



**ANNUAL INFORMATION FORM
FOR THE YEAR ENDED MAY 31, 2020**

OCTOBER 14, 2020

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1 PRELIMINARY NOTES

Caution Regarding Forward-Looking Statements

All statements, other than statements of historical fact, contained in this Annual Information Form (“AIF”) constitute "forward looking statements" within the meaning of applicable securities laws, including but not limited to the "safe harbour" provisions of the United States Private Securities Litigation Reform Act of 1995 and are based on expectations estimates and projections as of the date of this news release.

Forward-looking statements include, without limitation, the exploration plans in Colombia and the funding from Newmont of those plans, Newmont’s decision to continue with the Exploration and Option agreement, the ability to continue and finalize with the remediation in Uruguay, as well as continuation of the business of the Company on a going concern and other events or conditions that may occur in the future. The Company’s continuance as a going concern is dependent upon its ability to obtain adequate financing, to reach profitable levels of operations and to reach a satisfactory resolution of the Loryser reorganisation. These material uncertainties may cast significant doubt upon the Company’s ability to realize its assets and discharge its liabilities in the normal course of business and accordingly the appropriateness of the use of accounting principles applicable to a going concern. There can be no assurance that such statements will prove to be accurate. Actual results and future events could differ materially from those anticipated in such forward looking statements. Such statements are subject to significant risks and uncertainties including, but not limited to those as described in Section “Risks Factors” of the Company’s most recent Management’s Discussion and Analysis and in this Annual Information Form. The Company disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events and such forward-looking statements, except to the extent required by applicable law.

Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements contained in this news release.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Orosur’s actual results, performance or achievements to be materially different from any of its future results, performance or achievements expressed or implied by forward-looking statements. All forward-looking statements herein are qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking statements.

Glossary and Defined Terms

The following is a glossary of certain mining terms used in this AIF.

Alteration:	Refers to process of changing primary rock minerals (such as quartz, feldspar and hornblende) to secondary minerals (quartz, carbonate, and clay minerals) by hydrothermal fluids (hot water).
CIM:	Canadian Institute of Mining, Metallurgy and Petroleum.
Feasibility Study:	A comprehensive study of a mineral deposit in which all geological, engineering, legal, operating, economic, social, environmental and other relevant factors are considered in sufficient detail that it could reasonably serve as the basis for a final decision by a financial institution to finance the development of the deposit for mineral production.
g/t:	Grams per metric tonne.
Mineral Reserve:	The economically mineable part of a Measured or Indicated Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This study must include adequate information on mining, processing, metallurgical, economic and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified. A mineral reserve includes diluting materials and allowances for losses that may occur when the material is mined and processed.
Mineral Resource:	A Mineral Resource refers to a concentration or occurrence of precious metals in or on the Earth's crust in such form and quantity and of such a grade or quality that it has reasonable prospects for economic extraction. The location, quantity, grade, geological characteristics and continuity of a Mineral Resource are known, estimated or interpreted from specific geological evidence and knowledge. Mineral Resources are sub-divided, in order of increasing geological confidence, into Inferred, Indicated and Measured categories. An Inferred Mineral Resource has a lower level of confidence than that applied to an Indicated Mineral Resource. An Indicated Mineral Resource has a higher level of confidence than an Inferred Mineral Resource but has a lower level of confidence than a Measured Mineral Resource.
Measured Mineral Resource:	Is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are so well established that they can be estimated with confidence sufficient to allow the appropriate application of technical and economic parameters, to support production planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration, sampling and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drill holes that are spaced closely enough to confirm both geological and grade continuity.
Preliminary Economic Assessment:	means a study that includes an economic analysis of the potential viability of mineral resources taken at an early stage of the project prior to the completion of a preliminary feasibility study.
Preliminary Feasibility Study:	has the meaning ascribed to such term in NI 43-101 and means a comprehensive study of the viability of a mineral project that has advanced to a stage where the mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, has been established, and which, if an effective method of mineral processing has been determined, includes a financial analysis based on reasonable assumptions of technical, engineering, operating, economic factors and

the evaluation of other relevant facts which are sufficient for a qualified person, acting reasonably, to determine if all or part of the mineral resource may be classified as a mineral reserve.

Probable Mineral Reserve:	has the meaning ascribed to such term in NI 43-101 and is the economically mineable part of an Indicated and, in some circumstances, a Measured Mineral Resource demonstrated by at least a Preliminary Feasibility Study. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction can be justified.
Proven Mineral Reserve:	has the meaning ascribed to such term in NI 43-101 and is the economically mineable part of a Measured Mineral Resource demonstrated by at least a preliminary feasibility study. This study must include adequate information on mining, processing, metallurgical, economic, and other relevant factors that demonstrate, at the time of reporting, that economic extraction is justified.
Qualified Person	has the meaning ascribed to such term in NI 43-101 and means an individual who is an engineer or geoscientist with at least five years of experience in mineral exploration, mine development or operation and/or mineral project assessment, has experience relevant to the subject matter of the disclosure and is a member in good standing of a specified professional association.
NI 43-101	National Instrument 43-101 <i>Standards of Disclosure for Mineral Projects</i> ("NI 43101") issued by the Canadian Securities Administrators (the "CSA").
Ore:	Rock, generally containing metallic or non-metallic materials, which can be mined and processed at a profit.
Pyrite:	An iron sulphide mineral (FeS ₂), the most common naturally occurring sulphide mineral.
Strike:	The direction, or bearing from true north, of a vein or rock formation measured on a horizontal surface.
Sulphide (Sulfide):	A compound of sulphur (sulfur) and some other metallic element.
Tailings:	Gangue minerals extracted from ore through various mineral processes and deposited in an enclosed ground storage area.
Technical Reports:	Technical Reports prepared according to NI 43-101.
Trenching:	The mechanical or human excavation of ground material to expose material below surface.

2. CORPORATE STRUCTURE

2.1 Name, Address and Incorporation

On October 16, 1996, Orosur was incorporated as 713257 Alberta Ltd. pursuant to the *Business Corporations Act* (Alberta). On January 31, 1997, the Corporation changed its name to Uruguay Goldfields Inc. The Corporation amalgamated pursuant to a Certificate of Amalgamation dated February 13, 1998 (the “Amalgamation Date”) under the laws of the Province of Alberta; the amalgamating corporations were Canadian Black River Petroleum Ltd. (“CBR”) and Uruguay Goldfields Inc. This amalgamation enabled the Corporation to commence trading on The Canadian Dealing Network Inc. in Toronto, Ontario.

On February 13, 1998, the Corporation became a “reporting issuer” in Alberta due to its amalgamation with CBR. The Corporation is a “reporting issuer” in Alberta, British Columbia, Ontario and Quebec.

On March 29, 2000, the common shares of the Corporation were admitted for listing on The Canadian Venture Exchange Inc. (“CDNX”), a predecessor to the TSX Venture Exchange.

On February 8, 2002, the Corporation changed its name to Uruguay Mineral Exploration Inc. and continued from the Province of Alberta to the Yukon Territory to be governed by the corporate laws of the Yukon Territory.

In June 2002, the CDNX was acquired by The Toronto Stock Exchange as a wholly owned subsidiary. The name of the CDNX was changed to the TSX Venture Exchange (“TSX-V”), where the Corporation’s common shares continued to trade under the symbol OMI.

On December 15, 2004, the common shares of the Corporation were admitted for listing on the London Alternative Investment Market (“AIM”).

On January 8, 2010, OMI completed a plan of arrangement whereby it acquired 100% of the shares of Fortune Valley Resources Inc. (“Fortune Valley”) and changed its name to Orosur Mining Inc., with its shares continuing to trade under the symbol “OMI” both on TSX-V and AIM markets.

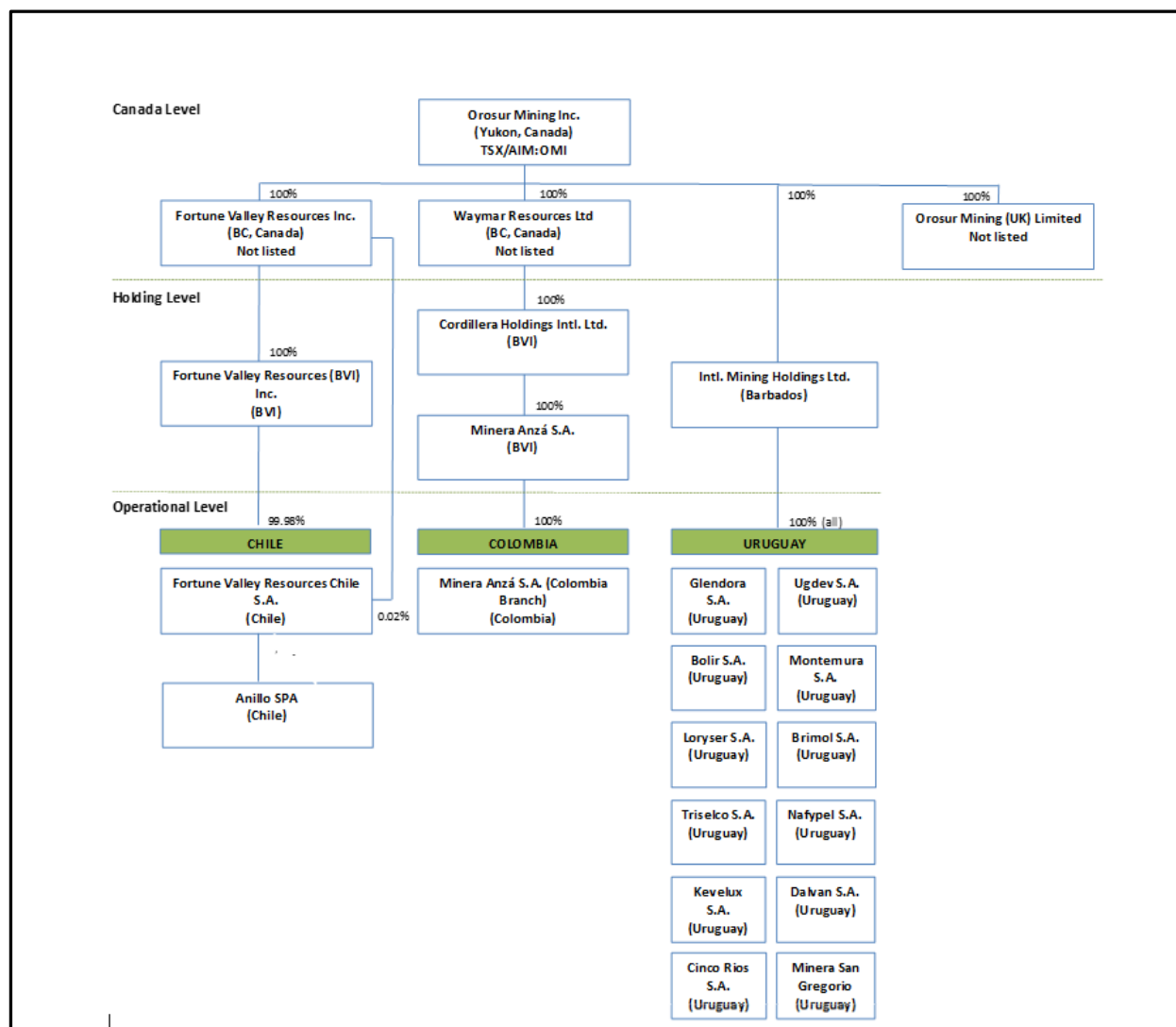
On May 14, 2012, the Corporation delisted from TSX-V and commenced trading on the Toronto Stock Exchange (“TSX”).

