OREX MINERALS INC.

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INFORMATION CIRCULAR

(As at September 29, 2020 except as otherwise indicated)

MANAGEMENT SOLICITATION

This information circular (the "Circular") is furnished to you in connection with the solicitation of proxies by management of Orex Minerals Inc. ("we", "us", "Orex" or the "Company") for use at the annual general and special meeting (the "Meeting") of shareholders of the Company ("Orex Shareholders") to be held at 11:00 a.m. (Vancouver time) on Thursday, October 29, 2020 and at any adjournment of the Meeting. We will conduct the solicitation by mail, and our officers, directors and employees may, without receiving special compensation, contact Orex Shareholders by telephone, electronic means, or other personal contact. We will not specifically engage employees or soliciting agents to solicit proxies. We do not reimburse Orex Shareholders, nominees, or agents for their costs of obtaining authorization from their principals to sign forms of proxy. We will pay the expenses of this solicitation.

While as of the date of this Notice, we are intending to hold the Meeting in physical face to face format, we are continuously monitoring the current coronavirus (COVID-19) outbreak. In light of the rapidly evolving news and guidelines related to COVID-19, we ask that, in considering whether to attend the Meeting in person, shareholders follow, among other things, the instructions of the Public Health Agency of Canada (https://www.canada.ca/en/public-health/services/diseases/coronavirus-disease-covid-19.html) and any applicable additional provincial and local instructions. You should not attend the Meeting in person if you are experiencing any cold or flu-like symptoms, or if you or someone with whom you have been in close contact has travelled to/from outside of Canada within the 14 days prior to the Meeting. All shareholders are strongly encouraged to vote prior to the Meeting by any of the means described in this Circular.

We reserve the right to take any additional precautionary measures we deem appropriate in relation to the Meeting in response to further developments in respect of the COVID-19 outbreak including, if we consider necessary or advisable, providing a webcast version of the Meeting and/or hosting the Meeting solely by means of remote communication. Changes to the Meeting date and/or means of holding the Meeting may be announced by way of press release. Please monitor our press releases as well as our website at www.orexminerals.com for updated information. We advise you to check our website one week prior to the Meeting date for the most current information. We do not intend to prepare or mail an amended Circular in the event of changes to the Meeting format.

GENERAL PROXY INFORMATION

Appointment of Proxyholders

The persons named as proxyholders in the enclosed form of proxy are the Company's directors or officers. **As an Orex Shareholder, you have the right to appoint a person or company (who need not be a shareholder) in place of the persons named in the form of proxy to attend and act on your behalf at the Meeting. To exercise this right, you must either insert the name of your representative in the blank space provided in the form of proxy and strike out the other names or complete and deliver another appropriate form of proxy.**

A proxy will not be valid unless it is dated and signed by you or your attorney duly authorized in writing or, if you are a corporation, by an authorized director, officer, or attorney of the corporation.

Voting by Proxy

The persons named in the accompanying form of proxy will vote or withhold from voting the shares represented by the proxy in accordance with your instructions, provided your instructions are clear. If you have specified a choice on any matter to be acted on at the Meeting, your shares will be voted or withheld from voting accordingly. If you do not specify a choice or where you specify both choices for any matter to be acted on, your shares will be voted in favour of all matters.

The enclosed form of proxy gives the persons named as proxyholders discretionary authority regarding amendments to or variations of matters identified in the Notice of Meeting and any other matter that may properly come before the Meeting. As of the date of this Circular, our management is not aware of any such amendment, variation or other matter proposed or likely to come before the Meeting. **However, if any amendment, variation or other matter properly comes before the Meeting, the persons named in the form of proxy intend to vote on such other business in accordance with their judgment.**

You may indicate the manner in which the persons named in the enclosed proxy are to vote on any matter by marking an "X" in the appropriate space. If you wish to give the persons named in the proxy a discretionary authority on any matter described in the proxy, then you should leave the space blank. **In that case, the proxyholders nominated by management will vote the shares represented by your proxy in accordance with their judgment.**

Completion and Return of Proxy

You must deliver the completed form of proxy to the office of the Company's registrar and transfer agent, Computershare Investor Services Inc. (contact information below), or to the Company's head office at the address listed on the cover page of this Circular, by Tuesday, October 27, 2020 at 11:00 a.m. (Vancouver time), which is not less than 48 hours (Saturdays, Sundays, and holidays excepted) before the scheduled time of the Meeting (or any adjournment, as applicable).

Mail:
Computershare Investor Services Inc.
Proxy Dept.
100 University Avenue, 9th Floor
Toronto, Ontario M5J 2Y1

Fax:
Within North America: 1-866-249-7775
Outside North America: 1-416-263-9524

Non-Registered Holders

Only Orex Shareholders whose names appear on our records or validly appointed proxyholders are permitted to vote at the Meeting. Most Orex Shareholders are "non-registered" Orex Shareholders because their shares are registered in the name of a nominee, such as a brokerage firm, bank, trust company, trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan or a clearing agency such as CDS Clearing and Depository Services Inc. (a "**Nominee**"). If you purchased your shares through a broker, you are likely a non-registered Orex Shareholder.

Non-registered Orex Shareholders who have not objected to their Nominee disclosing certain ownership information about themselves to us are referred to as "**NOBOs**". Those non-registered Orex Shareholders who have objected to their Nominee disclosing ownership information about themselves to us are referred to as "**OBOs**".

In accordance with securities regulatory requirements under National Instrument 54-101- *Communication with Beneficial Owners of Securities of a Reporting Issuer*, we will have distributed copies of the Notice of Meeting, this Circular, and the form of proxy (the "**Meeting Materials**") directly to NOBOs and to the Nominees for onward distribution to OBOs.

Nominees are required to forward the Meeting Materials to each OBO unless the OBO has waived the right to receive them. Management does not intend to pay for intermediaries to forward to OBOs under NI 54-101 the proxy-related materials, and Form 54-101F7 - *Request for Voting Instructions Made by Intermediary* and that in the case of an OBO, the objecting beneficial owner will not receive these materials unless the OBO's intermediary assumes the cost of delivery.

Shares held by Nominees can only be voted in accordance with the instructions of the non-registered shareholder. Meeting Materials sent to non-registered shareholders who have not waived the right to receive Meeting Materials are accompanied by a request for voting instructions (a "**VIF**"). This form is instead of a proxy. By returning the VIF in accordance with the instructions noted on it, a non-registered shareholder is able to instruct the registered shareholder (or Nominee) how to vote on behalf of the non-registered shareholder. VIFs, whether provided by the Company or by a Nominee, should be completed and returned in accordance with the specific instructions noted on the VIF.

In either case, the purpose of this procedure is to permit non-registered shareholders to direct the voting of the shares they beneficially own. Should a non-registered holder who receives a VIF wish to attend the Meeting or have someone else attend on his or her behalf, the non-registered holder may request a legal proxy as set forth in the VIF, which will grant the non-registered holder or his/her nominee the right to attend and vote at the Meeting. Non-registered holders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.

Revocability of Proxy

If you are a registered Orex Shareholder who has returned a proxy, you may revoke your proxy at any time before it is exercised. In addition to revocation in any other manner permitted by law, a registered shareholder who has given a proxy may revoke it by either:

(a) signing a proxy bearing a later date; or

(b) signing a written notice of revocation in the same manner as the form of proxy is required to be signed as set out in the notes to the proxy.

The later proxy or the notice of revocation must be delivered to the office of the Company's registrar and transfer agent or to the Company's head office at any time up to and including the last business day before the scheduled time of the Meeting or any adjournment or postponement thereof

If you are a non-registered Orex Shareholder who wishes to revoke a proxy authorization form or VIF or to revoke a waiver of your right to receive Meeting Materials and to give voting instructions, you must give written instructions to your Nominee in accordance with such Nominee's instructions.

Advance notice of the Meeting was posted on the Company's SEDAR profile on August 26, 2020.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

Except as set out herein, none of the directors or executive officers of the Company, nor any person who has held such a position since the beginning of the last completed financial year of the Company, nor any proposed nominee for election as a director of the Company, nor any associate or affiliate of the foregoing persons, has any substantial or material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted on at the Meeting.

VOTING SECURITIES AND PRINCIPAL HOLDERS OF VOTING SECURITIES

The Company is authorized to issue an unlimited number of common shares without par value (each, an "**Orex Share**"), of which 187,148,044 Orex Shares were issued and outstanding as of the record date, being September 14, 2020 (the "**Record Date**"). The Company has only one class of shares, the Orex Shares.

Persons who are registered Orex Shareholders at the close of business on the Record Date will be entitled to receive notice of, attend, and vote at the Meeting. On a show of hands, every shareholder and proxyholder will have one vote and, on a poll, every shareholder present in person or represented by proxy will have one vote for each Orex Share. In order to approve a motion proposed at the meeting, a majority of more than 50% of the votes cast will be required to pass an ordinary resolution.

To the knowledge of the directors and executive officers of the Company, as of the Record Date, no person or company beneficially owns directly or indirectly, controls, or directs shares carrying 10% or more of the voting rights attached to all outstanding Orex Shares, except Eric Sprott, who indirectly through his holding Company, 2176423 Ontario Ltd. ("**217 Ltd.**"), has control and direction over 36,666,666 Orex Shares, representing approximately 19.6% of the voting rights attached to all of the issued and outstanding Orex Shares as of the Record Date.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Compensation, Philosophy and Objectives

The Company 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 this Circular for a full copy of the Compensation Committee Charter. The Orex board of directors (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 the Company'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 interests of Orex Shareholders;

(c) provide a compensation package that is commensurate with other junior mineral exploration companies to enable the Company 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 the Company 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 the Company's 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 the Company. The Company considers the granting of incentive stock options to be a significant component of executive compensation as it allows the Company to reward each Named Executive Officer's efforts to increase value for Orex Shareholders without requiring the Company 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 the Company's stock option grants, including vesting provisions and exercise prices, are governed by the terms of the Company's 2017 Amended and Restated Stock Option Plan as most recently approved by Orex Shareholders at the annual general and special meeting held on October 3, 2019 (the "**Stock Option Plan**"). The Orex Board may choose to grant a cash bonus to a Named Executive Officer during the year at its sole discretion. The amount and timing of such bonus will depend on the needs of the Company, the amount of cash in the treasury, and the relative amounts each member of management or consultant earns in consulting fees each month.

