This "Management's Discussion and Analysis" has been prepared as of April 29, 2013 and should be read in conjunction with the Company's condensed consolidated interim financial statements for the nine months ended February 28, 2013 and 2) the audited consolidated financial statements and related notes thereto for the year ended May 31, 2012 (the "Financial Statements"). Those financial statements are prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. All amounts in the financial statements and in this discussion and analysis are expressed in Canadian dollars, unless otherwise indicated.

FORWARD LOOKING INFORMATION

This management discussion and analysis ("MD&A") contains certain forward-looking statements and information relating to Oroco Resource Corp. ("Oroco" or the "Company") that are based on the beliefs of its management as well as assumptions made by and information currently available to the Company. When used in this document, the words "anticipate," "believe," "estimate," "expect" and similar expressions, as they relate to the Company or its management, are intended to identify forward looking statements. This MD&A contains forward looking statements relating to, among other things, regulatory compliance, the sufficiency of current working capital and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. Such statements reflect the current views of management with respect to future events and are subject to certain risks, uncertainties and assumptions. Many factors could cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements.

THE COMPANY

The Company was incorporated under the British Columbia Business Corporations Act on July 7, 2006. The Company's head office is located at Suite 789, 999 West Hastings Street, Vancouver, British Columbia, V6C 2W2. The Company and its subsidiaries are engaged in the acquisition, exploration and development of mineral properties in Mexico with a primary focus on the exploration its Xochipala property in Guerrero State, Mexico.

The Company is listed on the TSX Venture Exchange ("TSX-V") under the symbol "OCO", and it also trades on the Frankfurt Stock Exchange Open Market under the trading symbol "OR6" and the US OTC exchange under the trading symbol "ORRCF.PK". The Company's website address is: "www.orocoresourcecorp.com".

The Company has three wholly owned subsidiaries: Minera Polimetalicos Mexicanos, S.A. ("Polimetalicos"); Minas de Oroco Resources, S.A. de C.V. ("Minas de Oroco") and Minera Xochipala S.A. de C.A. ("Minera Xochipala"). Minas de Oroco and Minera Xochipala are used to hold the Company's Mexican mining concessions and to conduct business in Mexico. Polimetalicos, 100% owned directly by the Company, is a holding company which holds 98% (49 of 50 shares) of Minas de Oroco (the other 2%, being 1 share, is held by Minera Xochipala). Minera Xochipala is 98% (49 of 50 shares) directly owned by the Company, with 2% (1 share of 50) held by Minas de Oroco.

MINERAL PROPERTIES

Xochipala Property, Guerrero State, Mexico

The Xochipala Property, comprised of the Celia Gene (100 ha) and the contiguous Celia Generosa (93 ha) concessions, is located in the Municipality of Eduardo Neri, Guerrero, Mexico at the southern end of the Guerrero Gold Belt (the "GGB"), an area containing the most promising and expanding gold reserves in Mexico. This region encompasses a northwest trend of intrusions with associated gold bearing iron skarn deposits. The GGB is currently the focus of aggressive exploration, delineation, development, and mining by a number of mining companies who have to date delineated gold reserves and measured and indicated resources in excess of 20 million ounces with recent discoveries likely to increase the defined gold resource in the region. The discovery of these deposits, beginning in the late 1980s, has led to the development of a predictable exploration model along the trend of the GBB.

The gold mineralization in each of these deposits is found in the contact (skarn) area between felsic to intermediate intrusives and the overlying calcareous sediments. Each of these deposits has a geophysical signature consisting of a strong high magnetic anomaly caused by iron mineralization in the endoskarn (skarn in the intrusive) and exoskarn (skarn in the sediments) in the contact zone between the intrusive and the overlying sediments. All of the major gold deposits in the GBB are hosted in extensive mineralized endoskarn and exoskarn zones associated with similar geological conditions. The Xochipala Property is the last remaining under-explored target in the GGB that has geological characteristics similar to the known deposits, including the existence of a strong magnetic signature and extensive areas of endoskarn and exoskarn.

The Xochipala Property, which is surrounded by concessions owned by Goldcorp Inc., lies approximately 4 kilometres southeast of Goldcorp.'s Los Filos mine, just one kilometre from the town of Xochipala and 30 kilometres by good paved road from the state capital of Chilpancingo. The area is well served by a network of local roads. The district is served with hydroelectric power from the Caracol Dam and water is locally available.

Minera Xochipala acquired a 100% interest in the Xochipala Property in January, 2007, including the interest purchased from the estate of a Mexican citizen, Carlos Camacho (the "Camacho Estate"), which constituted fifty percent (50%) of the Celia Gene concession and all (100%) of the Celia Generosa concession (collectively, the "Camacho Interest"). Minera Xochipala applied to the Public Registry of Mining (the "PRM") for registration of its acquisition in March, 2008. In October, 2009, the PRM rejected Minera Xochipala's application for reasons which were considered incorrect at law by Minera Xochipala's legal counsel. Minera Xochipala filed an appeal of the PRM decision in November, 2009. In a decision rendered in July, 2011, the Federal Tribunal of Tax and Administrative Justice (the "Federal Tribunal") nullified the rejection and sent the matter back to the PRM for reconsideration. The PRM registered the Xochipala Property to Minera Xochipala on July 12, 2012.

However, in 2010, while Minera Xochipala's application was before the Federal Tribunal, a judgment debtor against the Camacho Estate applied to a Guerrero State court (the "State Court") for enforcement of his judgment. Unaware that the Camacho Estate had sold the Camacho Interest to Minera Xochipala in 2007, and without notice to Minera Xochipala, the State Court attached the Camacho Interest in February of 2010 (when it no longer was an asset of the Camacho Estate), auctioned the Camacho Interest in July, 2011, and issued an order to the PRM to register the Camacho Interest in the name of the winning bidder.

MINERAL PROPERTIES cont'd
Xochipala Property cont'd

In July, 2012, in possession of both the Federal Tribunal decision to reconsider Minera Xochipala's application and the State Court's order to transfer the Camacho Interest to the winning bidder, the PRM registered a 100% interest in the Xochipala Concessions in the name of Minera Xochipala. For reason of the existence of the State Court's order, Minera Xochipala subsequently took the precautionary step of filing an "amparo" petition with the Federal Court of Mexico to have the State Court's order struck altogether. As part of that process, Minera Xochipala also obtained an injunction prohibiting the PRM from complying with any order of the State Court with regard to the Camacho Interest.

On October 15, 2012, Minera Xochipala was served with notice of an "amparo" petition seeking to set aside the registration of the Xochipala Property to Minera Xochipala. The PRM was in possession of the Guerrero Order at the time it registered the Xochipala Property to Minera Xochipala, but it had determined that Minera Xochipala's application had priority over the Guerrero Order. The Petitioner's amparo is based on the refusal by the PRM to comply with the Guerrero Order.

On October 30, 2012, the Federal Court joined the two amparo petitions in order to resolve both in a single decision. The "constitutional hearing" closing the submission of evidence and arguments phase of the proceedings occurred on February 15, 2013. The court has now adjourned to render its decision, which the Company anticipates being handed down shortly.

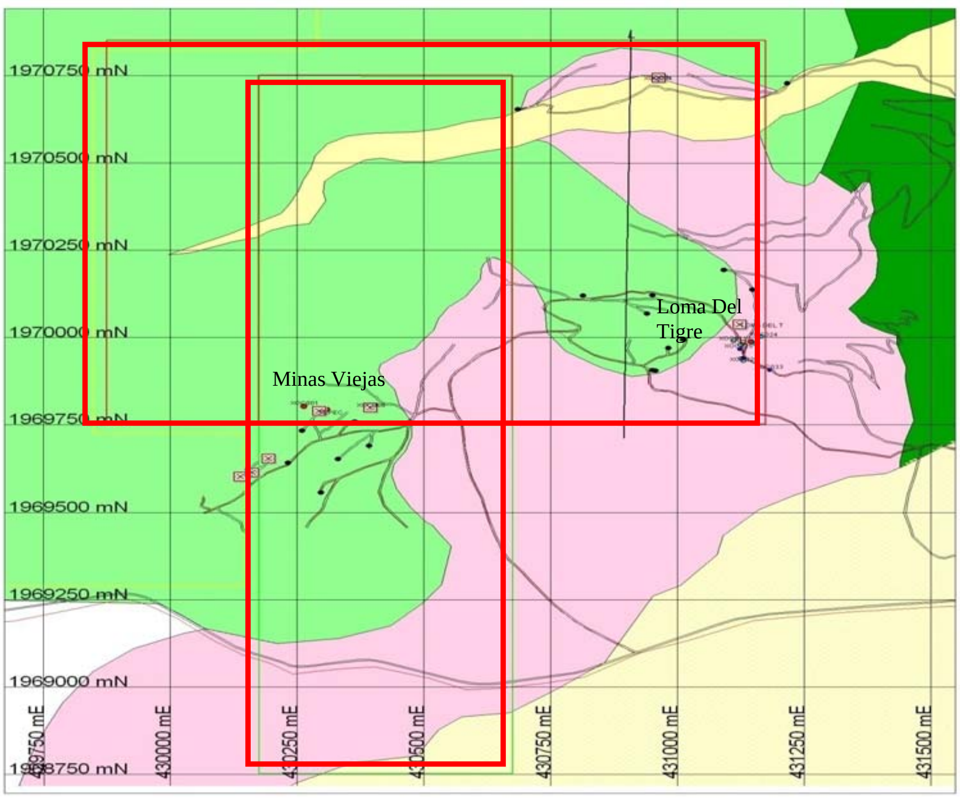
As cited in a report prepared for Britannia Gold Corporation in 1997 by Tawn Albinson, M.Sc., the Xochipala Property was the site of historic, shallow mining, likely going back to the Spanish explorers, and a limited amount of surface bulldozing and geophysical surveys in the 1980s and 90s. Historical workings have exposed highly oxidized mineralized zones from which Oroco geologists took 37 samples in a preliminary evaluation of the claims soon after the property was acquired by Oroco. Highlights of those results are presented in the following table.