On July 9, 2014, OMI completed an Arrangement Agreement whereby OMI acquired 100% of the shares of Waymar Resources Ltd. (“Waymar”), thus adding the Anzá gold project in Colombia to its exploration portfolio.

The registered office of the Corporation is located at 250 – 1075 West Georgia St, Vancouver, BC, Canada, V6E 3C9.

2.2 Intercorporate Relationships

The following diagram sets forth the corporate structure of the Corporation, as of May 31, 2020:



ITEM 3 GENERAL DEVELOPMENT OF BUSINESS

3.1 Three Year History

The following is a summary of the general development of the Company's business over the last three financial years.

June 2019 – May 2020 (“FY 2020”) and post year end

Colombia

- Technical work on the Anzà project was limited to relogging of historical core and maintenance of the camp and tenements.
- During the year, Newmont made two required payments of US\$500,000 each in order to maintain its rights and obligations in regard to the Anza Exploration and Option agreement.
- In November 2019, Newmont paid a total of US\$690,000 to the Company in lieu of shortfall in its obligation to spend US\$1 million on the Anza project in the year to September 2019.

- On September 1, 2020, the Company received a cash payment of US\$500,000 from Newmont, in connection with maintaining its earn-in rights pursuant to the Exploration Agreement with Venture Option over the Anzá project in Colombia.
- On September 30, 2020, Newmont Corporation (“Newmont”), entered into a Joint Venture Agreement (“Joint Venture”) with Agnico Eagle Mines Limited (“Agnico”) whereby the two companies will jointly assume and advance Newmont’s prior rights and obligations with respect to the Anzá Project in Colombia on a 50/50 basis, with Agnico as operator of the Joint Venture. Orosur’s Anzá Project is subject to the Exploration Agreement with Venture Option dated September 7, 2018, as announced on September 10, 2018, (the “Agreement”) between Orosur’s 100% subsidiary Minera Anzá S.A (“Minera Anzá”) and Newmont Colombia SAS (“Newmont Colombia”), a subsidiary of Newmont. Orosur’s position with respect to the Anzá project, and all terms and conditions of the Agreement remain unchanged. Newmont Colombia will become the Joint Venture vehicle between Newmont and Agnico and its name will change to Minera Monte Águila SAS (“Monte Águila”). Monte Águila assumes all rights and obligations with respect to the Anzá project that were previously held by Newmont Colombia, with Minera Anzá remaining operator of the Anzá project and conducting exploration work on behalf of Monte Águila, until such time as Monte Águila assumes operatorship at its discretion.
- Initial funding of US\$650,000 from Agnico, to restart the exploration program, was received by Minera Anzá on October 2, 2020. This funding is to be directed solely to fund exploration on the Anzá Project for the 12 month period starting September 7, 2020 and is the first contribution of the required US\$4m of expenditure for this 12 month period per the terms of the Agreement. This funding is not related to the payment in lieu for the shortfall of qualifying expenditure for the previous 12 month period ended September 6, 2020. The payment in lieu, which amounts to US\$582,000 is payable no later than November 7, 2020.

Uruguay

On September 17, 2019, it was announced that the Court in Uruguay approved the previously announced payment plan agreement between the Company’s wholly owned subsidiary Loryser S.A (“Loryser”) and its creditors. Loryser had proposed the agreement in December 2018, to which 71.48% of creditors consented. A public notice period was concluded without opposition, with the plan being approved by the Court and publicly posted on September 13, 2019. The ratification by the Court means that the Agreement is legally binding on all creditors and that the Intervenor’s control over Loryser ceases.

The Agreement provides that net proceeds from the sale of Loryser’s assets in Uruguay, together with the issuance of 10 million common shares in Orosur, shall fully satisfy all amounts owing by Loryser to its creditors, as well as provide funds for Loryser to conduct this process and manage the orderly closure of its operations. The Agreement requires Loryser to manage and complete the sale and payment process within two years, starting from the date of the ratification by the Court.

After the ratification of the Agreement, assets sales commenced and, in December 2019, the 10 million shares in the Company were issued to a trust for the benefit of Loryser’s creditors according to the Agreement. Good progress has been made on the reclamation and remediation of the tailings dam, which work has continued throughout the year.

After the year end, on August 6, 2020, the Company sold its mining and exploration permits in the San Gregorio Project area of Uruguay to Kiwanda Group LLC for an aggregate cash consideration of US\$550,000, of which US\$250,000 was received on completion and a further US\$300,000 is payable in August 1, 2021. The proceeds will be used to pay liabilities in Uruguay in connection with the aforementioned Creditors Agreement.

Financial and Corporate

- The consolidated financial statements have been prepared on a going concern basis under the historical cost method except for certain financial assets and liabilities which are accounted for as Assets and Liabilities held for sale (at the lower of book value or fair value) and Profit and Loss from discontinuing operations. This accounting treatment has been applied to the activities in Uruguay and Chile.
- On May 31, 2020, the Company had a cash balance of US\$782,000 (May 31, 2019 US\$526,000).

- Officers and employees were granted a total of 1,245,000 Options and the balance equivalent to 215,000 Options were granted to Non-Executive Directors pursuant to the annual grant, which shall vest in three equal parts: the first part immediately and the second and third parts on November 14, 2020 and November 14, 2021, respectively. All Options are exercisable at a price of C\$0.05 per common share, on or before November 14, 2024.
- On April 14, 2020, Orosur Chairman Mr. Robert Schafer retired from the board and was replaced by Mr. Louis Castro.
- On April 20, 2020, Orosur CEO, Mr. Ignacio Salazar announced his resignation from the Company, effective July 17, 2020, in order to take up the position of CEO of Highfield Resources Ltd.
- On May 1, 2020, Mr. Bradley George was announced as a non-executive director of the Company, and on July 17, 2020 Mr Bradley George was appointed CEO and Mr Thomas Masney was appointed Non-executive director.

June 2018 – May 2019 (“FY 2019”)

Colombia

- As announced on September 10, 2018, the Company completed the following agreements with Newmont Goldcorp (“Newmont”) in respect of the Anzá exploration property in Colombia:
 - a non-brokered private placement of US\$2 million, and
 - an exploration agreement with venture option (the “Exploration and Option Agreement”). The Exploration and Option Agreement includes a three-phase earn-in structure allowing Newmont to earn up to a 75% ownership interest in the Anzá project by making cash payments to Orosur totalling US\$4 million over Phases 1 and 2, spending a minimum of US\$30 million in qualifying expenditures over twelve years, and completing a National Instrument 43-101 Standards for Mineral Projects (“NI 43-101”) compliant pre-feasibility and feasibility studies.
- On January 10, 2019, the Company filed a technical report prepared by Andes GMS SPA in accordance with NI 43-101 on the Anzá gold exploration project in Colombia. A copy of the full report can be accessed via the following link: <http://www.orosur.ca/operations/technical-reports>.
- Exploration activities at the Anzá project commenced in July 2019 within the scope of the Exploration and Option Agreement. The Company has already relogged 2,400 metres of the drill core from an area north of APTA.
- In order to maintain the Phase 1 earn-in right, Newmont Colombia made the first two of four semi-annual US\$500,000 cash payments to Orosur (paid in February and August 2019) and must also complete a US\$1 million minimum work commitment by September 7, 2019 or pay any shortfall in cash to Orosur by November 7, 2019, which payment of US\$690,000 was made by that date

Uruguay

- The reorganization process has been ongoing since June 2018. In August 2018, the Company’s wholly-owned Uruguayan subsidiary, Loryser SA (“Loryser”), placed its San Gregorio mining operations under care and maintenance. Under the Loryser reorganisation proceedings, the term for credit verification ended in September 2018. A court appointed intervenor validated all the creditors and filed a report on the assets and debts of Loryser in October 2018.
- In December 2018, Loryser reached a payment plan agreement with its creditors (the “Agreement”). The Agreement stipulates that the net proceeds from the sale of assets in Uruguay together with the issuance of 10 million common shares in Orosur shall fully satisfy all amounts owing to Loryser’s creditors as well as provide funds for Loryser to conduct this process and close its operations responsibly. The Agreement requires Loryser to manage and complete the process within two years. The issuance of common shares in Orosur was subject to the approval of the Toronto Stock Exchange, which approval was given.
- In May 2019, the Court approved the final list of creditors and Loryser’s independent assets valuation. In August, 2019, the Intervenor filed a report informing the Court that it had verified that 71.48% of the creditors by value had consented to the Agreement. Consequently, the Intervenor declared that the legal majority had been reached and the Court gave public notice of the Agreement.
- Loryser is actively implementing the commitments included in the Agreement. In March 2019, Loryser signed a brokerage agreement with Savona Equipment Ltd to assist with the sale in the international markets of the specialized mining equipment from Loryser’s San Gregorio mine. During the 2019

summer months in the Southern hemisphere, the dewatering of the tailings dam was largely completed and Loryser started the reclamation work. Loryser has also been running a process to recover the scavenger gold from the San Gregorio plant in cooperation with Goldplat Recovery Ghana Ltd/Goldplat Plc. In addition, significant reductions in costs were achieved in Uruguay, among others reducing the Montevideo office to a small filing area, management redundancies at agreed lower terms, and negotiating lower electricity fees. Staff in Uruguay has been reduced to 18 active members currently managing the reorganisation, care and maintenance and remediation processes.

