NI 43-101 Updated Technical Report on Resources

El Compas Property

Mineral Resource Estimation

Zacatecas State, Mexico

Prepared for:

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Summary (Item 3)

Property Description and Location

The El Compas gold and silver property ("The Property") is located in the state of Zacatecas, Mexico, approximately 1.7 kilometers south of the city of Zacatecas, and is centered at UTM 747,193E, 2515482N, within the WGS84 Zone 13 coordinate system. The Property is accessible from Zacatecas City by two-wheel drive vehicle via paved and gravel roads in good condition.

The Property consists of 17 semi-contiguous claims totaling approximately 2,740 hectares. One additional claim has been applied for by the Company at the Mexican Department of Mines and is pending approval (approximately 150 hectares). The El Compas and El Orito resource areas are located near the center of the property, entirely within the El Compas, El Orito and Don Luis del Oro claims.

Ownership

Ten of the 17 claims comprising the El Compas property are 100% owned by Oro Silver Resources Ltd's Mexican affiliate, Minera Oro Silver de Mexico S.A. de C.V. The remaining eight concessions are under assignment-of-rights and option-to-purchase agreements between the underlying owners and Minera Oro Silver. In all instances involving agreements the Company has the right to acquire a 100% interest in the exploration and mining rights to these properties. All of the agreements include staged cash and/or share payments, and some are subject to minimum work commitments and NSR clauses also.

To date the company has made several large (>$50,000) cash option payments:

- The Company can acquire the remaining 49% interest by completing additional staged payments to the owner totaling $364,240 (including value added tax) by December 4, 2011. Payments made to date also resulted in the acquisition of the 100% interest in the exploration and mining rights to three adjacent claims previously optioned to the Company (El Orito, La Virgen, Ampleacion Al Compas) by the same owner of the El Compas claim.
- A total of $380,000 has been paid to Exploraciones del Altiplano, in staged payments through August, 2010 under an exploration with option-to-purchase agreement with the owner of the mining rights to six mining concessions (Don Luis del Oro, La Virgen 2, La Casi Virgen 2, La Casi Virgen 3 – Fracc. A, La Casi Virgen 3 – Fracc. B, and La Casi Virgen 6). Work commitments consisting of 1,000 meters of drilling and $200,000 in exploration expenditure have also been completed to date. The company can acquire a 100% interest in the six mining concessions by completing additional staged cash payments totaling $930,000 and work commitments totaling $500,000 by August 22, 2012.
- A total of $ 300,000 has been paid to the owner in staged payments through July 2009, under an option-to-purchase agreement, to acquire a 100% interest in the mining rights to five concessions (El Sol, Ana Camila, Ana Camila, Ana Camila Fracc. 1, Ana Camila Fracc. 1).

Geology and Mineralization

The Zacatecas Mining District covers a belt of epithermal and mesothermal vein deposits that contain silver, gold and base metals (copper, lead and zinc) in the southern Sierra Madre Occidental Physiographic Province in north-central Mexico. The dominant structural features that localize mineralization are of Tertiary age, and are interpreted to be related to the development of a volcanic center and to northerly trending basin-and-range structures. The Zacatecas Mining District occurs in a structurally complex setting, associated with siliceous subvolcanic and volcanic rocks underlain by sedimentary and metasedimentary rocks. The geologic units of the Zacatecas area include Triassic metamorphic rocks of the Zacatecas Formation and overlying basic volcanic rocks of the Upper Jurassic or Lower Cretaceous Chilitos Formation.

The veins at El Compas strike predominantly north and northwest and are hosted partly in volcanic and sedimentary rocks of the Chilitos formation and partly in overlying volcanic rocks of the La Virgen formation. At least five low sulphidation epithermal veins were historically exploited by several small shafts located within the El Compas and El Orito concessions for gold and silver.

Exploration

The area with the largest historical workings, the El Compas Adit Zone, was selected by the Company as the principal exploration target. Widely spaced exploration drill holes by previous operators indicated that mineralization in the El Compas vein, which hosts the Adit Zone, and other subsidiary veins extend well below the limit of historical workings and possibly below the contact zone between Chilitos formation and overlying La Virgen formation lithologies.

During Phase 1 drilling by Oro Silver the overall objective of the program was the delineation of known ore chutes to greater depth, and the evaluation of parallel structures comprising the El Compas and El Orito vein systems. An additional objective was the discovery of one or more new, and potentially economic mineralized chutes within the El Compas and El Orito vein systems, and a preliminary evaluation of their size.

During Phase 2 drilling by Oro Silver the overall objective of the program was to expand the resource on strike and down dip beyond the currently defined limits where it was still open, increase the amount of indicated resources from the inferred resources category by infill drilling, increase the confidence level in areas of high grade mineralization and better understand their geometry through close spaced drilling, and finally test the potential for high grade gold and silver mineralization at significantly deeper levels than in the past.

Development and Operations

Between November 2007 and March 2008 Oro Silver completed a 5,400 meter Phase 1 diamond drilling program that evaluated a number of known ore chutes and prospective target zones hosted in the El Compas and El Orito vein systems.

Drilling established the down-dip extent of the El Compas Adit zone ore chute for as much as 200 meters below surface and 150 meters below deepest historical workings, and horizontally on strike for over 200 meters, while wide spaced drilling tested the cross-strike potential of the El Compas vein system, and evaluated the potential for additional chutes on strike to the north and south of the Adit zone. Drilling completed at the El Orito vein target confirmed potential ore grade mineralization for 200 meters on strike, and up to 100 meters below surface.

Between June and December 2009 Oro Silver completed an additional 2,500 meters of diamond drilling that further evaluated the mineral potential of the El Compas and El Orito vein systems both on strike and at depth. The main objectives at El Orito were to extend mineralization south on strike, and at El Compas to infill drill the main mineralized portion of the El Compas vein below and adjacent to the historical workings where there were significant gaps in the existing drill pattern, as well as expand the resource potential at the margins where there was insufficient drilling. One additional hole tested the EC4 vein.

Expansion drilling at the El Compas Adit zone extended near surface mineralization to the north and also discovered the continuation of the high grade ore chute to the deepest level yet at 200 meters below surface. Infill drilling gaps immediately below the historic mine workings intersected some of the highest gold and silver grades ever within the El Compas ore chute. Wide spaced drill holes completed at the El Orito vein intersected near surface ore grade mineralization for an additional 200 meters on strike to the south of holes completed in 2008, bringing the total mineralized portion of the vein to 350 meters.

During 2010 Oro Silver completed an additional 3,400 meters of diamond drilling in two rounds. The first stage consisted of deep drilling several holes that tested the El Compas vein and other structures at depths of 300 to 700 meters below surface. The second round consisted of close-spaced drilling that evaluated the continuity and geometry of the main high grade ore chutes hosted in the El Compas and El Orito vein systems.

Close spaced drilling confirmed the continuity of high grade mineralization within the highest grade portions of the El Compas and El Orito ore chutes. Deep drilling intersected the El Compas vein and other important structures at their target depths, in some instances greater than 700 meter below surface, and confirmed that the structures are continuous, as well as highly predictable to considerable depths.

Resource Estimation for the El Compas Project

<u>2008 Initial Resource Estimate</u>

An initial NI 43-101 compliant resource for the El Compas and the El Orito veins was estimated by Marc Jutras, M.A.Sc., P.Eng. (BCGold Corp), and audited by independent consultant Robert De L'Etoile, M.A.Sc., P.Eng. (SGS-Geostat Ltd.). The resource estimate was based on historic drilling completed by Minera Hochschild in 2005, and by Oro Silver in 2007-08. A total of 48 drill holes were utilized for the estimation of the mineral resources; 32 were drilled by Oro Silver, and 16 holes by MHM. Resources at both cut-off grades are shown in Table 1.1. The technical report is available on the SEDAR website.

Table 1: Indicated and Inferred Mineral Resources at Different Cut-Offs

Gold Equivalent Cut-off Grade (g/t)	Resource Category	Tonnage (tonnes)	Average Gold Grade (g/t)	Average Silver Grade (g/t)	Average Gold Equivalent Grade (g/t)	Gold Equivalent Content (oz)
3.0	Indicated	310,000	5.82	59.09	6.52	65,000
	Inferred	234,000	4.94	45.69	5.48	41,200
2.0	Indicated	401,000	4.91	57.89	5.60	72,200
	Inferred	330,000	4.03	47.16	4.60	48,800

The sample intervals were composited to 1-metre lengths. Grades were capped at 25.0 g/t for gold and 300.0 g/t for silver. Gold and silver grades were interpolated into a 1 X 5 X 1 meter (X, Y, Z) block model using ordinary kriging. A search ellipsoid with variable azimuth and dip angles was used in the grade estimation process to better characterize the grade distribution within the mineralized veins.

The El Compas and El Orito veins contain 86% and 14% respectively, of the gold-equivalent inferred resource ounces, while the El Compas vein contains 100% of the indicated resource. The average true widths are 7.2 meters for the El Compas vein and 3.3 meters for the El Orito vein.

2011 Updated Resource Estimate

Oro Silver has produced an updated resource estimate for the El Compas and El Orito veins based on historic drilling completed by Minera Hochschild in 2005, and by Oro Silver in 2007-2010. In total 86 diamond drill holes were drilled by the two companies that tested the El Compas and El Orito vein systems along their strike length, and of these 83 holes were utilized in the updated mineral resource estimate; 61 holes were drilled by Oro Silver, and 25 holes by MHM. In comparison the 2008 resource estimate utilized a combined total of 48 diamond drill holes; 32 by Oro Silver and 16 by MHM.

Recommended Work Program Budget

SRK is of the opinion that the project has merit, and recommends the following work programs as identified and costed in Table 19.2.1. Estimated costs total US$1,125,000.

Table 19.2.1: Recommended Work Program and Budget

Activity	Unit Cost ($/unit)	Number of Units	Total Cost $US)	Description
Infill/Step Out Drilling and assaying	150/m	5,000	750,000	delineation of additional resources/upgrading of current resources
Geotechnical Studies	lump sum		50,000	geotechnical relogging and lab testwork
Metallurgical Studies	lump sum		100,000	testwork in support of a PEA level flowsheet
Hydrogeologic Studies	lump sum		50,000	analysis of existing data/collection of additional data during next drilling campaign
Topographic Survey	500/hectare	100	50,000	conduct new topo survey to replace existing incorrect topo
Environmental Studies	lump sum		25,000	conduct baseline studies in support of permitting
Preliminary Economic Assessment (PEA)	lump sum		100,000	complete PEA based on the above programs in support of project economics
TOTAL			**1,125,000**	

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1 Introduction

SRK Consulting (U.S.), Inc. (SRK) has been commissioned by Oro Mining Ltd (Oro) to prepare a Canadian Securities Administrators (CSA) National Instrument 43-101 (NI 43-101) compliant updated Technical Report on Resources on the El Compas Property (El Compas or the Project) located located in the El Orito mining district, municipality of Zacatecas, Zacatecas State, Mexico, approximately 1.7km south of the city of Zacatecas.

This Technical Report was prepared for Oro Mining Ltd. and its directors, at the request of John Brownlie, Chief Operating Officer of Oro Mining Ltd., SRK, prepared this report to standards provided by National Instrument 43-101("NI43-101"), and the Standards of Disclosure for Mineral Properties, Form 43-101F. Oro Mining Ltd is the result of a business combination of Oro Silver Resources Ltd and Oro Gold Resources Ltd, effective as at October 22, 2010. Within this technical report, the combined business unit is collectively referred to as Oro Mining Ltd (Oro).

Oro will file this Technical report with SEDAR, in accordance with NI 43-101 requirements.

This technical report represents an update on exploration and development activities since the filing of the Company's most recent technical report on the El Compas Property, dated October 30, 2008 (Jutras and others, 2008), and incorporates new data obtained from diamond drilling, geological mapping, and assaying/ interpretation of historical drilling at the property during the period 2009 to 2010. This report is an updated mineral resource estimate for the property.

Information and conclusions from numerous Oro reports and press releases, created during this active period of exploration and development are used throughout this report and are referenced in the Sources of Information section.

1.1 Terms of Reference and Purpose of the Report

This Updated Technical Report on Resources is intended to be used by Oro to further the development of the property by providing an update of the mineral resource, classification of resources in accordance with the Canadian Institute of Mining, Metallurgy and Petroleum (CIM) classification system, and evaluation of the project.

Oro Silver may also use this Technical Report on Resources for any lawful purpose to which it is suited. This Updated Technical Report on Resources has been prepared in general accordance with the guidelines provided in NI 43-101 Standards of Disclosure for Mineral Projects.

The intent of this Updated Technical Report on Resources is to provide the reader with a comprehensive review of the exploration and project activities conducted in the past and to provide recommendations for future work programs.

1.2 Qualifications of Consultants (SRK)

The SRK Group comprises 1,000 professionals internationally, offering expertise in a wide range of resource engineering disciplines. The SRK Group's independence is ensured by the fact that it holds no equity in any project and that its ownership rests solely with its staff. This permits SRK to provide its clients with conflict-free and objective recommendations on crucial judgment issues. SRK has a demonstrated track record in undertaking independent assessments of Mineral Resources and Ore Reserves, project evaluations and audits, technical reports and independent feasibility evaluations to bankable standards on behalf of exploration and mining companies and financial institutions worldwide. The SRK Group has also worked with a large number of major international mining companies and their projects, providing mining industry consultancy service inputs.

Neither SRK nor any of its employees and associates employed in the preparation of this report has any beneficial interest in Oro or in the assets of Oro. The results of the technical review by SRK are not dependent on any prior agreements concerning the conclusions to be reached, nor are there any undisclosed understandings concerning any future business dealings. SRK will be paid a fee for this work in accordance with normal professional consulting practice.

Listed below are the individuals who have provided input to this technical report:

- Neal Rigby, CEng, MIMMM, PhD
- Jeff Volk, CPG, FAusIMM, MSc;
- Dorinda Bair, CPG, B.Sc.;
- Allan Moran, R.G., C.P.G.;
- Eric Grill, BSc (Honours) Geology; and
- Robert Paul Riley, C Eng, FIMMM, MI Chem E.

Dr. Neal Rigby is a Qualified Person (QP) and has reviewed and endorsed all section of this Updated Technical Report. By virtue of his education and relevant past experience, Dr. Rigby is a QP as this term is defined in NI 43-101.

Dr. Neal Rigby has 36 years experience in the international mining industry. He was the SRK Global Group Chairman for 15 years (1995 to 2010), is a Corporate Mining Consultant and Principal Mining Engineer and serves on the boards of several SRK Group companies. Neal has performed mining engineering, project management and management consulting for a wide range of metalliferous, coal, diamond and industrial mineral projects. The major focus of his consulting work for the past 20 years has been as the senior participant in numerous major due diligence audits, competent person’s reports and other reports supporting the rationalization, merger, disposal and acquisition activities of international mining companies and mining finance institutions. In this role Neal has been in a position to certify to shareholders, stock exchanges and financial institutions the “bankability” i.e. fundamental value and risks and opportunities of mining projects. Most recently, Neal’s consulting work has been directed at the restructuring and sale of mining assets and the scoping and implementation of business improvement strategies. He has held a variety of positions in production, academia, business and consulting. Neal has undertaken projects in over 50 countries, in Europe, Africa, Australasia, North, Central and South America, the Middle East, the Far East, Asia, Russia and the FSU.

Jeffrey Volk is the QP responsible for Section 15, and the compilation and editing of all sections in this Updated Technical Report on Resources. By virtue of his education and relevant past experience, Mr. Volk is a QP as this term is defined in NI 43-101.

Mr. Volk is a Principal Resource Geologist in SRK’s Denver office with over 24 years of operational and consulting experience in the minerals industry, specifically in mineral resource estimation, production geology, feasibility studies and economic evaluations. Before joining SRK in 2007, he was employed for 19 years by Barrick Gold Corporation in a number of senior operational and development roles. Mr. Volk is a Certified Professional Geologist and a

Qualified Person as defined by international reporting codes, and is knowledgeable in all aspects of public reserve/resource disclosure and compliance. He has completed resource modeling, due diligence, acquisition and evaluations assignments for precious and base metals, platinum group metals, and uranium in Russia and the Former Soviet Union, Australia, Africa, Peru, Mexico, Chile and North America.