Select Assay Results From Xochapala Surface Sampling

HISTORICAL	**DESCRIPTION**	**SAMPLE**	**GOLD ASSAY**
SHOWING		**LENGTH (m)**	**(g/t)**
LOMA DEL TIGRE	intrusive with abundant clay and iron oxide	1.0	11.75
LOMA DEL TIGRE	intrusive with abundant clay and iron oxide	0.9	54.50
LOMA DEL TIGRE	intrusive with abundant clay and iron oxide	1.0	0.44

MINERAL PROPERTIES cont'd
Xochipala Property cont'd

HISTORICAL SHOWING	DESCRIPTION	SAMPLE LENGTH (m)	GOLD ASSAY (g/t)
Mina Del Puente / Minas Viejas	marbleized with clay, hematite, magnetite	1.0	3.79
Mina Del Puente / Minas Viejas	highly oxidized, clay, hematite, magnetite	1.2	1.29
Mina Del Puente / Minas Viejas	white to yellow shale horizon	0.9	1.42
Mina Del Puente / Minas Viejas	abundant hematite and magnetite	1.0	2.42
Minas Tepec / Minas Viejas	marbleized with abundant calcite and hematite	1.2	0.59
Minas Tepec / Minas Viejas	limestone with abundant hematite, magnetite	1.2	2.05
Minas Tepec / Minas Viejas	limestone with abundant hematite, magnetite	1.1	6.10



Map of Xochipala Property (outlined in red)

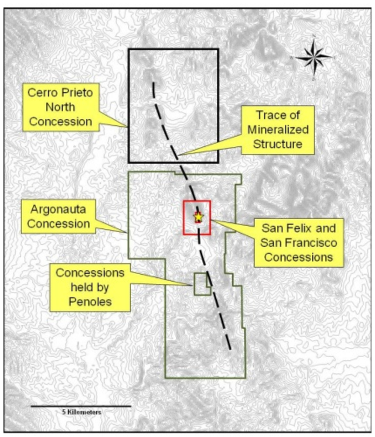
☒ - old mine showing

MINERAL PROPERTIES cont'd
Xochipala Property cont'd

The Company has commenced an exploration program consisting of mapping, road cuts and outcrop chip sampling and location of infrastructure, historic showings and drill holes. The focus of the mapping and sampling program is the extensive areas of marbleized limestones (exoskarns) and highly altered, ferruginous intrusives (endoskarns) that have been identified on the property and which are indicative of potential mineralization in the vicinity of the two kilometres of identified contact zone. Preliminary mapping and assay results indicate that high grade gold mineralization exists at the Xochipala Property in the endoskarn and exoskarn. The Company intends to conduct a drilling program on the property once results are evaluated and the amparo situation is resolved.

Cerro Prieto Property, Sonora State, Mexico

The Cerro Prieto Property (see figure below), located in the Cucurpe Mining District, Sonora, Mexico, is comprised of the San Felix (205 ha), San Francisco (10 ha), Elba (5.82 ha), Huerta de Oro (20 ha), Reyna de Plata (9.79 ha), Cerro Prieto "North" (2,508 ha) and Argonauta 6 (4,120 ha) mineral concessions. The title all of these concessions are held by Minas de Oroco.



The Cerro Prieto Property is 52 road kilometers from the regional centre of Magdalena de Kino (population 40,000) and 150 kilometers northeast of the city of Hermosillo. Major electricity transmission lines are less than five kilometers from the project and water is also available within five kilometers. A major highway connects Magdalena de Kino with Hermosillo to the south and the state of Arizona, USA, 80 kilometers to the north. The heart of the Cerro Prieto Property and the site of all drilling conducted by the Company in its exploration and development programs, are the San Francisco, San Felix, Elba and Argonauta mineral concessions (the "SF Concessions").

The San Francisco concession contains the past producing Cerro Prieto Mine and polymetallic (Au-Ag-Zn-Pb) deposit. Mineralization is contained within a 25 to 65 meter thick shear zone which cuts all units from Jurassic to Lower Tertiary in age and which extends from surface to below the lowest level of the historic workings (a depth of approximately 335 meters). Within this shear zone are veins, secondary veins, stringers zones, brecciation and silicification, which, together, produce a continuous mineralized zone 25 meters to 65 meters thick. This principal host to mineralization is a regional structure that can be traced for approximately 10 kilometers north and south of the Cerro Prieto Mine with approximately 17.5 kilometers of strike length potential contained on the Cerro Prieto Property.

Cerro Prieto Property Phase One Exploration Program - 2008

SF Concessions

Having completed detailed surface and underground sampling in 2006 and 2007, the Company conducted a 6,000 meter diamond drill program in 2008 on the SF Concessions to confirm a historical resource calculated by Morgain Minerals in 1998 and to expand on the resource to depth and along strike. The program was designed to intersect the mineralized structure at 100 meter intervals along strike and down dip. The Phase One program (24 holes, 5,975.1 meters) tested the mineralized structure on the SF Concessions (the "Cerro Prieto Mineralized Zone") over a 900 meter strike length to a maximum depth of 400 meters below surface. The mineralized structure was intersected in all but two holes, which were abandoned due to drilling conditions prior to intersecting the zone.

Results for all holes have been reported in press releases. Highlights include thick intersections (up to 65.4 meters true thickness) of combined gold, silver, lead and zinc values that may be amenable to open pit extraction as well as thinner intersections of high grade mineralization. The Company also completed a trenching program at 50 meter intervals along the strike of the Cerro Prieto Mineralized Zone. It is significant that, although all trenches did not fully cross the zone due to open stopes or difficult topographic conditions, each section produced assays of potential economic significance and outlined the mineralized zone over a strike length of 1,250 meters.

Using the 2008 drill and trench results the Company obtained a NI 43-101 compliant technical report dated April 14, 2009 (the "Report") from Gary Giroux, P. Eng, and Duncan Bain, P. Geo, which provided the Company with resource estimates to a depth of 350 metres along a strike of 600 meters (see the following table). As the areas of the higher grade gold and the higher grade zinc overlap, but are not totally coincident, resource estimates were calculated using first a gold cut-off and, second, using a zinc cut-off. As the zinc cut-off estimates contain many of the same blocks as included in the gold cut-off estimates, the zinc cut-off estimates should not be added to the gold cut-off estimates. In the opinion of Giroux, these resource estimates indicate a potential open pit scenario. Using a 0.5 g/t Au cut off, an indicated resource of 7.48 million tonnes at 1.25 g/t Au and 12.9 g/t Ag was calculated. (For tables of resources at different cut off grades please refer to the Report filed on Sedar).

Cerro Prieto "North" Concession

The northwest striking structural zone which hosts the Cerro Prieto Mineralized Zone found on the SF Concessions can be traced for approximately 4.8 kilometers across the Cerro Prieto "North" concession.

During 2008, a preliminary surface sampling program was undertaken to sample surface exposures of the proposed extension of the structure hosting the Cerro Prieto Mineralized Zone. Highlights of the sampling are presented in the following table.

Sample	Length (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
FCO 001	1.2	0.342	93.2	0.34	0.28
FCO 002	0.6	2.110	142.0	0.90	0.24
FCO 003	0.9	0.851	31.6	0.30	0.22
FCO 004	grab	0.090	31.0	0.09	0.04
FCO 005	1.2	2.180	134.0	0.44	0.43
FCO 006	1.1	1.960	139.0	0.23	0.26
FCO 007	1.3	0.268	200.0	0.15	0.24
FCO 008	0.4	0.330	143.0	0.26	0.09
FCO 009	0.85	1.240	132.0	0.22	0.08
FCO 010	Grab	0.194	87.8	0.17	0.09
FCO 011	0.4	0.146	107.0	0.24	0.20

Sample	Length (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
FCO 012	0.3	0.084	33.3	0.05	0.07
FCO 013	0.3	0.162	111.0	0.07	0.10
FCO 014	0.8	0.400	47.9	0.32	0.79
FCO 015	1.0	1.700	115.0	2.26	3.17

Cerro Prieto Property Phase Two Exploration Program – 2009

Surface Sampling

As part of the 2009 Phase Two exploration program, 122 samples were taken along 900 meters of outcropping vein structure on the Argonauta 6 concession on strike with the Cerro Prieto Mineralized Zone, starting at the northern boundary of the SF Concessions. The samples returned high grade or anomalous gold values along the entire strike length tested. The samples were selectively taken across areas of veining, brecciation or fault gouge only where they are exposed – no physical trenching was attempted. All samples are channel samples, with the exception of two which are composite grab samples. In the collection of channel samples attempts were made to get equal volumes of each rock type in the sample.

Sampling results are grouped into five geographic areas identified on a map which can be viewed at http://www.orocoresourcecorp.com/projects-Cerro-Prieto-Project-Maps-and-Sections.html).

In summary, the sampling program confirmed the extension of the Cerro Prieto Mineralized Zone over a strike length of 900 meters in addition to the 1,250 meters outlined by Oroco's 2008 Phase One drilling and trenching program. The complex structural regime and the high associated gold assays at the north end of the zone are indications of extensive ground preparation with the potential for associated strong mineralization.

Drilling

Resource Expansion Drilling

Phase Two exploration at the Cerro Prieto Property was completed in December 2009. Two drills completed a total of 8,575.9 meters in 42 holes. The drill program focused on the expansion of the Cerro Prieto Mineralized Zone in the SF Concessions on strike to the north of the 2008 resource area, the infill drilling of that portion of the 2008 resource area (the "Resource Area") considered to have the potential to be the site of initial mining, and a preliminary assessment of the Argonauta 6 concession. Approximately 1,500 meters of strike length of the structure was tested in this phase of exploration.