Long-Term Compensation and Option-Based Awards

The Company has no long-term incentive plans other than the Stock Option Plan. The Company's directors, officers, employees and consultants are entitled to participate in the Stock Option Plan. The Stock 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 Stock Option Plan aligns the interests of the Named Executive Officers and the Orex Board with Orex Shareholders by linking a component of executive compensation to the longer-term performance of the Orex Shares.

Options to purchase Orex Shares under the terms of the Stock Option Plan (each, an "**Orex Option**") 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 Stock Option Plan;
- the exercise price of 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 an Orex Option grant.

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

Pursuant to the Stock Option Plan, the Orex Board grants Orex Options to directors, officers, employees and consultants as incentives. The number of Orex Options awarded to a Named Executive Officer is determined by his position and his potential future contributions to Orex. The exercise price of Orex Options is determined by the Orex Board but will in no event be less than the closing trading price of the Orex Shares on the TSX Venture Exchange (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 which is included as Appendix B.

Summary of Compensation

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

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

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

(c) the most highly compensated executive officer, 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(5) of Form 51-102F6V, for the financial year ended April 30, 2020; 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, 2020.

Compensation Excluding Compensation Securities

During the financial year ended April 30, 2020, the Company had three Named Executive Officers: Gary Cope, President and CEO, Ross Wilmot, CFO, and Bernard H. Whiting, Vice President of Exploration. For information concerning compensation related to previous years, please refer to the Company's previous management information circulars available on its SEDAR profile at www.sedar.com. The following table sets forth all direct and indirect compensation for, or in connection with, services provided to the Company and its subsidiaries for the financial year ended April 30, 2020.

Table of Compensation Excluding Compensation Securities							
Name and Position	**Year**	**Salary, Consulting Fee, Retainer, or Commission ($)**	**Bonus ($)**	**Committee or Meeting Fees ($)**	**Value of Perquisites ($)**	**Value of all other compensation ($)**	**Total compensation ($)**
Gary Cope, President and CEO and Director	2020 2019	124,500 124,500	Nil 20,000	Nil Nil	Nil Nil	Nil Nil	124,500 144,500
Ross Wilmot, CFO and Director	2020 2019	118,380 118,380	Nil 19,167	Nil Nil	Nil Nil	Nil Nil	118,380 137,547
Bernard H. Whiting, VP Exploration	2020 2019	118,992 118,992	Nil 19,166	Nil Nil	Nil Nil	Nil Nil	118,992 138,158
Art Freeze, Geologist and Director	2020 2019	116,640 116,640	Nil 19,600	Nil Nil	Nil Nil	Nil Nil	116,640 136,240
Rick Sayers, Director	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
William H. (Harry) White, Director	2020 2019	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil

No director was compensated for his services as director during the financial years ended April 30, 2020 or 2019.

INCENTIVE PLAN AWARDS

The following table discloses the particulars of all compensation securities granted or issued to each director and each NEO during the financial year ended April 30, 2020. No compensation securities were repriced, cancelled and replaced, extended, or otherwise materially modified in the financial year ending April 30, 2020. All stock options granted to directors or NEOs vest immediately upon granting. All stock options are non-transferrable.

Stock Options and Compensation Securities

Compensation Securities							
Name and Position	**Type of Compensation Security**	**Number of Compensation Securities, Number of underlying securities[1], and percentage of class[2]**	**Date of Issue or Grant**	**Issue, Conversion or Exercise Price ($)**	**Closing price of security or underlying security on date of grant ($)**	**Closing price of security or underlying security at year end ($)**	**Expiry Date**
Gary Cope, President and CEO and Director[3]	Stock Options	400,000 0.21%	Dec 19, 2019	$0.10	$0.08	$0.08	Dec 19, 2024
Ross Wilmot, CFO and Director[4]	Stock Options	300,000 0.16%	Dec 19, 2019	$0.10	$0.08	$0.08	Dec 19, 2024
Bernard H. Whiting, VP Exploration[5]	Stock Options	300,000 0.16%	Dec 19, 2019	$0.10	$0.08	$0.08	Dec 19, 2024
Art Freeze, Geologist and Director[6]	Stock Options	250,000 0.13%	Dec 19, 2019	$0.10	$0.08	$0.08	Dec 19, 2024
Rick Sayers, Director[7]	Stock Options	150,000 0.08%	Dec 19, 2019	$0.10	$0.08	$0.08	Dec 19, 2024
William White, Director[8]	Stock Options	150,000 0.08%	Dec 19, 2019	$0.10	$0.08	$0.08	Dec 19, 2024

Compensation Securities – Exercised During the Year

There were no exercises of option-based awards by any Director or Named Executive Officer during the most recently completed financial year ended April 30, 2020.

[1] Each stock option entitles the holder thereof to acquire one Orex Share.
[2] The calculation of the percentage of class shown in the table is made on an undiluted basis and takes into account the number of issued and outstanding Orex Shares as of the Record Date.
[3] Mr. Cope had a total of 1,800,000 Orex Options, as of April 30, 2020.
[4] Mr. Wilmot had a total of 1,000,000 Orex Options, as of April 30, 2020.
[5] Mr. Whiting had a total of 1,000,000 Orex Options, as of April 30, 2020.
[6] Mr. Freeze had a total of 950,000 Orex Options, as of April 30, 2020.
[7] Mr. Sayers had a total of 500,000 Orex Options, as of April 30, 2020.
[8] Mr. White had a total of 600,000 Orex Options, as of April 30, 2020.

Pension Plan Benefits

The Company 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, the Wilmot Agreement, the Whiting Agreement and the Freeze Agreement (each as defined below), in the event of death or as a result of termination due to disability (as defined in each of the foregoing agreements), the Company will pay and provide 683192 BC Ltd. (for the Cope Agreement), Cedarwoods Group (for the Wilmot Agreement), Whiting Geological Consulting Inc. (for the Whiting Agreement) or Stillwater Enterprises Ltd. (for the Freeze Agreement), as applicable, any accrued consulting fees through to the date of termination and reimbursement for any unreimbursed expenses incurred through to the date of death or termination due to disability.

In the event of a Change of Control (as defined in the Cope Agreement, the Whiting Agreement, the Wilmot Agreement, or the Freeze Agreement) where employment is terminated absent an Event of Default (as defined in each agreement) in the 12-month period following the Change of Control, 683192 BC Ltd, Cedarwoods Group, Whiting Geological Consulting Inc. or Stillwater Enterprises Ltd., as applicable, is entitled to receive a lump sum, payable within 30 days of the date of termination.

If the Company terminates the Wilmot Agreement, the Whiting Agreement, or the Freeze Agreement other than for an Event of Default, Cedarwoods Group, Whiting Geological Consulting Inc., or Stillwater Enterprises Ltd., as applicable, may be entitled to receive a lump sum payment equal to one month plus one month per completed year of service to a maximum of twelve months of the applicable consulting fee at the Company's sole discretion. If the Company terminates the Cope Agreement other than for an Event of Default, 683192 B.C. Ltd. will be entitled to receive a lump sum payment equal to $124,500.

The following table shows the estimated compensation that would have been payable assuming termination and/or Change of Control events occurred on April 30, 2020:

Name	Payment Upon Retirement, Death or Disability Termination [9]	Payment Upon Termination After Change of Control Absent Event of Default [10]	Payment Upon Termination Other than Change of Control or Event of Default
Gary Cope	Nil	$460,000	$124,500
Ross Wilmot	Nil	$230,000	$98,650
Bernard H. Whiting	Nil	$230,000	$99,160
Art Freeze	Nil	$230,000	$77,760

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

[9] This amount assumes no consulting fees accrued through to the date of termination and no expenses that have not been reimbursed.
[10] These amounts do not include applicable GST.

The only significant conditions of the Cope Agreement, the Wilmot Agreement, the Whiting Agreement or the Freeze Agreement that apply to the receipt of payments or benefits is the enduring confidentiality clause regarding confidential information, as defined in each respective agreement, and the signing of a mutual release. The provision for breach of the applicable clause is subject to the laws of British Columbia and the laws of Canada applicable therein. There are no other significant factors.

DIRECTOR COMPENSATION

As at the date of this Circular, the Company has five directors, two of whom are also Named Executive Officers. The Company has no arrangements, standard or otherwise, pursuant to which directors are compensated by the Company 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 incentive stock options in accordance with the policies of the TSX-V. None of the Company's directors received any cash compensation for services provided in their capacity as directors during the Company's most recently completed financial year.

EQUITY COMPENSATION PLAN INFORMATION

The following table provides information as of April 30, 2020 regarding the number of Orex Shares to be issued pursuant to the Stock Option Plan. The Company does not have any equity compensation plans that have not been approved by Orex Shareholders.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by securityholders	11,050,000	$0.20	1,153,138
Equity compensation plans not approved by securityholders	N/A	N/A	N/A
Total	11,050,000	$0.20	1,153,138

INDEBTEDNESS TO COMPANY OF DIRECTORS, EXECUTIVE OFFICERS AND SENIOR OFFICERS

No person who is or at any time since the commencement of the Company's last completed financial year was a director, executive officer or senior officer of the Company, and no associate of any of the foregoing persons has been indebted to the Company at any time since the commencement of the Company's last completed financial year. No guarantee, support agreement, letter of credit or other similar arrangement or understanding has been provided by the Company 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 $50,000 for travel advances.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

No informed person of the Company, no proposed nominee for election as a director of the Company, and no associate or affiliate of any of these persons, has any material interest, direct or indirect, in any transaction since the commencement of the Company's most recently completed financial year or in any proposed transaction, which, in either case, has materially affected or will materially affect the Company, other than as disclosed in this Circular. An "informed person" means:

(a) a director or executive officer of the Company;

(b) a director or executive officer of a person or company that is itself an informed person or subsidiary of the Company;

(c) any person or company who beneficially owns, directly or indirectly, voting securities of the Company or who exercises control or direction over voting securities of the Company or a combination of both carrying more than 10% of the voting rights attached to all outstanding voting securities of the Company other than voting securities held by the person or company as underwriter in the course of a distribution; and

(d) the Company if it has purchased, redeemed, or otherwise acquired any of its securities, so long as it holds any of its securities.