Dorinda Bair is the QP responsible for Section 11 of this Updated Technical Report on Resources. By virtue of her education and relevant past experience, Ms. Bair is a QP as this term is defined in NI 43-101.

Ms. Bair is a Senior Geologist in SRK's Denver office with 22 years of domestic and international experience in exploration, mining and environmental projects for precious and base metals, and industrial minerals. She has implemented, designed and managed drilling, mapping and sampling programs and has extensive experience working on projects in remote areas. She is proficient in the use of ArcGIS and has developed and managed GIS databases and provided GIS support for projects. Dorinda has also used AutoCad. Other experience includes the design and implementation of soil vapor surveys for both mining and oil industry projects.

Allan Moran is the QP responsible for input to Section 12 and site visit for this Updated Technical Report on Resources. By virtue of his education and relevant past experience, Mr. Moran is a QP as this term is defined in NI 43-101.

Allan Moran is a Principal Geologist in SRK's Tucson office. He is an Oregon registered geologist and a Certified Professional Geologist through AIPG. Mr. Moran has 39 years of diversified experience in mineral exploration, exploration management, mine geology and property specific geologic/economic evaluations for a variety of metals throughout North America and parts of Central and South America, Africa and Central Asia. He has managed large multi-office mineral exploration programs, conducted numerous detailed property evaluations, managed resource definition drilling programs, conducted geologic due diligence and participated in pre-feasibility and feasibility level studies of mineral resource deposits for major and junior mining companies and as a consultant. Commodity specific expertise includes 23 years evaluating various gold deposit models such as Achaean style greenstone-hosted gold, Carlin-Type gold, volcanic-hosted and intrusive-related gold systems. In addition to gold, specific exploration expertise includes silver (three years), copper and molybdenum (six years), tungsten and uranium deposits (eight years).

Mr. Moran's duties include a broad spectrum of functions in exploration geology geochemistry and geophysics, drilling supervision, mine scale geology, deposit geologic modeling, geologic database construction, maintenance and verification and collaboration with resource modellers in deposit block modeling and resource/reserve estimation. He has been project manager for multi-discipline projects such as scoping studies. Additionally, Mr. Moran has authored and contributed to NI 43-101 Technical Reports as a Qualified Person (QP), compiled feasibility reports on developing deposits and provided technical input to critical property due diligence evaluations of acquisition and merger opportunities.

Robert Paul Riley is the QP responsible for Section 14 of this Updated Technical Report on Resources. By virtue of his education and relevant past experience, Mr. Riley a QP as this term is defined in NI 43-101.

Paul Riley is a Process/Project Engineer with over 33 years of experience in the process and metallurgical industries including management responsibilities for process plant design projects and operations. He has managed a wide range of studies and projects including gold, PGM and base metals. Paul's experience covers all aspects of process design from the conceptual stage of projects, through preliminary studies, feasibility studies, project engineering and commissioning. He has been responsible for technical reviews of projects and operations related to processing, plant and infrastructure including due diligence studies, CPRs and valuations.

The Certificates of Authors are provided in Appendix A.

1.2.1 Site Visit

Allan Moran (SRK) conducted a site visit to the El Compas property on December 15, 2010, when he visited vein exposures in outcrops and underground. He also examined drilling core intervals for verification with core logs and assay data for select drillholes stored at Oro Mining's office in Zacatecas.

1.3 Reliance on Other Experts

SRK's opinion contained herein is based on information provided to SRK by Oro throughout the course of SRK's investigations, which in turn reflect various technical and economic conditions at the time of writing. Given the nature of the mining business, these conditions can change significantly over relatively short periods of time. Consequently, actual results may be significantly more or less favorable.

This report includes technical information that may require subsequent calculations to derive sub-totals, totals and weighted averages. Such calculations inherently involve a degree of rounding and consequently introduce a margin of error. Where these occur, SRK does not consider them to be material.

In preparing this report, the authors reviewed the available geological reports, maps, and miscellaneous technical papers listed in Section 19, References, as well as relying on personal experience with the subject deposits.

All of the historic data relied upon in this study, such as drill core, drill data, assay certificates, and other reports, were obtained by Oro from Mr. Antonio Alvarado Reyes, owner of the El Compas claim, as part of an agreement between the two parties. The information was provided to Mr. Alvarado by Minera Hochschild de Mexico S.A. de C.V (MHM)upon completion of their 2005 exploration program. The historic drill data and reports were produced by MHM, and the assay certificates were from ALS Chemex. Core drilling was performed by Tecmin Servicios S.A. de C.V., of Fresnillo, Zacatecas, Mexico.

Additional reports prepared by MHM in 2005, or consultants contracted by MHM, and referenced in this study, were obtained by the Company from Exploraciones Del Altiplano S.A de C.V., as part of an agreement between the two parties.

Phase 1 diamond core drilling carried out on behalf of Oro was performed by Tecmin Servicios S.A. de C.V., of Fresnillo, Zacatecas, Mexico, and by Canrock Drilling Services, of San Luis Potosi, San Luis Potosi, Mexico. Phase 2 diamond core drilling was performed by BDW International Drilling, of Guadalajara, Jalisco, Mexico, and reverse circulation drilling was performed by Drift de Mexico, S.A de C.V., of Queretaro, Queretaro, Mexico.

Diamond core and channel samples were submitted directly to Inspectorate de Mexico S.A. de C.V. for preparation in Durango Mexico, and analysis in Reno, Nevada, USA. Check assays were analyzed at Acme Lab in Vancouver, Canada.

Survey work was performed by Mineria, Geologia y Topografia, of Zacatecas, Mexico ("MGTZ"), contractor to Oro, using a Sokkia SET 230R Total Station and/or Ashtech Promark3 differential geographic positioning system instrument. MGTZ surveyed a baseline, all drill collar locations, all underground openings, the El Compas ramp, and all underground channel sample locations. It also completed a detailed topographic survey over the El Compas and El Orito resource areas at 1m contour spacing.

MGTZ was also contracted to manage drilling related field logistics such as preparation of environmental permit documents, negotiation of trespass rights, drill site preparation, drill moves, drill site remediation, and to perform other exploration related work such as underground channel sampling, diamond drill core geological and geotechnical logging, core sawing and sample bagging under the direct supervision of Oro geologists.

A Legal survey of the El Compas, El Orito, Ampliacion El Compas, and La Virgen claim boundaries was completed in May 2007 (Terrazas and Meza, 2007).

The metallurgical results presented in this study are from tests performed in 2008 by SGS Laboratory at Lakefield, Ontario, Canada.

Mineral title due diligence, Mexican legal and regulatory compliance, and nature and extent of underlying agreements were conducted by Diaz, Bouchot y Raya, from Mexico City, council to the Company in Mexico.

1.3.1 Sources of Information

Historic information used to prepare this report was obtained from maps, long and cross sections, data tables and documents prepared by MHM between April and December, 2005. Additional information relating to exploration in the El Compas area came from studies prepared by consultants for MHM, and from other sources. Documents used in the preparation of this report are presumed by the authors as accurate and complete in all aspects and are referenced in the Sources of Information section.

Oro had full access to diamond drill core from all 20 holes completed on the El Compas claim in 2005 by MHM. All drill core was cataloged and stored in boxes at site.

Mineral title due diligence, Mexican legal and regulatory compliance, and nature and extent of underlying agreements were conducted by Diaz, Bouchot y Raya, from Mexico City, council to the Company in Mexico. The authors of this Updated Technical Report on Resources rely on legal information provided by Diaz, Bouchot y Raya, and the directors and officers of Oro Silver Resources Ltd., and do not take responsibility for the legal information provided in this report.

This report also includes all assay and geological results from the Phase 1 diamond drilling campaign completed by Oro Silver between November 2007 and March 2008, representing 5399.43m of drill core from 37 holes. Assay and geological results from 370 channel samples collected from underground workings at the El Compas Adit Zone were presented in a previous technical report on El Compas (Tarnocai and Thiboutot, 2007), and are not repeated here.

1.4 Effective Date

The effective date of this report is December 23, 2010.

1.5 Units of Measure

All currency amounts are stated in US dollars or Mexican Pesos. The units of measure presented in this report are metric. Elevation is meters above mean sea level, and Universal Transverse Mercator coordinates use the WGS84 datum, in zone 13 north, unless otherwise specified. Original MHM drill collar data was recorded in the NAD27 datum, zone 13 north and was converted to WGS84 for use in this study. Gold and silver values are reported in parts per billion (ppb), and parts per million (ppm), respectively. Both elements may be reported in grams per tonne (g/t). Tonnage is reported as metric tonnes (t), unless otherwise specified.

2 Property Description and Location

Portions of Section 2 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El Compas Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

2.1 Property Location

The El Compas property comprises approximately 2,740ha in Central Zacatecas state and is centered about UTM coordinates 747,193E, and 2,515,482N, at a mean elevation of 2,430 meters (Figure 2-1). It is located in the El Orito mining district, municipality of Zacatecas, Zacatecas State, Mexico, approximately 1.7km south of the city of Zacatecas (population 125,000).

The El Compas property covers approximately 2.4km of strike length over the El Compas vein system and 1.2km of strike length over the El Orito vein system, two of the more important mineralized structures in the district. These structures host numerous historical workings, as well as the current El Compas and El Orito vein resources. Other mineralized structures exist on the property and have been investigated by Oro; the majority of which lie within a one to two kilometer wide by ten kilometer long corridor that strikes from northwest to southeast across of the property

2.2 Mineral Titles

The El Compas property consists of 17, semi-contiguous mineral claims covering approximately 2,430ha. The El Compas and El Orito resource areas are located within the 28ha El Compas claim (Title No. 218370), the 9ha El Orito claim (Title No. 220278), and the 127ha Don Luis del Oro claim (Title No. 223882). Details of these and the other claims are summarized in Table 2.2.1, and claim locations are shown in Figure 2-2. The mineral rights to one additional concession located along the western margin of the claim block were recently acquired in a lottery and are being applied for by Oro at the Direccion General de Minas (approximately 300ha). There are small claims not owned by Oro that are internal to the El Compas Property; however, none of these are located in the immediate area of interest.

Mexican law requires that the boundaries of a mineral concession be established by a registered Mexican Mineral Concession Surveyor. The mineral concession corners are typically marked by a cement cairn inscribed with concession numbers. Four concessions, including El Compas and El Orito, have had their boundaries surveyed and determined to be correct (Terrazas and Meza, 2007).

Table 2.2.1: Claim Details as of September 30, 2008

Concession Name	Title Number	Area (Has.)	Title Date	Expiry Date	Owner	Agreement	Agreement Date
El Compás	218370	28.0000	Nov. 05, 2002	Nov. 04, 2052	Minera Oro Silver de Mexico 51%, Antonio Alvarado Reyes 49%	Exploration Agreement with Option to Purchase 100%	Jun 04, 2007
Ampliacion El Compas	225082	47.6516	July 12, 2005	July 11, 2055	Minera Oro Silver de Mexico 100%	Mining Rights Acquired	Nov 11, 2007
El Orito	220278	9.0000	July 03, 2003	July 02, 2053	Minera Oro Silver de Mexico 100%	Mining Rights Acquired	Nov 11, 2007
La Virgen	224020	41.7001	March 23, 2005	March 22, 2011	Minera Oro Silver de Mexico 100%	Mining Rights Acquired	Nov 11, 2007
Ana Camila	224021	94.6172	March 23, 2005	March 22, 2055	Minera Oro Silver de Mexico 100%	Mining Rights Acquired	July 5, 2007
Ana Camila	224022	37.5014	March 23, 2005	March 22, 2055	Minera Oro Silver de Mexico 100%	Mining Rights Acquired	July 5, 2007
Ana Camila Fracc. 1	223882	180.2906	March 04, 2005	March 03, 2055	Minera Oro Silver de Mexico 100%	Mining Rights Acquired	July 5, 2007
Ana Camila Fracc. 1	224023	6.63344	March 23, 2005	March 22, 2055	Minera Oro Silver de Mexico 100%	Mining Rights Acquired	July 5, 2007
El Sol	224019	1.4307	March 23, 2005	March 22, 2055	Minera Oro Silver de Mexico 100%	Mining Rights Acquired	July 5, 2007
Don Luis Del Oro	210160	126.9829	Sept 10, 1999	Sept 09, 2049	Exploraciones del Altiplano	LOI - Exploration Agreement with Option to Purchase 100%	Aug 28, 2008
La Virgen 2	210169	112.8791	Sept 10, 1999	Sept 09, 2049	Exploraciones del Altiplano	LOI - Exploration Agreement with Option to Purchase 100%	Aug 28, 2008
La Casi Virgen 2	215160	125.0000	Feb 08, 2002	Feb 07, 2052	Exploraciones del Altiplano	LOI - Exploration Agreement with Option to Purchase 100%	Aug 28, 2008
La Casi Virgen 3 Fracc. A	227966	500.0000	Oct 12, 2004	Oct 11, 2054	Exploraciones del Altiplano	LOI - Exploration Agreement with Option to Purchase 100%	Aug 28, 2008
La Casi Virgen 3 Fracc. B	227967	200.0000	Oct 12, 2004	Oct 11, 2054	Exploraciones del Altiplano	LOI - Exploration Agreement with Option to Purchase 100%	Aug 28, 2008
La Casi Virgen 6	223884	219.5716	Mar 04, 2005	Mar 03, 2055	Exploraciones del Altiplano	LOI - Exploration Agreement with Option to Purchase 100%	Aug 28, 2008
El Pachon Fracc. 1	235030	723.1357	Sep 29, 2009	Sep 28, 2059	Minera Oro Silver de Mexico 100%	None	None
El Pachon Fracc. 2	235031	284.1939	Sep 29, 2009	Sep 28, 2059	Minera Oro Silver de Mexico 100%	None	None
La Liebre	Pending	Approx. 300	Pending	Pending	Minera Oro Silver de Mexico 100%	None	None

2.3 Location of Mineralization

The El Compas and El Orito resources are located near the center of the property, entirely within the El Compas, El Orito and Don Luis Del Oro claims. The near surface portion of the El Compas vein resource lies entirely within the El Compas concession. At depth, it dips west towards and onto the Don Luis del Oro claim. The northern portion of the El Orito vein resource is located within the El Orito claim, while the southern portion lies within the Don Luis del Oro claim.

2.4 Royalties, Agreements and Encumbrances

All agreements referenced to in this section have been registered or are in the process of being registered with the Direccion General de Minas, Registro Publico de Mineria. Laura Diaz of

Diaz, Bouchot y Raya (Durango 195-502, Colonia Roma Norte, 06700 México, Distrito Federal), legal counsel to Oro, has reviewed the agreements on its behalf.

On April 21, 2007,Oro, through its 100% owned affiliate Minera Oro Silver de Mexico S.A de C.V., signed an Option-to-Purchase agreement with Contracuna I S.A. de C.V. ("Contracuna"), a Mexican company controlled by Mr. Francisco Gutierrez Castorena, which at the time held 100% of the exploitation rights to the El Compas concession through a rental mining agreement with the underlying concession owner Antonio Alvarado Reyes (Oro Silver Resources Ltd., 2007a). The Option-to-Purchase agreement also included the right to acquire three adjacent concessions owned by Contracuna totaling 98.3517ha, namely El Orito, La Virgen, and Ampliacion Al Compas. The Company paid $42,500 on signing to execute the agreement. On Nov. 11, 2007, the company paid an additional $800,000 to acquire the 100% interest in the mining rental agreement and the three concessions from Contracuna (Oro Silver Resources Ltd., 2007d). Contracuna completed small scale underground mining at El Compas until the final payment was made, at which time all mining activity was halted. The rental mining agreement is valid for 10 years from the date of signing, and expires on July 12, 2012.