A total of 15 of the holes were drilled on the SF Concessions directly north of the Resource Area at 100 meter intervals along strike and to depth to attempt to add resources in the oxide zone. Three holes were drilled into the sulphide zone and eight drill holes were completed on the Argonauta 6 concession along the strike of the Cerro Prieto Mineralized Zone to the north of SF Concessions. The remaining 16 holes were infill holes in the upper section of the Resource Area.

MINERAL PROPERTIES cont'd
Cerro Prieto Property Phase Two Exploration Program – 2009 cont'd
***Drilling* cont'd**

Results of significant intersections have been reported in press releases issued in 2009 and are available on the Company's website.

At the north end of this drilled area, a post-mineralization crosscutting structure has vertically displaced the geological units between 150 and 200 meters. The near surface geology consists of porous coarse felsic pyroclastics that diffused the mineralization as it was deposited. Although the structure continues through this area, the mineralizing fluids ascending the structure were not as constrained as to the south. The company has only drilled four widely space holes testing the structure in the 1.5 kilometer strike length of the exposed structure.

2009 Infill Drilling

A total of 16 holes were drilled at the upper section of the Resource Area to close the drill spacing to 50 meters in an area that was considered to have the potential to have a higher than average grade and a low strip ratio. Results of the holes were presented in press releases.

Drilling in Sulphide Zone

Three holes were drilled to test the sulphide zone identified in 2008 by CP011, which intersected 30 metres of 0.15 gram per tonne (g/t) Au, 13.3 g/t Ag, 0.14% Cu, 0.74% Pb and 2.02% Zn, including 8.5 metres of 0.19 g/t Au, 79.6 g/t Ag, 0.78% Cu, 3.71% Pb and 6.13% Zn. Although the mineralized zone was intersected in all holes, the grades and thicknesses were less than those obtained in CP011. The program of drilling in the sulphide zone only covered a small portion of the 17.5 kilometer strike length of potential mineralization of this type.

Phase Two Resource Estimates

The Company submitted the data from its 2009 Phase 2 exploration program to an independent geologist to prepare an updated resource calculation. The results of 14,551 meters of drilling in 66 holes now outlines a zone containing potentially economic gold oxide resources over a strike length of 1,000 meters to a depth of approximately 300 meters from the crest of the hill which hosts the mineralization.

The following table shows the estimated oxide gold resource tonnages with their associated grades:

Category	Tonnes	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
Measured	3,740,000	1.10	15.82	0.19	0.52
Indicated	11,000,000	0.71	11.82	0.38	1.14
Measured and Indicated	14,740,000	0.81	12.83	0.33	0.98
Inferred	281,000	0.66	12.55	0.22	0.74

MINERAL PROPERTIES cont'd
***Phase Two Resource Estimates* cont'd**

The following table shows the gross contained metal present within the estimated resources from the oxide gold resource noted in the previous table:

Category	Tonnes	Au (ounces)	Ag (ounces)
Measured	3,740,000	132,028	1,902,286
Indicated	11,000,000	251,805	4,180,304
Measured and Indicated	14,740,000	383,833	6,080,256
Inferred	281,000	5,918	113,383

The phase two NI 43-101 compliant resource calculation was estimated by Gary Giroux of Giroux Consulting Ltd. using ordinary kriging methods which utilized a geologic model and all of the data from the two drill programs. The calculation used a 0.25 g/t cutoff, which was considered to be the average of cutoffs used for resource calculations for similar deposits in the region.

Metallurgy

The Company retained Kappes Cassidy & Associates ("KCA"), of Reno Nevada, under the direction of the Company's metallurgical consultant, A.H. Winckers & Associates Inc., to conduct column leach tests of four representative composite samples of mineralized material taken from four separate areas of the Cerro Prieto deposit. Test work at KCA was under the supervision of Terence Albert, manager of Laboratory Services and Daniel Kappes, PEng, qualified person for KCA. A summary of the column test recovery results is presented in the following table:

Zone	Size (mm)	Head Grade (g/t)	Days	Extracted Gold (%)	NaCN (kg/t)	Ca(OH)2 (kg/t)
1	25.0/6.3	0.95	140	80	0.74	2.02
2	25.0/6.3	0.79	140	66	0.91	2.05
3-Upper	6.3	1.50	214	60	3.16	7.50
3-Lower	6.3	0.90	214	79	3.31	7.50

Additional metallurgical testing is being planned to further refine the extraction process.

Zone 1 encompassed the first 550 meters of the mineralized zone, measured horizontally from the south end of the deposit and from surface to a depth of 150 meters. The sample taken from this zone was a composite of mineralized core from four drill holes. Zone 1 hosts the higher grade material in the deposit and, being situated at the top of the deposit, would potentially be the first area mined.

Zone 2 encompassed the area immediately below Zone 1 to a depth of approximately 350 meters. The sample from this zone was a composite of mineralized core from eight drill holes.

MINERAL PROPERTIES cont'd
Metallurgy cont'd

Zone 3 – Upper encompassed the 400 meters of strike length immediately to the north of Zone 1 to a depth of 150 meters. The mineralized sample was taken from four drill holes.

Zone 3 – Lower encompassed the area immediately below Zone 3 – Upper to a depth of 300 meters. The mineralized sample was taken from six drill holes.

Column leach tests on the samples from Zone 1 and Zone 2 were initially conducted at minus 25 mm and minus 12.5 mm crush sizes. After 98 days of leaching, gold extraction ranged from 68% for a Zone 1 sample to 47% for a Zone 2 sample, with sodium cyanide consumption ranging from 0.74 kg/t to 0.91 kg/t and hydrated lime additions ranging from 2.02 kg/t to 2.05 kg/t. After 98 days, the minus 25 mm sample was crushed to 6.3 mm and retested. Indicated cumulative results were 80% from the Zone 1 sample and 66% from the Zone 2 sample.

Column leach tests on the samples from Zone 3 – Upper and Zone 3 – Lower used a 6.3 mm crush size. Results showed recoveries of 79% from the Zone 3 – Lower sample and 60% for the Zone 3 – Upper sample.

Environmental Study

The Company retained Clifton Associates Ltd. to conduct an initial environmental base line study on that portion of the Cerro Prieto Properties which may be relevant to a possible open pit mining operation. The dry season phase of the preliminary base line study was completed and the results indicated that there are no apparent factors which would restrict a potential mining operation.

The Company retained Consultores En Planeacion Estrategica y Mejora Continua S.C. in August 2011 to conduct the wet season study and to prepare an environmental impact statement, risk assessment and change of land use study as required for its application for the appropriate mine operating permits.

As a result of its application, the Company received its Environmental Impact Statement / Manifestacion de Impacto Ambiental (MIA) from the Environmental Protection Authorities (SEMARNAT) and Authorization for the Change of Land Use from forestry to mining usage. The Company has also paid the prescribed environmental compensation fee to activate the Change of Land Use permit.

The receipt of the MIA and authorization for the Change of Land Use provides the Company with the principal permits necessary to build the plant and operate an open pit, heap leach gold and silver project at Cerro Prieto for a period of 10 years, with a right to renew upon application.

Preliminary Economic Assessment

The Company retained Moose Mountain Technical Services ("Moose Mountain"), an independent engineering firm, to prepare a preliminary economic assessment based on the results of the 2008 Phase One and 2009 Phase Two exploration programs.

MINERAL PROPERTIES cont'd
***Preliminary Economic Assessment* cont'd**

The Company also retained Sonoran Resources, LLC ("Sonoran") of Somerton, Arizona to complete capital and operational cost estimates for potential mining operations of the Cerro Prieto deposit based on a 2,000 tonne per day operating output. The Company chose Sonoran to prepare these estimates because they had just completed the successful planning, construction and commissioning of SilverCrest Mines Inc.'s Santa Helena mine located approximately 60 kilometers from Cerro Prieto. The Santa Elena mine has a production rate of 2,500 tonnes per day and has very similar characteristics, with respect to logistics, ore type and extraction techniques, to those of the Cerro Prieto deposit.

The Company provided the updated resource calculation, the metallurgical data and the costing estimates to Moose Mountain for preparation of the Preliminary Economic Assessment. The PEA focuses on extracting the higher grade portion of the oxide zone of the deposit in the initial years of mining operations and demonstrates robust economics using a $1,000 (US) per ounce gold price and an $18 per ounce silver price.

Summary of Estimates:

Base Case ($US1,000/oz. Au and $US18/oz. Ag):

Net Cash Flow:	$US 45.75 million
Net Present Value (NPV) 5% Discount Rate:	$US37.45 million
Internal Rate of Return:	92%
Payback Period:	0.84 years
Mine Life:	8 years
Processing Rate (Minimum):	545,000 tonnes/year
Capital Costs:	$US22.2 million
Cash Costs per Au ounce:	$US430

A Summary of Returns using different gold and silver prices is as follows:

Case	Gold ($US/oz)	Silver ($US/oz)	Undiscounted Cash Flow (millions USD)	NPV at 5% (millions USD)	IRR %	Payback (years)
Base case	$1,000	$18.00	$45.75	$37.45	92	0.84
Base case + 20%	$1,200	$21.60	$70.44	$58.25	129	0.66
Spot price	$1,350	$29.00	$89.54	$74.32	157	0.57

The study was based on measured and indicated resources, using the resource estimate prepared by G. Giroux, P.Eng., that is detailed in a report dated June 10, 2010 and titled (in part) "A Resource Estimation on the Cerro Prieto Project." Economic pit optimization was run using a $1,000 per ounce gold price and an $18 per ounce silver price.