MANAGEMENT CONTRACTS

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

1. Pursuant to the consulting agreement between the Company and 683192 B.C. Ltd., a company wholly-owned by Gary Cope, dated January 1, 2017, replacing the previous agreements dated June 18, 2008, May 1, 2013, and March 1, 2014 (the "**Cope Agreement**"), 683192 B.C. Ltd. provides consulting services to the Company. 683192 B.C. Ltd. of Belcarra, BC is engaged in the business of the management of mineral exploration and development companies. Under the terms of the Cope Agreement, the Company paid to 683192 B.C. Ltd. a monthly consulting fee of $10,375 plus applicable GST. The Company 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 the Company or 683192 B.C. Ltd., as applicable.
2. Pursuant to the consulting agreement between the Company and Cedarwoods Group, a company wholly-owned by Ross Wilmot, dated January 1, 2017, (the "**Wilmot Agreement**"), amending the agreement dated March 1, 2011, Cedarwoods Group, of Surrey, BC provides financial consulting services to the Company. Under the terms of the Wilmot Agreement, the Company paid Cedarwoods Group a monthly consulting fee of $9,865 plus applicable GST. Either of the Company 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 the Company or Cedarwoods Group, as applicable.
3. Pursuant to the consulting agreement between the Company and Whiting Geological Consulting Inc., a company wholly-owned by Bernard H. Whiting, dated January 1, 2017 amending the prior agreement dated May 1, 2013, which replaced an agreement from 2004, (the "**Whiting Agreement**") Whiting Geological Consulting Inc. provides geological consulting services to the Company. Whiting Geological Consulting Inc. is engaged in the business of mineral exploration and geological consulting. Under the terms of the Whiting Agreement, the Company paid Whiting a monthly consulting fee of $9,916 plus GST. Either of the Company or Whiting Geological Consulting Inc. can terminate the Whiting Agreement at any time in accordance with the terms, provided reasonable notice has first been provided.

4. Pursuant to the consulting agreement between the Company and Stillwater Enterprises Ltd., a company wholly-owned by Art Freeze, dated January 1, 2017, replacing an agreement dated March 1, 2011 and amended May 1, 2013, which replaced an agreement from 2007, (the "**Freeze Agreement**"), Stillwater Enterprises Ltd. of Vancouver, BC provides geological consulting services to the Company. Under the terms of the Freeze Agreement, the Company paid Stillwater Enterprises Ltd. a monthly consulting fee of $9,720 plus applicable GST. The Company or Stillwater Enterprises Ltd. may terminate the Freeze Agreement at any time in accordance with the terms and conditions of the Freeze Agreement provided reasonable notice has first been provided to either the Company or Stillwater Enterprises Ltd., as applicable.
5. Pursuant to the shared services agreement between the Company and Belcarra Group Management Ltd. ("**Belcarra**") dated January 1, 2017, a company wholly owned by a director of the Company, Belcarra provides management, administrative, office facilities, and other related services including the provision of personnel as may be required by the Company from time to time, with costs allocated on a shared and proportional basis with certain other companies that have also engaged Belcarra to provide these services, including an accountant and Corporate Secretary to the Company in exchange for a variable monthly fee which is calculated as 25% of the total costs incurred by Belcarra for the applicable month (the "**Belcarra Agreement**"). During the year ended April 30, 2020, Belcarra provided services to the Company, as well as to three other publicly traded companies, being Silver Viper Minerals Corp., Barsele Minerals Corp., and Dolly Varden Silver Corp., and the cost of such services was allocated on a proportional basis among the four companies at 25% per company. Effective February 29, 2020 (the "Termination Date"), Dolly Varden Silver Corp. terminated its relationship with Belcarra under the Belcarra Agreement. Following the Termination Date, the cost of services under the Belcarra Agreement will be allocated among the Company, Silver Viper Minerals Corp. and Barsele Minerals Corp. on a proportional basis of 33.33% per company.

CORPORATE GOVERNANCE

The following is a summary of the Company's corporate governance disclosure required by Form 58-101F2 of National Instrument 58-101 - *Disclosure of Corporate Governance Practices*.

Orex Board

The Orex Board, at present, is composed of five directors, two of whom are executive officers of the Company 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, and Mr. Ross Wilmot, CFO, by reason of their respective offices, are not. In determining whether a director is independent, the Orex 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 Orex Board is responsible for approving long-term strategic plans and annual operating plans and budgets recommended by management. Orex Board consideration and approval is also required for material contracts and business transactions, and all debt and equity financing transactions.

The Orex Board delegates to management responsibility for meeting defined corporate objectives, implementing approved strategic and operating plans, carrying on the Company's business in the ordinary course, managing the Company's cash flow, evaluating new business opportunities, recruiting staff, and complying with applicable regulatory requirements. The Orex Board also looks to management to furnish recommendations respecting corporate objectives, long-term strategic plans, and annual operating plans.

Directorships

Certain of the directors of the Company are also directors of other reporting issuers (or the equivalent) in a jurisdiction or a foreign jurisdiction as follows:

Name of Director	Name of Other Reporting Issuer (or Equivalent in Foreign Jurisdiction)
Gary Cope	Barsele Minerals Corp.; Dolly Varden Silver Corp.(1); Silver Viper Minerals Corp.
Ross Wilmot	Tilting Capital Corp.(2); FTC Cards Inc.(3); Barsele Minerals Corp.; Silver Viper Minerals Corp.
Arthur Freeze	Canasil Resources Inc.; Barsele Minerals Corp.; Silver Viper Minerals Corp.; Norsemont Mining Inc.(4)
Rick Sayers	Barsele Minerals Corp.
William White	Barsele Minerals Corp.

(1) Mr. Cope resigned from the board of directors of Dolly Varden Silver Corp. effective February 18, 2020.
(2) Mr. Wilmot resigned from the board of directors of Tilting Capital Corp. effective May 7, 2020.
(3) Mr. Wilmot resigned from the board of directors of FTC Cards Inc. effective August 31, 2020.
(4) Mr. Freeze joined the board of directors of Norsemont Mining Inc. effective September 2, 2020.

Orientation and Continuing Education

The Company 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 the Company by meeting with the other directors and with officers and employees. Orientation activities are tailored to the particular needs and experience of each director and the overall needs of the Orex Board.

Ethical Business Conduct

The Orex Board monitors the ethical conduct of the Company and ensures that it complies with applicable legal and regulatory requirements, such as those of relevant securities commissions and stock exchanges. The Orex Board has found that the fiduciary duties placed on individual directors by the Company'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 Orex Board in which the director has an interest, have been sufficient to ensure that the Orex Board operates independently of management and in the best interests of the Company. Prior to each quarterly Audit Committee meeting, the Governance Committee requires that each member of management and each director read the Ethical Conduct, Insider Trading, Conflicts of Interest, and Discrimination, Harassment, and Bullying Prevention policies implemented by the Company and sign an acknowledgment form confirming that they understand the policies, have abided by the policies during the prior fiscal quarter, and will continue to do so.

Nomination of Directors

The Orex Board has not appointed a nominating committee because the Orex Board fulfills these functions. The Orex Board periodically reviews suggestions from existing directors regarding potential changes to the Orex Board.

Compensation

All compensation matters are dealt with by the Orex Board, based upon 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 appropriate compensation reflecting 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 the Company. In setting the compensation, the independent directors annually review the performance of the CEO and CFO in light of the Company's objectives and consider other factors that may have impacted the success of the Company in achieving its objectives.

In terms of specific experience of the Compensation Committee relevant to the determination of executive compensation, Gary Cope has an extensive history as an executive in the junior resource industry, Rick Sayers has an accounting designation and senior financial management background, and William White has a graduate business school background and senior management experience.

The Company is a small junior resource company with limited financial resources. The compensation program for senior management of the Company is designed within this context with a view that the level and form of compensation achieves certain objectives including attracting and retaining qualified executives, motivating the short and long-term performance of the executives, and aligning the interests of the executives with those of the Orex Shareholders.

The Compensation Committee may seek independent compensation advice where appropriate from external consultants in order to assist it in assessing executive remuneration levels and aligning directors and executive remuneration packages with comparable market compensation. The Compensation Committee has not yet engaged such external advice.

Committees of the Orex Board

The Orex Board has appointed an Audit Committee, a Compensation Committee, and a Corporate Governance Committee, the members of which are as follows:

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 Circular under "Audit Committee." A description of the function of the Corporate Governance Committee can be found under Appendix C.

Assessments

The Orex Board has not, as yet, adopted formal procedures for assessing the effectiveness of the Orex Board, its committees or individual directors. The Orex Board discusses the performance of the Orex Board as a whole for the preceding year at the Q4 Board Meeting. The relatively small size of the Company enables the Orex Board to satisfy itself that individual directors are performing effectively. As the Company grows, the Orex Board will consider adopting formal procedures for evaluating director and committee performance.

AUDIT COMMITTEE

As at the date of this Circular, the Audit Committee is composed of Gary Cope, Rick Sayers, and William White. Each of Messrs. Sayers and White are "independent" and all members of the Audit Committee are "financially literate". Under this heading, the Company is including the disclosure required by Form 52-110F2 of National Instrument 52-110 – *Audit Committees* ("**NI 52-110**"). The text of the Audit Committee Charter is attached in Appendix A.

The Orex Board and management will ensure that the Audit Committee has adequate funding to fulfill its duties and responsibilities.

Relevant Education and Experience

Member	Independent/ Not Independent[(1)]	Financially Literate/ Not Financially Literate[(1)]	Relevant Education and Experience
Gary Cope	Not Independent	Financially Literate	Mr. Cope is currently the President and CEO of the Company, which is a publicly listed company on the TSX-V. He has served as a director for various private and public companies and has an understanding of the financial issues that affect exploration companies.
Rick Sayers	Independent	Financially Literate	Mr. Sayers is a CPA, CA (Chartered Professional Accountant) Retired former VP Finance and Chief Financial Officer for Lordco Parts Ltd.
William White	Independent	Financially Literate	Mr. White has an MBA from Harvard Business School.

(1) As defined in NI 52-110.

Audit Committee Oversight

Since the commencement of the Company's most recently completed financial year, the Orex Board has not failed to adopt a recommendation of the Audit Committee to nominate or compensate an external auditor.

Reliance on Certain Exemptions

Since the commencement of the Company's most recently completed financial year, the Company has not relied on the exemptions contained in Sections 2.4 or Part 8 of NI 52-110. Section 2.4 provides an exemption from the requirement that the Audit Committee must pre-approve all non-audit services to be provided by the auditor, where the total amount of fees related to the non-audit services are not expected to exceed 5% of the total amount of fees payable to the auditor in the financial year in which the non-audit services were provided. Part 8 permits a company to apply to a securities regulatory authority for an exemption from the requirements of NI 52-110, in whole or in part.