On June 4, 2007, Oro signed an Option-to-Purchase agreement with Mr. Antonio Alvarado Reyes, the owner of the El Compas concession (Oro Silver Resources Ltd., 2007b), whereby $100,000 was paid upon signing of the formal agreement, and Oro could acquire 100% ownership of the concession by making payments totaling $2.6 million, staged over a 2 year period from the signing date. By May 23, 2008,Oro earned a 51% equity interest in the property by making payments totaling $1.6 million to Mr. Alvarado (Oro Silver Resources Ltd., 2008a). On December 2, 2008, as a result of the 2008 global financial crisis, a modified payment schedule was negotiated with Mr. Alvarado, in which a Mr. Alvarado allowed a cash payment of $800,000 due on December 4, 2008 to be deferred until December 19, 2008.

On December 12, 2008, an agreement to renegotiate was signed between the two parties in order to establish new payment terms, and on December 18, 2008 an agreement was signed, which extended the schedule for the balance of payments, and added an additional $60,000 payment in the form of cash and shares at Oro's discretion (bringing the total purchase price for the El Compas concession to $2,760,000), until December 5, 2011. To date, Oro has made payments totaling $2,446,000 to Mr. Alvarado. Upon payment of $314,000 on Dec 4, 2011, Oro became 100% owners of the property.

As part of the agreement with Mr. Alvarado, Oro also obtained access to approximately 5,788m of drill core from 20 holes, and related reporting, drilling, mapping, and sampling data. This work was performed in 2005 by MHM, and information was provided to Mr. Alvarado on completion of the program. MHM reported US$709,490 in expenditures on the Property (Martinez Mendoza, 2005).

On July 5, 2007, Oro signed an Option-to-Purchase agreement with David Alejandro Espinoso Duenas, for 5 mineral concessions totaling 320.4743 hectares that expand Oros's land position in the El Compas area (Oro Silver Resources Ltd., 2007c). The concessions are Ana Camila, Ana Camila, Ana Camila Fracc 1, Ana Camila Fracc 1, and El Sol. $50,000 was paid upon signing of the formal agreement. Oro can acquire 100% ownership of the concession by making payments totaling $300,000, staged over a 2 year period from the signing date. On July 5, 2009, the final payment was made to Mr. Espinoso and Oro became the 100% owner of the concessions.

On Aug 22, 2008, Oro signed a Binding Letter of Intent (“LOI”) with Exploraciones Del Altiplano S.A de C.V. that established the terms of an exploration agreement and purchase option on six mineral concessions (Oro Silver Resources Aug 2008b). The six concessions to be included in the final agreement and covered by the LOI are adjacent to and expand the current land holdings of Oro at El Compas, and total some 1,285ha. The six concessions are Don Luis Del Oro, La Virgen 2, La Casi Virgen 2, La Casi Virgen 3 Fracc. A & B, and La Casi Virgen 6. The acquisition terms require Oro to pay $10,000 and grant 75,000 common shares of Oro on the signing date, followed by cash payments totaling US$1,475,000 over a 4 year period, in addition to completing 1,000m of drilling within 12 months of the signing date, and to make additional exploration related work expenditures on the concessions totaling US$1,000,000 during the remainder of the 4 year agreement. By doing so, Oro will acquire a 51% interest in the properties by the end of year 3 and a 100% interest by the end of year 4, subject to a 3% Net Smelter Return (NSR), half of which can be purchased by Oro for a total of US$1,500,000. The definitive agreement was signed on Oct. 24, 2008. On Aug. 10, 2009, as a result of the 2008 global financial crisis, a modified agreement was signed between Oro and Exploraciones Del Altiplano, in which the original cash payment of $100,000 due at 12 months from the signing date was modified to a cash payment of $25,000 at 12 months from the signing date, followed by a cash payment of $50,000 plus $25,000 in Oro shares at 15 months from the signing date. Other than these changes no other changes to the original agreement occurred. As of Aug 22, 2010, a total of $380,000 in cash payments have been made to Exploraciones Del Altiplano. In addition, Oro has fulfilled the 1,000m drilling requirement, as well as completed $200,000 in exploration expenditures as per the agreement requirements. Upon payment of an additional $175,000 due Feb 22, 2011, and fulfilling a $300,000 exploration work commitment, Oro will earn a 51% interest in the concessions. Upon payment of an additional $755,000 in cash and fulfillment of $500,000 in exploration work, the Company will acquire 100% ownership in the properties, subject to the NSR described above.

No other royalties, back-ins or encumbrances are known by the authors to exist on any of the properties.

2.5 Environmental Liabilities and Permitting

The authors are not aware of any significant environmental issues on the Project. Numerous abandoned shafts, pits, and collapsed workings occur at El Compas, the majority of which have been secured by Oro with stone and concrete footwalls covered by metal grates and/or by fencing. A number of these historic workings have small waste dumps containing low concentrations of sulphides. An area suspected of holding old tailings has also been identified. Oro has not completed any environmental due diligence.

2.5.1 Required Permits and Status

Exploration work carried out by Oro at El Compas has been in full compliance with current environmental regulation. In the case of the 2007-08 drilling campaign, Oro was required to register a work program (Aviso de Inicio de Actividades) with the Secretary of Environment and Natural Resources (SEMARNAT), which it did on Nov. 9, 2007. The report was prepared by Joel Espinosa Rivera of Bufete de Servicios Tecnicos Forestales y de Fauna Silvestre, and submitted by Rolando Mendoza Pina of MGTZ, contractor to Oro. Drilling completed during Phase 2 exploration in 2009-10 was covered under the same work program; therefore, no additional actions were required.

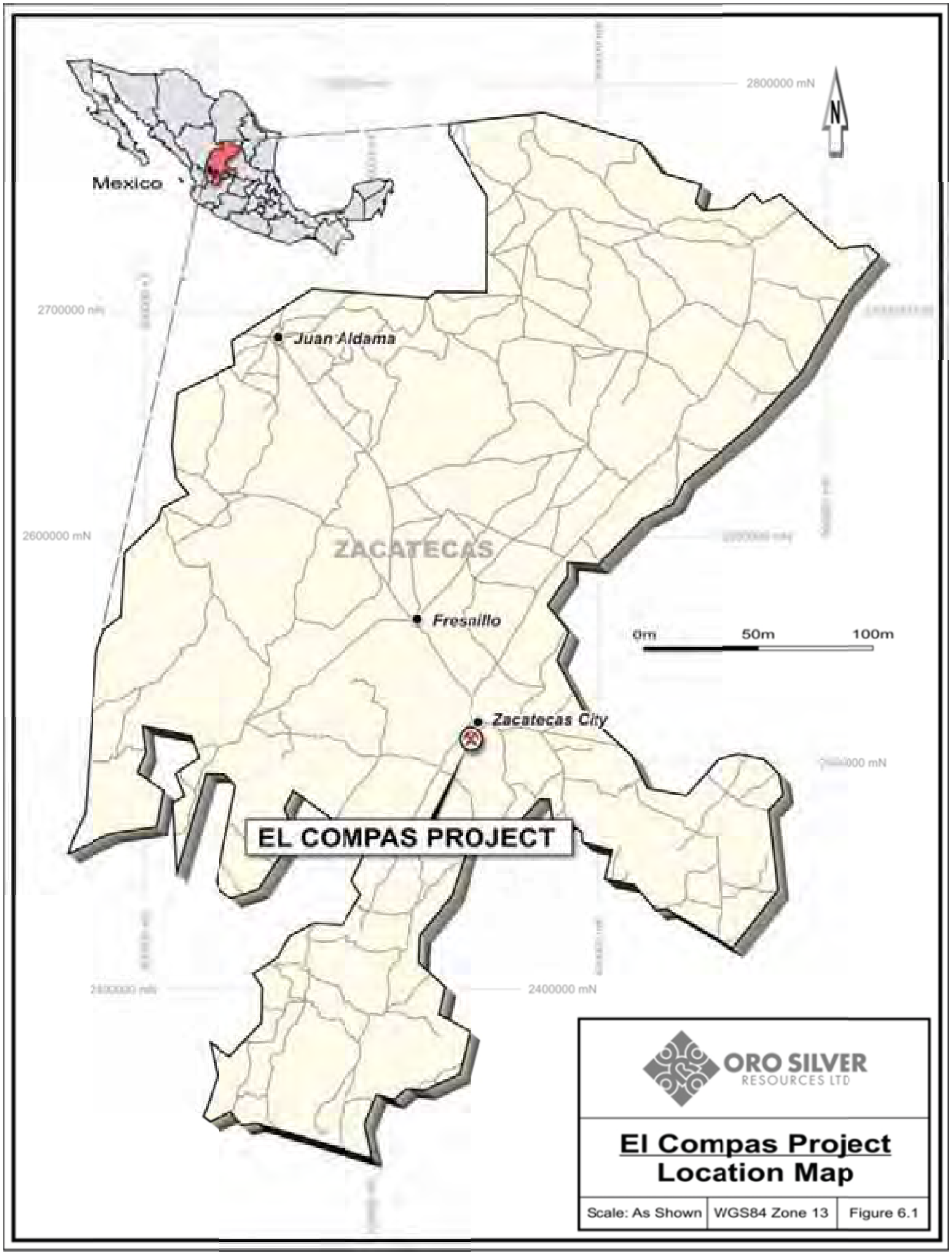
2.5.2 Compliance Evaluation

Oro recorded the surface conditions at El Compas on digital photos prior to commencing exploration activities.

A large, inactive quarry operation is located on the south part of the Project. The authors are unable to comment whether this operation conforms to Mexican environmental and mining law.

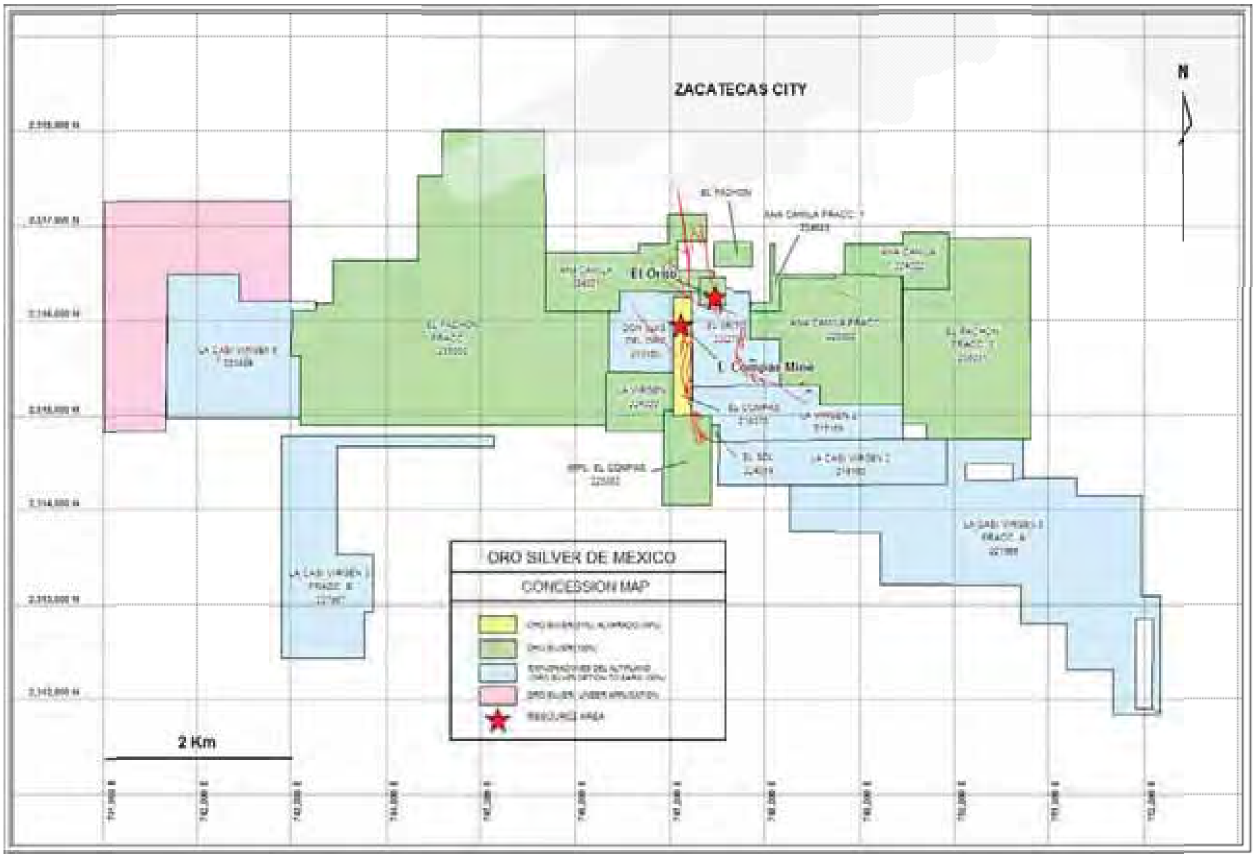
There is potential for problems arising from the close proximity of the Project to the urban area of Zacatecas, although open pit and underground mining is currently taking place within, and very close to Zacatecas and Guadalupe.

Figure 2-1: Location of Zacatecas and the El Compas Property in Central Mexico



Source: BCGold Corp., 2008

Figure 2-2: Oro Silver Claims in the El Orito Mining District



Source: BCGold Corp., 2008

3 Accessibility, Climate, Local Resources, Infrastructure and Physiography

Portions of Section 3 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

3.1 Topography, Elevation and Vegetation

The Project is accessed by all-weather gravel road, 1.7 km from the southern part of the city of Zacatecas (Figure 3-1). Topography consists of rolling hills of moderate relief scattered among a large broad valley. The elevation of the airport is 2,140 meters, and the city of Zacatecas lies at about 2,430 meters. Vegetation is dominantly cactus, maguey, sage and grass, with rare Yucca. Pirules line the arroyos. .

3.2 Climate and Length of Operating Season

The climate is typical of the high altitude physiographic Mesa Central, with a summer rainy season from May to September averaging 15.6°C, and dry winters from December to February, with an average temperature of 10°C. Total annual precipitation is about 427 millimeters, and the average annual temperature is about 13.6°C (www.wunderground.com).

3.3 Physiography

The physiography of the region is dominated by basin-and-range type topography, with broad north-northeast trending valleys separated by narrow mountain ranges. Zacatecas city, and the property, occurs in the Sierras de Zacatecas. The Graben de Calera lies to the west of the property. Topographic relief on the property is low..

3.4 Access to Property

Zacatecas is the state capital, and with adjoining Guadalupe, are modern and fully serviced. The city is the second largest in the state after Fresnillo, with a population of 118,562 (2005, http: //www.en.wikipedia.org/wiki/Zacatecas). The Pan American highway connects the city to other major centers by road, and an international airport connects Zacatecas with Mexico City and the U.S. by daily flights. Power, water, and telecommunication are readily accessible in close proximity to the Project.

3.5 Surface Rights

The surface rights in the vicinity of the historic El Compas and El Orito mine workings are owned by a number of private individuals and in one case by a business entity.

The surface rights covering the area of recent exploration by Oro, including the El Compas and El Orito resource areas, are owned by Jose Antonio De La Torre Duenas. A formal rental agreement between Oro and by Mr. De La Torre was signed on Sept. 9, 2009, valid for 2 years from the date of signing, which gives unlimited trespass rights to Oro within the limits of Mr. De La Torres 96 hectare property for the purposes of carrying out its exploration work. A total of $135,000 in cash payments was made to Mr. De La Torre; $50,000 on the signing date for the first year rent, and $84,000 on the anniversary date for the second year rent.

Internal to Mr. De La Torre's property and south of the historic El Compas Shaft mine workings, a large scale building stone quarry exists that is believed to be owned and operated by Mr. Jose Aguirre. The area of the internal property is approximately 26ha; however no legal survey data has been obtained to confirm the exact location. The southern extension of the El Compas vein structure crosses the quarry workings.

The surface rights adjacent to and covering the area to the east of the De La Torre property are owned by Alfonso Alfaro Saldivar. A formal rental agreement was signed between Oro and Mr. Alfaro on Oct. 15, 2009, valid for 2 years from the date of signing, which gives unlimited trespass rights to Oro for the purpose of carrying out its exploration work. The rental payment amount is $1500 per month and is paid monthly. Rental payment by Oro is obligatory during the first year and optional during the second year.