The PEA was conducted by a group of experienced independent consultants under the direction of Qualified Person Jim Gray, P.Eng., of Moose Mountain Technical Services. Additional consultants with input into the PEA include Art Winckers, P.Eng., of A. H. Winckers and Associates Inc. (metallurgy); Jenna Hardy, P.Geo., Principal of Nimbus Management Ltd. (environmental); Rafael Sanchez, of Sonoran Resources LLC (capital and operating costs); and Ken Thorsen, P.Eng., an Oroco director who was responsible for oversight.

Per the PEA, a total of 4,723,000 million tonnes of leach feed could be mined over an eight year period which would consist of three types of material that will differ in methods of processing. The High Grade and Medium Grade ore will be crushed to minus 6.25 mm and will be heap-leached using cyanide. Recoveries from preliminary metallurgical tests are estimated at 77% for gold and 5% for silver.

1. High Grade Heap Leach Ore – Totaling 2,119,000 tonnes, this ore to be mined and processed during the initial four years of mine life and grades 2.08 g/t gold and 26.83 g/t silver.
2. Medium Grade Heap Leach Ore – Totaling 1,791,000 tonnes, to be mined and stockpiled in the first four years, and was scheduled to be processed during the final half of the proposed production period, unless pre-empted by the availability of newly identified higher grade ore.
3. Dump Leach Ore – Totaling 813,000 tonnes, this lower grade ore was to be leached without crushing. Estimates indicated that 40% of the gold and 5% of the silver was recoverable utilizing this extraction method.

Gold equivalent production for the four years of initial operations was estimated to total 112,000 ounces. Cash costs for this initial four year period were estimated at approximately $US400 per ounce.

OPERATING COSTS calculated by Sonoran Resources LLC were as follows:

Operating cost allocations:	$US/Tonne Leach Feed	
Mining ($1.37/t; 3.35:1 strip ratio)	5.96	
Processing	3.55	
Crushing	1.20	
General and Administration	1.00	
Total Operating Costs per tonne of Leach Feed:		**11.71**

CAPITAL COSTS calculated by Sonoran Resources LLC are as follows:

Capital Cost Allocations:	$US (Million)	
Fixed Investments	14.92	
Engineering, Procurement, Construction	1.79	
Contingency (20% of Fixed Investments)	2.98	
Working Capital	2.51	
Total Capital Costs:		**22.20**

MINERAL PROPERTIES cont'd
***Preliminary Economic Assessment* cont'd**

The technical report demonstrating the supporting information for the PEA was completed and filed on SEDAR by January 28th, 2011. It was also posted on the Oroco web site. Included in the report are the following recommendations:

1. Further metallurgical tests to quantify the recovery of metals from the low grade uncrushed ore.
2. Further metallurgical tests intended to identify methods by which the recovery rate of the silver from the ore may be increased.
3. Further exploration to the immediate south of the current resource with the intention of adding near term resources.
4. Further exploration directly north of the deposit to more positively define the size and grade of resources that currently show a prohibitive strip ratio if mined on an open pit basis, but may be possible to extract by an adit from the pit highwall proposed in the current PEA.
5. Further exploration along the cumulative 15 kilometer strike extensions to the north and south of the structure that hosts the Cerro Prieto deposit, including at Cerro Prieto North (five kilometers north of the proposed open pit) where the company has defined mineralization on surface of similar tenure to the Cerro Prieto mineralization.
6. Further environmental field work to conclude studies required for permitting.

The PEA was preliminary in nature and while this assessment did not included Inferred Mineral Resources the engineering parameters of the project are at scoping level. As such they are considered too speculative to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves. There was no certainty that all or any part of the mineral resource would be converted into mineral reserves.

Subsequent to the receipt of the PEA report, the Company engaged Sonoran to conduct preconstruction activities. A formal contract to complete all engineering, procurement, and construction management has been finalized with Sonoran.

South Extension Sampling and Drilling Program

On March 7, 2011 the Company announced that it had extended the mineralized zone over 500 meters to the south from the current resource area which was the subject of the previously described preliminary economic assessment.

The Company conducted a surface sampling program from Line 150N (the southern edge of the resource area) along approximately 500 meters of strike extension to line 350S. The samples were taken only where the mineralized zone was exposed and no attempt was made to extend those exposures.

The assay results from the samples from 150 N to 000 were included in a press release on November 28, 2008 reporting the results of surface sampling from 000 to 1250 N.

The results of the sampling program formed the basis for a drill program that commenced in December, 2011 and was completed in April of 2012. The program consisted of 1,678.35 meters

MINERAL PROPERTIES cont'd

South Extension Sampling and Drilling Program cont'd

in 18 diamond drill holes and tested a strike length of 500 meters at 50 meter intervals along strike to vertical depths up to 100 meters. Complete results are presented in the following table.

HOLE	SECTION	FROM	TO	LENGTH*	AU	AG	PB	ZN
NO.		(m)	(m)	(m)	(g/t)	(g/t)	(%)	(%)
CP067	100N	72.50	82.85	10.35	0.650	14.2	0.25	0.86
incl		73.50	81.40	7.90	0.782	16.2	0.32	0.97
CP068A	100N	35.85	47.05	11.20	0.599	15.8	0.42	0.57
incl		40.40	47.05	6.65	0.831	19.6	0.45	0.61
CP069	050N	50.50	53.50	3.00	0.306	2.1	0.12	0.58
CP070	0	68.00	70.50	2.50	0.314	36	0.65	0.26
CP071	0	40.15	44.50	4.35	0.292	2.2	0.05	0.11
		46.25	47.80	1.55	0.201	4.4	0.05	0.09
		52.35	55.20	2.85	0.280	4.2	0.45	0.51
CP072	50S	70.00	74.50	4.50	0.109	67.5	0.21	0.47
CP073	100S	59.80	62.25	2.45	0.370	6.5	0.51	0.87
CP074	100S	89.30	93.00	3.70	0.310	42.4	0.37	1.20
incl		89.30	90.80	1.50	0.615	8.4	0.18	0.37
		100.00	101.50	1.50	0.208	0.6	0.08	0.04
CP075	150S	92.00	100.00	8.00	0.471	2.8	0.48	1.13
incl		94.50	96.00	1.50	0.958	6.4	1.13	2.48
CP095	200S	55.00	59.10	4.10	0.29	2.7	0.07	0.22
		74.00	89.00	15.00	0.50	32.9	0.27	0.52
incl		84.50	89.00	4.50	0.83	99.1	0.68	1.03
CP096	200S	83.00	85.40	2.40	0.79	34.6	0.21	0.58
		94.00	97.00	3.00	0.28	2.7	0.44	0.91
		106.00	110.50	4.50	0.54	1.9	0.24	1.01
		113.50	115.00	1.50	0.56	0.8	0.07	0.18

MINERAL PROPERTIES cont'd

South Extension Sampling and Drilling Program cont'd

HOLE NO.	SECTION	FROM (m)	TO (m)	LENGTH* (m)	AU (g/t)	AG (g/t)	PB (%)	ZN (%)
CP097	250S	67.00	76.00	9.00	3.29	93.2	0.38	0.58
incl		68.50	71.50	3.00	7.32	201.0	0.36	0.72
		88.00	92.50	4.50	0.67	4.3	0.11	0.30
		109.00	121.65	12.65	0.45	2.1	0.15	0.47
CP098	300S	43.40	52.55	9.15	0.57	7.20	0.07	0.26
		63.05	66.05	3.00	2.31	12.70	0.27	0.55
		105.00	106.00	1.00	0.90	3.80	0.05	0.10
CP099	300S	76.00	79.00	3.00	0.30	3.6	0.14	0.39
		89.60	92.00	2.40	0.30	36.7	0.78	2.25
		132.00	133.50	1.50	0.62	0.8	0.01	0.10
		142.50	145.40	2.90	0.29	1.8	0.08	0.37
CP100	350S	45.50	57.00	1.50	0.25	46.5	0.19	0.07

<u>* Lengths in this table are intersected lengths and not true thicknesses. True thickness will be equal or less than the reported length.</u>

Pre-Contstruction Program and Activities

2011 and 2012 Infill Drilling

The Company drilled 20 holes (1,891.25 meters) from December 2011 to April 2012 as an infill program in the area containing the current resource. This was done to better define the underground voids left by historical mining and to gain greater certainty of the resource grade in the area from which the Company anticipated the initial ore production. The 20 drill holes intersected only five voids of significance (> 1.5 meters), which is fewer than had been modeled, suggesting that less of the higher grade material has been removed by historical mining than was initially projected.