Under s. 5 (b)(c) and (d) of Form 52-110F2, the Company has not relied on any of the following exemptions:

(b) the exemption in subsection 6.1.1(4) (*Circumstance Affecting the Business or Operations of the Venture Issuer*),

(c) the exemption in subsection 6.1.1(5) (*Events Outside Control of Member*),

(d) the exemption in subsection 6.1.1(6) (*Death, Incapacity or Resignation*).

Pre-Approval Policies and Procedures

The Company has not adopted specific policies and procedures for the engagement of non-audit services. The Audit Committee will review the engagement of non-audit services as required.

External Auditor Service Fees (By Category)

Audit Fees

The aggregate fees billed by the Company's external auditor for the financial year ended April 30, 2020 for audit and assurance and related services were approximately Nil ($35,000 – 2019).

Audit-Related Fees

The aggregate fees billed by the Company's external auditor for the financial year ended April 30, 2020 for audit related services were Nil (2019 - Nil).

Tax Fees

The aggregate fees billed for tax compliance, tax advice, and tax planning services by the Company's external auditor for the financial year ended April 30, 2020 were Nil (2019 - Nil).

All Other Fees

The aggregate fees billed by the Company's external auditor for the financial year ended April 30, 2020 for review of unaudited interim financial statements, compilation of consolidated financial statements, and related services were Nil (2019 - Nil).

Exemption

The Company is relying on the exemption provided in Section 6.1 of NI 52-110 by virtue of the fact that it is a venture issuer. Section 6.1 exempts the Company from the requirements of Parts 3 (Composition of the Audit Committee) and 5 (Reporting Obligations) of NI 52-110 and allows for the short form of disclosure of audit committee procedures set out in Form 52-110F2 *Disclosure by Venture Issuers* and disclosed in this Circular.

PARTICULARS OF MATTERS TO BE ACTED UPON

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.

Number of Directors

Under the Company's articles, the number of directors may be fixed or changed from time to time by ordinary resolution but must not be fewer than three. There are currently five directors and five nominees are proposed by management for election at the Meeting.

Nominations and Voting

Unless you provide other instructions, the enclosed proxy will be voted for the nominees listed below, all of whom are presently members of the Orex Board. Management does not expect that any of the nominees will be unable to serve as a director. If before the Meeting any vacancies occur in the list of nominees listed below, the person named in the proxy will exercise his or her discretionary authority to vote the Orex Shares represented by the proxy for the election of any other person or persons as directors.

The articles of the Company include rules regarding the requirement for advance notice for the nomination of directors (the "**Advance Notice Provisions**"). The purpose of the Advance Notice Provisions is to provide Orex Shareholders, directors and management of the Company with direction on the procedure for shareholder nomination of directors. Pursuant to the Advance Notice Provisions, Orex Shareholders can nominate individuals to become eligible for election to the Orex Board (each, a "**Proposed Nominee**") by submitting a written notice, accompanied by a duly signed consent of the Proposed Nominee to stand for election and to act as a director if elected, to the secretary of Orex (by physical delivery, facsimile or email) at the Company's principal executive offices within the following timelines: (i) in the case of an annual meeting of shareholders, not less than 30 days or more than 65 days prior to the date of such annual meeting; provided, however, that in the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made (the "**Meeting Notice Date**"), no later than the close of business on the 10th day following the Meeting Notice Date; and (ii) in the case of a special meeting of shareholders (which is not also an annual meeting) called for the purpose of electing directors (whether or not called for other purposes), not later than the close of business on the 15th day following the day on which public announcement of the date of such special meeting is first made.

The written notice must set out: (a) for each Proposed Nominee: (i) their name, address, and principal occupation for the last five years; (ii) the number of Orex Shares he or she owns or controls; (iii) a statement regarding their independence, pursuant to NI 52-110; and (iv) any other information that would be required in a dissident proxy circular; and (b) for each nominating Orex Shareholder, any information about such shareholder equivalent to what is required in a dissident proxy circular, including the number of Orex Shares he, she or it owns or controls.

The Chairman of the Meeting, in his or her sole discretion, shall have the power and duty to determine whether a nomination was made in accordance with the Advance Notice Provisions and may determine that notices and consent above be accepted in person in person at the Meeting for nomination of a Proposed Nominee.

Management Nominees

Management proposes to nominate the persons named in the table below for election as director. The information concerning the proposed nominees has been furnished by each of them as of the date of this Circular:

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(*) President, Chief Executive Officer and Director BC, Canada	June 1, 2004	Direct: 1,191,500 Indirect: 16,258,950 [11]	Mining Executive, past President of Orko Silver Corp. (junior mining); and current President of the Company and Barsele Minerals Corp.
N. Ross Wilmot Chief Financial Officer and Director BC, Canada	May 24, 2001	1,069,800	Financial Consultant of Cedarwoods Group (financial consulting); Chief Financial Officer of Barsele Minerals Corp.; past director and officer of several listed companies
William Henry (Harry) White(*) Director BC, Canada	May 9, 2014	Nil	President of H. White Consulting, (transportation/logistics consulting); director of Barsele Minerals Corp.
Arthur Freeze Director BC, Canada	September 27, 2007	Direct: 145,000 Indirect: 1,077,500 [12]	Consulting Geologist of Stillwater Enterprises Ltd. (geology consulting); director of Barsele Minerals Corp.; director and officer of several listed companies
Rick Sayers(*) Director BC, Canada	June 13, 2008	6,473	Director of the Company; and retired former CFO of Lordco Parts Ltd. (automotive parts retail)

(*) Denotes a member of the Audit Committee, Corporate Governance Committee, and Compensation Committee.

No proposed director is or has been, within the past 10 years, a director or executive officer of any company that, while that person was acting in that capacity:

(a) was the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days;

(b) was subject to an event that resulted, after the director or executive officer ceased to be a director or executive officer, in the company being the subject of a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days.

[11] These Orex Shares are owned by 683192 B.C. Ltd., a private company wholly-owned by Gary Cope.

[12] 1,037,500 Orex Shares are owned by Stillwater Enterprises Ltd., a private company wholly-owned by Arthur Freeze and 40,000 shares are owned by Freeze Family Holdings Ltd.

No proposed director of the Company is or has been, within the past 10 years, a director or executive officer of any company 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. No proposed director of the Company has, within the past 10 years, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or been 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 proposed director.

No proposed director has been subject to any penalties or sanction 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 has been subject to any penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a proposed director.

Appointment of Auditor

Unless otherwise instructed, the proxies solicited by management will be voted for the appointment of Davidson & Company LLP, Chartered Professional Accountants, of 1200 – 609 Granville Street, Vancouver, British Columbia, as the Company's auditor to hold office until the next annual general meeting. We propose that the Orex Board be authorized to fix the remuneration to be paid to the auditor. Davidson & Company LLP was first appointed the Company's auditor by the Orex Board on July 1, 2008.

The Company's Audit Committee recommends the appointment of Davidson & Company LLP, Chartered Professional Accountants, of Vancouver, British Columbia, as the Company's auditor to hold office until the Company's next annual general meeting.

Approval of Incentive Stock Option Plan

The only equity compensation plan which the Company currently has in place is the Stock Option Plan which was first approved by Orex Shareholders on September 24, 2008 and amended and restated September 23, 2015, as most recently approved by Orex Shareholders on October 3, 2019.

The intention of management with the Stock Option Plan is to give Eligible Persons (defined below) the opportunity to participate in the success of the Company by granting them options to acquire Orex Shares, thereby giving them an ongoing proprietary interest in the Company. The Stock Option Plan requires the approval of Orex Shareholders each year in the annual general meeting of Orex Shareholders in accordance with the TSX-V Policy 4.4 – "*Incentive Stock Options*".

The Stock Option Plan is a rolling plan, with the Company authorized to reserve a maximum of 10% of the issued and outstanding share capital at the time of the grant. As a result, any increase in the number of issued and outstanding Orex Shares will result in an increase in the number of Orex Shares available for issuance under the Stock Option Plan.

Terms of the Stock Option Plan

A full copy of the Stock Option Plan will be available at the Meeting for review by Orex Shareholders. Shareholders may also obtain copies of the Stock Option Plan from the Company before the Meeting on written request. The following is a summary of the material terms of the Stock Option Plan.

Number of Shares Reserved: The number of Orex Shares reserved for issuance under the Stock Option Plan will not exceed 10% of the number of Orex Shares outstanding (on a non-diluted basis) at any given time.

Administration: The Stock Option Plan will be administered by the 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 stock 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**".

Orex Board Discretion: The number of Orex Shares subject to each stock option, the exercise price, the expiry time, the extent to which such stock option is exercisable, and other terms and conditions relating to such stock option will be determined by the Orex Board.

Maximum Term of Options: Stock options granted under the Stock Option Plan will be for a term not exceeding five years from the date of grant.

Maximum Options per Person: The number of Orex Shares reserved for issuance to any one option holder pursuant to stock options granted under the Stock Option Plan during any 12-month period may not exceed 5% (or, in the case of a consultant, 2%) of the issued and outstanding Orex Shares at the time of grant. The number of Orex Shares reserved for issuance to option holders who are engaged in Investor Relations Activities is limited to an aggregate of 2% of the issued and outstanding Orex Shares at the time of grant.

No Assignment: Stock options may not be assigned or transferred.

Termination Before Expiry: Generally, stock options will expire and terminate on a date stipulated by the 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 stock options (vested or unvested) will terminate 90 days following notice of termination or on the expiry of such stock options, whichever is earlier. If the employment of an option holder who is an Eligible Person is terminated for cause, such option holder's stock 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 stock options (vested or unvested) will terminate 30 days following notice of termination or on the expiry of such stock options, whichever is earlier. If an option holder dies, the vested stock 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 stock options, whichever is earlier. If an option holder ceases to become an Eligible Person by virtue of disability, the Orex Board may allow such option holder to exercise any vested stock options for a period not exceeding 12 months following the date such option holder ceased to be an Eligible Person or on the expiry of such vested stock options, whichever is earlier. Upon any attempt to transfer, assign, pledge, hypothecate or otherwise dispose of a stock option, such stock option will, at the election of the Company, cease and terminate.