Chile

- In July 2018, the Company sold its remaining 25% interest in Talca for a consideration of US\$120k. With this sale, the Company had no further interest in or obligation to Talca.
- Following the relinquishment by Fortune Valley Resources Chile S.A. ("FVRC") (an indirect, wholly-owned subsidiary of Orosur) of the Pantanillo project, Anglo American Inversiones SA ("Anglo"), sought the payment of minimum royalties totalling US\$3 million and requested arbitration. On March 28, 2019, the Arbitral Tribunal rendered its decision, ruling that FVRC is required to pay Anglo approximately US\$1.6 million plus interests. The Tribunal's decision is exclusively against FVRC. Orosur was not named in the decision from the Tribunal.

Financial and Corporate

- On May 31, 2019, the Company had a cash balance of US\$526,000.
- On April 12, 2019, Mr. Robert Schafer was appointed Chairman of the Board of Directors.
- In September 2019 SP Angel Corporate Finance LLP was appointed sole broker to Orosur.

June 2017 – May 2018 ("FY 2018")

Operational

FY 2018 production of 27,586 oz (within last guidance of 27-30 Koz) following a significant decrease in production in Q4 (5,049 oz) due to a decision to stop open pit production and a decrease in underground mining grades (1.19g/t). Cash operating costs for the year were US\$970/oz (FY17: US\$829/oz),

- **San Gregorio West and Central Underground:** The San Gregorio West Underground mine was in full production, except for a brief period of reduced production in January due to a delay in development work as a consequence of a localized caving and water challenges in the mine in October 2017. Construction at the end of FY18 included horizontal development of 1,347m of waste, including 633m of mineralized development. San Gregorio Central underground was in production during March to May 2018, completing the first planned level. The second level was aborted after incorporating a new interpretation of the ore body and the decrease in grades observed on the upper level. A total of 14,073 ounces were extracted during the year from San Gregorio.
- **Open Pit:** FY18 OP production of approximately 12,600 ounces mined, with Veta A and Muro-Santa Teresa as main sources in the first half of the year. Most of the waste material derived from these mines was used for the construction of a larger tailings dam. Additionally, Perú and Sobresaliente which each needed environmental and mining authorizations, commenced operations in the 2nd half of the year. Approximately 1,100 oz from Santa Teresa low grade stockpiles was tapped into the optimize plant feed throughput during the year. In March 2018, the decision to drastically decrease operations was made as a result of declining reserves and marginal economics.

San Gregorio underground (SG UG) was a continuation at depth of the San Gregorio open pit deposit, which produced approximately 536,000 oz at an average grade of 2.12 g/t Au. From November 2016, SGW UG had been the primary source of ore feed to the plant.

A block model for SGC was finalized in Q2 18 and showed that gold grade of the mineralized structure was lower than anticipated and economically viable. At depth and to the eastern side of this sector there were reductions in both ore grade and thickness of the ore body. The SG underground mine had produced

465,943 tonnes at 1.49 g/t Au, which is approximately 30% below the Company's estimates for the project and the grade of the historical open pit production, which was 2.12 g/t Au.

As a result of the reduced grade encountered, it was critical to find ways to improve this newly-defined weaker mineralized structure at SG UG, so the Company contracted SRK Peru ("SRK") to re-design the mine plan and alter its production sequencing. Development into deeper stopes was removed from the mine plan and marginal stopes from current levels at SGW were incorporated in order to optimise economics based on development costs already incurred. In an effort to partially compensate for this production shortfall, additional ore from open pit reserves were mined out.

The Company faced a complex and difficult situation in its long-standing operation as a consequence of the inability to delineate and develop good quality ore during the year and the lack of financing and a longer than anticipated permitting timeframe required to develop the Veta A project, which was considered at the time to be the highest-grade source of underground ore available on the San Gregorio mine complex.

On June 14, 2018, Loryser applied to commence reorganisation proceedings under Uruguayan legislation (Act N°18.387). To continue the mine plan, an immediate transition from SG UG to the Veta A underground project would have been needed. This would require external financing and the issuance of an environmental permit for Veta A, which did not materialize. As a result of the circumstances, the Board of Directors actively explored a number of alternatives for Orosur and its subsidiaries. The decision was made to apply for the Loryser Reorganisation Proceedings and creditor protection was made in consultation with the Company's legal and financial advisors in the best interests of Loryser, the Company and its stakeholders.

Orosur and its subsidiaries (excluding Loryser) are not included in the Loryser Reorganisation Proceedings and the Company's management team continued to lead day-to-day operations.

Loryser continued production at SG UG until the end of July 2018, after which it began placing the mine on care and maintenance status. Loryser remained able to enter into transactions with its suite of Uruguayan assets. Through the course of its operations in Uruguay, the Company had been fortunate to have enjoyed a very positive relationship with the Government and even been granted two royalty exemptions in prior years. Orosur conducted conversations with the Government to identify and evaluate various options to continue its operations in Uruguay, which represented a very important source of investment and employment in the north of the country.

Exploration:

No technical exploration work was carried out on any of the Company's projects during the year.

Significant effort was expended on sourcing and examining potential new projects for potential investment, however none were presented to the board for consideration.

Corporate

Officers and employees were granted a total of 1,410,000 stock options and the balance equivalent to 515,000 stock options were granted to Directors pursuant to the annual grant, which shall vest in three equal parts: the first part immediately and the second and third parts on November 17, 2018 and November 17, 2019, respectively.

3.2 Significant Acquisition and Dispositions

No acquisitions were made during the year.

As per the terms of the court approved creditors agreement, sale of assets in Uruguay commenced, and saw a number of small disposals of equipment during the year. Such disposals will be ongoing, with all funds being applied to the orderly settlement of the Loryser creditors agreement.

ITEM 4 DESCRIPTION OF THE BUSINESS

4.1 General

The Corporation's principal business activity is the ongoing exploration project at Anzá, Colombia which the Company is managing through a strategic alliance with Newmont.

In Uruguay, the Company is engaged in the orderly sale of assets in order to fund the court approved settlement agreement.

COLOMBIA, Anzá

High Grade Gold Discovery with multiple untested targets

- Antioquia Department, covering more than 20 km of the prospective Tonusco Fault
- Strategic alliance with Newmont, funding to BFS
- Total land holdings of 207.5 km², close to Buriticá
- High grades over significant widths from approx 27k metres drilling
- Mining and environmental permits in place

URUGUAY, San Gregorio

Greenstone Belt next to infrastructure

- Northern Uruguay, close to Brazil. Underexplored 100 km long greenstone belt
- Built many open pits and 2 underground mines
- Mine in care and maintenance
- Reached an agreement with creditors in Dec 2018 to solve voluntary creditor protection



Strategic Alliance with Newmont

In September 10, 2018, the Company enacted an Exploration and Option agreement with Newmont Mining Corporation (via its subsidiary Newmont Colombia S.A.S) in order to jointly explore the Anzá project in Colombia.

The Exploration and Option Agreement includes a three-phase earn-in structure allowing Newmont to earn up to a 75% ownership interest in the Anzá Project by spending a minimum of US\$30.0 million in qualifying expenditures over twelve years, completing an NI 43-101 compliant feasibility study and making cash payments to Orosur equaling a total of US\$4.0 million over Phases 1 and 2.

In Phase 1, Newmont may earn a 51% ownership interest by spending US\$10.0 million in qualifying expenditures over four years and making cash payments to Orosur equaling a total of US\$2.0 million during the first two years of the Phase 1 earn-in period. Upon Newmont's completion of Phase 1, it may elect, in its sole discretion, to exercise its option to form a joint venture with Orosur. In Phase 2, Newmont may elect to earn an additional 14% ownership interest in the Anzá Project by sole funding US\$20.0 million in qualifying expenditures within four years, completing an NI 43-101 compliant pre-feasibility study and making cash payments to Orosur equaling a total of US\$2.0 million. In Phase 3, Newmont may elect to earn an additional 10% ownership interest in the Anzá Project by completing an NI 43-101 compliant feasibility study within four years.

See above for developments post the year end 31 May 2020 to the Strategic Alliance with Newmont.

Exploration & Option Agreement

	<u>Spending</u>	<u>Other commitments</u>	<u>Cash Payments</u>	<u>Time</u>	<u>Earn-In</u>
<u>Phase 1</u>	\$10 mm		\$2 mm	4 <u>years</u>	51%
<u>Phase 2</u>	\$20 mm	Pre-FS	\$2 mm	4 <u>years</u>	14%
<u>Phase 3</u>		<u>Bankable FS</u>		4 <u>years</u>	10%
<u>Deal</u>	\$30 mm	BFS	\$4 mm	12 <u>years</u>	75%

During the first two years, Newmont paid four US\$0.5 million payments to the Company as per the agreement, plus US\$690,000 as payment in lieu for part of the first year annual exploration expenditure of US\$1mm. A further payment in lieu of US\$582,000 being part of the second year annual exploration expenditure will be paid by no later than 7 November 2020.

Reorganisation Process in Uruguay

On September 17 2019, it was announced that the Court in Uruguay had approved the previously announced payment plan agreement between the Company's wholly owned subsidiary Loryser S.A ("Loryser") and its creditors. Loryser had proposed the agreement in December 2018, to which 71.48% of creditors consented. A public notice period was concluded without opposition, with the plan being approved by the Court and publicly posted on September 13, 2019.