Results of the holes are presented in the following table:

Hole	**From** (m)	**To** (m)	**TT *** (m)	**Au** (g/t)	**Ag** (g/t)	**Pb** (%)	**Zn** (%)
SECTIION	**225N**						
CP093	9.00	12.80	2.69	0.23	1.5	0.04	0.15
	31.50	41.50	7.07	1.44	7.5	0.08	0.76
CP094	47.50	58.50	5.50	1.11	3.0	0.16	0.34
	52.00	57.20	2.60	1.98	3.8	0.19	0.32

MINERAL PROPERTIES cont'd
Pre-Construction Program and Activities cont'd
***Infill Drilling* cont'd**

Hole	**From** (m)	**To** (m)	**TT *** (m)	**Au** (g/t)	**Ag** (g/t)	**Pb** (%)	**Zn** (%)
SECTION 275N							
CP091	3.00	4.50	0.92	0.75	2.3	0.12	0.25
	13.35	25.50	7.48	2.16	8.6	0.07	0.17
incl	13.35	15.25	1.17	6.67	6.2	0.05	0.13
and	19.45	22.50	1.89	3.89	18.7	0.07	0.22
CP092	26.00	30.00	2.46	2.30	4.3	0.18	0.49
	53.50	62.15	5.33	0.50	4.6	0.08	0.19
incl	55.50	58.50	1.85	0.97	4.1	0.09	0.25
SECTION 375N							
CP090	1.50	9.15	4.71	1.58	1.6	0.06	0.14
	38.10	42.65	2.80	1.46	10.9	0.07	0.27
	42.65	Hole	abandoned	at 3.70 m	TT void		
SECTION 425N							
CP088	11.40	13.40	1.23	2.32	22.9	0.04	0.09
incl.	17.50	26.00	5.24	2.10	112.1	0.11	0.22
and	18.40	25.20	4.19	2.57	126.7	0.13	0.24
CP088A	11.50	14.00	1.54	0.45	11.7	0.05	0.11
	17.00	26.00	5.54	2.17	155.0	0.13	0.21
	18.60	24.00	3.33	3.34	236.3	0.19	0.30
SECTION 450N							
CP087	17.50	24.00	4.00	11.26	7.0	0.04	0.16
incl	17.50	23.00	3.39	13.25	7.6	0.04	0.14
incl	19.00	22.00	1.85	19.70	9.6	0.03	0.15
	28.50	32.65	2.56	2.23	94.5	0.16	0.29
SECTION 475N							
CP086	16.00	21.00	3.08	0.40	2.8	0.10	0.18
	24.00	32.00	4.93	2.59	8.4	0.09	0.08
	27.00	32.00	3.08	3.71	12.4	0.12	0.08
	32.00	34.50	1.54	void			
	37.75	45.50	4.77	1.106	49.9	0.13	0.28

MINERAL PROPERTIES cont'd
Pre-Construction Program and Activities cont'd
***Infill Drilling* cont'd**

Hole	**From** (m)	**To** (m)	**TT *** (m)	**Au** (g/t)	**Ag** (g/t)	**Pb** (%)	**Zn** (%)
CP089	42.30	54.00	7.21	4.59	17.1	0.53	2.05
incl	43.80	49.30	3.39	8.85	14.9	0.60	2.97
	54.00	61.00	4.31	0.15	353.3	0.68	0.86
	57.95	65.00	4.34	0.27	182.4	0.18	0.38
	79.30	94.55	9.39	2.29	6.0	0.14	0.28
incl	79.30	82.35	1.88	3.43	4.8	0.05	0.16
and	91.00	94.55	2.19	6.15	9.5	0.17	0.40
	94.55	Hole abandoned at 4.31 m TT void					
SECTION 525N							
CP79	44.00	60.50	14.93	1.44	36.5	0.05	0.15
incl	45.50	49.75	3.85	2.50	22.3	0.05	0.12
	64.50	73.00	7.69	1.97	44.5	0.31	1.69
incl	66.00	71.50	2.26	2.89	67.7	0.35	2.49
SECTION 550N							
CP080	41.25	44.00	2.49	0.69	27.5	0.06	0.18
	53.00	72.90	18.01	0.95	9.3	0.12	0.68
incl	53.00	60.25	6.56	1.26	12.0	0.11	0.85
	77.40	87.90	9.50	1.61	3.6	0.04	0.09
incl	80.40	83.40	2.72	4.63	2.7	0.02	0.07
CP085	38.15	44.00	4.17	0.75	0.8	0.05	0.17
	137.45	151.25	9.84	0.35	328.7	0.78	2.61
incl	141.70	146.80	3.64	0.26	818.5	1.23	4.86
	151.25		Hole abandoned at 11.23 m TT void				
SECTION 575N							
CP081	9.50	14.50	4.53	0.93	46.6	0.06	0.07
incl	9.50	13.00	3.17	1.23	58.3	0.07	0.09
incl	17.00	27.75	9.73	0.35	49.8	0.07	0.09
	Hole lost in broken ground. Re-drilled as CP081B						
CP081B	10.00	14.60	4.16	1.65	76.1	0.09	0.06
incl	11.00	13.10	1.90	2.94	128.5	0.12	0.08
	19.00	38.00	17.20	0.73	45.6	0.09	0.18
incl	32.00	38.00	5.43	1.47	34.0	0.10	0.27
	42.00	44.50	2.26	2.35	59.1	0.21	0.51
	65.00	69.00	3.62	4.25	2.9	0.13	0.49

MINERAL PROPERTIES cont'd
Pre-Construction Program and Activities cont'd
***Infill Drilling* cont'd**

Hole	From (m)	To (m)	TT * (m)	Au (g/t)	Ag (g/t)	Pb (%)	Zn (%)
SECTION 575N cont'd							
CP083	53.50	62.50	5.54	0.35	13.1	0.11	0.41
	69.00	72.50	2.16	0.75	49.9	0.14	0.38
	76.50	88.05	7.11	3.85	57.8	0.15	0.46
incl	76.50	84.00	4.62	5.32	81.1	0.15	0.29
SECTION 600N							
CP078B	1.50	4.30	2.53	2.08	52.1	0.07	0.11
	19.00	21.50	2.26	0.56	34.0	0.14	0.29
	30.55	32.00	1.31	0.29	40.9	0.06	0.11
	32.00	38.60	5.97	void			
	38.60	40.00	1.27	0.31	24.0	0.11	0.29
CP082	Hole lost at 5.2 m TT void						
CP084	68.50	74.00	3.39	0.68	1.5	0.10	0.26
	127.50	133.50	3.70	0.41	1.2	0.08	0.23
	138.00	165.50	16.94	2.31	14.4	0.20	0.41
incl	141.20	159.50	11.27	3.27	9.1	0.17	0.32
incl	141.20	148.00	4.19	5.36	20.8	0.22	0.47
SECTION 625N							
CP077	32.60	41.50	8.05	4.17	8.1	0.22	0.36
incl	34.80	38.50	3.35	8.08	10.0	0.27	0.34
SECTION 650N							
CP076	8.50	13.50	4.53	0.64	33.3	0.11	0.12
incl	39.80	42.85	2.76	1.89	4.6	0.10	0.22

- - TT means true thickness

Condemnation Drilling

Three diamond drill holes (301.4 m) were completed as condemnation holes in the plant site and leach pad areas. No visible signs of mineralization were noted.

Engineering, Procurement and Construction Management ("EPCM")

After receipt of positive results from the Preliminary Economic Assessment, the Company began to introduce the components necessary to advance the Cerro Prieto Project to production.

A preliminary agreement was signed early in 2011 with Sonoran Resources which contracted Sonoran to prepare the project for production. On August 30, 2011 the Company announced the signing of the final Engineering, Procurement and Construction Management ("EPCM") agreement with Sonoran. Under the terms of the agreement Sonoran was to provide all services

MINERAL PROPERTIES cont'd
Pre-Construction Program and Activities cont'd
***Engineering, Procurement and Construction Management ("EPCM")* cont'd**

with respect to construction of the mine through to "first pour." In consideration for these services, beginning upon commencement of construction of the mine, the Company was to pay Sonoran a monthly fee of US$ 260,900 to a maximum aggregate of US$3,130,800. In addition, subject to the approval of the TSX Venture Exchange and the successful completion of a series of construction milestones, the EPCM required the Company to issue to Sonoran an aggregate total of 1,000,000 common shares of the Company and 500,000 options to purchase common shares of the Company at a price of $0.30 per share for a period of three years from the date of the EPCM agreement.

Surface Rights

On June 17, 2011, the Company entered into a lease agreement (the "Lease Agreement") for a seven year lease of a 1,050 hectare parcel of surface rights over the Cerro Prieto Project, with the option for two consecutive five year extensions. Pursuant to the Lease Agreement, the Company paid the leasor the aggregate lease rate of US$2,000,000 for the initial seven year term in advance by installments.

On November 25, 2011, the Company acquired a registered road and utilities right of way over the neighboring ranch to the west of the Cerro Prieto Project. This right of way will allow the direct road and utilities access to the Cerro Prieto Project from the closest public road, a distance of approximately six kilometers.

Pre-Construction Activities

The following on site activities have been completed:

1) Metallurgical testing has been completed by McClelland Laboratories Inc. of Sparkes, Nevada to enhance the metallurgical tests previously completed.
2) A proposal has been accepted from CFE (government electricity company) to construct a power line to the project;
3) A weather station has been constructed;
4) An airborne photogrammetric survey has been completed;
5) Plans for a powder magazine have been submitted;
6) Receipt of the Environmental Impact Statement / Manifestacion de Impacto Ambiental (MIA) and approval for the Change of Land Use from forestry to mining, and payment of the related environmental compensation fee, which jointly provide the Company the principal permits necessary to build and operate an open pit, heap leach gold and silver mining operation for a period of 10 years, with a right to renew upon application;

   Acquisition of a right of way for road and utilities access across the ranch to the west of the Cerro Prieto Project connecting the project to the nearest public road;
7) Deconstruction of corrals and other infrastructure that will be effected by mine construction;

8) Construction of perimeter fencing;
9) Relocation of vegetation pursuant to the requirements of the Change of Land Use partially completed;
10) Acid generation tests;
11) Electromagnetic surveys to locate a near surface aquifer;
12) Drilling of condemnation holes (see *Condemnation Drilling* above); and
13) A new access road to the mine site.

Financing Activities

By a loan agreement dated June 15, 2011 (the "Loan Agreement"), the Company borrowed US$750,000 (the "Bridge Loan") from a wholly-owned subsidiary of a private New York institutional investor ("NY Investor") for the purpose of paying the first lease payment required pursuant to the Lease Agreement. The Bridge Loan was for a term of 180 days unless otherwise repaid earlier from the Prepayment Funds, and was secured by a general security agreement on the assets of the Company and a pledge of its shares in its subsidiaries. The Company paid an origination fee of US$45,000 to the lender, but the Bridge Loan bore no interest during its term.