Exercise Price: Subject to any adjustments made pursuant to the Stock Option Plan, stock options granted under the terms of the Stock Option Plan will be exercisable at a price that is not less than the market price of the Orex Shares as of the date of grant, being the closing sale price of the Orex Shares on the TSX-V on the last day that Orex Shares were traded before the date of grant.

Full Payment for Orex Shares: Orex will not issue Orex Shares pursuant to stock options granted under the Stock Option Plan unless and until those Orex Shares have been fully paid for.

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 Stock Option Plan) occurs, then the Orex Board may authorize and implement one or more of the following actions: (a) accelerate the vesting of any stock options and any stock options that are not exercised or surrendered by the effective time of the Change of Control Event will be deemed to be expired; (b) offer to acquire from each Orex Option holder his or her stock options for a cash payment equal to the In the Money Amount (as defined in the Stock Option Plan) and any stock options that are not so surrendered by the effective time of the Change of Control Event will be deemed to be expired; and/or (c) deem that a stock option granted under the Stock 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 stock options in respect of the Orex Shares issued to such option holder had he or she exercised the stock options 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 Stock Option Plan will terminate when it is terminated by Orex. Any stock options outstanding when the Stock Option Plan is terminated will remain in effect until they are exercised, or they expire.

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

"**BE IT RESOLVED**, as an ordinary resolution, that the Company's 10% rolling stock option plan is ratified, confirmed and approved, including the reserving for issuance under the stock option plan at any time of a maximum of 10% of the issued and outstanding common shares of the Company, subject to regulatory approval, all as more particularly described in the Company's information circular dated September 29, 2020."

Approval of a New Control Person

On August 19, 2020, in connection with a private placement of units (the "**Units**") of the Company, 217 Ltd., a corporation beneficially owned by Eric Sprott, acquired 36,666,666 Units at a price of $0.15 per Unit (the "**Acquisition**"). Each Unit is comprised of one Orex Share and one-half of one Orex Share purchase warrant (each whole warrant, a "**Warrant**"), with each Warrant entitling 217 Ltd. to acquire one additional Orex Share at a price of $0.20 per Orex Share until August 19, 2021.

Pursuant to the Acquisition, 217 Ltd. provided an undertaking (the "**Undertaking**") to the Company and the TSX-V to not exercise Warrants into Orex Shares such that the result of the exercise would be 217 Ltd. becoming a "Control Person" of the Company (as such term is defined below) until such time as the Company has received the approval of the TSX-V and disinterested Orex Shareholders for 217 Ltd. to become a Control Person of the Company. Further, in connection with the Acquisition, the Company provided an undertaking (the "**Company Undertaking**", together with the Undertaking, the "**Undertakings**") to 217 Ltd. and Mr. Sprott that it would use commercial reasonable efforts to, by the date that is four months and one day from the date of the Acquisition, seek the approval of disinterred Orex Shareholders for 217 Ltd. to become a Control Person of the Company.

Under the rules of the TSX-V, a "**Control Person**" is created when: (i) a person holds or is one of a combination of persons that holds a sufficient number of any of the securities of an issuer so as to affect materially the control of that issuer; or (ii) a person holds more than 20% of the outstanding voting shares of an issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

217 Ltd. currently owns 36,666,666 Orex Shares, representing approximately 19.6% of the issued and outstanding Orex Shares, and 18,333,333 Warrants. Assuming the exercise in whole of all the Warrants owned by 217 Ltd., the Company would receive additional proceeds of $3,666,666.60 and 217 Ltd. would come to own approximately 26.8% of the issued and outstanding Orex Shares. In such circumstances, or any circumstance where 217 Ltd. exercises a sufficient amount of Warrants to own 20% or more of the issued and outstanding Orex Shares, 217 Ltd. would become a Control Person of the Company for the purposes of the rules of the TSX-V.

Pursuant to the Undertakings and in anticipation of the possibility that 217 Ltd. may exercise a sufficient amount of Warrants to become a Control Person of the Company, at the Meeting, disinterested Orex Shareholders will be asked to consider and if deemed advisable, to adopt an ordinary resolution to approve the creation of a new Control Person of the Company (the "**Control Person Resolution**").

At the Meeting, the Orex Shares held by 217 Ltd. and its related parties, associates or affiliates, and joint actors will be excluded for the purposes of determining disinterested shareholder approval of the Control Person Resolution. The complete text of the Control Person Resolution, which management intends to place before the Meeting for approval, confirmation and adoption, with or without modification, is:

"**BE IT RESOLVED,** as an ordinary resolution of the disinterested shareholders of the Company, that:

1. The creation of a new Control Person of the Company, as such term is defined in the policies of the TSX Venture Exchange, being 2176423 Ontario Ltd., all as more particularly described in the Company's management information circular dated September 29, 2020, is hereby authorized and approved; and

2. Any officer or director of the Company be and is hereby authorized and directed for and on behalf the Company (whether under its corporate seal or otherwise) to execute and deliver all such further agreements, documents and instruments and do all such other acts and things as such director or officer may determine to be necessary or advisable for the purposes of giving full effect to the provisions of this resolution, the execution and delivery by such director or officer of any such agreement, document or instrument or the doing of any such act or things being conclusive evidence of such determination."

The Orex Board unanimously recommends that each disinterested Orex Shareholder vote **FOR** the approval of the Control Person Resolution. In the absence of a contrary instruction, a properly executed and returned proxy will be voted **FOR** the approval of the Control Person Resolution.

OTHER MATTERS

Management does not know of any other matters to come before the Meeting other than those referred to in the Notice of Meeting and further described in this Circular. Should any other matters properly come before the Meeting, the Orex Shares represented by the proxy solicited hereby will be voted on such matters in accordance with the best judgment of the persons voting the proxy.

ADDITIONAL INFORMATION

Additional information relating to the Company is available on its SEDAR profile at www.sedar.com. Orex Shareholders may contact the Company at (604) 687-8566 to request copies be sent to them by mail of the Company's financial statements and MD&A.

Financial information is provided in the Company's comparative annual financial statements and MD&A for its most recently completed financial year, which are filed on SEDAR.

DATED this 29th day of September 2020.

ON BEHALF OF THE OREX BOARD

"Gary Cope"
CEO, President and Director

APPENDIX A
AUDIT COMMITTEE CHARTER

The purpose of the Audit Committee (the "**Committee**") is to assist the Orex 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 Orex 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. Details of the responsibilities are laid out in National Instrument 52-110 Audit Committees ("**NI 52-110**").

The Committee will fulfill these responsibilities by carrying out the activities defined below under "Duties and Responsibilities." The Committee shall be given full and direct access to the Orex 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 shall 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.

1. COMPOSITION OF THE AUDIT COMMITTEE

The Committee shall be comprised of at least three directors, each of whom will be independent to the extent possible and as regulated. No member of the Committee, to the extent possible, shall 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 shall be subject to annual reconfirmation after the Annual General Meeting and may be removed by the Orex Board of Directors at any time.

All members of the Committee shall be "financially literate" as defined in NI 52-110, meaning that they are able to read and understand fundamental financial statements, including a balance sheet, income statement of financial position and statements of operations and comprehensive loss, shareholders' equity and cash flow statements. At least one member of the Committee shall have been employed previously in finance or accounting, or possess current or former certification in accounting, or any other comparable experience or background, which would result in financial sophistication, including being or having been a chief executive officer, chief financial officer or other senior officer with financial oversight responsibilities.

2. DUTIES AND RESPONSIBILITIES

To fulfill its duties and responsibilities, the Committee shall:

a. Review annually the Audit Committee Charter for adequacy and recommend any changes to the Orex Board of Directors.

b. 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**").

c. Review the financial, investment and risk management policies followed by the Company in operating its business activities.

d. 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.

e. Review any management letters or internal control reports prepared by the independent accountants or auditors and responses to prior management letters, and review with the independent accountants or auditors the Company's internal financial controls.

f. 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.

g. 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 shall report directly to the Audit Committee.

h. 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 preapproval authority to one or more members of the Committee, provided that any preapprovals delegated to one or more members of the Committee are reported to the Committee at its next scheduled meeting.

i. Review the hiring policies for any employees or former employees of the independent accountants.

j. 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 Orex Board of Directors take appropriate action to oversee the independence of the independent accountants.

k. For each of the first three fiscal quarters and at year end, at a Committee meeting, review with management the financial results, any proposed earnings press release and any formal guidance which the Company may plan to offer.

l. 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 methods permitted under IFRS) and review with the independent accountants the reports on such subjects delivered.

m. Review the disclosure required in Form 52-110F2 to be included in the annual management information circular in connection with the Annual General Meeting.

n. Following completion of the annual audit, review separately with the independent accountants and management any significant difficulties encountered during the course of the audit.

o. 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 shall 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.

p. Report to the Orex Board of Directors at a subsequent Board meeting on the major events covered by the Committee and make recommendations to the Orex Board of Directors and management concerning these matters.

q. Perform any other activities consistent with this charter, the Company's Articles and governing law as the Committee or the Orex Board of Directors deems necessary or appropriate, including but not limited to the Company's legal and regulatory compliance.

r. Approve all related party transactions, as defined by regulation to which the Company is a party.

s. 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.

3. 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 shall be determined by the Committee prior to the beginning of such fiscal year. A calendar of proposed meetings will be reviewed by the Committee at the same time as the annual Audit Committee Charter review. The calendar shall 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 shall constitute a quorum. Minutes shall be taken at each meeting of the Committee and retained.

APPENDIX B
COMPENSATION COMMITTEE CHARTER

The Compensation Committee, (the "**Committee**") of Orex Minerals Inc. under the direction of the Orex Board of Directors, has overall responsibility for recommending levels of executive compensation in order to attract, hire, retain and motivate the Company's Chief Executive Officer, Chief Financial Officer, and other executive officers (collectively, the "**Management**") and certain key employees and non-executive officers below the vice-president level (collectively, the "**Non-Management Officers**") and for recommending compensation of directors. The Committee shall also have such other powers and duties as may be delegated to it by the Orex Board of Directors from time to time.
The term "compensation" shall include: contractual cash payments, cash, performance bonuses, stock options, contract termination arrangements, and any other compensatory rights or benefits, direct or indirect, as applicable.

1. COMPOSITION OF THE COMPENSATION COMMITTEE

The Committee shall be comprised of a minimum of three (3) members, each of whom, to the extent possible, shall be "independent" directors, as defined in section 1.4 of NI 52-110. Upon resignation of a member of the Committee, the vacancy shall be filled by appointment by the Orex Board of Directors as soon as practical.