The ratification by the Court means that the Agreement is legally binding on all creditors and that Intervenor's control over Loryser ceases. The Agreement provides that the net proceeds from the sale of Loryser's assets in Uruguay, together with the issuance of 10 million common shares in Orosur, shall fully satisfy all amounts owing by Loryser to its creditors, as well as provide funds for Loryser to conduct this process and manage the orderly closure of its operations. The Agreement requires Loryser to manage and complete the sale and payment process within two years, starting from the date of the ratification by the Court.

Subsequent to this announcement, assets sales commenced and 10 million shares in the Company were issued.

The San Gregorio project in Uruguay is not considered a material mining and exploration project for the Company.

Operations and exploration in Uruguay have been discontinued and the Company is in the process of implementing the court approved creditors agreement.

4.2 Competitive Conditions

The Company's business is predicated upon access to mineral resources or exploration tenements that may be prospective for gold. The Company must compete for access to such resources or projects.

4.3 Environmental and Regulatory

4.3.1 Colombia

Mineral tenure

Mineral property rights in Colombia are governed by the Colombian Mining Code which has been subject to various changes and amendments. The oldest version applicable is Law 20 of 1969, which was superseded by Decree 2655 of 1988. The 1988 decree was in turn amended by Law 685 of 2001 and again on 9th February 2010 when Law 1382 amended certain articles of the 2001 code. The terms and conditions applicable to existing concessions are not amended by subsequent legislation, so active concessions can operate under either the 1969, 1988, 2001 or 2010 mining codes.

The 2001 and 2010 mining codes allow for a single concession contract covering the exploration, construction and exploitation phases. Concessions have a maximum duration of 30 years, and may be renewed on request for another 30 years under the 2001 mining code or up to 20 years under the 2010 mining code. The maximum concession size is 10,000 ha. Concessions can be specific to the named mineral so it is possible for overlapping concessions, e.g. a gold and a copper concession, to be held by different companies.

Until the promulgation of the 2010 mining code, the issuing of concessions and their registration into the National Mining Register was traditionally a lengthy process. Once an application is submitted, the delegated mining authority undertakes a technical study to define the amount of free ground that is actually available. This free area report is then provided to the applicant who must then indicate his willingness to proceed. If the applicant wishes to proceed, concession documentation is drawn up by the delegated mining authority for signature.

Prior to the promulgation of the 2010 code, the process of drafting and signing concession documentation frequently took a considerable length of time, often lasting a number of years. During this period, the applicant retained an exclusive right to the area of the concession, without having to pay concession fees, and could undertake non-invasive prospecting, such as geological mapping and stream sediment sampling.

The 2010 mining code closed this loophole and required that the first year's concession fees were paid within three days of the definition of the final awardable area by the delegated mining authority. Signing of the concession contract documentation must be completed within 180 days of the awardable area being defined.

Law 1382 of 2010 was declared unenforceable by judgment C-366 of May 11, 2011 by the Colombian Constitutional Court, with effect deferred for 2 years, and ceased to apply on May 11, 2013. However, it continues applying to contracts that were perfected between February 9, 2010 and May 11, 2013.

Under the 2001 mining code the exploration phase lasts for the first three years of the concession contract and this can be extended for a further two years, giving a total of five years for exploration. This period is modified under the 2010 mining code allowing an initial exploration period of five years, extendable three times for periods of two years each, resulting in a maximum of 11 years for exploration.

In order to proceed to the construction phase, the concession holder must at least 30 days prior to the completion of the exploration phase, submit a building and works plan — Plan de Trabajos y Obras (“PTO”) - to the relevant mining authority for approval and concurrently submit an environmental impact study — Estudio de Impacto Ambiental (“EIA”) - to the relevant environmental authority.

The PTO is based upon the results obtained during the exploration phase and includes the delimitation of the area to be exploited, cartographic information of the area, details of the minerals to be exploited and their characteristics, the description and location of all facilities and mining infrastructure, site rehabilitation plans, details of the proposed mine plan and life of mine, a closure plan and an exploitation reclamation plan.

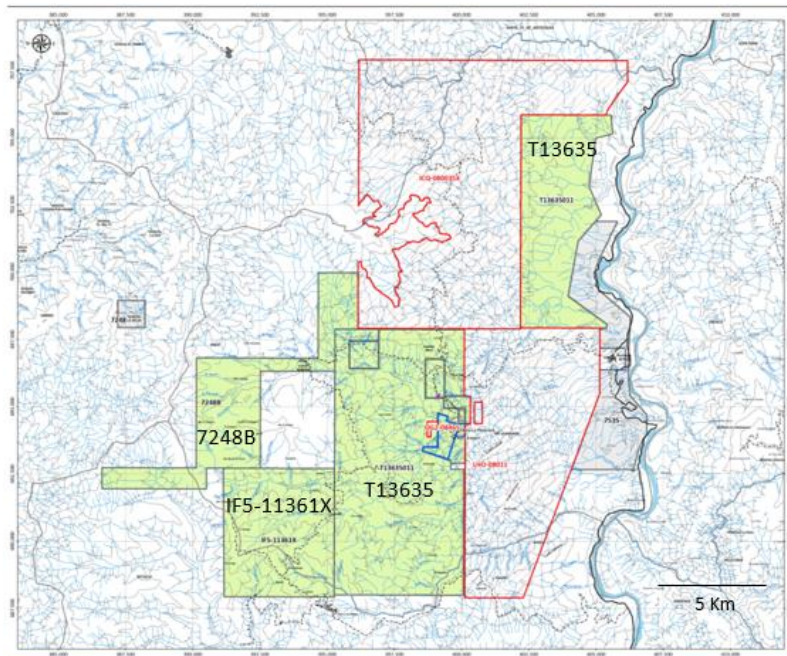
The EIA (Environmental Impact Assessment) provides the technical support parameters to obtain an environmental license. Depending on the commodity being produced and the level of production, this study must be submitted to the Ministry of the Environment or to the relevant regional environmental authority. The environmental license grants the necessary environmental permits including, concessions and authorizations, to make use of and profit from natural resources necessary to move the project forward, including resources such as water and timber. The construction phase cannot commence until the environmental license is obtained.

The construction phase lasts for three years, commencing on acceptance of the PTO, and may be extended for an additional year. During this phase, the holder has the right to prepare the mining area and install the services, equipment, and fixed machinery necessary to start and carry out the extraction, storage, transportation and beneficiation of minerals. The final site construction, facilities and mining equipment should conform to the specifications detailed in the approved PTO. Once the construction phase has been completed the exploitation phase lasts for the remaining duration of the concession contract.

Colombian mining law specifically provides that the owner of a concession contract, exploration license or exploitation license is entitled to use so much of the surface as is necessary to carry out the activities under the given license or contract. The law grants exclusive temporary possession of mineral deposits and provides mandatory easements to ensure efficient exploration and exploitation of legal mining titles. Remuneration payable to the surface owner should be based on the reasonable and fair market value of the land and is not to include any value attributable to the development of the mineral wealth. Any payments should only be for the surface area that is affected by, used or occupied by the exploration or mining activity. Should areas not subject to the easement be deemed to have lost value, this loss can be taken into account, when fixing the remuneration payable to the land owners. If necessary, it is possible for the concession holder to make a request to Ingeominas, or the relevant competent mining authority, for the expropriation of the lands necessary for the planned mining activities.

Mining Titles in Anzá

The Project has a total land tenure of about 231 km², which are distributed almost equally between granted rights and what is known as “Applications”.



Map: Permits and Environmental License Status in Anzá

The Green area represents the granted permits which are:

- Concession T13635: Exploitation and Exploration integrated permit, with a granted environmental license
- 7248B: exploration permit
- IF5-11361X: exploration permit

And the red line marks the boundaries of the applications.

Agreements, royalties and other encumbrances

Under the terms of the Colombian mining code concession fees are paid in single annual payments from the time that a concession contract has been granted.

For the mining concession contracts that were perfected prior to 2010 and after May 10th, 2013, Law # 685 (2001) applies and the payment of annual fees is based on the current value of the daily minimum wage. Concessions of up to 2,000 ha pay one daily minimum wage per hectare per year (currently US\$10.67/ha). Concessions covering 2,001 to 5,000 ha pay two daily minimum salaries (US\$21.34/ha) and those covering more than 5,000 ha pay three minimum daily wages per hectare per year (US\$32/ha).

Concession contracts granted between 2010 and 2013 fall under the terms of Law # 1382 (2010). Annual holding fees for these concessions are categorized by age rather than size. US\$10.67/ha are paid for the first five years of the concession; US\$13.30/ha for years six and seven; and US\$16/ha for years eight to eleven if the exploration phase is extended.

For the contracts registered after June 15, 2015, to date, the following table applies (Law # 1753 of 2015):

	Up to 5 years	5 - 8 years	8 - 11 years
Number of hectares	DMW/h		
0 -150	0,5	0,75	1.0
151 - 5.000	0,75	1,25	2.0
5.001 - 10.000	1,0	1,75	2.0

Note: DMW/h = current value of the Daily Minimum Wage per hectare

Once the exploitation phase has commenced royalties based on gross production are payable in accordance with Article 16 Law 141/1994 which was modified by Law 756/2002. For base metals, the royalty is 5% of gross production, whilst for gold and silver a nominal royalty of 4% is payable. Royalties are paid to the Royalties National Fund who then distributes the funds to provincial projects.

Environmental and other permits

During the exploration phase, all activities which exceeds prospecting, mapping and sampling, requires the submission and approval of an Environmental Management Plan - Plan de Manejo Ambiental (“PMA”). This principally covers drilling activities and should include details of the following:

- the work to be undertaken (the number of drill holes, location, direction, depth, etc.);
- the proposed sources of drilling water, and details of any diversions to existing watercourses so that appropriate water usage permits can be issued;
- the location and number of settling ponds to prevent contamination of local waterways by drilling fluids; and
- the location of fuel and oil storage areas which should be located away from watercourses.