The surface rights adjacent to and covering the area to the west of the De La Torre property are owned by Maricela Banuelos Arellano. A formal rental agreement was signed between Oro and the Banuelos family legal representative, Mrs. Maricela Banuelos Arellano, on Sept. 1, 2010, valid for 2 years from the date of signing, which gives Oro unlimited trespass rights for the purpose of carrying out its exploration work. The rental payment amount is $1000 per month and is paid monthly.

These three surface rental agreements cover an aggregate area of approximately 380ha and are believed to provide adequate surface access rights to Oro for carrying out exploration work related to the El Compas and El Orito vein systems. It is Oro's intention to renew these longer term rental agreements or enter into purchase options in the near future starting with Mr. De La Torre. See Figure 3-1 for locations and coverage of Oro's surface rental agreements.

Immediately west of the El Compas vein system and adjacent to the western limit of the De La Torre property, the surface rights are owned by Santa Rita Grupo S.A de C.V., ("Santa Rita"), a major land developer active in the Zacatecas city area. Santa Rita is currently active at the north end of the project area within the Ana Camila concession, where it owns the surface rights, and is developing a large-scale residential sub-division. In early 2010, part of the Santa Rita property immediately west of the mine entrance was cleared, possibly as ground preparation prior to construction, but at this time, no further work has been carried out.

3.6 Local Resources and Infrastructure

The Project's proximity to the city of Zacatecas facilitates many local resources, such as labor and materials. Infrastructure carries the amenities general to city municipalities such as water, electricity, waste treatment, and fuel storage.

3.6.1 Access Road and Transportation

The road access from the city of Zacatecas is paved up to 1km from the concessions, here it changes to a gravel road entrance leading to the existing mining access area. All "over the road" means of transportation can be facilitated at the Project.

3.6.2 Power Supply

There is access to power via power line and transformer installations at the mine access area. The line capacity allows for 440V usage with conversion to 110V. This supply is currently used for basic dewatering of the underground workings.

3.6.3 Water Supply

Water is available through municipal workings. As well there is a nearby water storage pond from a previous crushing plant operation.

3.6.4 Buildings and Ancillary Facilities

There are small sheds, and shelters for core storage and security at the ramp entrance to the historic mine workings.

3.6.5 Tailings Storage Area

Several areas within a 1.5 kilometer radius of the resource area have been investigated and determined to be suitable for use as a tailings storage area.

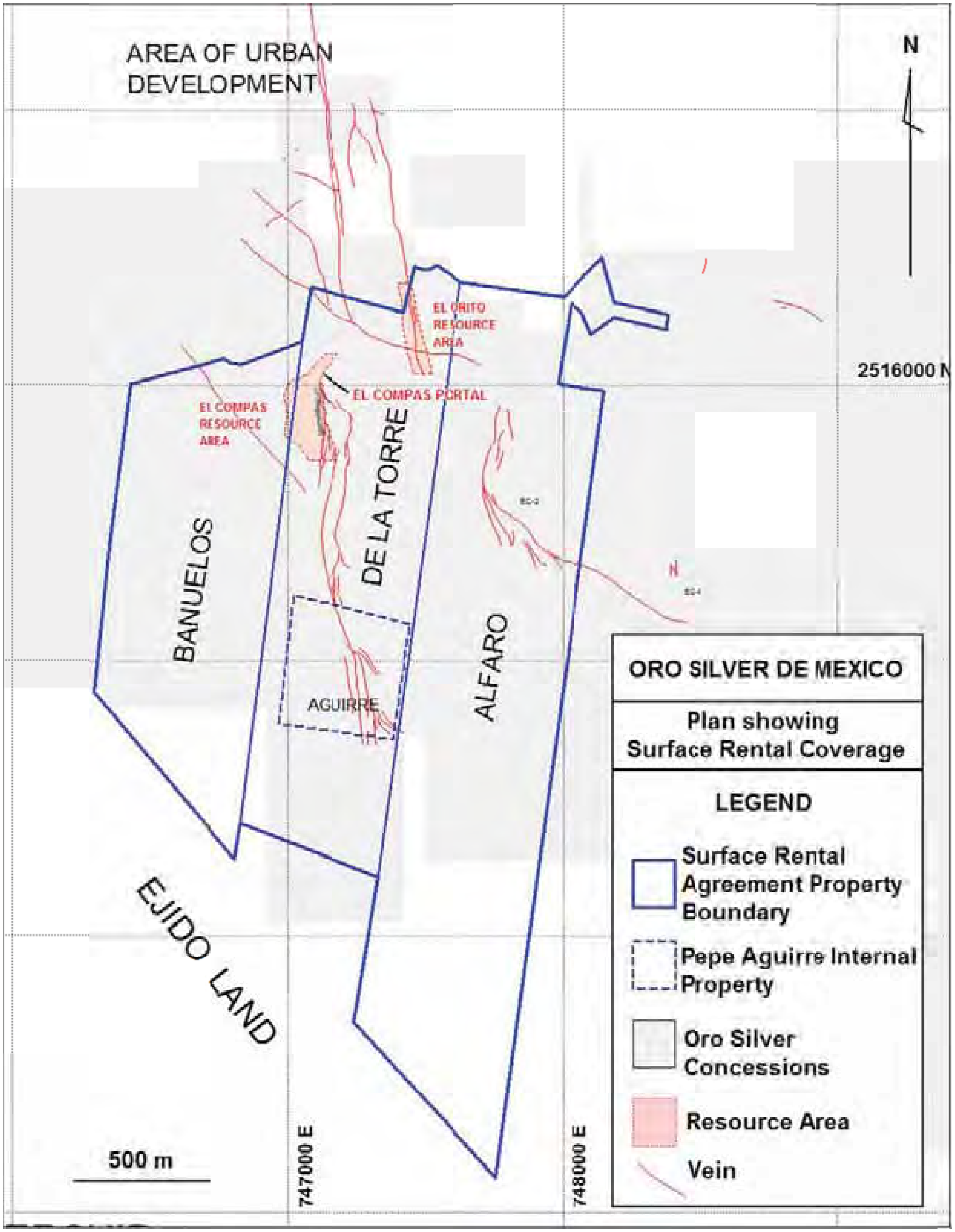
3.6.6 Waste Disposal Area

Several areas within a 1.5 kilometer radius of the resource area have been investigated and determined to be suitable for waste rock disposal.

3.6.7 Manpower

The city of Zacatecas or nearby communities can provide a wide range of manpower skilled in all aspects of mining, processing and administration.

Figure 3-1: Location and Coverage of Oro Silver Surface Rental Agreements



Source: BCGold Corp., 2008

4 History

Portions of Section 4 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

The city of Zacatecas was founded in 1546, after the discovery of silver vein systems by Juan de Tolosa. One hundred years later, Zacatecas became Mexico's largest silver producer, and the city was the second largest in the country after Mexico City. As in many mining districts in Mexico, production ceased during the Mexican Revolution of 1910 to 1917. Production resumed in some areas by about 1936. Historic silver production estimates exceed 1.5 billion ounces from the state, and 750 million ounces from the Zacatecas district (Ponce and Clark, 1988).

4.1 Ownership, Past Exploration and Development

The El Orito mining district was first exploited in 1570, and intermittently thereafter to about the time of the Mexican Revolution (Salas Vazquez, 2001). Most historic exploitation was by small-scale shaft mining. The two largest shafts in the property are located on the El Compas concession and are known as El Compas, and La Predilecta (Figure 4-1). The El Compas Shaft has a reported depth of 115 m (Salas Vazquez, 2001), while the depths of mining shafts on the northern part of the concession, and to the northeast at El Orito are unknown. Other historical workings are known to exist on the property but which have not yet been investigated by Oro. An area suspected to hold old tailings was identified below the El Compas shaft (Tarnocai, 2007).

Contracuna l, S.A de C.V worked the El Compas veins by underground ramp-in-ore mining from about 2002 until late 2007. Contracuna reports on their mine plans state about 1,215m of ramp development, to a depth of about 50m below portal elevation. The mining rate from 2002 until late-2006 was estimated by Oro to be 50 to 100 tonnes per day, with an average weighted head grade of 4.67g/t Au and 86.74 g/t Ag, based on incomplete records for 55,140 tonnes of ore shipped to the Veta Grande mill (non-NI 43-101 compliant).

The early history of the El Compas area is poorly recorded. Beginning in 1996, a number of mining and exploration companies, and Mexican government agencies worked the claims..

In 1996, Monarch Resources Limited conducted exploration in the area that included 829m of diamond core drilling in 4 holes ("MLV" holes) that tested the El Compas 2 and Escuadra Veins, located about 600m east of the El Compas Vein (MHM internal data file, 2005). According to MHM documents, one hole is reported to have intercepted 4.31 g/t Au over 1.16m (non-NI 43-101compliant).

The Consejo de Recursos Mexicanos mapped and sampled the surface and underground exposures on the El Compas Claim in 2001 (Salas Vazquez, 2001), and produced a non-NI 43-101 compliant resource estimate.

Aurcana Corporation conducted exploration in the area in 2003-2004 that included 1,899m of diamond core drilling in 9 holes ("LVDD" holes) that further tested the El Compas 2 vein (MHM internal data file, 2005). One of these holes is reported to have intercepted 13.2 g/t Au over 4.46m (non-NI 43-101compliant).

Boliden Mining Company conducted exploration in the area prior to MHM but the exact dates are not known (MHM internal data file, 2005). According to MHM documents, Boliden drilled four diamond core holes ("BDDV" holes) that targeted the El Compas 2 vein south of the historic Aurcana drilling. One of the holes intercepted mineralization grading 3.45 g/t Au and 25 g/t Ag over 0.55m (non-NI 43-101 compliant).

MHM extensively explored the El Orito district from April 2005 to March 2006. A major part of the program involved focused work at the El Compas vein system.

District-wide surface exploration by MHM identified numerous targets characterized by north and/or northwest trending mineralized veins and faults, eight of which were tested by diamond drilling. In total 5,516m of drilling in 20 NQ holes were completed. Results of the drilling (non-NI 43-101compliant) confirmed the presence of significant gold and silver grades at depth in a number of the target structures tested. Significant results include 15.19 g/t Au and 155 g/t Ag over 1.05 m from the El Compas 4 vein, located roughly 1.4 km southeast of the El Compas vein.

Significant historic drilling results by the exploration companies referred to above are shown in Table 4.1.1. It is not known if the data is complete, and none of it is considered to be NI 43-101 compliant.

Table 4.1.1: Significant Historic Drilling Results (Excluding El Compas Vein)

Company	Drill Hole	Vein	Width (m)	Au (g/t)	Ag (g/t)
Aurcana	LVDD-04-04	Compas 2	4.46	13.18	-
Aurcana	LVDD-04-06	Compas 2	0.25	19.4	-
Boliden	BDDV-04	Compas 2	0.50	3.45	25
MHM	HOC3-1	Compas 3	0.50	0.30	44.0
MHM	HOC4-1	Compas 4	13.35	0.47	0.4
MHM	HOC4-2	Compas 4	0.75	9.72	92.2
MHM	HOC4-3	Compas 4	0.30	8.63	18.0
MHM	HOC4-4	Compas 4	1.05	15.19	155.0
MHM	HOE-1	Esperanza	0.85	3.77	3.7
MHM	HOP-1	Paloma	0.50	1.51	440.0
MHM	HOLE-1	Escuadra	0.90	4.07	703.0
MHM	HOLE-2	Escuadra	0.60	3.04	14.0

At El Compas, MHM carried out 1:1000 scale surface mapping, and collected 60 surface outcrop and 469 underground channel samples for analysis. Twenty widely-spaced HQ and NQ diamond core holes totaling 5,788m tested the El Compas vein structure over nearly 1,000m of horizontal strike length, at about 25 to 50m spacing in the mine area, and about 100m spacing south of the mine, at depths of 60 to 400m below surface. Two more drill holes totaling 485m tested the El Orito vein structure. Results of drilling confirmed the presence of significant gold and silver grades at depth, particularly within the Adit Zone ore chute. The results of the MHM drilling at El Compas were utilized in the current resource estimate. The results of MHM exploration work at the El Compas and El Orito veins is described in more detail in the Exploration and Drilling sections that follow.

4.2 Historic Mineral Resource and Reserve Estimates

No historic mineral resources or reserves are reported here.

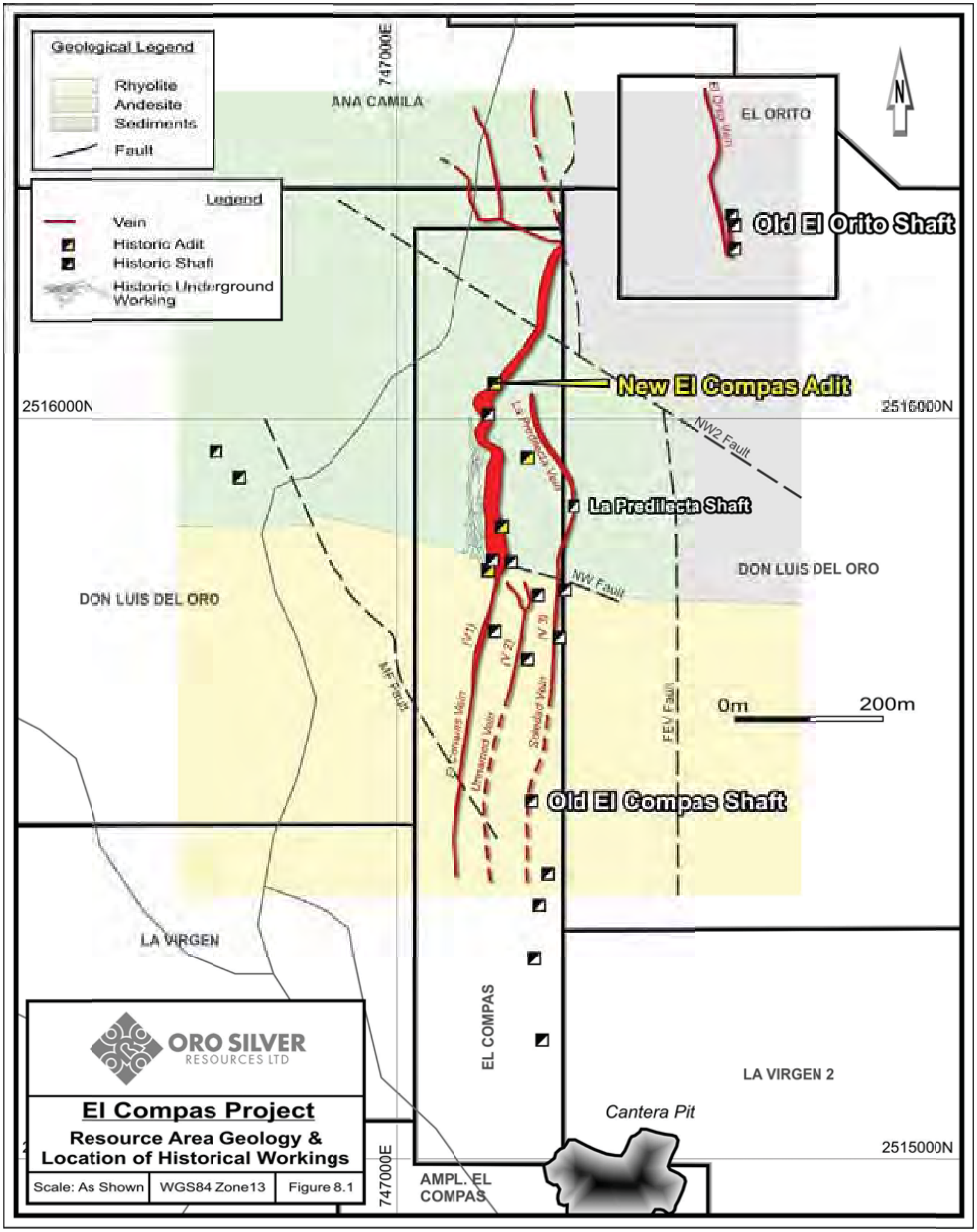
4.3 Historic Production

The El Compas veins were exploited by underground ramp-in-ore mining by Contracuna from about 2002 until 2007. Production information was compiled by Oro (Charles Tarnocai, 2007) with assistance from mill staff. Oro believes the production information is incomplete. The mining rate since 2002 is estimated by Oro to have been between 50 to 100 tonnes per day (Sr. Gutierrez, pers. comm. 2006; Unnamed, 2005a). Ore was processed at the Contracuna mill in Veta Grande. An average weighted head grade of 4.67g/t Au and 86.74 g/t Ag was calculated from incomplete records for 55,140 tonnes of ore shipped to the mill (Table 4.3.1). Samples of crushed ore were occasionally analyzed by Contracuna I S.A. de C.V at their Veta Grande mill-site. Oro personnel did not observe either the sample collection or analysis methods, and the results are not NI 43-101 compliant. Oro considers the results an indication of grade and potential at El Compas.