2. DUTIES AND RESPONSIBILITIES

Subject to the powers and duties of the Orex Board of Directors, the Orex Board of Directors hereby delegates to the Committee the following powers and duties to be performed by and on behalf of and for the Orex Board of Directors.

The Committee shall:

a) Review from time to time as required and recommend to the Orex Board of Directors for approval as necessary the performance targets and corporate goals relevant to Management compensation and evaluate the performance of Management based on such goals.

b) Review from time to time as required and recommend to the Orex Board of Directors for approval the proposed appointment of any person to Management.

c) Review from time to time as required and recommend to the Orex Board of Directors for approval the compensation of Management, considering all relevant matters including the long-term and short-term goals of the Company, and the effectiveness of Management in achieving those goals, the skills, qualifications, and level of responsibility of Management, and compensation provided by comparative companies.

d) Review as necessary from time to time and recommend to the Orex Board of Directors for approval the compensation of Non-Management Officers, considering all relevant matters including the long-term and short-term goals of the Company and the effectiveness of such Non-Management Officers in achieving those goals, the skill, qualifications and level of responsibility of the Non-Management Officers, and compensation provided by comparative companies, provided that such determination shall be subject to any applicable Orex Board of Directors policies.

e) Administer the Company's stock option plan, and other compensatory plans adopted by the Company and review and recommend to the Orex Board of Directors for approval all benefits to be granted under such plans to Management and Non-Management Officers as applicable, in accordance with any guidelines established by the Orex Board of Directors.

f) With the assistance of Management, monitor trends in compensation of directors and management, review and recommend to the Orex Board of Directors for approval as necessary the Company's compensation policies and plans.

g) Review and recommend to the Orex Board of Directors for approval all of the Company's executive compensation disclosure, including compensation philosophy, before it is publicly disclosed.

h) Review and recommend to the Orex Board of Directors for approval all disclosure regarding the Company's stock option plans, and other compensatory plans adopted by the Company that are submitted for shareholder approval.

i) Review from time to time as required and recommend to the Orex Board of Directors for approval the compensation of directors who serve on the Orex Board of Directors or its committees, considering all relevant matters including the goals of the Company, the effectiveness of the Orex Board of Directors, each committee, and each director in achieving their mandates, time commitments of directors, compensation provided by companies comparable to the Company, and levels of responsibility.

The Committee shall have authority to engage outside consultants to review the Company's compensation program.

3. COMPENSATION COMMITTEE MEETINGS

The Committee will meet on a regular basis at least annually and will hold special meetings as circumstances require. The timing of the meetings to be scheduled for an upcoming fiscal year shall be determined by the Committee prior to the beginning of such fiscal year. A calendar of proposed meeting(s) will be reviewed by the Committee at the same time as the annual Governance review. In addition, the Committee will meet at any time that any Committee member believes is necessary. At all Committee meetings a majority of the total number of members shall constitute a quorum. Minutes shall be taken at each meeting and retained.

The Committee shall conduct a portion of each meeting without the presence of either Management or Non-Management Officers as the Committee deems necessary.

The Committee shall conduct an annual assessment of the Committee Charter for adequacy and recommend any changes to the Orex Board of Directors.

APPENDIX C
GOVERNANCE COMMITTEE CHARTER

The purpose of the Governance Committee is to assist the Board of Directors of Orex Minerals Inc. in fulfilling its oversight responsibilities with respect to corporate governance in general, and specifically to ensure that the requirements for the Board of Directors and its activities conform to the Company's corporate governance policy, as set out below, the requirements of the Business Corporations Act (*British Columbia*) (the "**Act**") and all relevant regulatory bodies.

The shareholders' interest in the business and affairs of the Company are managed through its elected directors, chosen at the annual general and special meeting by shareholder vote. The Board of Directors has the designated responsibility to oversee all aspects of the Company on behalf of the shareholders, including the appointment of executives, the strategy and risk management, and the Company's compliance with legal and regulatory requirements including National Instrument 58-201 *Corporate Governance Principles* ("**NI 58-201**").

1. COMPOSITION OF THE GOVERNANCE COMMITTEE

The Governance Committee shall be comprised of not less than three directors, all of whom, to the extent possible, are independent, as defined by the Act and applicable regulations. Each member of the Governance Committee shall be appointed annually, for a term not to exceed one year and ending at the annual general and special Meeting of the Company. The Governance Committee may seek the counsel of outside experts, when necessary and reasonable, at the Company's expense.

2. GOVERNANCE COMMITTEE MEETINGS

The Governance Committee will meet at least once a year for the purposes of reviewing its mandate for the ensuing year, and to review the activities and effectiveness of the Board of Directors as these relate to the Board charter, to determine the selection of Board of Directors member nominees to stand for election for the ensuing year, to review all current and proposed company policies, and to deliberate on any other business which is properly brought before the committee at that time.

At all Governance Committee meetings, a majority of the total number of committee members shall constitute a quorum for the purposes of transacting business, and minutes of each meeting shall be taken and retained. Meetings may be held in person or by teleconference or any combination that the members of the Committee agree to.

An agenda, and materials in support of the items on the agenda, will be circulated at least two days in advance to the members of the Governance Committee. The Agenda will be determined by the Chairman, with input from the Governance Committee members and the assistance of the Corporate Secretary.

OREX MINERALS INC.

Consolidated Financial Statements
(Expressed in Canadian Dollars)

For the year ended April 30, 2020

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Orex Minerals Inc.

Opinion

We have audited the accompanying consolidated financial statements of Orex Minerals Inc. (the "Company"), which comprise the consolidated statements of financial position as at April 30, 2020 and 2019, and the consolidated statements of loss and comprehensive loss, changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at April 30, 2020 and 2019, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 of the consolidated financial statements, which indicates that the Company incurred a loss of $2,319,668 for the year ended April 30, 2020 and accumulated losses of $33,064,941 as of April 30, 2020. As stated in Note 1, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, 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.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor’s report is David Harris.

“DAVIDSON & COMPANY LLP”

Vancouver, Canada

Chartered Professional Accountants

July 7, 2020

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

		April 30, 2020		April 30, 2019
ASSETS				
Current				
Cash	$	242,385	$	999,222
Receivables		37,358		19,958
Prepaid expenses and deposits		32,145		154,417
		311,888		1,173,597
Equipment (Note 4)		28,358		37,811
Deposits		31,000		31,000
Investment in associate (Note 6)		2,160,177		1,979,528
IVA receivable		120,368		343,300
Exploration and evaluation assets (Note 5)		500,001		703,772
	$	3,151,792	$	4,269,008
LIABILITIES AND SHAREHOLDERS' EQUITY				
Current				
Accounts payable and accrued liabilities	$	103,967	$	89,222
Shareholders' equity				
Share capital (Note 7)		30,015,913		29,278,742
Reserves (Note 7)		5,999,356		5,698,916
Accumulated other comprehensive income (loss)		97,497		(52,599)
Deficit		(33,064,941)		(30,745,273)
		3,047,825		4,179,786
	$	3,151,792	$	4,269,008

Nature and continuance of operations (Note 1)

Subsequent events (Note 14)

Approved and authorized by the board on July 7, 2020

/s/ Gary Cope	Director	*/s/Rick Sayers*	Director
Gary Cope		Rick Sayers	

OREX MINERALS INC.
CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS
For the years ended April 30,
(Expressed in Canadian Dollars)

		2020		2019
EXPLORATION EXPENSES				
Geological (Note 10)	$	338,862	$	342,473
General exploration		646,111		796,192
		984,973		1,138,665
GENERAL EXPENSES				
Consulting fees		73,250		35,000
Depreciation (Note 4)		9,453		12,638
Investor relations (Note 10)		121,390		179,918
Management fees (Note 10)		243,892		282,047
Office and administrative (Note 10)		209,136		217,690
Professional fees		91,553		75,539
Rent (Note 10)		60,750		60,000
Share-based payments (Note 7 and Note 10)		220,440		38,435
Transfer agent and filing fees		45,575		19,064
		1,075,439		920,331
		(2,060,412)		(2,058,996)
Interest income		3,888		51,055
Impairment of exploration and evaluation assets (Note 5)		(203,771)		-
Equity loss in associated company (Note 6)		(39,955)		(140,770)
Other foreign exchange gain (loss)		(19,418)		41,277
		(259,256)		(48,438)
Loss for the year		(2,319,668)		(2,107,434)
Equity investment – foreign currency translation (Note 6)		150,096		(25,195)
Comprehensive loss for the year	$	(2,169,572)	$	(2,132,629)
Basic and diluted loss per common share	$	(0.02)	$	(0.02)
Weighted average number of common shares outstanding		117,371,270		113,583,577

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

	Common Shares		Share Capital		Reserves		Accumulated other comprehensive income		Deficit		Total Shareholders' Equity
Balance, April 30, 2018	**113,531,379**	$	**29,264,742**	$	**5,660,481**	$	**(27,404)**	$	**(28,637,839)**	$	**6,259,980**
Share-based payments	-		-		38,435		-		-		38,435
Shares issued for exploration and evaluation assets (Note 5)	200,000		14,000		-		-		-		14,000
Comprehensive loss for the year	-		-		-		(25,195)		(2,107,434)		(2,132,629)
Balance, April 30, 2019	**113,731,379**		**29,278,742**		**5,698,916**		**(52,599)**		**(30,745,273)**		**4,179,786**
Private placement - units	8,000,000		800,000		-		-		-		800,000
Residual value of warrants			(80,000)		80,000		-		-		-
Share issuance costs – cash	-		(8,329)		-		-		-		(8,329)
Share- based payments (Note 7)	-		-		220,440		-		-		220,440
Shares issued for exploration and evaluation assets (Note 5)	300,000		25,500		-		-		-		25,500
Comprehensive loss for the year	-		-		-		150,096		(2,319,668)		(2,169,572)
Balance, April 30, 2020	**122,031,379**	**$**	**30,015,913**	**$**	**5,999,356**	**$**	**97,497**	**$**	**(33,064,941)**	**$**	**3,047,825**

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

OREX MINERALS INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years Ended April 30,
(Expressed in Canadian Dollars)

		2020		2019
CASH FLOWS FROM OPERATING ACTIVITIES				
Loss for the year	$	(2,319,668)	$	(2,107,434)
Items not affecting cash:				
Impairment loss on exploration and evaluation assets		203,771		-
Share-based payments		220,440		38,435
Depreciation		9,453		12,638
Equity loss in associated company		39,955		140,770
Shares issued for the general exploration		25,500		-
Changes in non-cash working capital items:				
Receivables		(17,400)		30,400
Prepaid expenses		122,272		(125,368)
IVA receivable		222,932		83,822
Accounts payable and accrued liabilities		14,745		24,512
Cash used in operating activities		(1,478,000)		(1,902,225)
CASH FLOWS FROM INVESTING ACTIVITIES				
Equity investment		(70,508)		(39,343)
Acquisition of exploration and evaluation assets		-		(49,561)
Cash used in investing activities		(70,508)		(88,904)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from private placement, net of share issue costs		791,671		-
Cash provided by financing activities		791,671		-
Change in cash during the year		(756,837)		(1,991,129)
Cash, beginning of year		999,222		2,990,351
Cash, end of year	$	242,385	$	999,222

Supplemental disclosure with respect to cash flows (Note 9)

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, 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 controlled 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. The Company had incurred a loss of $2,319,668 for the year ended April 30, 2020 and accumulated losses of $33,064,941 as of April 30, 2020. 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.