The preparation and filing of the PMA are normally the responsibility of the drilling contractor, and these are typically approved in 15 to 30 days, although this can take up to a maximum of 90 days. No bond payment is required for exploration PMA's, and no site reclamation is required. While PMA's do not require any authorization or environmental permits, work carried out in sensitive areas such as nature reserves and national parks are governed by additional rules and restrictions.

Additional permits are required during the exploration phase for fluid discharge, atmospheric emissions, forestry clearance, and land access.

In terms of the 2001 and 2010 mining codes, an EIA is required to be submitted as part of the application for construction and exploitation status. The EIA must include details of the baseline study, an assessment of the overall environmental impact of the projects and plans for rehabilitation. Concession holders are encouraged to work with artisanal miners in order to address the environmental issues. There are no requirements in terms of the 1988 legislation for the submission of an EIA, although a rehabilitation plan is required.

An additional impact of the 2010 mining code is the banning of exploration and mining activity from the Paramo ecosystems in Colombia. These are high altitude glacial valleys and plains featuring peat bogs intermingled with grassland, scrub and small patches of forest (Mining Weekly, 2010). In general, the Paramo is found at elevations of > 3,000 m, although the exact elevation of these ecosystems is variable. The Anza Project is outside the Paramo areas.

The 2001 and 2010 mining codes also require the concession holder to obtain an Environmental Mining Insurance Policy. During the exploration stage, the insured value under the policy must be 5% of the value of the planned annual exploration expenditures and during the construction phase the insured value under the policy must be 5% of the planned investment for assembly and construction under the PTO. During the exploitation phase the insured value under the policy must be 10% of the estimated annual production multiplied by the average price received for the product. For licenses or agreements subject to the 1988 mining code the licence holder has to obtain an insurance policy with an insured value of 10% of the estimated production for the first two years as established by the PTI.

Tropical Dry Forest Temporary Protected Area

In August 2015, the Ministry of Environment of Colombia delineated a temporary protected area with the objective to review the existence of biodiversity areas such as the tropical dry forest (“TDF”) in order to give them a protected area status. This was done as a precautionary measure, without any prior study of the areas, for a term of 2 years. In 2017, this was subsequently extended for another year, and then again in 2018.

The temporary protected area that were defined as part of this process impacted upon the Company's exploration licences and applications.

In 2018, a special Work Group was formed with affected parties, including the Company, the Mining Agency and the local Environmental Agency in order to define a protected area limit and category.

The environmental authority (Corantioquia) has already determined that the area to be protected within the Anzá titles will be categorized as an Integrated Management Regional District. This category allows mining activity to co-exist with the TDF under special controls and requirements.

In 2019, the Company undertook field studies in cooperation with Corantioquia to better define the actual extents of the TDF, with the result that new boundaries were defined that largely removed major impact upon the Company's licences.

These new boundaries have been agreed and will now advance toward the process of formal declaration in 2021.

4.3.2 Uruguay

Mineral Title

Uruguay's mining code was promulgated in 1982 and was amended in 2011. Mineral rights are vested in the State, and can be granted as one of three licenses:

- **Prospecting License.** Allows the holder to carry out any and all work aimed at searching for one or more minerals in a given area. On completion of the first two-year period, the area covered by the license must be reduced to 75%. The holder of the license chooses which parts of the area covered by the original Prospecting License to relinquish. At the end of prospecting license term, the holder has the exclusive right to convert the prospecting permit into an exploration permit.
- **Exploration License.** Gives the holder the right to perform activities with the purpose of proving whether a deposit exists, identifying its characteristics, and determining the volume and quality of the mineral, as well as undertaking economic assessments. The holder of this Exploration License is allowed to set up a pilot plant, once the holder has applied for and been given the appropriate mining and environmental authorizations.
- **Exploitation License.** Qualifies the holder to exploit one or more mineral substances, in a given area, and dispose of the output from the deposit. In order to obtain this Exploitation License, an environmental impact analysis must first be approved, according to the legal provisions in force since 1994.

Table 4.1 summarizes the key terms of the different licenses.

Table 4.1 Licenses and Durations

Type of License	Operation	Possible Extensions	Term	Maximum Area of each permit	Area Reduction after 2 nd extension
Prospecting	3 months – 36 months	3	1 year	100,000 ha	25%
Exploration	1 year – 3 years	3	1 year each	1,000 ha	25%
Exploitation	Up to 30 years	multiple	15 years	500 ha per type of mineral	N/A

The National Mining and Geology Directorate ("DINAMIGE"), which forms part of the Ministry of Industry, Energy, and Mining, is the only State agency responsible for the control of mining and the management of the subsoil. It is the competent agency in charge of granting Prospecting and Exploration Licenses, while the Ministry is responsible for awarding the concession for Exploitation Licenses.

Effective November 14, 2011, for metallic mineral deposits the government of Uruguay levies a 5% production royalty, based on a percentage of the value of free on-board mineral exports. The royalty is split with a 2% royalty paid to the underlying landowner and a 3% royalty paid to the government.

Environment

The Uruguayan Constitution establishes environmental protection as a matter of public interest. The Ministry of Housing, Territory and Environment supervises all environmental matters, through the National Environment Directorate (DINAMA). A party that causes environmental damages, environmental pollution, or breaches environmental rules or laws has civil responsibility for remediation.

On January 19, 1994, the Uruguayan Government enacted Law 16.466, (regulatory decree passed September 1994, and updated on September 2005 and December 2013) which established the requirement for mining companies to be issued with an Environmental Impact Authorization ("EIA") prior to the commencement of construction and mining activities, including exploration.

Uruguay mining legislation requires all mining licenses to be supported by guarantees for any environmental rehabilitation requirements resulting from exploration or mining activities. These guarantees are required to be posted by qualified financial institutions.

All mining activities and the operation of the tailings storage facility at San Gregorio must be performed under specific environmental licenses issued by the Uruguayan State. Environmental licenses are also required for drilling under Exploration Licenses.

A comprehensive closure plan has been developed for the operation and is currently being implemented.

4.4 Employees

As of May 31, 2020, OMI had 10 direct employees of whom 7 were based in Uruguay and 3 in Colombia. There are 264 not-active employees in Uruguay incorporated into the Uruguayan unemployment benefit system ("Seguro de paro").

4.5 Risk Factors

The principal risks are considered to be those set out below.

Liquidity Risk

Liquidity risk is the risk that the Company will not have sufficient cash resources to meet its financial obligations as they come due. The Company regularly evaluates its cash position to ensure preservation and security of capital as well as maintenance of liquidity.

The Company is not currently generating cash from operations but relies on cash payments from Newmont and their funding of commitments in Colombia to cover its financial needs outside of Uruguay. The business in Uruguay is, as per the December 2018 agreement, financing itself by selling assets while covering its liabilities. There can be no assurance that these funding sources will continue to be available to the Company or, if available, will be sufficient to cover all its needs in the future. The Company may in the future consider to raise equity capital in amounts sufficient to fund both exploration work and working capital requirements.

There can be no assurance that additional funding will be available to the Company or, if available, that this funding will be on acceptable terms. Additional measures have been undertaken or are under consideration to further reduce cash expenditures.

Liquidity risk depends on certain forward-looking statements which include, without limitation, the exploration plans in Colombia and the funding from Newmont Colombia of those plans, Newmont Colombia's decision to continue with the option agreement, the satisfactory implementation of the ratified Creditors' Agreement in Uruguay, There can be no assurance that such statements will prove to be

accurate. Actual results and future events could differ materially from those anticipated in such forward-looking statements.

Key Personnel Risks

Recruiting and retaining qualified personnel is critical to the Company's success. Although the Company believes that it will be successful in attracting and retaining qualified personnel, there can be no assurance of such success.

Exploration, Mining and Operational Risks

The Company's longer-term strategy depends on its ability to find commercial quantities of minerals, and to obtain and retain appropriate access to these minerals. The Board cannot guarantee that it will be able to identify appropriate properties, or negotiate acquisitions, on favourable terms.

The nature of resource and reserve quantification studies means that there can be no guarantee that estimates of quantities and grades of minerals will be available to extract. The figures for reserves and resources estimates are determined in accordance with National Instrument 43-101, issued by the Canadian Securities Administrators. This National Instrument lays out the standards of disclosure for mineral projects including rules relating to the determination of mineral reserves and resources.

The exploration for and development of mineral deposits involves significant risks that even a combination of careful evaluation, experience and knowledge may not eliminate or adequately mitigate. While the discovery of an ore body may result in substantial rewards, few properties that are explored are ultimately developed into producing mines. There is no assurance that commercial quantities of ore will be discovered on any of Orosur's exploration properties. There is no assurance that, even if commercial quantities of ore are discovered, a mineral property will be brought into commercial production. In addition, assuming discovery of a commercial ore-body, depending on the type of mining operation involved, several years can elapse from the initial phase of drilling until commercial operations are commenced.

The Company's business activities are also affected to varying degrees by government regulations respecting, among other things, tax, royalties, utilities service supply, mining legislation and environmental legislation changes.

Title Risks

Individual titles expire from time to time and the Company manages the process of retaining its rights by re-application or conversion to other forms of title relevant to each stage of development. The process of re-application involves some risk however, as released titles must fall open before they can be re-applied for.

There can be no guarantee that the State in the jurisdictions in which the Company operates will continue to grant or respect mining titles and environmental licenses, and that the titles of the properties will not be challenged or negated for political or legal reasons.

Political and Economic Risks

Political conditions in the countries where the Company operates are stable. Changes may however occur in political, fiscal and legal system that might affect the ownership or operation of the Company's interests, including inter alia, changes in exchange control regulations, expropriation of mining rights, changes of government and in legislative, tax and regulatory (mining and environmental) regimes.

Sensitivity to commodity prices and foreign exchange rates

Gold has historically been subject to large price fluctuations, and is affected by factors which are unpredictable, including international economic and political conditions, speculative activities, the relative exchange rate of the US dollar with other currencies, inflation, global and regional levels of supply and demand and the gold inventory levels maintained by producers and others.

