact Alex Tsakumis at Orex Minerals Inc. at (604) 687-8566 x228, email info@orexminerals.com, or visit our website at www.orexminerals.com

This News Release may contain forward-looking statements including but not limited to comments regarding the timing and content of upcoming work programs, geological interpretations, receipt of property titles, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements and Orex undertakes no obligation to update such statements, except as required by law.