In March 2020, the World Health Organization declared coronavirus COVID-19 a global pandemic. This contagious disease outbreak, which has continued to spread, and any related adverse public health developments, has adversely affected workforces, economics, and financial markets globally, potentially leading to an economic downturn. It is not possible for the Company to predict the duration or magnitude of the adverse results of the outbreak and its effects on the Company's business or results of operations at this time.

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, except for certain financial instruments measured at fair value. 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 and judgements

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 period, 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 carrying value and the recoverability of exploration and evaluation assets, which are included in the statement 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 period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

b) 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 option-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.

c) 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.

d) The functional currency of the equity investment is considered to be the Mexican Peso. The investment is controlled by a Mexican parent company and expenditures are primarily in the local currency.

e) The determination of an investment in an associate as an equity investment requires judgement as to whether the Company has significant influence over the strategic financial and operating decisions relating to the activity of the investee.

3. SIGNIFICANT ACCOUNTING POLICIES

Principles of consolidation

These consolidated financial statements include the accounts of the Company and its controlled subsidiaries (Note 10). 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 its mineral interests. Exploration and evaluation costs include the costs of acquiring concessions, 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 profit or loss.

Exploration and evaluation expenditures are expensed in the period 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.

Equipment

Equipment is recorded at cost less depreciation, and any impairments and is depreciated over its estimated useful life using the declining balance method at a rate of 25% per annum. Cost comprises the fair value of consideration given to acquire or construct an asset and includes the direct charges associated with bringing the asset to the location and condition necessary for putting it into use. When parts of equipment have different useful lives, they are accounted for as separate items (major components) of equipment. The cost of major overhauls of parts of equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of equipment are recognized in profit or loss as incurred.

Impairment

At the end of each reporting period, 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 period. 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 period 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 period. The Company has no material restoration, rehabilitation or environmental obligations as the disturbance to date is limited.

Financial instruments

The details of IFRS 9, Financial Instruments are set out below.

a) Classification and measurement of financial assets and liabilities

A financial asset is classified as measured at: amortized cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL). The classification of financial assets depends on the purpose for which the financial assets were acquired. The Company's financial assets, which consist primarily of cash classified as FVTPL, and receivables classified at amortized cost. Financial assets at amortized cost are initially recognized at fair value and subsequently carried at amortized cost less any impairment. They are classified as current assets or non-current assets based on their maturity date.

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 through profit or loss.

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

Financial instruments (cont'd...)

Amortized cost: This category includes accounts payable and accrued liabilities and leases which are recognized at amortized cost.

b) Impairment of financial assets

An 'expected credit loss' (ECL) model applies to financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. The Company's financial assets are measured at amortized cost and subject to the ECL model.

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 period, 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.

On inclusion of an equity investment with a functional currency other than the Canadian dollar, the assets and liabilities are translated into Canadian dollars using the period-end rate and the operations and cash flows translated using the average rates of exchange. Exchange adjustments arising when the opening net assets and the profit or loss are translated into Canadian dollars are taken into a separate component of equity and reported in other comprehensive income or loss.

Share Capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's common shares and options are classified as equity instruments. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction form the proceeds.

Equity financing transactions may involve issuance of common shares or units. A unit comprises of a certain number of common shares and a certain number of share purchase warrants. Depending on the terms and conditions of each equity financing agreement, the warrants are exercisable into additional common shares prior to expiry at a price stipulated by the agreement. Warrants that are part of units are assigned value based on the residual value method and included in share capital with the common shares that were concurrently issued.

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

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.

In situations where equity instruments are issued to non-employees and some or all 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.

Investment in associate

Associated companies over which the Company has significant influence are accounted for using the equity basis of accounting, whereby the investment is initially recorded at cost, adjusted to recognize the Company's share of earnings or losses and reduced by dividends received. The Company assesses its equity investments for impairment if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the equity investment and that the event or events has an impact on the estimated future cash flow of the investment that can be reliably estimated.

Objective evidence of impairment of equity investment includes:

- Significant financial difficulty of the associated companies;
- Becoming probable that the associated companies will enter bankruptcy or other financial reorganization; or
- National or local economic conditions that correlate with defaults of the associated companies.

Income (loss) per share

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

The Company recognizes the dilutive effect on income or 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 period. For the years presented, this calculation proved to be anti-dilutive.

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

Income taxes

Income tax on the profit or loss for the periods 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 period 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.

Leases

IFRS 16, published on January 13, 2016, supersedes IAS 17 – Leases. The standard provides a single lessee accounting model, requiring lessees to recognize assets and liabilities for all leases unless a lease term is 12 months or less or the underlying asset has a low value. Lessors continue to classify leases as operating or finance, with IFRS 16's approach to lessor accounting substantially unchanged from its predecessor, IAS 17.

The Company adopted IFRS 16 effective May 1, 2019 using the modified retrospective method. Under this method, financial information will not be restated and will continue to be reported under the accounting standards in effect for those periods. The Company will recognize lease obligations related to its lease commitments for its office lease. It will be measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rate as at May 1, 2019. The associated right of use asset will be measured at the lease obligation amount, less prepaid lease payments, resulting in no adjustment to the opening balance of retained earnings. The Company applied the following practical expedients permitted under the new standard:

- leases of low dollar value will continue to be expensed as incurred; and
- the Company will not apply any grandfathering practical expedients.

As at May 1, 2019 IFRS 16 did not have any impact on the amount recognized in the financial statements. The Company has elected not to recognize the right-of-use assets and lease liabilities for short-term leases that have a lease term of twelve months or less. For the year ended April 30, 2020, rent expense included in rent of $60,750 and in general exploration of $15,364 has been incurred.

(Expressed in Canadian Dollars)

4. EQUIPMENT

Cost		**Field equipment**
Balance, as at April 30, 2018	$	92,625
Acquisition costs		-
Disposals		-
Balance, as at April 30, 2019		92,625
Acquisition costs		-
Disposals		-
Balance, as at April 30, 2020	$	92,625
Accumulated depreciation		
Balance, as at April 30, 2018	$	(42,176)
Additions		(12,638)
Disposals		-
Balance, as at April 30, 2019		(54,814)
Additions		(9,453)
Disposals		-
Balance, as at April 30, 2020	$	(64,267)
Net book value		
Balance, as at April 30, 2019	$	37,811
Balance, as at April 30, 2020	$	28,358

5. EXPLORATION AND EVALUATION ASSETS

		Cordero Project, Mexico		Sandra Escobar, Mexico		Jumping Josephine, Canada		Total
Balance, as at April 30, 2018	$	140,210	$	500,000	$	1	$	640,211
Acquisition costs		63,561		-		-		63,561
Balance, as at April 30, 2019		203,771		500,000		1		703,772
Impairment		(203,771)		-		-		(203,771)
Balance, as April 30, 2020	$	-	$	500,000	$	1	$	500,001

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…)

San Luis del Cordero, Mexico

On January 26, 2018 the Company entered into an agreement, subsequently amended, with Exploraciones del Altiplano S.A. de C.V. ("Altiplano") to acquire 100% of the San Luis del Cordero property ("Cordero Project"), in Durango, Mexico. Under the terms of the amended agreement, the Company is required to make the following annual cash and share payments to Altiplano:

a) On signing: issue 100,000 common shares (issued at a value of $17,000) and pay US$100,000 (paid - CAD$123,210).

b) On January 26, 2019: issue 200,000 common shares (issued at a value of $14,000) and pay US$25,000 (paid - CAD$32,860)

c) On April 26, 2019 pay US$12,500 (paid – CAD$16,701)

d) On October 26, 2019 pay US$112,500. In October, 2019 this was amended to July 26, 2020.

e) On January 26, 2020 issue 300,000 common shares (issued at a value of $25,500).

f) On July 26, 2020 pay US$200,000.

g) On January 26, 2021 issue 400,000 common shares.

h) On July 26, 2021 pay US$550,000.

i) On July 26, 2022 pay US$1,500,000 (of which 30% can be issued in shares).

In order to acquire the Cordero Project, the Company is also required to satisfy work commitments of US$400,000 by October 26, 2019 and a further US$600,000 by July 26, 2020. Excess expenditures from year one can be applied to year two.

Altiplano has the right to cancel the option if the Company does not start a drilling program by February 26, 2020.

As of October 31, 2019, there were no current or future planned exploration activities on the Cordero Project and accordingly the Company has returned the Cordero Project to Altiplano and has reduced the carrying value to $Nil. Any necessary subsequent payments will be expensed. The Company is committed to pay mineral concession taxes on the Cordero Project of approximately $17,000 in July 2020.

Sandra Escobar, Mexico

On September 15, 2015, the Company entered into an option agreement with Canasil Resources Inc. ("Canasil"), with respect to Canasil's Sandra Escobar Project ("Sandra Property") in Durango, Mexico.

During the year ended April 30, 2017, the Company earned a 55% ownership interest by paying $500,000 and incurring exploration expenditures of US$2,000,000.

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

Sandra Escobar, Mexico (cont'd…)

On June 27, 2019 the Company signed a letter agreement with Pan American Silver Corp, (the "Letter Agreement"), through its subsidiary Plata Panamericana SA de CV ("Pan American"). Pan American previously acquired all of the interests of Canasil in the Sandra Property, including the rights and obligations of Canasil under the option agreement. Pursuant to the Letter Agreement, Pan American and the Company have agreed to negotiate a formal joint venture agreement to replace the option agreement, and will suspend the operation of the option agreement until the new agreement is entered into. During the suspension period, the parties will contribute pro-rata towards the cost of maintaining the Sandra Property in good standing.