Table 4.3.1: Contracuna Summary of Production at El Compas Mine, June 2003 to November

Date			Total Final				
From	To	Tonnage (t)	Operating Days	Tons per Day	Au g/t	Tonnage	Ag g/t
6/25/2003	6/30/2003	410	5	82	17.34	7109.4	177.91
7/11/2003	7/16/2003	476.45	5	95.29	8.765	4176.0843	95
8/15/2003	8/30/2003	922.35	15	61.49	7.04	6493.344	111.29
9/1/2003	9/6/2003	660.36	5	132.07	8.20	5414.952	103.00
9/9/2003	9/20/2003	1303.12	11	118.47	8.42	10972.27	104.13
10/15/2003	10/31/2003	2015.15	16	125.95	7.51	15133.777	100.83
11/5/2003	12/3/2003	3408.92	28	121.75	6.30	21476.196	100.00
12/15/2003	12/23/2003	778.85	8	97.36	4.59	3574.9215	70.64
1/5/2004	2/14/2004	4751.67	40	118.79	4.59	21810.165	64.38
4/30/2004	5/26/2004	3886.88	26	149.50	3.90	15158.832	44.90
6/29/2004	7/2/2004	575.7	4	143.93	23.25	13385.025	167.38
8/30/2004	10/1/2004	4034.35	32	126.07	4.07	16419.805	72.44
11/26/2004	12/3/2004	862	7	123.14	2.81	2422.22	89.13
12/4/2004	12/30/2004	2375.57	26	91.37	3.21	7625.5797	75.72
12/31/2004	1/11/2005	1341.95	11	122.00	3.94	5287.283	81.00
1/12/2005	1/20/2005	1284.79	8	160.60	4.20	5396.118	83.33
1/21/2005	2/2/2005	1757.47	12	146.46	3.83	6731.1101	86.26
1/2/2005	2/2/2005	4478.07	31	144.45	3.96	17733.157	83.94
3/2/2005	3/10/2005	1185.17	8	148.15	3.34	3958.4752	71.00
3/11/2005	3/31/2005	2309.24	20	115.46	3.41	7874.513	66.06
5/2/2005	6/3/2005	4584.61	32	143.27	3.55	16275.362	67.61
8/1/2005	8/10/2005	1328.68	9	147.63	3.42	4544.0789	114.90
8/22/2005	9/2/2005	1827.57	11	166.14	3.90	7127.5264	128.17
9/26/2005	10/4/2005	1352.43	8	169.05	3.39	4584.7377	109.89
11/19/2005	12/2/2005	1611.39	13	123.95	3.34	5382.0426	108.15
1/3/2006	1/10/2006	1112.10	7	158.87	2.84	3158.364	104.63
3/26/2006	4/11/2006	1977.31	17	116.31	3.04	6011.0224	117.35
6/22/2006	7/1/2006	1298.94	10	129.89	3.81	4948.9614	97.17
8/17/2006	8/22/2006	740.33	7	105.76	6.67	4938.0011	120.14
10/17/2006	10/21/2006	486.09	5	97.22	5.28	2566.5552	143.80
Total		**55137.51**					

Figure 4-1: Location of Historic Workings in Vicinity of El Compas Vein



Source: BCGold Corp., 2008

5 Geological Setting

Portions of Section 5 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

The city of Zacatecas lies on the northeastern margin of the Tertiary volcanic rocks of the Sierra Madre Occidental (SMO) geologic province. Mesozoic marine sedimentary and volcanic rocks of the Mesa Central geologic province are exposed to the northeast(Figure 5-1). The boundary zone between the Sierra Madre Occidental and Mesa Central geologic provinces is marked by the northwest striking Rio Santa Maria fault system (Albinson, 1988; Nieto-Samaniego et al., 2005; Aranda-Gomez et al., 2007). This is a major fault system extending from the city of Durango in the northwest, to the city of San Luis Potosi in the southeast. The Tertiary volcanic rocks which presumably overlay older rocks of the Mesa Central have been uplifted and eroded. The Rio Santa Maria fault zone also separates a region of lower elevation and lower relief to the north, from higher elevation and higher relief topography to the south (Figure 5-2).

5.1 Regional Geology

The regional geology (Figure 5-3) was mapped and described by Caballero Martinez and Rivera Venegas (1999) and Caballero Martinez and Rivera Venegas et al. (1999).

Mesozoic rocks occur north and west of Guadalupe and Zacatecas. The oldest rocks in the region are upper Triassic phyllites, arenites, and limestone of the Zacatecas Formation, and overlying upper Jurassic to Cretaceous phylite, silty limestone, and volcanic rocks of the Chilitos Formation. The western part of the Sierra de Zacatecas is underlain by lower members of the Chilitos Formation, and the eastern part by volcanic rock-dominant upper members of the Chilitos Formation. The Chilitos and Zacatecas Formations dip gently to the north- northeast.

Disconformably overlying the Chilitos Formation, and outcropping in Zacatecas and Guadalupe, is the lower Tertiary Conglomerado Rojo de Zacatecas dated at 29 to 50.9 Ma (Aranda-Gomez et al., 2007). This red-purple polymict conglomerate unit is correlated with the Conglomerado Rojo de Guanajuato, and other continental red bed occurrences in the Mesa Central. The occurrence of this congolmerate provides evidence of pre-Oligocene extension (Aranda-Gomez et al., 2007) that predates extension temporally related to volcanism of the SMO. Discordantly overlying the Chilitos Formation and Conglomerado Rojo de Zacatecas are felsic volcanic rocks of the SMO. Rocks of the SMO occur south of Zacatecas and Guadalupe, the lowermost part of which is the Calerilla-Guadalupe Formation (46.8 Ma), comprising a thin, discontinuous volcanic breccia. The La Virgen Formation (36.8 Ma) overlies the Calerilla-Guadalupe Formation, comprising thick-bedded ignimbrite and minor rhyolite tuff. The Los Alamitos Formation is an overlying, Miocene-aged ash flow with lithic fragments, up to 40m thick. Partially welded, biotite phyric ashflows of the Pliocene La Capilla Formation, up to 100m thick, cap the sequence.

Tertiary felsic plugs and dykes cut all units. Intermediate plugs and dykes of Mesozoic age, locally known as the Roca Verde, intrude the Mesozoic sequence. Early Cenozoic to Mesozoic rocks have been affected by Laramide shortening, and all rocks are cut by faults related to mid to late Tertiary extension. Extension was episodic, occurring at 26 to 27 Ma, 24Ma, and 11Ma (Aranda-Gomez et al., 1998; Nieto-Samaniego et al., 1999). Tertiary faults are N-S to NNE, NW, and occasionally NE trending. The timing relation between these fabrics is uncertain, though the lack of consistent cross-cutting relations (Aranda-Gomez et al., 1989) suggests faults experienced coeval motion. Aranda-Gomez and others (2007) observe NW faults cut by N-S faults in the Zacatecas area. The timing of initial motion on the Rio Santa Maria fault may be 27 to 32 Ma (Aranda-Gomez et al., 2007), older than extension affecting rocks of the SMO and the roughly 11Ma age of most N-S faulting. Red bed sedimentary sequences are suggested by the same workers as temporally related to the early phase of extension, and spatially related to the structures accommodating that extension.

Epithermal vein systems in Mexico largely date from 48Ma to 18Ma (Camprubi et al., 2003), and are controlled by Tertiary extensional structural fabrics, as is volcanism of the SMO. In the Zacatecas region, most vein systems are closely associated with the intersection of NW and N-S trending faults (Aranda-Gomez et al., 2007), though the first-order control appears to be the NW striking fault fabrics of the Rio Santa Maria fault zone. The nearby vein systems at Fresnillo and Real de Angeles have been respectively dated at 32-28 Ma (Lang et al., 1988) and 45.2 Ma (Harder, 1987; Pearson et al., 1988), suggesting an Eocene to Oligocene age for intermediate sulphidation state veins in the Zacatecas area. The timing for mineralization therefore corresponds to the initial phases of felsic volcanism in the SMO, and motion along the northwest trending Rio Santa Maria fault zone.

Zacatecas hosts low to intermediate sulphidation style vein systems, and exhalative base and precious metal sulphide systems (Figure 5-4). Intermediate sulphidation style vein systems (Veta Grande, San Acacio) occur in the Chilitos Formation. These are Ag-rich base metal+quartz+calcite veins and breccias, with very low Au content (typically <1 g/t Au in ore) and abundant sulphides. Low sulphidation style veins occur in the El Orito Zone (Zona Aurifera del Sur of Ocejo Paredes, 1979), and are unique to the district. They are Au-rich, Ag-poor (Ag/Au of about 6.7:1 to 20:1), with very low total sulphide and base metal content. Epithermal veins with a low sulphidation style occur in both the Chilitos Formation, and overlying felsic volcanic rocks of the La Virgen Formation. Exhalative sulphide mineralization (San Nicholas, Francisco I Madero) occur in the marine sedimentary rock sequence of the Mesa Central.

The Cozamin deposit is described as an intermediate sulphidation style vein system, overprinted by an intrusion-related disseminated sulphide system (Christopher and Giroux, 2005).

5.2 Local Geology

The property geology has been described by Salas Vazquez (2001) and Martinez Mendoza, (2005), and by Tarnocai and Thiboutot (2007).

5.2.1 Local Lithology

The El Compas project area is underlain by andesite and phyllite of the Chilitos Formation in the north, and felsic volcanic rocks of the La Virgen Formation in the south and east. (Figure 5-5). The La Virgin Formation is a thick sequence of massive, columnar jointed Tertiary ignimbrites, rhyolite flows, and sandstone. Contact and fiamme measurements collected by Oro from ignimbrite exposures in the vicinity of the El Compas mine indicate a mean strike of 110°, dipping 11° to the south-southeast. Midway between the El Compas Adit and Shaft zones the Escuadra fault (NW1 fault in the Resource model), an important NW striking and SW dipping district scale structure, cuts the local stratigraphy and has juxtaposed Chilitos Formation and La Virgen rocks in fault contact with one another at surface.

5.2.2 Alteration

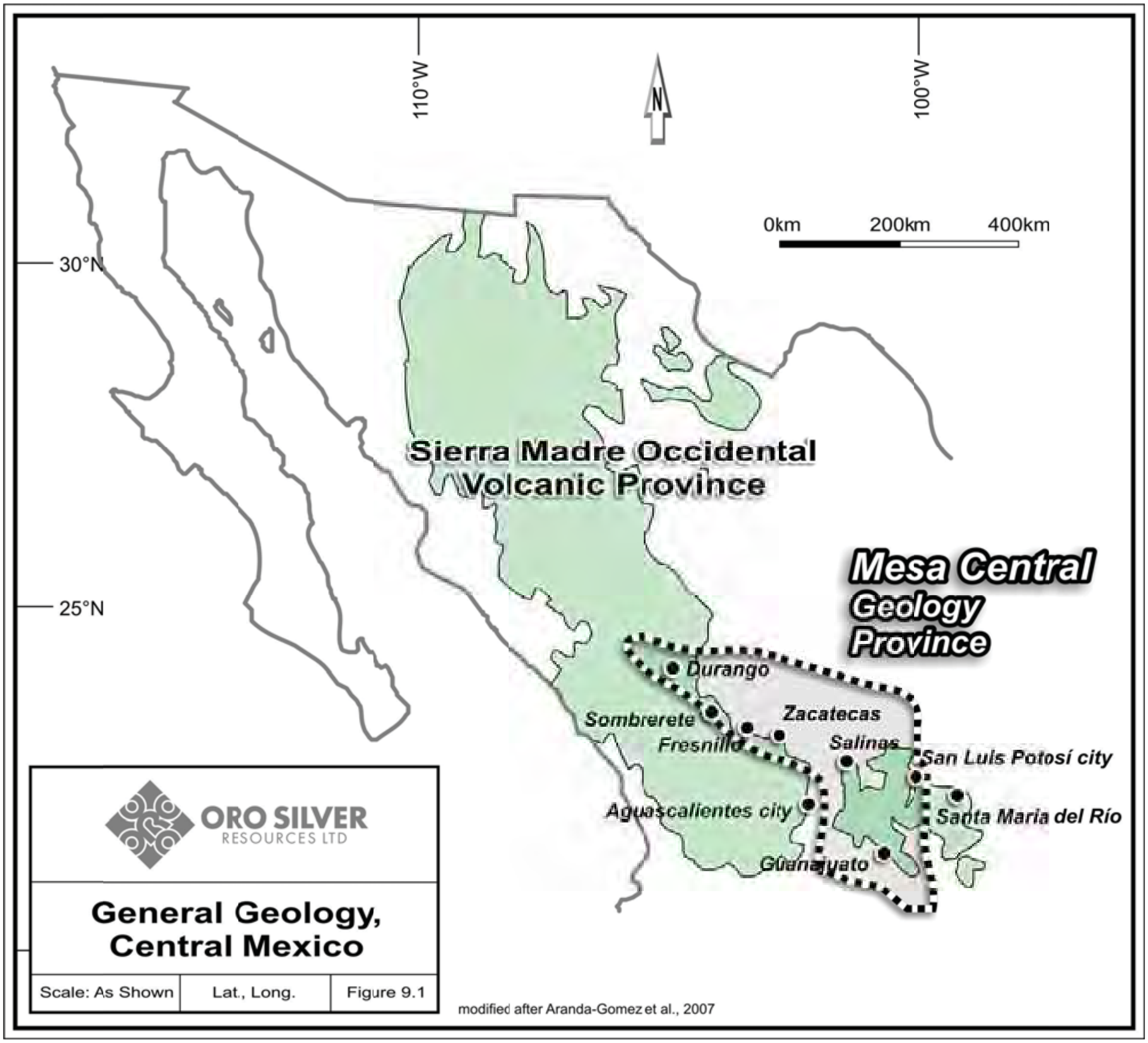
Intense argillic alteration with strong Fe-oxide is observed at the andesite-rhyolite contact on the first level of the ramp. In the andesite, narrow zones of argillic alteration occur in the wallrocks to quartz veins and some veinlets. Chlorite and fine-grained epidote alteration of the propylitic zone, occurs as distal alteration associated with the quartz veins. The width of the propylitic zone is up to 5 times the vein width. In rhyolite, proximal wallrock alteration comprises narrow zones of silicification, fracture controlled Fe-oxide and argillic alteration

5.2.3 Structure

Numerous fault-hosted, veins occur on the Project. North-south striking faults and veins dip steeply west or vertical. Northwest striking faults and fault-veins dip moderate to steeply southwest.