The Company has financial exposure to foreign exchange fluctuations in the Uruguayan and Colombian peso and the Canadian dollar relative to the US dollar.

ITEM 5 PRINCIPAL PROPERTIES

5.1 Anzá Project, Colombia

Project Description, Location and Access

The Anzá Project is located 50km west of Medellín, Colombia with access via predominantly paved roads with a shorter gravel road leading immediately into the project area. The site has existing infrastructure including water, power, roads and a camp.

It is located on the eastern side of the Cordillera Occidental of Colombia in the Metallogenic Belt of the Middle Cauca, which mainly hosts two types of gold mineralization: a porphyry style and/or an epithermal type with a strong relationship with the Cauca-Romeral fault zone, which constitutes a suture zone associated with the collision of the Choco Volcanic Arc. The most important gold mining districts of the country are located in this region.



Map: Location of Anzá and other Middle Cauca Belt projects in Colombia

Magnetometry, induced polarization, radiometry, soil and rock sampling surveys have all been completed leading to the identification of 5 initial targets within the property: APTA, Charrascala, Guaimarala, Jesuitas and La Cejita. Extensive drilling has been carried out at APTA, and some preliminary drilling has been conducted at Charrascala. Initial metallurgical and rock density test work completed in mid-2016 provided average gold recoveries ranging from 95.9% – 96.1% utilising a combination of gravity concentration, flotation and cyanidation processing, which is comparable to the metallurgical recoveries of the development projects and producing mines in the region.

Historic diamond drilling of 17,409m consisting of 53 holes was completed during 2011 to 2012 by Waymar Resources, a company that was acquired by Orosur in mid-2014. This drilling confirmed that gold and sulphide mineralization are associated with a structurally controlled hydrothermal system (fault and breccia zones). Drilling also identified three units as carriers of gold mineralization: silicified matrix- supported

breccia with pyrite / sphalerite / chalcopyrite disseminated in the matrix and veins; fault zones with similar sulphides; and laminated mudstone or tuff cut by quartz-sulphide veins.

In Anzá, the terrain is steeply incised with elevations ranging from 700m to 2,000m above sea level. The area is generally covered in mixed open natural grassland with patchy scrub and woodland. The drainages are densely vegetated, and outcrop is relatively poor. The Niverengo river drainage bisects the Anzá project area and the Gypsum Mine, separating the two mining sites. Agricultural activity in the vicinity focuses predominantly on subsistence farming, mango and palm nut cultivation and the rearing of livestock.

The climate is tropical with average minimum and maximum temperatures of 16°C and 27°C respectively. The average annual rainfall is approximately 1,500 mm, most of which falls in the rainy season from April to November.

The Anzá project area is reasonably well developed in terms of infrastructure and road access. The town of Anzá has a population of 1,600 people and a further 6,000 people live in the outlying rural communities. Agriculture is the main economic activity in the region.

Regional Geology

South American geology is dominated by the relationships among three principal tectonic plates, the Pacific (Nazca) plate in the west, the Caribbean plate to the north and the South American plate which forms the bulk of the continental landmass. The Northern Andean Block forms a distinct geological segment of the Andean Cordillera in Colombia and is subdivided into three mountain chains, the Occidental (western), Central and Oriental (eastern) Cordillera.

Colombia's geological history has been dominated by processes occurring along the accreting plate boundary between the Nazca and South American plates. Changes in the position of the subduction zone have resulted in the progressive accretion of the Cordilleran mountain chains onto the western margin of the Guiana Shield, forming the current complex geological framework. These plate tectonic processes are also strongly associated with ore forming processes and the formation of many of Colombia's mineral deposits.

The Anzá project lies within the Western Tectonic Realm of Colombia. This is composed of a series of oceanic terranes accreted against the western margin of the Guiana Shield during the late Mesozoic and Cenozoic periods. The Anzá prospect lies near the eastern margin the Cañas Gordas Terrane ("CGT"), a component of the Choco Arc, one of the components of the Western Tectonic Realm.

The CGT is composed of volcanic rocks and sediments of middle to late Cretaceous age. The volcanic sequence forms the Barroso Formation and the sedimentary sequence the Penderisco Formation, with the Penderisco Formation occurring in the western part of the terrane and the Barroso Formation in the east.

The volcanic rocks of the Barroso Formation are of tholeiitic basalt and andesite composition. Basalt flows, pillow lavas, agglomerates and tuffaceous pyroclastics are present. Fine sedimentary and cherty units are locally intercalated in the volcanic sequence, with diabase, possibly as sills, also reported. The Barroso Formation is interpreted to have been deposited in a subaqueous environment as part of a calc-alkaline volcanic arc.

The Penderisco Formation is a turbidite sequence composed of thin to medium bedded greywackes, mudstones, shales, calcilutites and minor volcanic tuffs. These sediments are interpreted to overlie, and locally pass into, the volcanics of the Barroso Formation.

Towards the southern end of the area where the Gypsum Mine is located, the Barroso Formation contains a localised series of andesitic to dacitic pyroclastics, including agglomerates, tuffs and volcano-sedimentary breccias. Siliceous to cherty and calcareous fine grained clastic sedimentary rocks are also present. These intermediate pyroclastic rocks host all of the gypsum and metalliferous sulphide occurrences that have been discovered to date.

The CGT was intruded in the east by the Sabanalarga Batholith during the Cretaceous (99 Ma to 112 Ma). This elongate, composite talc-alkaline pluton containing tonalite, quartz diorite and granodiorite, may be closely related to volcanic arc development. The younger, 53 Ma, Mande-Acandi talc-alkaline plutonic arc is emplaced along the western margin of the CGT. These plutons are inferred to have been emplaced prior

to accretion of the CGT onto the Guyana Shield. Small stocks dated at 6 Ma to 8 Ma occur along the eastern side of the CGT and are inferred to be related to subduction and subsequent accretion of the Baudo Terrane.

The CGT is bounded on the east by the arcuate Garrapatas — Dabeiba Fault system. This fault system records the oblique, dextral obduction of the CGT onto the previously accreted Pacific and Caribbean terrane assemblages. Accretion took place during early to middle Miocene. The western boundary with the Baudo Terrane is marked by the late Miocene Atrato Fault system, which is seen in seismic sections below younger cover. The Anzá project is located on the eastern edge of the CGT, adjacent to the north trending Romeral Fault zone, a component of the Garrapatas — Dabeiba Fault, which separates the allochthonous oceanic rocks of the Western Cordillera from the continental sub-plate of the Central Cordillera.

Local Geology

The Anzá project is located on the east side of the CGT, approximately 7 km west of the Romeral fault zone which is marked approximately by the course of the Cauca River. The project area lies within a north south trending, 10 km to 15 km wide, strip of Barroso Formation basalt and basaltic andesites. Lenticular outcrops of fine sediments (siltstones and mudstones) occur within the Barroso Formation. A major outcrop of Penderisco Formation occurs some 5 km to 7 km west of the project area. Cretaceous calc-alkaline intrusions (rock types mapped as 'undifferentiated' but include gabbro and diorite) and one Neogene intrusion occur but are a minor component of the local area. The break between the Barroso and Penderisco Formations is defined on a regional scale by the north-south trending Sepultura Fault, which is a parallel structure to the Romeral Fault. In the vicinity of the Anzá project the Sepultura Fault is mapped within the Barroso Formation, suggesting a more complex fault morphology and structural history.

The host succession to the gypsum deposits and sulphide mineralisation at the La Pastorera and Aragón mines is a local occurrence of intermediate pyroclastics and sediments within the main outcrop of basaltic Barroso Formation material. This sequence is termed the Miembro Transicional. The relationships of this clastic sequence with the Penderisco Formation are uncertain. Black carbonaceous mudstones were observed in contact with the gypsum at the La Pastorera mine and these may form part of the latter sedimentary unit

The immediate host rocks of the Gypsum Mine deposits have been mapped in detail. There are three locally mappable units at La Pastorera and form the lowest exposed units of the Miembro Transicional;

- Thick sequence of fine tuffs with intercalations of massive to pillowed basalt and minor chert and calcareous mudstones.
- Crystal-lithic intermediate tuffs, which are locally pyritised above the gypsum and sulphide. Pyritic beds or replacement zones may reach 3m thick.
- Agglomerates and crystal-lithic tuffs with minor intercalations of chert, calcareous mudstone and basalt. The gypsum and massive sulphides occur in this unit, with gypsum forming a major part of the unit.

Ownership

The Project is 100% owned with no option fees or commitments, and includes existing environmental and mining permits relating to two gypsum mines located on the property and mined since 1991 by a third party.

Waymar Resources Ltd. acquired the 100% interest in the Anzá Project pursuant to an option agreement effective June 29, 2010 (the "Niverengo Option Agreement"). On June 24, 2013, Waymar exercised the option and acquired the 100% interest in the Anzá Project which encompasses approximately 6,738 hectares of mineral rights. Pursuant to the Niverengo Option Agreement, whereby Waymar exercised the option and acquired the 100% interest in the Anzá Project, the vendor received a 2% net smelter return royalty on future production from part of the property. Orosur retained the right to purchase one-half of the NSR (1%) in consideration of a payment of US\$1.0million.

Waymar also acquired pursuant to an agreement effective June 29, 2010, 100% ownership of certain properties surrounding Anzá, originally covering approximately 16,293 hectares (prior to subsequent property area reductions), comprising concessions, exploration licenses, study areas and applications, to cover the district potential.

Orosur completed the acquisition of Waymar in July 2014.

Drilling

Since 2010, Waymar Resources Ltd. conducted geological mapping, ground geophysical surveys, a systematic geochemical sampling survey, an airborne geophysical survey, 17,408 metres of diamond core drilling (in 53 drill holes) and other complementary technical studies. This work identified one significant mineralized body, called APTA. Mineralization at APTA has been identified along 2,500 metres of strike of the Aragón Fault. The deposit remains open along strike and at depth. In the FY18 a new drilling campaign took place at APTA in which 6,314m of drilling was completed.

Other targets in the ANZA exploration area have not yet been tested by drilling except at Charrascala where 5 diamond drill holes totalling 3,045m were completed.