On August 29, 2011, the NY Investor exercised its option under the Loan Agreement to advance a further bridge loan of US$1,721,440, being sufficient funds to pay the second installment of US$1,400,000 due under the Lease Agreement, the associated 16% value added tax and the lender's 6% origination fee. In accordance with the terms of the Loan Agreement, upon the New York Investor advancing the further US$1,721,440, the Bridge Loan and the further bridge loan became due upon demand from the New York Investor.

On May 2, 2012, per the indicative term sheet signed on April 13, 2012 between the Company and the US Investor, the Company issued two debentures (the "Debentures") in the aggregate amount of $3,750,000 to affiliates of the US Investor (the "Holders"). The Debentures have a term of two years and bear interest at a rate of 10% per annum payable semi-annually. The Debentures are convertible into units at a price of $0.25 per unit, with each unit being comprised of one common share of the Company and one half of one share purchase warrant. Each whole warrant will entitle the holder to purchase one common share of the Company at a price of $0.40 per share for a period of two years from the date of issuance of the Debenture. The Holders may declare the principal amount due and payable if: (i) the first tranche of funds under a Gold Prepayment Agreement has not been drawn prior to November 1, 2012 (requiring the Company to first enter into the Gold Prepayment Agreement), (ii) the Company provides notice to the Holder that it will not complete the Gold Prepayment Agreement; or (iii) the Company completes one or more equity financings greater than $4 million in the aggregate other than an equity offering intended to finance the balance of the capital necessary to construct the mine at Cerro Prieto. In the event of any of (i) to (iii) above, the Company shall also be required to pay a break fee to the Holders in the total amount of $270,000 (the "Break Fee").

MINERAL PROPERTIES cont'd
Pre-Construction Program and Activities cont'd
Financing Activities cont'd

The Company did not draw the first tranche of funds under the Gold Prepayment Agreement prior to November 1, 2012 and therefore the Break Fee clause was triggered. Nor did the Company pay the interest due on the Debentures. The Company received a notice of default from the Holders with regard to failure to draw the first tranche under the Gold Prepayment Agreement and the outstanding interest. The Company paid, during the current quarter, the Break Fee, its related interest and the interest due on the principal to October 31, 2012.

On November 16, 2012 the Company entered into a term sheet with Waterton Global Value L.P. ("Waterton") whereby Waterton committed to provide a secured $5 million convertible debt facility to Oroco (the "Facility"). The Facility was to have a term of two years and a coupon rate of 10% per annum. The Facility amount was to be convertible into shares of the Company at a deemed price of $0.25 per share. If the Company pre-paid the Facility amount in whole or in part prior to its maturity date, the amount of pre-payment was to be 115% of the Facility amount being pre-paid, including accrued interest, which would increase to 130% if the Company were to lose the current amparo petitions with regard to the Xochipala Property (which are described in Xochipala Property section above). Waterton was entitled to call for repayment of the Facility, with the premium mentioned above, in the event there was a change of control of the Company. If the Facility was pre-paid before its maturity date or if there was a change in the Company's ownership or interest in the Xochipala Property other than as a result of the current amparo, the Company was required to transfer a 12.5% interest in the Xochipala Property to Waterton and grant it an option to earn a further 10% interest by funding $1,250,000 in exploration expenditures on the property. The Company intended to use the Facility to repay the Debentures. Closing of the Facility was delayed pending the issuance by the Public Mining Registry in Mexico of certificates of title for the Company's mineral concessions.

In January, 2013, prior to closing the Facility, the Company was approached by Goldgroup Mining Ltd. ("Goldgroup") with regard to an acquisition of the Cerro Prieto Project. After negotiating the terms of a conditional sale of the Cerro Prieto Project to Goldgroup, the Company advised Waterton that it would not proceed with the Facility. Pursuant to the terms of the term sheet with Waterton, the Company paid Waterton a break fee of $150,000 during the quarter and reimbursed it for $91,700 of expenses subsequent to the end of the quarter.

Salvador Property, Guerrero State, Mexico

The Salvador Property is a 100 hectare mining concession 100% owned by Minera Xochipala which lies approximately 25 kilometers to the west of the Xochipala Property and approximately 30 kilometers west of Chilpancingo, Guerrero. The Salvador property also hosts skarn mineralization associated with felsic intrusions similar to mineralization in the known ore deposits in the area.

At the completion of the initial exploration on the Xochipala Property, the company intends to conduct a preliminary mapping and sampling program on the Salvador Property. The Company decided to write off costs of $113,010 attributed to the Salvador property as at May 31, 2009.

RESULTS OF OPERATIONS

For the nine months ended February 28, 2013, the Company recorded a loss of $2,007,464 (2012 - $1,315,922) or $0.03 per share (2012 - $0.02). The Company has no income producing assets and has not reported any revenue from operations. The Company is considered to be in the development stage.

RESULTS OF OPERATIONS cont'd

The Company is focused on the exploration of the Xochipala Concessions and completing the indirect sale of the Cerro Prieto Project to Goldgroup (see Subsequent Events).

For the nine months ended February 28, 2013, the Company incurred $288,558 (2012-Nil) of interest costs on the Debenture, consulting fees of $85,195 (2012 - $455,071), management and directors fees of $197,750 (2012-$170,000), and professional fees of $295,360 (2012- 230,296) as it continued to develop its Cerro Prieto Project and pursue protection of its interest in the Xochipala Property and a surface mapping and sampling program on it.

For the nine months ended February 28, 2013, the Company expensed stock-based compensation of $45,000 (2012 - $158,821), with $45,000 (2012 - $34,000) being charged to investor relations, $Nil (2012 - $8,500 being charged to professional fees, $Nil (2012 - $34,000) being charged to management fees and with $Nil (2012 - $82,321) being charged to consulting fees.

General and administrative expenses incurred during the three months ended February 28, 2013 of $749,614 was higher than for the same quarter in the previous year of $422,149, due to finance and break fees related to the Debentures and the Waterton Facility incurred during the current quarter.

SELECTED QUARTERLY RESULTS

Quarter	Feb. 28, 2013	Nov 30, 2012	Aug 31, 2012	May 31 2012	Feb. 29, 2012	Nov 30, 2011	Aug 31, 2011	May 31, 2011
Loass from operations	749,614	841,459	457,853	671,594	422,149	390,955	474,249	385,400
Other income	21,084	12,460	7,918	(30,308)	74,750	(52,193)	(51,126)	(7,340)
DIT recovery				(133,700)				
Net loss for the period	728,530	828,999	449,935	568,202	347,399	443,148	525,375	392,740
Net loss per share	0.01	0.01	0.01	0.03	0.01	0.01	0.01	0.01
Total assets	15,245,546	15,216,195	14,649,063	15,010,485	13,963,333	13,202,608	12,202,642	9,091,432
Total Liabilities	4,070,058	4,359,787	3,697,606	3,609,093	3,465,218	2,999,471	2,756,223	264,216

Significant variation in the Loss from operations in the two most current quarters is due primarily to break fees and interest expense accrued in relation to the Debentures, the break fee associated with the uncompleted Waterton Facility and professional fees and filing fees related to the Debentures, the Waterton Facility and Goldgroup transaction. Significant variation in Total Liabilities in the current quarter is due mostly to accumulated interest due on the Debentures. Significant variation in Loss from operations for the quarter ending May 31, 2012 is due to the reclassification and inclusion of accrued interest on debt. Significant variation in total assets for

SELECTED QUARTERLY RESULTS cont'd

the quarters ending August 31, 2012, May 31, 2012, November 30, 2011, August 31, 2011 and May 31, 2011 are due to proceeds from the Debentures, and proceeds from the November 2011, July 2011 and March 2011 private placements respectively and, for the quarter ending May 31, 2011, from the exercise of share purchase warrants from previous private placements. The Company also incurred and capitalized significant expenditures on the Cerro Prieto Property during those quarters.

The fluctuations in other income over the quarters is due to gains and losses on foreign currency fluctuations between the Canadian Dollar and Mexican Peso.

Significant variation in total liabilities beginning in the quarter ending August 31, 2011 is due to the Bridge Loan, which was received and repaid during the year ended May 31, 2012, and to the Debentures issued by the Company to repay the Bridge Loan, fund the ongoing exploration of the Cerro Prieto Property and pay general and administrative expenses. The deferred income tax recovery ("DIT") recorded in the quarter ended May 31, 2012 is associated with the Debentures.

LIQUIDITY AND CAPITAL RESOURCES

As of February 28, 2013, the Company had a working capital deficit of $3,470,898 as compared to the year ended May 31, 2012 when the Company had a working capital deficit of $2,382,520. Cash in the bank was $431,877 at February 28, 2013.

On November 23, 2011, the Company completed a private placement of 4,772,000 units at a price of $0.25 per unit to raise gross proceeds of $1,193,000. Each unit consists of one common share and one half of one non-transferable common share purchase warrant with each whole warrant exercisable into one additional common share for a period of eighteen months at a price of $0.40 per share.

On March 22, 2012, the Company completed a private placement of 5,991,800 units (including 121,800 units paid as finders fees) at a price of $0.25 per unit to raise gross proceeds of $1,467,500. Each unit consists of one common share and one half of one non-transferable common share purchase warrant with each whole warrant exercisable into one additional common share for a period of eighteen months at a price of $0.40 per share.

On April 12, 2012 the Company, with the approval of the TSX Venture, amended the terms of 1,000,000 outstanding warrants by extending their term from April 14, 2012 to October 14, 2012. There has been no change to the exercise price of $0.30 per share.