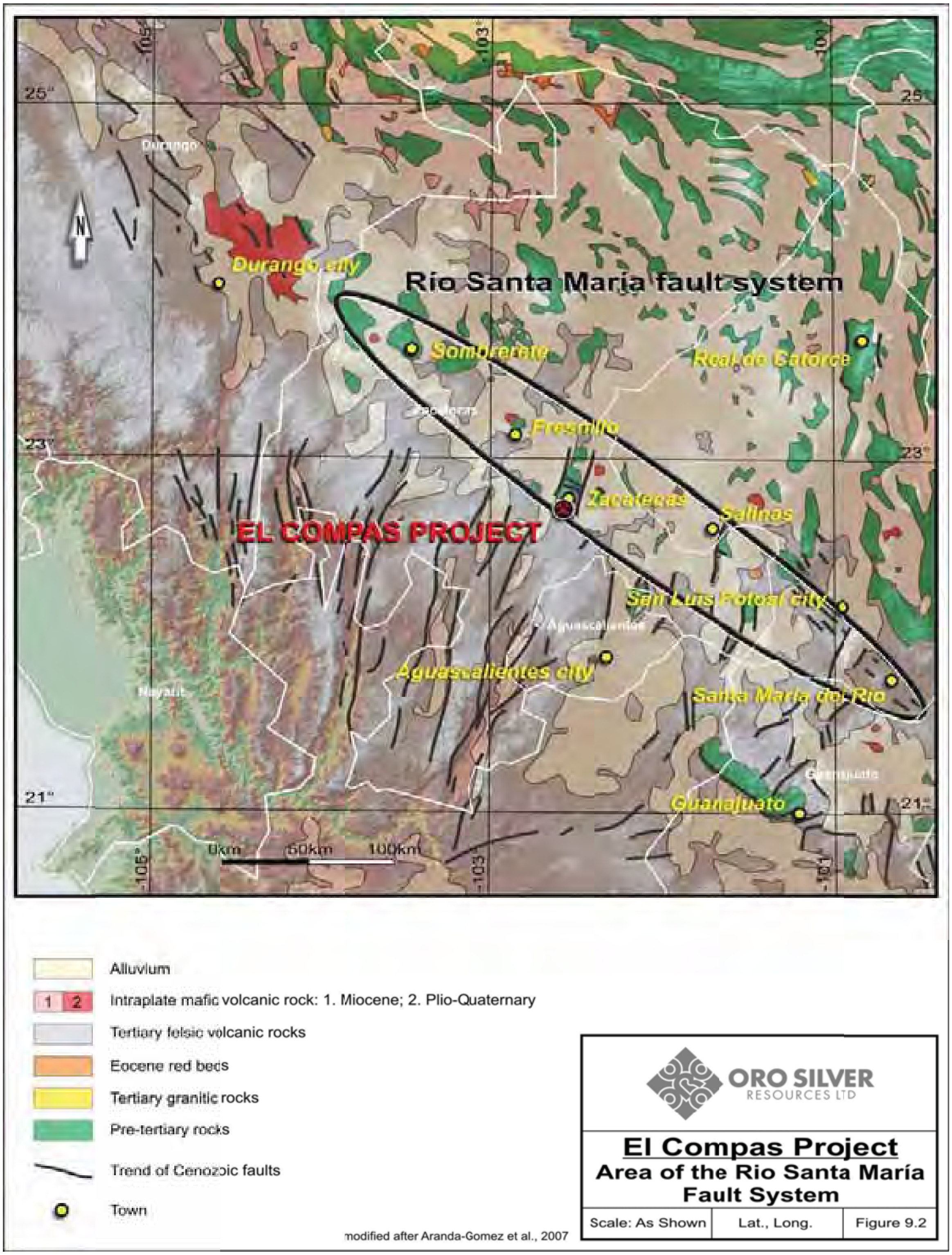
On the El Compas claim, north and northwest striking fault-veins merge across zones of curvilinear veins, faults, veinlets and fault-related cleavages. Fault-veins correspond to areas of steeper topographic gradient, suggesting fault motion has at least partially controlled topography. In felsic rocks, faults are characterized by narrow fault cores containing gouge, quartz-matrix breccias, sheeted quartz veins, and single planar veins. Mechanical deformation zones in the fault walls are narrow zones, and cleavage intensity and quartz veinlet density decrease away from the fault core. Veins occupying the fault core are typically <1m in width. Rocks of the Chilitos Formation are cut by more numerous faults and cleavages, and veins occupying the fault cores are often >1m wide. In the El Compas ramp, the anastomosing Veta Bajo and Veta Alto (referred to collectively as the El Compas veins by MHM) are typically separated by 2 meters of wallrock, and are individually 2 to 4m in width. Where these structures merge, continuous vein widths up to 22m are observed. Furthermore, drilling has confirmed that ore extraction from the El Compas UG mine comes from a steep north plunging to subvertical chute within the plane of the Veta Bajo and Veta Alto veins.

Figure 5-1: Tertiary Volcanic Rocks of the Sierra Madre Occidental Geologic Province



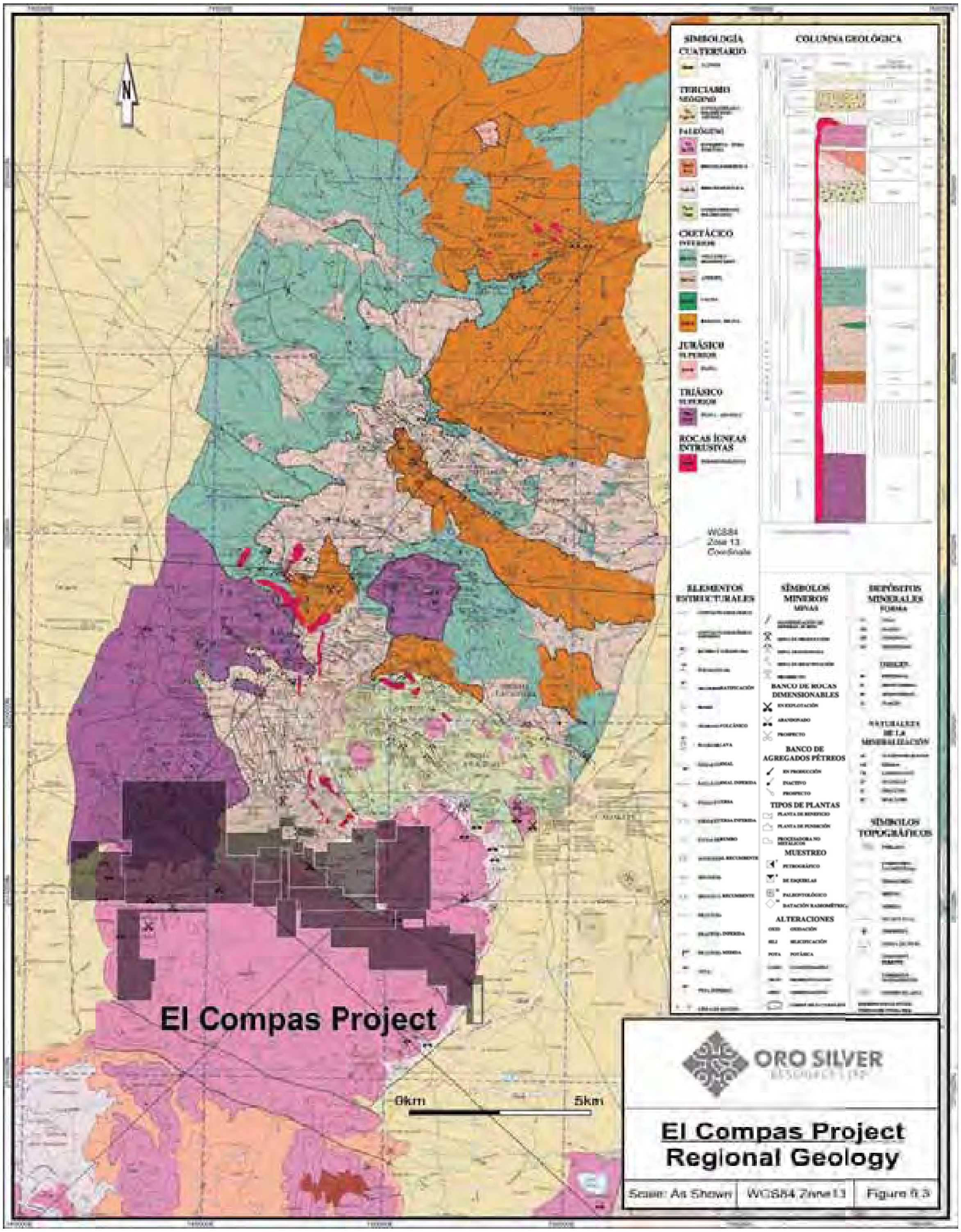
Source: BCGold Corp., 2008

Figure 5-2: General Geology of Central Mexico Showing Location of Cenozoic Normal Faults



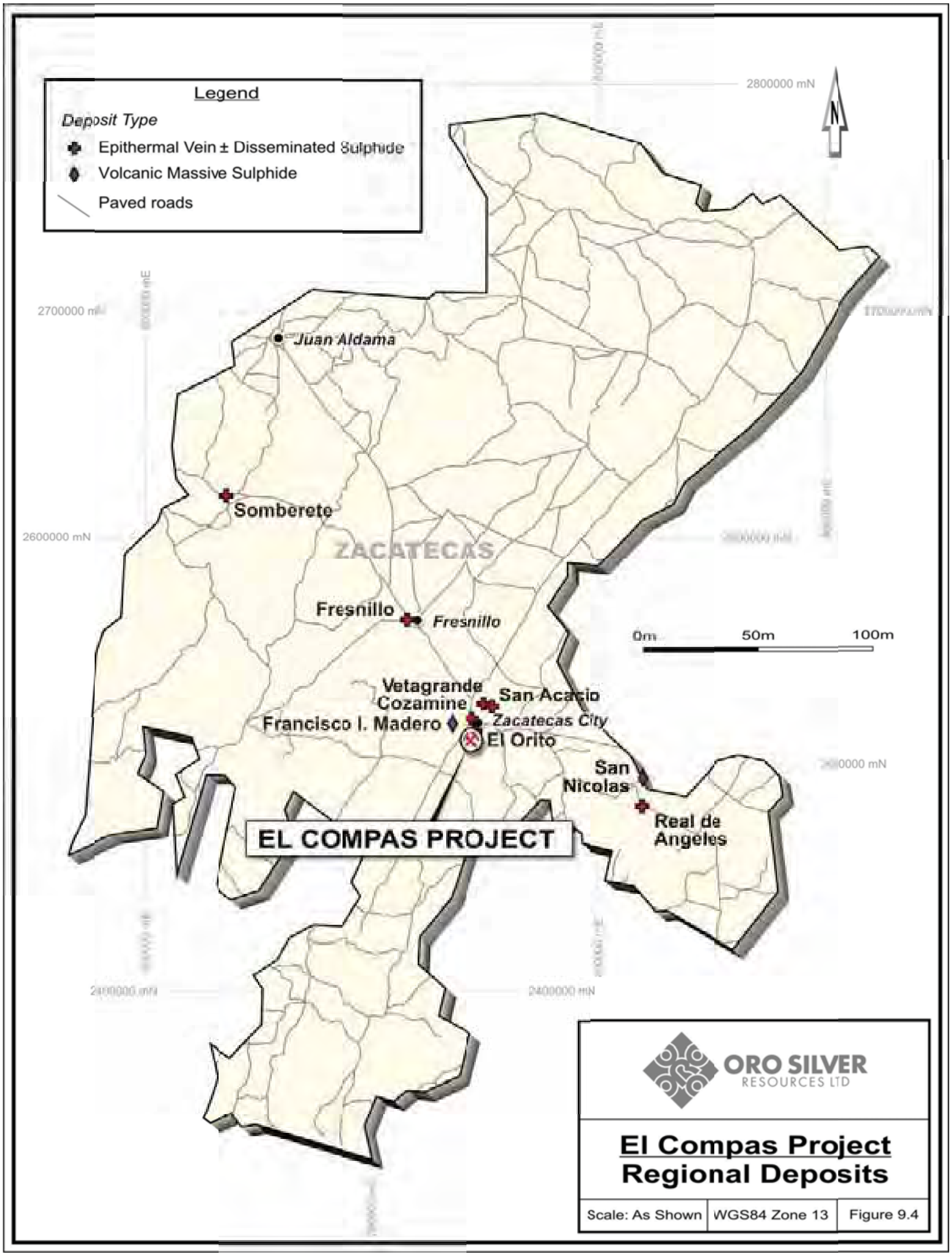
Source: BCGold Corp., 2008

Figure 5-3: Location of the El Compas Property Showing the Regional Bedrock Geology and Veins in the Zacatecas District



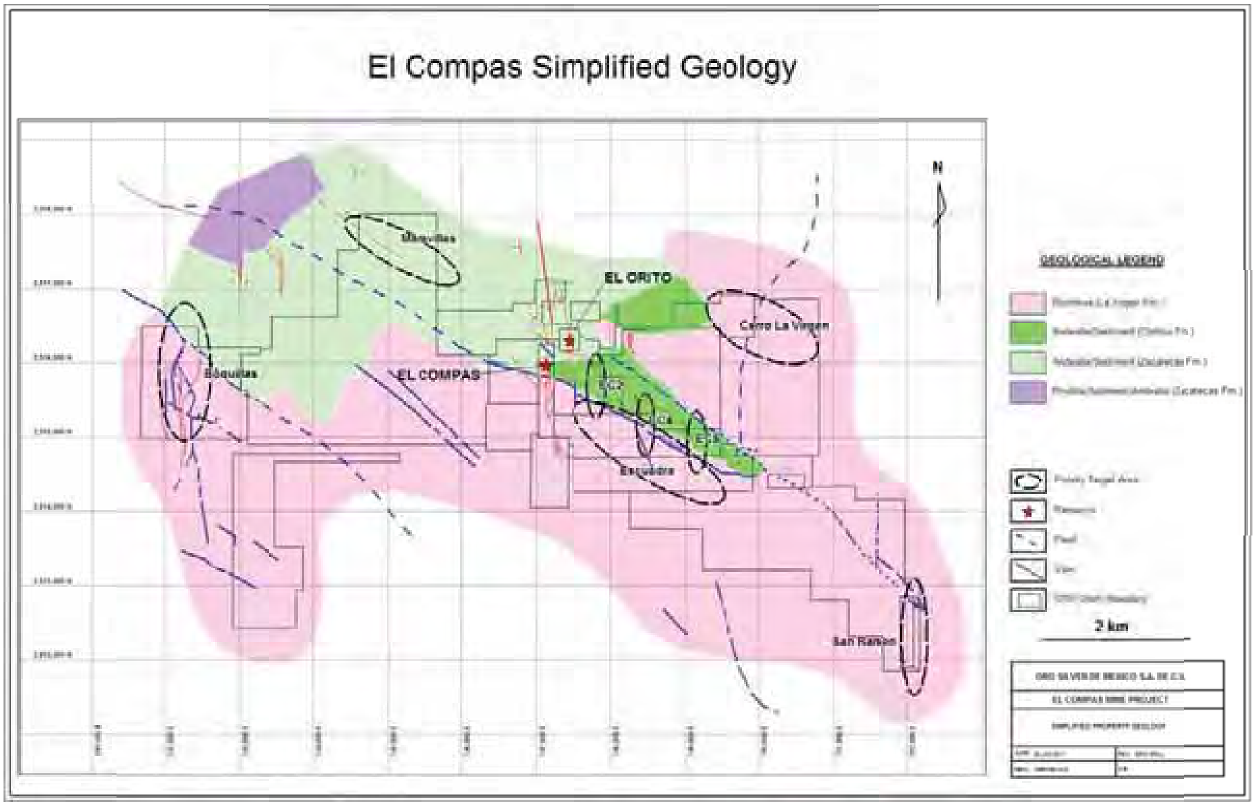
Source: BCGold Corp., 2008

Figure 5-4: Location of the El Compas Property in Zacatecas State, and Select Epithermal Veins and Massive Sulphide Deposits and Occurrences



Source: BCGold Corp., 2008

Figure 5-5: Geology of the El Compas Property



6 Deposit Type

Portions of Section 6 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

6.1 Geological Model

The El Compas and El Orito veins have the characteristics of a low sulphidation style epithermal vein system, and occur in a region characterized by numerous, high Ag-grade intermediate sulphidation style epithermal vein systems.

Epithermal systems may be classified as high, intermediate, and low sulphidation styles. They are characterized by the sulphidation state of the hypogene sulphide mineral assemblage, and show general relations in volcano-tectonic setting, precious and base metal content, igneous rock association, proximal hypogene alteration, and sulphide abundance (ie., John, 2001; Sillitoe and Hedenquist, 2003). Mineralization in all types form under epizonal conditions, generally within 2km of the paleo-surface. Veins in epithermal systems often display epizonal textures indicative of repetitive and sustained open-space filling, and boiling.