On March 9, 2020 the Company entered into a Joint Venture Letter Agreement to form a joint venture with Pan American to further explore the Sandra Property. The Company will have a 40% interest and Pan American will have a 60% interest in a new joint venture company that will be formed for the Sandra Property. Pan American and the Company will make their proportionate share of contributions. The Company will be the operator. The joint venture will be formed when a shareholder agreement is formed.

Coneto, Mexico

In fiscal 2010, the Company purchased 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, valued at $2,090,000.

The Coneto property is subject to a 2.5% net smelter returns ("NSR") royalty payable to the vendors.

During fiscal 2011, the Company agreed with Fresnillo PLC ("Fresnillo") to jointly explore the contiguous mineral concessions held by the Company and Fresnillo in the Coneto mining district.

a) In fiscal 2017 Fresnillo after spending an aggregate of US$6,000,000 on exploration activities and the Company contributed their respective Coneto mining concessions to a new company Exploracions y Desarrollos Mineros Coneto S.A.P.I de C.V. ("EDMC") owned 55% by Fresnillo and 45% by the Company. (Note 6)

b) Fresnillo will have the right to increase its ownership of EDMC 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 EDMC to 70%, the costs incurred to complete a prefeasibility study will be shared by Fresnillo and the Company in proportion to their ownership of EDMC; 55% by Fresnillo and 45% by the Company.

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

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

e) 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.

(Expressed in Canadian Dollars)

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

Jumping Josephine, Canada

The Company owns a 100% interest of a property in the West Kootenay Mining District of British Columbia, Canada.

There were no current or future planned exploration activities on the Jumping Josephine Property. Accordingly, the Company reduced the carrying value of the Property to $1 in a prior fiscal year.

6. INVESTMENT IN ASSOCIATE

During the year ended April 30, 2017, the Company and Fresnillo, pursuant to a definitive agreement contributed their respective Coneto mining concessions to a new company, EDMC by way of merger. The ownership of EDMC is 55% Fresnillo, 45% by the Company (Note 5).

The Company has a minority position on the technical committee and board of directors of EDMC, and does not control operational decisions. The Company's judgement is that it has significant influence, but not control and accordingly equity accounting is appropriate.

As at April 30, 2020, EDMC's aggregate assets, aggregate liabilities and net losses are as follows:

		April 30, 2020		April 30, 2019
Current assets	$	151,476	$	171,007
Non-current assets		1,484,105		1,806,529
Current liabilities		(85,028)		(157,452)
Net assets		1,550,553		1,820,084
The Company's ownership %		45%		45%
The Company's share of net assets	$	697,749	$	819,038

		April 30, 2020		April 30, 2019
Loss for the year	$	(88,789)	$	(312,823)
Other comprehensive income (loss)– currency translation		333,547		(55,988)
Total comprehensive income/loss		244,758		(368,811)
The Company's ownership %		45%		45%
The Company's share of comprehensive income/loss	$	110,141	$	(165,965)

		April 30, 2020		April 30, 2019
Net investment, opening	$	1,979,528	$	2,106,150
Additional investment		70,508		39,343
Equity loss for the year		(39,955)		(140,770)
Other comprehensive income (loss) - currency translation		150,096		(25,195)
Net investment, closing	$	2,160,177	$	1,979,528

(Expressed in Canadian Dollars)

7. SHARE CAPITAL AND RESERVES

Authorized

Unlimited number of common shares without par value.

Share issuances

On January 26, 2019, the Company issued 200,000 shares for the Cordero Project valued at $14,000.

On January 26, 2020, the Company issued 300,000 shares for the Cordero Project valued at $25,500.

The Company completed a private placement on November 19, 2019 and raised gross proceeds of $800,000 through the sale of 8,000,000 units at a price of $0.10 per unit. Each unit consisted of one common share of the Company and one half of one share purchase warrant. Each whole warrant is exercisable into one common share of the Company at a price of $0.15 per share for a period of two years. Using the residual value method, the value assigned to the warrants was $80,000.

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, 2020, the Company granted 3,425,000 (2019 – 500,000) stock options to officers, directors, employees and consultants of the Company. The weighted average fair values of options granted are calculated using the Black-Scholes option pricing model. The weighted average fair value of each option granted was $0.06 (2019 - $0.08) and was calculated using the following weighted average assumptions:

	For the year ended April 30, 2020	For the year ended April 30, 2019
Expected option lives	5 years	5 years
Risk-free interest rate	1.67%	2.21%
Expected dividend yield	0%	0%
Expected stock price volatility	119%	104%

The share-based payments expense for stock options granted and vested during the year ended April 30, 2020 was $220,440 (2019 – $38,435).

(Expressed in Canadian Dollars)

7. SHARE CAPITAL AND RESERVES (cont'd...)

Stock options and warrants (cont'd…)

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, 2018	-	$ -	9,930,000	$ 0.23
Granted	-	-	500,000	0.10
Expired	-	-	(1,555,000)	0.15
Forfeited	-	-	(200,000)	0.17
Outstanding, April 30, 2019	-	-	8,675,000	0.24
Granted	4,000,000	0.15	3,425,000	0.10
Expired	-	-	(150,000)	0.15
Forfeited	-	-	(900,000)	0.19
Outstanding, April 30, 2020	4,000,000	$ 0.15	11,050,000	$ 0.20
Exercisable at April 30, 2020	4,000,000	$ 0.15	11,050,000	$ 0.20

The following stock options to acquire common shares of the Company were outstanding at April 30, 2020:

Number of Shares	Exercise Price	Expiry Date
Options		
1,825,000	$0.15	June 26, 2020 *
3,000,000	0.35	January 29, 2021
150,000	0.55	May 13, 2021
2,500,000	0.17	May 3, 2022
400,000	0.10	September 10, 2023
3,175,000	0.10	December 19, 2024
11,050,000		

*Subsequent to April 30, 2020, 1,825,000 options expired.

The following warrants to acquire common shares of the Company were outstanding at April 30, 2020:

Number of Warrants	Exercise Price	Expiry Date
4,000,000	$0.15	November 19, 2021

(Expressed in Canadian Dollars)

8. 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.

9. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

Significant non-cash transactions during the year ended April 30, 2020:

a) Other comprehensive gain – currency translation $150,096

b) Value of warrants issued - $80,000

Significant non-cash transactions during the year ended April 30, 2019 included:

a) Other comprehensive loss – currency translation $ 25,195

b) Shares issued for exploration and evaluation additions valued at $14,000

10. 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
Astral Mining Corporation	Canada	100%	Mineral exploration
Astral Mining S.A. de C.V.	Mexico	100%	Mineral exploration

(Expressed in Canadian Dollars)

10. RELATED PARTY TRANSACTIONS (cont'd…)

During the year ended April 30, 2020, 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, 2020		Year Ended April 30, 2019
Management fees	$	242,880	$	282,047
Geological consulting fees		148,529		150,862
Share - based compensation		112,634		-
Total	$	504,043	$	432,909

		Year Ended April 30, 2020		Year Ended April 30, 2019
Investor relations*	$	74,468	$	63,926
Office and administrative*		146,613		129,913
Rent*		60,750		60,000
Total	$	281,831	$	253,839

*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, on a shared cost basis.

Included in accounts payable and accrued liabilities as at April 30, 2020 is $42,063 (April 30, 2019 - $Nil) paid to directors or officers or companies controlled by directors.

11. 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).

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

Fair value of financial instruments

The Company has various financial instruments including cash, receivables, accounts payable and accrued liabilities. Cash is carried at fair value using a level 1 fair value measurement. The carrying values of receivables and accounts payable and accrued liabilities 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. 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 input value-added tax (IVA) and goods and services tax (GST), which are recoverable from the governing body in Mexico and Canada, respectively. As the Company's exploration operations are conducted in Mexico and Canada, the Company's operations are also subject to the economic risks associated with these countries.

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 period. The Company is exposed to liquidity risk.

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, some costs are denominated in Mexican Pesos. 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, 2020, a hypothetical change of 10% in the foreign exchange rate between the Canadian dollar and US dollar would have an effect of $1,000 on loss and comprehensive loss; a hypothetical change of 10% in the foreign exchange rate between the Canadian dollar and the Mexican Peso would have an effect of $15,500 on loss and comprehensive loss.

(Expressed in Canadian Dollars)

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

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 may fluctuate sharply. 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.

12. SEGMENTED INFORMATION

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

		April 30, 2020		April 30, 2019
Equipment				
Mexico	$	28,358	$	37,811
Exploration and evaluation assets				
Mexico	$	500,000	$	703,771
Canada		1		1

13. INCOME TAXES

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

		2020		2019
Income (loss) before income taxes	$	(2,319,668)	$	(2,107,434)
Expected income tax (recovery)	$	(626,000)	$	(569,000)
Change in statutory, foreign tax, foreign exchange rates and other		64,000		43,000
Permanent difference		194,000		66,000
Share issue costs		(2,000)		-
Change in unrecognized deductible temporary differences		370,000		460,000
Total income tax expense (recovery)	$	-	$	-

(Expressed in Canadian Dollars)

13. INCOME TAXES (cont'd…)

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:

		2020		2019	Expiry date range
Temporary differences:					
Exploration and evaluation assets	$	11,134,000	$	11,716,000	No expiry date
Investment tax credit		36,000		36,000	2027-2034
Property and equipment		68,000		35,000	No expiry date
Share issue costs		7,000		1,000	2040
Non-capital losses available for future period		28,163,000		27,279,000	2022 to onward

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

14. SUBSEQUENT EVENTS

Subsequent to the year ended April 30, 2020, the Company:

a) Granted a total of 250,000 stock options at an exercise price of $0.10 per option to Red Cloud Financial Services Inc. as partial consideration for its provision of services to the Company. The stock options are exercisable for a period of three years and vest quarterly.

b) Closed the first tranche ("First Tranche") of its non-brokered private placement. The First Tranche comprised of 12,362,500 units of the Company issued at a price of $0.08 per unit for gross proceeds of $989,000. Each unit consists of one common share and one half of a share purchase warrant. Each warrant entitles the holder to acquire one common share at a price of $0.20 per share for a period of 24 months after closing.