On May 2, 2012, pursuant to the Term Sheet, the Company the Debentures, in the aggregate amount of $3,750,000, to affiliates (the "Holders") of the US Investor. The Debentures have a term of two years and bear interest at a rate of 10% per annum payable semi-annually. Each whole warrant will entitle the holder to purchase one common share of the Company at a price of $0.40 per share for a period of two years from the date of issuance of the Debenture.The Holders may declare the principal amount due and payable if: (i) the first tranche of funds under the Gold Prepayment has not been drawn prior to November 1, 2012**,** (ii) the Company provides notice to the US Investor that it will not complete the Gold Prepayment; (iii) the Company completes one or more equity financings greater than $4 million in the aggregate other than an equity offering intended to finance the balance of the capital necessary to construct the mine at Cerro Prieto. In

LIQUIDITY AND CAPITAL RESOURCES (cont'd)

the event of (i) to (iii) above, the Company shall also be required to pay a break fee to the Holders in the total amount of $270,000. The Debentures are convertible into units at a price of $0.25 per unit, with each unit being comprised of one common share of the Company and one half of one share purchase warrant.

The Company paid finders' fees of $56,250 in connection with the issuance of the debentures. If a Holder exercises its right of first refusal to participate in any Equity Offering, the Holder may declare that amount of the principal amount of the Debenture equal to the total purchase price of the equity it is purchasing in the Equity Offering to be immediately due.

On September 12, 2012 the Company, with the approval of the TSX Venture, amended the terms of 1,970,667 outstanding warrants by extending their term from September 12, 2012 to March 12, 2013. There has been no change to the exercise price of $0.45 per share.

On October 13, 2012 the Company, with the approval of the TSX Venture, amended the terms of 2,125,000 outstanding warrants by extending their term from October 26, 2012 to April 26, 2012. There has been no change to the exercise price of $0.42 per share.

On December 21, 2012, the Company completed a private placement of 3,571,250 units (at a price of $0.20 per unit to raise gross proceeds of $714,250. Each unit consists of one common share and one half of one non-transferable common share purchase warrant with each whole warrant exercisable into one additional common share for a period of eighteen months at a price of $0.35 per share.

On February 4, 2013, pursuant to the terms of letter agreement with Goldgroup with regard to a conditional sale of the Cerro Prieto Project (see PROPOSED TRANSACTIONS below), the Company completed a private placement to Goldgroup of 5,000,000 units at a price of $0.20 per unit to raise gross proceeds of $1,000,000. Each unit consists of one common share and one non-transferable common share purchase warrant with each warrant exercisable into one additional common share for a period of two years at a price of $0.25 per share.

OUTLOOK

The Company has as its main asset a property with regard to which the Company has entered into an agreement of sale with Goldgroup, subject to the approval of the shareholders of the Company and the TSX Venture Exchange. The consideration for the Disposition will be paid in instalments, most of which are based on the production of gold from the Cerro Prieto Project. The Company has also received notices of default with regard to the Debentures, in the aggregate principal amount of $3.75 million.

The Company recently obtained registration of its interest in the Xochipala Property, which registered title is the subject of two "amparo" petitions (one filed by the Company). The Company intends to commence the exploration of the Xochipala Property following obtaining a favourable outcome to the amparos.

The outlook for the Company is strongly tied to its ability to complete the Disposition in order to acquire the funds required to settle the Debentures and to fund the exploration of the Xochipala Property.

OFF BALANCE SHEET ARRANGEMENTS

The Company currently has no off-balance sheet arrangements that would potentially affect current or future operations, or the financial condition of the Company.

TRANSACTIONS WITH RELATED PARTIES

During the nine months ended February 28, 2013, the Company entered into transactions with related parties as follows:

(a) paid or accrued consulting and directors fees totalling $120,250 to a company controlled by Craig Dalziel, President and CEO of the Company, and to Mr. Dalziel directly for Mr. Dalziel's services as President, CEO and director of the Company;

(b) paid or accrued professional and consulting fees totalling $99,000 to David Rose, Corporate Secretary of the Company, for legal and management consulting services provided to the Company;

(c) paid or accrued consulting and directors fees totalling $16,950 to a company controlled by Ken Thorsen, Chairman of the Board of Directors, and to Ken Thorsen directly, for Mr. Thorsen's services as a geological consultant and director;

(d) paid or accrued consulting and directors fees totalling $33,250 to a company controlled by Steve Vanry, Chief Financial Officer of the Company, and to Mr. Vanry directly, for his services as Chief Financial Officer and director;

(e) paid or accrued directors fees totalling $7,750 to Stephen Leahy;

(f) paid or accrued directors fees totalling $7,250 to Robert Friesen.

As at February 28, 2013, $227,682 (February 29, 2012 - $225,445) was owing to officers and directors for directors, management, legal and accounting fees. These charges were measured by the exchange amount, which is the amount agreed upon by the related parties. The amounts owing are unsecured, non-interest bearing and have no fixed repayment terms. The above transactions were incurred in the normal course of operations and are recorded at the exchange amount, being the amount agreed upon by the transacting parties.

CONTRACTUAL OBLIGATIONS

Pursuant to a lease agreement dated May 25, 2007, as amended September 15, 2008, the Company has a commitment relating to its head office lease which expires in August, 2013.

On June 17, 2011, the Company entered into a lease agreement (the "Lease Agreement") for a seven-year lease of a 1,000 hectare parcel of surface rights over the Cerro Prieto Project, with the option for two consecutive five year extensions. Pursuant to the Lease Agreement, the Company paid the lessor the aggregate lease rate of US$2,000,000 in advance for the initial seven year term in two instalments: US$600,000 at the time of signing and the remaining US$1,400,000 on September 9, 2011.

By an agreement dated August 18, 2011 ("the EPCM Agreement"), the Company retained Sonoran Resources, LLP and its wholly owned Mexican subsidiary ("Sonoran"), to provide

CONTRACTUAL OBLIGATIONS cont'd

equipment procurement and construction management services for the construction of an open pit, heap leach gold mine and refinery at the Company's Cerro Prieto property. Under the terms of the EPCM Agreement, Sonoran will provide all necessary engineering, procurement and construction management services related to the construction of the mine and refinery through to "first-pour". In consideration, the Company will pay Sonoran a flat monthly fee of US$260,900, to a maximum aggregate of US$3,130,800 and, subject to the successful completion of a series of milestones, up to an aggregate total of 1,000,000 common shares of the Company and 500,000 options to purchase common shares of the Company at a price of $0.30 per share for a period of 3 years from the date of the EPCM Agreement.

The Company has no material capital lease agreements and no material long term obligations other than those described above or in the description of mineral properties.

PROPOSED TRANSACTIONS

On January 24, 2013 the Company entered into a binding letter agreement (the "Letter Agreement") with Goldgroup Mining Inc., pursuant to which the Company agreed to sell to Goldgroup (the "Disposition") a 100% interest in Minas de Oroco in consideration of an aggregate purchase price of $18,000,000 U.S. dollars (the "Purchase Price"). In addition, Goldgroup will subscribe for 5 million units in the equity of the Company at a price of $0.20 per unit, for an aggregate price of $1,000,000 (completed – see LIQUIDITY AND CAPITAL RESOURCES above). Each unit is comprised of one common share and one share purchase warrant which is exercisable into one additional common share for a period of 2 years at a price of $0.25.

On April 8, 2013, pursuant to the terms of the Letter Agreement, the Company entered into the debt assignment and share purchase agreement (the "Goldgroup Agreement") with Goldgroup, which agreement sets out the terms and conditions of the Disposition in greater detail. The Disposition is effected by an assignment of the inter-corporate debt, as it will be at the time of closing (approximately $12 million), owed to the Company by Minera Polimetalicos Mexicanos, S.A. ("Polimetalicos"), the sale of a 100% interest in and to Polimetalicos and the sale of the 2% interest (1 of 50 shares) in and to Minas de Oroco Resources, S.A. de C.V. ("MOR") held by Minera Xochipala, S.A. de C.V. ("Minera Xochipala") to Goldgroup (the "Disposition").

On April 8, 2013, pursuant to the Letter Agreement, the Company entered into a debt assignment and share purchase agreement with Goldgroup with regard to the indirect sale of a 100% interest in the Company's Cerro Prieto Project located in northern Sonora State, Mexico (the "Disposition"). Those mineral concessions which comprise the Cerro Prieto Project, along with two other minor concessions, are held by the Company's subsidiary, Minas de Oroco Resources, S.A. de C.V. ("MOR"). The sale is effected by:

(a) an assignment by the Company to Goldgroup of the inter-corporate debt, as it will be at the time of closing (approximately $12 million), owed by Minera Polimetalicos Mexicanos, S.A. ("Polimetalicos") to the Company;

(b) the sale by the Company to Goldgroup of a 100% interest in and to Polimetalicos (Polimetalicos holds a 98% interest in MOR); and

PROPOSED TRANSACTIONS cont'd

(c) the sale by the Company's subsidiary, Minera Xochipala, S.A. de C.V. to Goldgroup of a 2% interest (1 of 50 shares) in and to MOR (the "Disposition").