Significant members of the low sulphidation style of epithermal systems include Sleeper, Midas, and El Penon. Those associated with bimodal basalt-rhyolite sequences and subalkaline magmas display illite proximal alteration zones, with adularia and local fluorite. They generally display low total sulphide content (<2 volume %). Base metal sulphides occur in very low abundance, and the mineralogical systems tend to be Au-rich. Selenides are common in some systems. The alkaline magma associated systems (not under consideration here) are temporally associated with alkaline basalt and trachyte, have roscoelite-bearing illite+adularia proximal alteration, more abundant sulphides (up to 10% volume), and selenides are uncommon. Both subclasses contain pyrrhotite, pyrite, and minor arsenopyrite. Low sulphidation epithermal systems often have Ag:Au ≤15, and <200 ppm Cu (Sillitoe and Hedenquist, 2003).

Low sulphidation epithermal veins are generally not considered transitional to intermediate sulphidation state epithermal systems (Sillitoe and Hedenquist, 2003), although this is based solely on the different tectonic environments under which they may typically form. It does not exclude them from occurring in a similar area. Significant members of the intermediate sulphidation epithermal class are well represented in Mexico, and include Fresnillo and Pachuca-Real del Monte. These are related to andesite, rhyodacite and occasionally rhyolite sequences. Adularia is rare to absent in the proximal alteration assemblage, and the gangue contains abundant, often manganiferous, carbonate. Sulphide content in veins typically exceeds 5% volume, and comprise pyrite, Fe-poor sphalerite, galena, chalcopyrite, and tennanite-tetrahedrite. Selenides and pyrrhotite are uncommon, and Mexican examples tend to be Ag-rich, with Ag:Au exceeding 10:1, and often >100:1. Most significant members of both classes have vertical mineralized extents of <1km, often <500 m. Ore is hosted by fault-related veins and breccias, and elevated precious metal content occurs in plunging, lenticular zones within the plane of the vein ("chutes").

Vertical zonations in metal content occur in some low and intermediate sulphidation state systems (ie, Albinson et al., 2001). In systems displaying such zoning, gold, silver, mercury and tellurium are relatively enriched in the upper portions of the system, and base metal contents occur in higher concentrations at deeper levels in the system.

7 Mineralization

Portions of Section 7 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

At the El Compas concession, northerly trending veins in the Chilitos Formation have finely banded, colliform, and crustiform open space fill textures. Bladed quartz after calcite textures are common. Veins in felsic rocks are comprised of saccharoidal to fine-grained quartz or banded veins. Wider veins in felsic rocks are observed in the Cantera pit and at the El Compas shaft. These veins show breccia and bladed quartz-after calcite textures. Calcite is observed in bands in large andesite-hosted quartz veins, and in veinlets distal to mineralized zones in very weakly propylitized rocks. Within the El Compas ramp, the widest calcite veins (>0.75m, both black and white coarse grained calcite) occur as northwest striking veins. Large northerly striking calcite veins have not been observed on surface or in the El Compas ramp; however, thick calcite-rich quartz veins were intersected by drilling at deeper levels below the mine and elsewhere that appear to correlate with the north-south striking El Compas and other veins. Sulphide abundance in veins rarely exceeds 5%, and is most abundant in the mineralized veins. Pyrite or pyrhottite are the most common sulphides. Rare sphalerite and oxide copper was observed at the 7th level of the El Compas ramp. Magnetite was identified in panned concentrates from the mineralized veins.

Both the El Compas and El Orito vein systems experienced historic artisanal exploitation, while the El Compas vein has also experienced recent small scale mechanized exploitation. In both areas, veins may occur singularly or as sheeted zones, and can vary substantially in width along strike and down dip.

7.1 Mineralized Zones

Five veins comprise the El Compas vein system, of which at least 4 have experienced exploitation; the N-S striking Veta Bajo, Veta Alto (collectively the El Compas, or V1 vein), and the Veta Soledad (V3 vein), and the NW striking Predelicta vein (Figure 7-1). The longest veins have discontinuous mapped strike extents of 415m (Veta Bajo and Veta Alto) and 850m (Veta Soledad) or more. Numerous other veins are identified from mapping. The widest veins, and those that have experienced the majority of the exploitation on the property, are the north-south striking veins. The Predelicta vein contains more abundant calcite and is moderate to steeply dipping, but is otherwise similar in occurrence to the steep-dipping N-S striking veins on the property. Exploitation has occurred on both N-S and NW striking veins in the La Virgen Formation felsic volcanic rocks and the underlying Chilitos Formation volcanic and sedimentary rocks. Although numerous pits and small shafts occur on the El Compas veins, longitudinal sections show extraction was selective, occurring in two sub-vertical ore chutes; one at the El Compas Shaft on the N-S striking Soledad vein, and the other at the El Compas Adit on the parallel Veta Bajo and Veta Alto veins. These ore chutes are between 130m (El Compas shaft) and 250m wide (El Compas Adit). Presumably, selective exploitation occurred in areas of higher precious metal grade. At El Orito mineralized veins strike north and dip steeply west to vertical, and are hosted entirely within sediments of the Chilitos Formation. A small vertical shaft of uncertain depth and related waste dump attest to minor historical artisanal workings here.

7.2 Surrounding Rock Types

At El Compas and El Orito the mineralized veins and are hosted entirely within sediments of the Chilitos Formation and to a lesser degree, the overlying rhyolites.

7.3 Relevant Geological Controls

There is evidence to suggest that ore chute development occurs along the N-S structures where they are intersected by NW fault-veins and vein arrays. Observations suggest the veins are wider in the Chilitos Formation than in the overlying rhyolite. Stockwork quartz veinlets occur at the base of the rhyolite.

7.4 Type, Character and Distribution of Mineralization

Veins are predominantly of white quartz-calcite, but abundant banded greenish chalcedonic quartz may also be present, as is the case for the El Compas Adit zone. Minor concentrations of fine disseminated pyrite and pyrrhotite are observed in some veins, as is magnetite. Fe-oxide occurs after pyrite and coating fracture surfaces. Black manganese oxide is also observed locally on fracture surfaces.

The El Compas and El Orito veins are clearly epizonal in nature, displaying abundant bladed quartz-after-calcite textures indicative of shallow boiling, and banded, colloform and crustiform layering indicative of repetitive open-space filling. Brecciated textures are also commonly observed.

Economic mineralization appears to be associated with white saccharoidal quartz, and also with finely disseminated to very finely banded black (Ag) sulphide. In some very high-grade drill intercepts at the Adit Zone “ginguro” type mineralization has been observed in quartz veins, consisting of millimeter-sized patches of fine black (Ag) sulphide together with fine blebs of native gold (drill hole 08COM008). Wire silver has been observed locally in vugs (drill hole 08COM028).

Drill data suggests that structural control of economic grade mineralization is rather poor. While economic grade mineralization is nearly always constrained to within the limits of a given vein zone, there is a strong tendency for it to migrate between the footwall to the hangingwall contacts over relatively short distances both laterally and vertically, and may also be present in minor splays.

High Au relative to Ag (Ag:Au 6.7 to 20:1), very low sulphide abundance, the occurrence of magnetite, pyrite and pyrrhotite, and general lack of base metal sulphides observed in the underground workings, all suggest the El Compas is most closely affiliated with a low sulphidation style epithermal system. The analysis of drill data from deeper in the system indicates that the Ag:Au ratio generally increases with depth, and that the average for all mineralized drill intercepts is about 40:1. Table 7.4.1 summarizes the change in the ratio as a function of depth for mineralized drill intercepts in the two resource areas.

Table 7.4.1: Ag:Au Ratio as a Function of Depth

No. of Mineralized Intervals	Average Depth to Top of Mineralized Interval (m)	Ag:Au Ratio
18	50.5	19 : 1
17	97.4	43 : 1
18	141.5	54 : 1

8 Exploration

Portions of Section 8 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

8.1 Exploration by MHM

At the El Compas vein system, MHM conducted 1:1000 scale surface mapping, and collected 60 surface and 469 underground channel samples for analysis. Twenty HQ and NQ diamond core holes totaling 5,788m tested the El Compas vein structure over nearly 1,000m of horizontal strike length on 25 to 50m spaced EW section lines in the mine area, and about 100m spaced lines south of the mine, to depths of 60 to 400m below surface. Assay results from the MHM drill program at El Compas were utilized in the 2008 resource estimation. Drillhole locations are shown in Figure 7-1, and drilling results are summarized in Table 8.1.1. Significant results include 55.87 g/t Au and 368 g/t Ag over 2.50m (not true width) from drill hole HOC-16, from beneath the El Compas ramp.

In September 2008, the company acquired additional MHM data following the signing of the exploration with option-to-purchase agreement with Exploraciones de Altiplano. The data package contained information related to MHM's property-wide exploration program, which included two holes drilled at the El Orito vein; however, this fact was not recognized until recently, as the vein is referred to as the "Blanquillal" vein in MHM reports. These holes have been incorporated in the 2010 updated geological model and resource estimate. Both MHM holes (HOB-1 and HOB-2) were drilled below the historic El Orito shaft; HOB-1 intersected the El Orito vein approximately 125m below surface and is weakly mineralized with 1.24g/t Au and 13.8g/t over 1.55m, and HOB-2 intersected the vein it approximately 190m below surface with only very weakly anomalous in Au and Ag.

Table 8.1.1: Significant Results From MHM 2005 Drill Program at El Compas

HOLE	FROM (M)	TO (M)	INTERVAL (M)	TRUE WIDTH (M)	AU (g/t)	AG (g/t)	AUEQ (g/t) @ 55:1
HOC-01	90.85	91.45	0.60	0.54	5.38	162.0	8.33
and	105.25	125.50	20.25	18.20	0.50	8.7	0.66
HOC-02	88.90	92.55	3.65	3.38	2.07	98.4	3.86
HOC-03	114.45	126.70	12.25	11.83	0.74	21.1	1.12
HOC-04	160.90	161.35	0.45	0.40	2.11	70.5	3.39
HOC-05			No significant intercepts				
HOC-06	148.50	148.85	0.35	0.25	1.45	32.5	2.04
and	180.85	182.35	1.50	1.06	0.77	0.9	0.78
and	221.75	222.65	0.90	0.64	0.85	3.9	0.92
HOC-07	150.10	150.65	0.55	0.47	2.28	7.2	2.41
and	157.35	157.85	0.50	0.43	15.35	51.2	16.28
and	166.05	176.10	10.05	8.61	0.96	5.9	1.07
including	170.70	172.75	2.05	1.76	3.36	19.9	3.72
and	185.00	195.05	10.05	8.61	0.89	12.7	1.13
including	193.50	195.05	1.55	1.33	4.07	52.6	5.02
HOC-08	155.90	157.45	1.55	1.43	0.51	37.2	1.19
and	164.25	169.55	5.30	4.88	1.01	79.3	2.45
including	166.2	166.9	0.70	0.64	4.38	218	8.34
and	196.00	196.35	0.35	0.32	3.77	23.4	4.20
HOC-09	269.95	270.70	0.75	0.70	0.59	2.9	0.64
and	280.00	281.55	1.55	1.44	0.45	57.4	1.49
HOC-10	70.00	71.60	1.60	1.23	0.84	1.9	0.87
HOC-11	201.85	202.00	0.15	0.13	80.40	360.0	86.95
HOC-12			No significant intercepts				
HOC-13	100.10	102.10	2.00	1.41	0.56	0.8	0.58
HOC-14			No significant intercepts				
HOC-15		Not assayed					
HOC-16	44.30	46.65	2.35	1.75	0.72	8.9	0.88
and	50.15	56.70	6.55	4.87	15.50	30.9	16.07
including	53.05	56.70	3.65	2.71	27.04	50.0	27.95
and	61.20	65.30	4.10	3.05	44.57	277.8	49.62
including	61.75	64.40	2.65	1.97	66.71	416.6	74.28
HOC-17			Not assayed				
HOC-18	146.05	150.80	4.75	3.42	0.34	2.3	0.38
and	386.95	388.25	1.30	0.94	2.27	0.3	2.28
HOC-19	178.85	179.90	1.05	0.90	0.86	1.2	0.88
and	382.90	384.50	1.60	1.37	0.99	7.1	1.12
HOC-20	336.95	337.10	0.15	0.13	1.63	5.4	1.73
HOC-21	19.40	19.90	0.50	0.32	0.52	1.5	0.55
and	148.80	149.40	0.60	0.39	9.65	56.0	10.67
HOS-01	40.70	43.55	2.85	2.33	1.56	2.6	1.61
and	65.20	66.00	0.80	0.66	4.45	7.2	4.58
and	107.60	108.80	1.20	0.98	0.97	2.6	1.02
and	167.30	168.80	1.50	1.23	0.17	43.4	0.96

8.2 Exploration by Oro

Exploration completed to date at the El Compas project has focused on defining the gold–silver mineralization associated with the El Compas and El Orito veins in the area of historic mine workings. A second priority has been to evaluate other veins on the property where potential exists to discover additional resources.

8.2.1 Early Exploration

Oro personnel first visited the El Compas property in September of 2006. Between September and October of 2006, Charles Tarnocai and Ms. Anna Fonseca conducted a preliminary field evaluation of the El Compas concession that included surface mapping, and select surface and underground sampling. Mr. Tarnocai was again in the field in February, 2007. Results of the underground sampling confirmed historical production grades reported by Contracuna.

Based upon the positive results of preliminary investigations, a more comprehensive exploration program was undertaken. Detailed surface mapping and surface and underground sampling took place from March through mid-June, 2007, concurrent with negotiations for the El Compas claim mining and concession rights. A total of 25 surface and 22 select underground samples were collected. The underground samples evaluated the relationship between grade and different vein types exposed in the ramp. Results indicated that both north and northwest components of the El Compas vein system carry precious metal mineralization.

By the end of May 2007, 370 channel samples, all 1m in length were collected from46 sample lines spaced approximately 25m apart along the El Compas mine ramp had been collected and were submitted for analysis. The results of the channel sample program are summarized in Table 8.2.1.1. The average true width of the vein was determined to be 8m.

Table 8.2.1.1: Calculated Averages of El Compas Channels

Level	Channel	Silver Grade (g/t)	Gold Grade (g/t)	Length (m)
1	C-1	7.3	0.36	4.0
1	C-2	3.6	0.36	5.0
1	C-3	2.8	0.13	5.0
1	C-4	0.5	0.00	5.0
1	C-5	0.7	0.00	5.0
1	C-6	0.4	0.03	5.0
1	C-7	97.8	11.91	8.0
1	C-37	51.5	5.48	16.0
1	C-38	11.5	2.01	11.0
1	C-39	20.2	2.58	9.0
1	C-40	8.2	2.70	11.0
1	C-41	3.2	0.45	10.0
1	C-42	1.3	0.33	3.0
1	C-43	7.8	1.78	22.0
1	C-44	2.0	0.90	4.0
1	C-45	3.4	0.60	12.0
1	C-46	2.8	0.38	9.0
2	C-8	24.7	7.36	18.0
2	C-9	12.2	0.45	3.0
2	C-10	99.0	42.99	6.0
2	C-11	46.6	6.45	15.0
2	C-12	14.5	1.97	12.0
2	C-13	17.8	0.98	4.0
2	C-14	20.4	1.24	12.0
2	C-15	3.9	0.28	3.0
3	C-16	71.9	9.76	14.0
3	C-17	150.3	13.36	4.0
3	C-18	7.5	0.59	9.0
3	C-19	19.8	1.05	4.0
4	C-20	72.6	6.54	10.0
4	C-23	18.0	2.10	4.0
4	C-24	25.0	3.61	12.0
5	C-21	8.8	0.97	4.0
5	C-22	42.7	4.30	9.0
5	C-25	19.5	1.49	5.0
5	C-26	130.8	24.78	7.0
5	C-27	57.4	11.98	4.0
5	C-28	8.9	0.47	4.0
6	C-29	71.4	16.45	4.0
6	C-30	24.5	3.68	21.0
6	C-31	0.8	0.04	3.0
6	C-32	23.9	2.20	4.0
7	C-33	15.3	2.10	6.0
7	C-34	30.7	4.79	9.0
7	C-35	20.0	3.10	12.0
7	C-36	59.7	7.75	3.0

In September 2007, the Company filed an NI 43-101 compliant Technical Report on the El Compas property (Thiboutot and Tarnocai, 2007).