5.2 San Gregorio Gold Project, Uruguay

The San Gregorio project in Uruguay is not considered a material mining and exploration project for the Company. Operations and exploration in Uruguay have been discontinued and the Company is in the process of implementing the court approved agreement with creditors as explained in section 4.1 of this AIF.

5.2.1 Environmental Liabilities

Uruguay mining legislation requires all mining licenses to be supported by guarantees for any environmental rehabilitation requirements and other damages resulting from exploration or mining activities. These guarantees are required to be posted by qualified financial institutions and therefore do not present a liability to the Company.

A site-wide decommissioning plan (the "Closure Plan") has been produced and is updated and audited every year. The Closure Plan includes the establishment of all environmental liabilities with the corresponding costs.

Activities included in the Closure Plan are:

- Pit conditioning
- Re-vegetation of waste dumps
- Treatment of effluents containing cyanide
- Sealing of the Tailing Storage Facilities
- Post-closure monitoring

6 DIVIDENDS

No dividends have been declared by the Corporation in the past five years or are planned at this point in time.

7 DESCRIPTION OF CAPITAL STRUCTURE

The authorized capital of the Corporation consists of an unlimited number of common shares of which 160,277,672 were issued and outstanding as at May 31, 2020.

Additionally, as of May 31, 2020, there were 6,808,319 stock options outstanding, and 8,370,251 warrants outstanding.

Each shareholder is entitled to one vote for each common share held. The rights of the holders of common shares are equal in all respects and include the right to receive the remaining property of the Corporation upon dissolution.

8 MARKET FOR SECURITIES

8.1 Trading Price and Volume

The common shares are traded on the Toronto Stock Exchange (“TSX”) and on the Alternative Investment Market (“AIM”) of the London Stock Exchange under the trading symbol “OMI”. The following table sets out the high and low prices and trading volume of the Corporation’s common shares as reported by the TSX for the periods indicated.

Period	Highest (CDN\$)	Lowest (CDN\$)	Total volume for the period
May, 2020	0.060	0.035	1,830,800
April, 2020	0.045	0.030	1,069,500
March, 2020	0.045	0.030	764,900
February, 2020	0.060	0.040	3,063,900
January, 2020	0.060	0.050	708,000
December, 2019	0.060	0.045	542,700
November, 2019	0.055	0.045	328,800
October, 2019	0.065	0.045	329,800
September, 2019	0.085	0.055	3,418,300
August, 2019	0.130	0.050	2,637,200
July, 2019	0.065	0.050	1,631,000
June, 2019	0.070	0.040	3,028,600

9 DIRECTORS AND OFFICERS

9.1 Name, Occupation and Security Holding

In April 2020, Mr. Robert Schafer resigned as Chairman of the Board of Directors

In April 2020, Mr. Louis Castro was appointed as Chairman of the Board of Directors

In May 2020, Mr Bradley George was appointed as a non-executive director of the Company

These tables set out the names and province/state and country of residence of the Corporation’s directors and executive officers as at May 31, 2020 and their principal occupations during the last five years.

Directors as of May 31, 2020		
Name and province or state and country of Residence	Position in the Corporation	Principal Occupation for the Last Five Years
Ignacio Salazar London, UK	Chief Executive Officer (since March 2013) and Director (since August 2008)	Mr. Salazar has been the CEO of Orosur Mining since March 2013. He joined the Corporation in September 2008 as Finance Director. He has more than 25 years of international experience in mining and oil and gas (O&G). Ignacio was President of the Chamber of Mines of Uruguay from 2009 to 2018. Prior to Orosur, he worked in different functions in Finance and New Business Development for the Royal Dutch Shell group living in several countries in Europe and South America. He holds a MSc in Economics and Business

Directors as of May 31, 2020

Name and province or state and country of Residence	Position in the Corporation	Principal Occupation for the Last Five Years
		Administration and a Master Degree in Law, both from the University of Deusto in Spain.
Louis Castro London, UK	Appointed to the Board on April 14, 2020.	Mr. Castro is a chartered accountant and former investment banker with more than 30 years' City and industry experience. Louis is a non-executive director and Chairman of the Audit Committee at Stanley Gibbons Group plc, Jangada Mines plc and Tekcapital plc. He was previously CFO at Eland Oil and Gas, an AIM listed upstream company operating in Nigeria, and CEO at Northland Capital Partners investment bank and broker, where he represented a significant number of mining and oil & gas clients, including clients in South America.
Hornq Dih Lee Vancouver, Canada	Non-Executive Director (since July 2014) (Chairman of Audit and Remuneration Committees)	Mr. Lee joined the Corporation in July 2014. He was Chief Financial Officer and Corporate Secretary of Eastern Platinum Ltd. from 2007 to 2016. Mr. Lee obtained his Chartered Accountant designation with Deloitte LLP and holds an MBA from the University of British Columbia. He has more than 30 years of experience in finance, accounting, treasury and administration in public mining companies. Prior to Eastern Platinum, he held senior financial positions with TSX listed companies Northern Orion Resources Inc., Ivanhoe Mines Ltd. and Diamond Fields Resources Inc.
Brad George Perth, Australia	Non-Executive Director (since May 01, 2020)	Mr. George joined the company in May 2020 as a Non-Executive Director. Mr. George is a geologist by original training, with several decades experience managing exploration projects around the world. In addition, Mr. George spent several years as a partner, and head of mining and metals in a boutique London investment bank. Mr George holds a BSc from the University of Sydney and an MBA from Deakin University.

Directors and Officers Holding Information (as of the date of this AIF)				
Directors	Shares	% Holding	Stock Options	Strike Price (CND)
Thomas Masney (Non-Executive Director)	-	0.00%	-	
Louis Castro (Chairman of the Board)	-	0.00%	240,000	\$0.04
Brad George (Non-Executive Director)		0.00%	200,000	\$0.04
Joaquin Lauro Sarroca (Legal Counsel and Corporate Secretary)			30,000	\$0.24
			30,000	\$0.11
			60,000	\$0.05
Total	-	0.00%	560,000	

Senior Executives as of May 31, 2020

Name and province or state and country of Residence	Position in the Corporation	Principal Occupation for the Last Five Years
Ignacio Salazar London, UK	Chief Executive Officer	Mr. Salazar is the CEO of Orosur Mining since March 2013. He joined the Company in September 2008 as Finance Director. He has more than 25 years of international experience in mining and oil and gas (O&G). Ignacio was President of the Chamber of Mines of Uruguay from 2009 to 2018. Prior to Orosur, he worked in different functions in Finance and New Business Development for the Royal Dutch Shell group living in several countries in Europe and South America. He holds a MSc in Economics and Business Administration and a Master Degree in Law, both from the University of Deusto in Spain.
Victor Hugo Toronto, Canada	Chief Financial Officer	Mr. Hugo currently works with Marrelli Support Services which provides CFO, accounting, regulatory, compliance and management advisory services to numerous issuers on the TSX, TSX Venture Exchange and other Canadian and U.S. exchanges. Mr. Hugo is a CPA, CMA and holds a Bachelors of Commerce with Honours specializing in accounting and cost and management accounting from Potchefstroom University in South Africa. Victor has served as CFO for several TSX Venture Exchange companies. He has over 20 years' experience in the mining and manufacturing sectors, with responsibility for accounting, budgeting and financial reporting

Senior Executives as of May 31, 2020

Name and province or state and country of Residence	Position in the Corporation	Principal Occupation for the Last Five Years
Ryan Cohen Vancouver, Canada	Vice President, Corporate Development and Corporate Secretary (until May 15,2020)	Mr. Cohen has worked in the mining sector for over 12 years across a broad range of roles including investment banking, investor relations, corporate advisory, corporate development and operations. He has previously held management roles with other companies in the natural resource sector. Prior to that, he was a Director, Equity & Debt Capital Markets at Canaccord Genuity. During his time with Canaccord, he advised on approximately US\$7.5 billion worth of transactions, including financings, M&A, corporate advisory and debt & commodity related finance.
Jerónimo Jáñez Tandil, Argentina	Exploration Manager	Jerónimo is a geologist with 10 years of experience, predominantly as a mine geologist. He has led gold and base metal production projects, both open pit and underground, in Argentina and Uruguay. Jerónimo's team in Uruguay are responsible for both operational and exploration activities, including ore control, brownfield and greenfield exploration activities. Jerónimo has experience in mineral exploration, resource modeling and production of numerous deposits and mines. Jerónimo holds a degree in Geology from La Plata National University.
Joaquín L. Sarroca Montevideo, Uruguay	Legal Counsel (since May 2014) and Corporate Secretary (since May 15, 2020)	Joaquín commenced working for Orosur in May 2014. Joaquín earned his Master of Laws in International Business Law (LLM), from Queen Mary University of London and is also a Uruguayan-qualified lawyer (Universidad de la República). He has over 12 years of legal experience at recognized law firms in both Uruguay and London where he advised on commercial litigation, corporate governance, business law and contracts to international and local corporations from different industries, including energy and mining.

Each director is elected to hold office until the next annual meeting of shareholders of the Corporation or until his successor is elected or appointed.

The Committees of the Corporation's board of directors consist of the Audit Committee and the Remuneration Committee. Additional information with respect to such committees is contained in the management information circular and Annual Report of the Corporation.

As of the date of this AIF, the number and percentage of common shares of the Corporation beneficially owned or controlled or directed, directly or indirectly, by all directors and executive officers of the Corporation as a group was 0.00% of the total issued and outstanding shares of the Corporation.

9.2 Cease Trade Order, Bankruptcies, Penalties or Sanctions

To the knowledge of the Company, no director or executive officer of the Company is as of the date hereof, or has been, in the last ten years, a director or chief executive officer or chief financial officer of an issuer that, while that person was acting in that capacity, (a) was the subject of a cease trade order or similar order or an order that denied the issuer access to any exemption under Canadian securities legislation, for a period of more than 30 consecutive days, (b) was subject to an event that resulted, after that person ceased to be a director or executive officer, in the issuer being the subject of a cease trade or similar order or an order that denied the issuer access to any exemption under Canadian securities legislation, for a period of more than 30 consecutive days, or (c) 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.