In consideration, Goldgroup will make aggregate cash payments to the Company of $18,000,000 (all amounts in United States dollars) to be paid as follows:

(a) $4,500,000 on closing of the sale;

(b) $150 will be paid to the Company for each of the first 90,000 ounces of gold produced from the Properties, such payments to be made quarterly in arrears as gold is produced, subject to:

   (i) quarterly payments commencing no later than March 31, 2014;

   (ii) commencing with the quarterly payment due March 31, 2014, each quarterly payment shall be a minimum of $625,000 (the "Minimum Payment"); and

   (iii) if 1,000 ounces of gold have not been produced from the Properties ("Commercial Production") by January 1, 2014, then the Minimum Payment for each of the first two quarters of 2014 will be decreased to $250,000, the Minimum Payment for the third quarter of 2014 will be $625,000 and the Minimum Payment for the fourth quarter of 2014 will be increased to $1,375,000;

(c) Goldgroup shall make each quarterly payment pursuant to the above until the $18,000,000 is paid in full. However, the Minimum Payment obligations shall be suspended during any period in which production is "permanently stopped". Production will be considered to be "permanently stopped" if, at any time after Commercial Production has commenced, there have been no mining activities on the Properties for at least the prior three calendar months and Goldgroup has no current intention or plan to recommence mining at any time anywhere on the Properties. If Goldgroup recommences production after this, the Minimum Payment obligations will also recommence; and

(d) Goldgroup shall assume from the Company the obligation to pay a 2% net smelter royalty return on the production from the San Felix and San Francisco mineral concessions.

The Company shall pay to Goldgroup, within 14 business day following such event, a break fee equal to $500,000 (the "Break Fee"), if, prior to the closing of the Disposition:

(a) the Company provides written notice to Goldgroup of its intention not to proceed, unless it does so by mutual agreement or if certain pre-conditions to closing in favour of the Company, including the truthfulness of Goldgroup's warranties and representations, the deposit of the Initial Payment into escrow and the receipt of all required regulatory consents, are not fulfilled;

(b) the Company announces the sale of Polimetalicos or MOR to a third party or a change of control of the Company; or

PROPOSED TRANSACTIONS cont'd

(c) if, due to the actions or inactions of the Company and not of Goldgroup, closing of the Disposition does not occur by June 30, 2013**.**

If the Break Fee is payable, Goldgroup may, at its option, take payment in cash or in common shares of the Company priced at the market price as defined in the policies of the TSX Venture Exchange, or a combination of cash and common shares.

The Company also agreed to provide Goldgroup access to the Properties prior to closing, in order for Goldgroup to perform activities related to putting the Properties into production. Goldgroup will be responsible for the cost of all work done on the Properties and required to indemnify MOR and hold it harmless from any liability it may incur as a result of any work or action by Goldgroup on the Properties. If the closing of the debt assignment and sale does not close for reasons which result in the Company being obligated to pay the break fee, MOR will reimburse Goldgroup for up to $1,000,000 of expenses incurred by Goldgroup for such improvements to the Properties as are approved in advance by the Company. In such event, the Company will also grant Goldgroup a non-possessory pledge on the shares of MOR, giving Goldgroup a claim on any proceeds from a direct or indirect sale of the Properties. However, Goldgroup's legal recourse for recovery of the reimbursement is limited to a claim against the proceeds of a direct or indirect sale of the Properties. Neither the Company nor MOR will be obligated to reimburse Goldgroup for expenditures on the Properties if the Disposition does not close for reasons which do not result in the Company being obligated to pay the break fee.

The sale is subject to Oroco obtaining binding lock-up agreements from shareholders representing not less than 22% of the outstanding shares of the Company (completed), the approval of the shareholders of the Company, regulatory approval, including that of the TSX Venture and the Toronto Stock Exchange, and standard material adverse change exceptions. If the Company does not complete the transaction by June 30, 2013, it shall pay a break fee to Goldgroup in the amount of $500,000.The closing of the Disposition is subject to the approval of the shareholders of the Company and the TSX Venture Exchange and standard closing conditions.

RISKS AND UNCERTAINTIES

The Company is in the mineral exploration and development business and, as such, is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Some of the possible risks include the following:

(a) The industry is capital intensive and subject to fluctuations in metal prices, market sentiment, foreign exchange and interest rates. The recovery of the Company's investment in resource properties and the attainment of profitable operations is dependent upon the discovery and development of economic ore reserves and the ability to arrange sufficient financing to bring the ore reserves into production.

(b) The only source of future funds for further acquisitions and exploration programs, or if such exploration programs are successful, the development of economic ore bodies and commencement of commercial production thereon, which are presently available to the Company are the sale of equity capital or the offering by the Company of an interest in its properties to be earned by another interested party carry out further exploration or development.

RISKS AND UNCERTAINTIES cont'd

(c) Any future equity financings by the Company for the purpose of raising additional capital may result in substantial dilution to the holdings of existing shareholders.

(d) The Company's capital resources are largely determined by the strength of the resource markets and the status of the Company's projects in relation to these markets, and its ability to compete for the investor support of its projects.

(e) The prices of metals greatly affect the value of and the potential value of its properties. This, in turn greatly affects its ability to raise equity capital, negotiate option agreements and form joint ventures.

(f) The Company must comply with health, safety, and environmental regulations governing air and water quality and land disturbances and provide for mine reclamation and closure costs. The Company's permission to operate could be withdrawn temporarily where there is evidence of serious breaches of such regulations, or even permanently in the case of extreme breaches. Significant liabilities could be imposed on the Company for damages, clean-up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous owners of acquired properties or noncompliance with environmental laws or regulations.

(g) The operations of the Company will require various licenses and permits from various governmental authorities. There is no assurance that the Company will be successful in obtaining

(h) The necessary licenses and permits to continue exploration and development activities in the future.

(i) Although the Company has taken steps to verify title to mineral properties in which it has an interest, these procedures do not guarantee the Company's title. Such properties may be subject to prior agreements or transfers and title may be affected by such undetected defects.

Should one or more of these risks and uncertainties materialize, or should underlying assumptions prove incorrect, then actual results may vary materially from those described on any forward looking statement. The development and exploration activities of the Company are subject to various laws governing exploration, development, and labour standards which may affect the operations of the Company as these laws and regulations set various standards regulating certain aspects of health and environmental quality. They provide for penalties and other liabilities for the violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities and locations where operations are or were conducted.

CRITICAL ACCOUNTING ESTIMATES

Preparing financial statements in accordance with IFRS requires management to make certain judgments and estimates. Changes to these judgments and estimates could have a material effect on the Company's financial statements and financial position. Significant areas requiring the use of management estimates relate to the determination of impairment of mineral property interests and the determination of fair value for stock based transactions, estimated useful lives of assets and the future tax rates to determine future income taxes and realization of future income tax assets. Where estimates have been used, financial results as determined by actual events could differ from those estimates.

CRITICAL ACCOUNTING ESTIMATES cont'd

All of the expenditures incurred to date on the Cerro Prieto property have been capitalized. It is management's opinion that the estimated cash flows expected to result from the future use of the property and its eventual disposition will exceed its carrying amount.

CAPITAL MANAGEMENT

The Company's objectives when managing capital are to identify, pursue and complete the exploration and development of mineral properties, to maintain financial strength, to protect its ability to meet its on-going liabilities, to continue as a going concern, to maintain creditworthiness and to maximize returns for shareholders over the long term. The Company does not have any externally imposed capital requirements to which it is subject. Capital of the Company comprises shareholders' equity.

The Company manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust the capital structure, the Company may attempt to issue new shares.

The Company's investment policy is to invest its cash in financial instruments in high credit quality financial institutions with terms to maturity selected with regards to the expected timing of expenditures from continuing operations.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments are classified into one of five categories: held-for-trading financial instruments, held-to-maturity investments, loans and receivables, available-for-sale financial assets or other financial liabilities. All financial instruments and derivatives are measured in the balance sheet at fair value, except for loans and receivables, held-to-maturity investments and other financial liabilities, which are measured at amortized cost.

Subsequent measurement and changes in fair value will depend on their initial classification. Held-for-trading financial instruments are measured at fair value and changes in fair value are recognized in net income. Available-for-sale financial assets are measured at fair value and changes in fair value are recognized in other comprehensive income until the instrument is derecognized or impaired.

The Company has classified its cash as held-for-trading; receivables are classified as loans and receivables; and accounts payable and accrued liabilities are classified as other liabilities.

The Company provides disclosure that enables users to evaluate (a) the significance of financial instruments for the entity's financial position and performances; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed during the period and at the balance sheet date, and how the entity manages those risks.

The Company also discloses financial instruments and non-financial derivatives classified from the perspective of the issuer, between liabilities and equity, the classification of related interest, dividends, losses and gains, and the circumstances in which financial assets and financial liabilities are offset.

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT cont'd

Credit Risk

The Company is exposed to credit risk with respect to its cash and cash equivalents. However, the risk is minimized as they are held at a major Canadian Chartered Bank.

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 and financial leverage as outlined above.

The Company monitors its ability to meet its short-term exploration and administrative expenditures by raising additional funds through share issuance when required. All of the Company's financial liabilities have contractual maturities of 30 days or due on demand and are subject to normal trade terms. The Company does not have investments in any asset backed deposits.

The Company's property interests in Mexico make it subject to foreign currency fluctuations which may adversely affect the Company's financial position, results of operations and cash flows. The Company is affected by changes in exchange rates between the Canadian dollar and foreign functional currencies. The Company does not invest in derivatives to mitigate these risks.

As at February 28, 2013, the Company's financial instruments consist of cash, receivables and accounts payable and accrued liabilities. The fair values of these financial instruments approximate their carrying values because of their current nature.

OTHER MD&A DISCLOSURE REQUIREMENTS

Disclosure by Venture Issuer without significant revenue

An analysis of the material components of the Company's general and administrative expenses is disclosed in the Financial Statements to which this MD&A relates. An analysis of the material components of the acquisition and deferred exploration costs of the Company's mineral properties is disclosed in the annual Financial Statements to which this MD&A relates.

Share Capital

As at April 29, 2013, the Company had 77,947,405 common shares, 3,175,000 incentive stock options, and 12,167,525 share purchase warrants outstanding.

Information Available on SEDAR

Additional information relating to the Company is available on the SEDAR website at www.sedar.com.

On behalf of the Board of Directors,

April 29, 2013

"*Craig Dalziel*"

President