To the knowledge of the Company, no director or executive officer of the Corporation and no shareholder holding sufficient number of securities of the Corporation to affect materially the control of the Corporation (a) is, as at the date hereof, or has been within the 10 years before the date hereof, a director or executive officer of any company including the Corporation 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 the 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, or (b) has, within the 10 years before the date hereof, become bankrupt, made a proposal under any

legislation relating to bankruptcy or insolvency, or became subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or such shareholder.

To the knowledge of the Corporation, no director or executive officer of the Corporation, and no shareholder holding a sufficient number of securities of the Corporation to affect materially the control of the Corporation, (a) has been subject to any penalties or sanctions imposed by a court relating to securities or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or (b) has been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

9.3 Conflicts of Interest

To the knowledge of the Company, no director or officer of the Company or of any subsidiary of the Company has an existing or potential material conflict of interest with the Company or any of its subsidiaries.

Loryser SA, the Uruguayan subsidiary, started a reorganisation process in June 2018. As a consequence, the directors and officers of Loryser SA have to manage this subsidiary in the interest of the creditors and in combination with the intervenor appointed by the reorganisation judge. They are directors and officers as well of Orosur and its other subsidiaries. While the majority of the interests of Loryser SA are aligned with the interests of Orosur and its other subsidiaries, there might be circumstances, namely in relation to intercompany services, fees, obligations and liabilities where a conflict of interest may arise.

10 LEGAL PROCEEDINGS

10.1 Legal Proceedings

The Corporation may be involved in legal proceedings from time to time, arising in the ordinary course of its business.

Following the relinquishment by Fortune Valley Resources Chile S.A. ("FVRC") of the Pantanillo project, Anglo American sought the payment of minimum royalties totalling US\$3 million and requested arbitration in September, 2017. Arbitration proceedings were conducted in Santiago, Chile. On March 28, 2019, the Arbitral Tribunal rendered its decision, ruling that FVRC is required to pay Anglo approximately US\$1.6 million plus interests at Chile's current interest rate calculated from December 2015 until its effective payment. The Tribunal's decision is exclusively against FVRC. Orosur was not named in the decision from the Tribunal nor was Orosur a party to the relevant agreements.

The legal proceedings related to the reorganisation process in Uruguay are described in section 4.1 of this AIF.

10.2 Regulatory Actions

The Company has not been subject to any penalties or sanctions imposed by any court relating to securities legislation or by a securities regulatory authority during FY 2020 and up to the date hereof.

The Company has not entered into any settlement agreement before a court relating to securities legislation or with a securities regulatory authority in FY 2020 and up to the date hereof.

11 INTEREST OF MANAGEMENT AND OTHER IN MATERIAL TRANSACTIONS

The Company is not aware of any material interests, direct or indirect, of any director, executive officer, any shareholder who beneficially owns, or controls or directs, directly or indirectly more than 10% of the issued and outstanding common shares of OMI or any known associate or affiliates of such persons in any transaction within the three most recently completed financial years or during the current financial year that has materially affected or is reasonably expected to materially affect the Company.

12 TRANSFER AGENT AND REGISTRAR

Computershare Trust Company of Canada with offices at 3rd Floor, 510 Burrard Street, Vancouver, British Columbia V6C 3B9, Canada, is the transfer agent and registrar for OMI's common shares.

13 MATERIAL CONTRACTS

The Company entered into no material contracts during the year.

14 INTEREST OF EXPERTS

14.1 Name of Experts

Unless stated for each specific section, this AIF has also been updated by the Corporation to the date by Miguel Fuentealba, a consultant of Orosur and "qualified person" under NI 43-101.

14.2 Interest of Experts

PricewaterhouseCoopers LLP, Chartered Professional Accountants, Licensed Public Accountants, are the independent auditors of the Corporation (in accordance with the Rules of Professional Conduct of the Chartered Professional Accountants of Ontario) for financial statements for the year ended May 31, 2020.

Mr. Miguel Fuentealba acts as QP for this AIF. Mr. Flores acted as the QP in the Anzá technical report in January 2019. Neither of them holds any common shares of the Corporation, directly or indirectly, or through stock options.

None of the other experts named in the foregoing section, or any designated professionals (as defined in Form 51-102F2) of MDA or AMEC, received any securities of the Corporation at the time that the respective report was prepared, or will receive any securities of the Corporation or are expected to be elected, appointed or employed as directors, officers or employees of the Company or any of its affiliates.

15 INFORMATION CONCERNING THE CORPORATION'S AUDIT COMMITTEE AND EXTERNAL AUDITOR

The Corporation's Audit Committee has various responsibilities as set forth in Multilateral Instrument 52-110 made under securities legislation, among such responsibilities being a requirement that the Audit Committee establish a written charter that sets out its mandate and responsibilities.

15.1 The Audit Committee Charter

The text of the Corporation's Audit Committee Charter (the "Charter") is set out in Annexure 1 to this AIF.

15.2 Composition of the Audit Committee

The following are the current members of the Committee:

Louis Castro	Independent ⁽¹⁾	Financially literate
Thomas Masney	Independent ⁽¹⁾	Financially literate
Brad George		

⁽¹⁾As defined by National Instrument 52-110 (NI 52-110).

15.3 Relevant Education and Experience

For information on the education and experience of the members of the Audit Committee, please refer to details under the heading "Directors and Officers" referred to herein.

15.4 Pre-Approval Policies and Procedures

All services to be performed by the Corporation's independent auditor must be approved in advance by the Audit Committee. The Audit Committee has considered whether the provision of services other than audit services is compatible with maintaining the auditors' independence and has adopted a policy governing the provision of these services. This policy requires the pre-approval by the Audit Committee of all audit and non-audit services provided by the external auditor, other than any de minimis non-audit services allowed by applicable law or regulation.

15.5 External Auditor Service Fees

Fiscal Year End	Audit Fees (\$)	Audit Related Fees ⁽¹⁾ (\$)	Tax Fees ⁽²⁾ (\$)	All Other Fees ⁽³⁾ (\$)
2020	117,000	-	-	-
2019	101,000	-	-	-
2018	165,562	-	6,450	-

Notes:

- (1) Fees charged for assurance and related services reasonably related to the performance of an audit, and not included under "Audit Fees".
- (2) Fees charged for tax compliance, tax advice and tax planning services.
- (3) Fees for services other than disclosed in any other column.

ITEM 16 ADDITIONAL INFORMATION

Additional information on the Corporation can be found on SEDAR at www.sedar.com.

Additional information including directors' and officers' remuneration and indebtedness, principal holders of OMI's securities and options to purchase securities, where applicable, will be contained in OMI's Management Information Circular to be prepared for the Annual General Meeting of the shareholders of OMI. Additional financial information is provided in OMI's audited financial statements and management discussion and analysis for the year ended May 31, 2020.

ANNEXURE 1 – AUDIT COMMITTEE CHARTER

Composition

1. The Committee will be comprised of no less than three directors of the Corporation. Unless waived, 24-hour notice must be given. Quorum of meetings shall be a majority of members. Meetings may be by telephone or in person.
2. The length of term to be served by directors on the Committee will be determined by the Board of Directors of the Corporation (the “Board”), giving consideration to the benefits of periodic rotation of committee membership.
3. One of the members will be appointed Chairman of the Committee by the Board.
4. A secretary to the Committee will be appointed by the Chairman of the Committee. The Secretary of the Committee may or may not be a member of the Committee.
5. With the approval of the Board, the Committee may retain persons having special expertise to assist the Committee in fulfilling its responsibilities.

Responsibilities

The responsibilities which the Committee is required to satisfy itself of, on behalf of the Board, are to:

1. recommend to the Board:
 - (i) the external auditor to be nominated for the purpose of preparing or issuing an auditors’ report or performing other audit, review or attest services for the Corporation; and
 - (ii) the compensation of the external auditor.
2. oversee the work of the external auditor engaged for the purpose of preparing or issuing an auditors’ report or performing other audit, review or attest services for the Corporation, including the resolution of disagreements between the management and external auditor regarding financial reporting;
3. pre-approve all non-audit services to be provided to the Corporation or to its subsidiaries by the Corporation’s external auditor;
4. ensure that the Corporation’s annual financial statements are fairly presented in accordance with generally accepted accounting principles and to recommend to the Board whether the annual financial statements should be approved;
5. ensure that the information contained in the following financial publications is not significantly incomplete, misleading or erroneous:
 - (i) Management Discussion and Analysis (“MD&A”)
 - (ii) Annual Information Form (“AIF”)
 - (iii) Quarterly Financial Information
 - (iv) Prospectuses
6. review the Corporation’s financial statements, MD&A and annual and interim earnings press releases before the Corporation publicly discloses this information;
7. ensure that adequate procedures are in place for the review of the Corporation’s public disclosure of financial information extracted or derived from the Corporation’s financial statements, other than the public disclosure referred to in subsection (e), and must periodically assess the adequacy of those procedures.
8. ensure that there are established procedures for:

9. the receipt, retention and treatment of complaints received by the issuer regarding accounting, internal accounting controls, or auditing matters; and
 - (i) the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.
 - (ii) review and approves the Corporation's policies regarding partners, employees and former partners and employees of the present and former external auditor of the issuer.
10. ensure that the Corporation has implemented appropriate systems of internal control over financial reporting, and appropriate systems of internal control to ensure compliance with legal, regulatory and ethical requirements; and

Meetings

1. The Committee will meet at least four times per year. The meetings will be scheduled to permit timely review of the interim and annual financial statements and for meetings with the external auditors, prior to a submission of observation and recommendations to the Board. Additional meetings may be held as deemed necessary by the Chairman of the Committee or as requested by any member or the external auditors.

Reporting

1. The minutes of all meetings of the Committee, signed by the Chairman of the Committee and the Secretary to the Committee, are to be provided to the Board. Oral reports on recent matters not yet minuted are to be provided to the Board by the Chairman of the Committee.
2. Supporting schedules and information reviewed by the Committee will be available for examination by any director upon request to the Secretary to the Committee.