Starting in October 2007, historic MHM core acquired from the owner of the El Compas concession as part of the option agreement was re-logged for lithology, alteration, mineralization, and vein percent. As a validation check of historical assays, approximately 10% of the 825 samples originally prepared and submitted by MHM for analysis were re-sampled by Oro. Eighty quarter core samples were prepared from remaining half core using a diamond core saw and submitted for analysis. An additional 1,025 half core samples were prepared by Oro from previously non-sampled intervals of MHM drill core and also submitted for analysis.

During late 2007, the results of Oro's work, in conjunction with available historical data, were used to define and prioritize drill targets for a 5,000m diamond drill program. The overall objectives of the program were the delineation of the El Compas Adit and Shaft zone ore chutes to greater depth, and the evaluation of parallel structures. An additional objective was the discovery of new, and potentially economic, mineralized ore chutes, and a preliminary evaluation of their size.

8.2.2 Phase 1 Exploration

From November 2007 to April 2008, the Company completed a Phase 1 diamond drill program consisting of 5,399m of HQ diameter core in 37 surface exploration holes, over portions of the El Compas and El Orito vein systems. A total of 1,498 core samples were prepared and submitted for analysis. The maximum hole depth was 247m, and the average hole depth was 146m.

All aspects of exploration work were supervised at site on a day-to-day basis by Oro's Chief Geologist, Charles Tarnocai from September 2006 through June 2007, and by Senior Project Manager Eric Grill from September 2007 through August 2008. Both persons reported to Hervé Thiboutot,'s Vice President of Exploration. Mr. Thiboutot made regular monthly visits to the project during the entire exploration period.

Results of the Oro Phase 1 drill program confirmed the results obtained by MHM in 2005, expanded the areas of known mineralization, and suggested that mineralization was still open in several directions. Furthermore, the widths and grades of the mineralized veins demonstrated the potential for mining at El Compas.

Drilling at 50 to 100m centers established the down-dip extent of the El Compas Adit zone chute for as much as 100m below deepest historical workings, and horizontally on strike for over 200m, while wide spaced drilling tested the cross-strike potential of the El Compas vein system, and evaluated the potential for additional chutes on strike to the north and south of the Adit zone. Wide-spaced drilling completed at the El Orito vein confirmed the potential of the vein in the area of historical workings to at least 100m down dip and 200m along strike.

A detailed survey of the underground openings and channel sample locations was completed by MGTZ in May 2008. The underground survey data was utilized to construct a three dimensional void model for resource modeling purposes.

Based on the results of the Phase 1 drilling by Oro in 2007-08 and on historic drilling completed at by Minera Hochschild in 2005, Oro produced an NI 43-101 compliant resource estimate for the El Compas and El Orito veins. A total of 48 drill holes were utilized for the estimation of the mineral resources; 32 holes were drilled by Oro, and 16 holes by MHM. In October 2008 the Company filed an updated technical report for the El Compas property for NI 43-101 purposes

(Jutras, Grill, Thiboutot, and De L'Etoile, 2008). Estimates for inferred and indicated resources using gold-equivalent cut-offs of 3.0g/t and 2.0g/t are shown in Table 8.2.2.1.

Table 8.2.2.1: Indicated and Inferred Mineral Resources at Different Cut-Offs

Gold Equivalent Cut-off Grade (g/t)	Resource Category	Tonnage (tonnes)	Average Gold Grade (g/t)	Average Silver Grade (g/t)	Average Gold Equivalent Grade (g/t)	Gold Equivalent Content (oz)
3.0	Indicated	310,000	5.82	59.09	6.52	65,000
	Inferred	234,000	4.94	45.69	5.48	41,200
2.0	Indicated	401,000	4.91	57.89	5.60	72,200
	Inferred	330,000	4.03	47.16	4.60	48,800

The El Compas and El Orito veins contain 86% and 14% respectively, of the gold-equivalent inferred resource ounces, while the El Compas vein contains 100% of the indicated resource. The average true widths are 7.2m for the El Compas vein and 3.3m for the El Orito vein.

The sample intervals were composited to 1-metre lengths. Grades were capped at 25.0 g/t for gold and 300.0 g/t for silver. Gold and silver grades were interpolated into a 1 X 5 X 1 meter (X, Y, Z) block model using ordinary kriging. A search ellipsoid with variable azimuth and dip angles was used in the grade estimation process to better characterize the grade distribution within the mineralized veins.

The technical report concluded that both the grades and true widths of the mineralized veins demonstrate the potential for mining at El Compas. It also concluded that the resource is still open in several directions. The recommended next steps were to complete basic mine design, planning and cost estimation in order to generate a preliminary economic assessment with cash flow analyses. Additional surface drilling should be also considered to upgrade more of the resources from the inferred to the indicated category, and to further evaluate the resource potential in directions where mineralization is still open. Finally, additional field work followed by drilling should be considered on adjacent concessions recently acquired by the company, where encouraging drilling results have been reported by previous explorers.

8.2.3 Phase 2 Exploration

Phase 2 exploration by Oro took place between June 2009 and September 2010, during which time Oro completed 5,912m of combined diamond core and reverse circulation drilling in 39. During the same period, it also completed an extensive property-wide surface exploration program. The objectives of the Phase 2 drilling were to expand the El Compas and El Orito resources where they were still open, upgrade inferred resources to the indicated category by infill drilling, confirm the continuity of grade and thickness in areas of higher grade mineralization with close spaced drilling, and finally, to test the El Compas and other veins for higher grade gold and silver mineralization at significantly deeper levels than in the past.

All aspects of exploration work were supervised at site on a day-to-day basis by Oro's Chief Geologist Eric Grill from June 2008 through Nov 2010, who reported to Darren Bahrey, Oro's President.

In July 2009 the company initiated a surface exploration program in the vicinity of the historical mine workings. Ana Fonseca, P.Geo, and consultant to Oro, collected 85 reconnaissance rock samples from surface outcrops over a 1km by 1.5km area in the vicinity of historic mine workings and from underground exposures for analysis by infrared spectroscopy analysis. The resulting spectral mineral assemblage showed a distinct mineral zonation that included buddingtonite with respect to north and northwest trending veins within the survey area, and as such could be used to vector towards mineralized centers. Additional sampling was recommended to identify possible alteration centers elsewhere on the property.

In October 2009, Oro contracted Ward Kilby of Cal Data Limited, to acquire and analyze ASTER muti-spectral imagery covering the El Compas property. Some of the multi and hyper spectral image analysis techniques identified large clay-rich zones within the property that could be related to a hydrothermal alteration event.

During October-November 2009, Oro contracted Geofisica TMC to carry out ground geophysical IP and magnetometer orientation surveys in the vicinity of the historic mine workings. Magnetometer survey lines were oriented east-west, spaced 100m apart, and covered the main mineralized portions of the El Compas and El Orito veins. Two, wide-spaced magnetometer lines were also oriented northeast to test the northwest trending Escuadra fault. The IP survey consisted of one east-west oriented line and two northeast oriented lines. The results of the surveys were mixed. The magnetometer survey highlighted the El Compas vein above the underground mine workings, but not the El Orito vein. Neither did it respond to the Escuadra fault. The IP survey locally produced a strong response over the Escuadra fault but was not able to distinguish the El Compas or El Orito veins.

From February to April 2010, Oro conducted a deep drilling program consisting of RC pre-collars and HQ/NQ diamond core tails for a combined total of 2,330m in 4 holes. One hole tested the El Compas vein more than 200m below the historic workings and 100m below the deepest known, well-mineralized intercept. The other two holes, targeted the El Compas and El Compas 2 veins south of the historic El Compas shaft, at greater than 600m below surface, where they were projected to intersect the Escuadra fault, a prominent northwest trending regional structure.

From April to November the surface exploration program was expanded to cover the entire property. Prospecting, geochemical sampling, and collection of outcrop samples for analysis by infrared spectroscopy, at regular spaced intervals along northeast oriented lines was completed, as was geological mapping at 1:5,000 scale in areas identified by prospecting as interesting and 1:1,000 scale in selected areas identified as high priority. These property-wide studies were concluded towards the end of 2010 and results are still being analyzed and interpreted.

During August and September 2010, an infill and close spaced diamond core drill program totaling 1,093m in 12 holes was completed at the El Compas and El Orito resource areas. At the El Compas vein, nine holes (includes two abandoned holes) tested the El Compas vein at 15m centers in the area surrounding a higher-grade intercept. At the El Orito vein, three infill drill holes were completed in the area surrounding a higher-grade intercept.

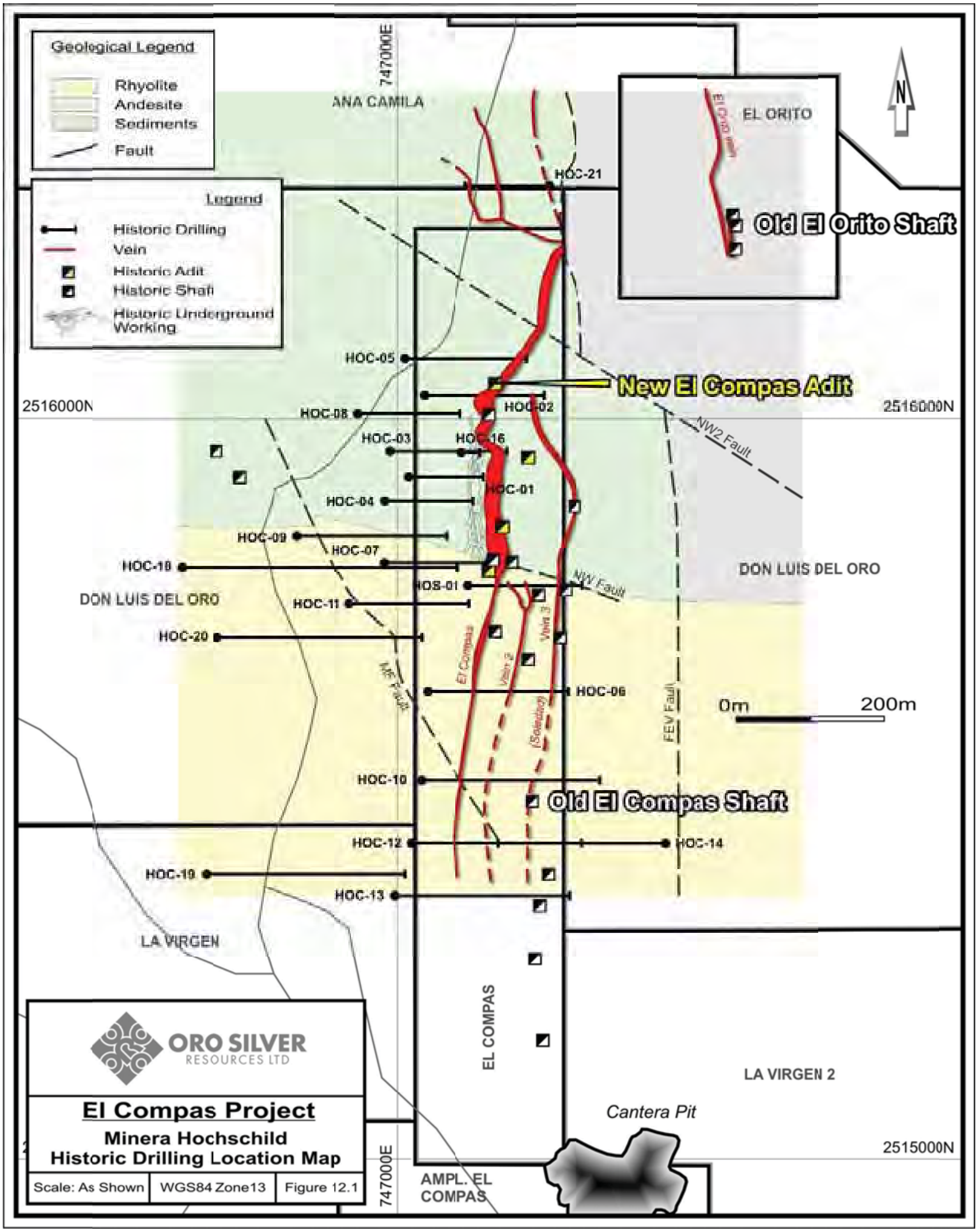
8.3 Surveys and Investigations

The company contracted GMTZ to complete detailed topographic surveys at 1m contour intervals over the El Compas and El Orito veins for the purpose of resource estimation work.

8.4 Interpretation

The exploration work conducted by MNM and Oro meets current industry standards. The geologic mapping, surface sampling, geophysical surveys and exploration drilling programs are all appropriate for the type of mineralization. The drilling programs are well planned and carried out in a prudent and careful manner. All drill core and RC chip logging and sampling has been done by trained and professional personnel.

Figure 7-1: Location of Minera Hochschild Drill Holes Completed at the El Compas Vein



Source: BCGold Corp., 2008

9 Drilling

Portions of Section 9 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

9.1 Drilling by Oro Silver

A total of 11,311.43m diamond core and RC drilling has been completed to date by Oro at the El Compas property. The majority of the El Compas drill holes and all El Orito drill holes were drilled from west towards east, normal to the mineralized veins strike and at a high angle to their dip.. Drill hole inclination ranged from -45 to -76 degrees. The maximum hole depth for the program was 246.55m, and the average was 152.90m. A total of 1,498 core samples were prepared and submitted for analysis. The drill intercepts typically do not represent true width of the mineralization.

Drilling was performed by two contractors during Phase 1 and by two different drill contractors during Phase 2, and is summarized in Table 9.1.1.

Table 9.1.1: Drilling Contractor Services Used During Phase l

Company	Period	Type of Drilling	Holes Drilled	Meters Drilled	Drill Rig	Downhole Survey
Canrock Drilling Services	Phase 1	Core	17	2,803.95	Longyear 38	Reflex EZ-shot
Tecmin Servicios S.A de C.V.	Phase 1	Core	20	2,595.48	Longyear 44	Reflex EZ-shot
BDW International Drilling de Mexico	Phase 2	Core	35	4034.99	LF-70 LF-90	Reflex EZ-shot
Drift de Mexico	Phase 2	RC (Pre-collars)	4	771.14	?????	Not surveyed

The proposed drill hole azimuth was marked out at the prepared drill site by a surveyor prior to arrival of the drill, using wooden stakes to identify the drill collar location, and also the fore-site and back-site, corrected for magnetic declination by adding 7.5 degrees. The drill azimuth and inclination were again verified during positioning of the drill machine using a hand held magnetic compass.

Down hole survey readings were taken by both drill companies roughly every 50m as the hole progressed. Survey results were recorded by the driller on a paper form and given to the geologist in charge. Azimuth data recorded by the drillers was uncorrected for magnetic declination.

After completing a hole the collar location was surveyed by MGTZ personnel using a Sokkia Total Station surveying tool, and a concrete pad was constructed that surrounded a short section of 8 cm plastic pipe positioned at the top of the hole to preserve the azimuth and dip for future reference. Drill collar coordinates are provided in Appendix I.

Drill core was logged at a core logging facility in the field. Phase 1 drill core was logged by Oro geologists Nadia Girard and Eric Alarie, and MGTZ geologist Ismael Hernandez Pescador, and during Phase 2 by Oro geologist Carolina Mauricio Rodriguez, directly into electronic log sheets on a laptop computer using Coreview logging software (Version 6) developed by Visidata Proprietary Limited.

9.1.1 Phase 1 Drilling

The results of Phase 1 drilling are described in the Technical Report on the El Compas Property, dated Oct 31, 2008 (Jutras, Grill, Thiboutot, and De L'Etoile, 2008).

9.2 Phase 2 Drilling

Phase 2 drilling by Oro took place in four rounds between June 2009 and September 2010. A total of 5,912 m of drilling in 39 diamond core holes was completed. Of these, four deep holes were pre-collared with a reverse circulation drilling machine. The main objectives of the Phase 2 drilling program were to expand the El Compas and El Orito resource areas where they were still open, upgrade inferred resources to the indicated category by infill drilling, confirm the continuity of grade and thickness in areas of very high grade mineralization with close spaced drilling, and finally, test the El Compas and other veins for high grade gold and silver mineralization at significantly deeper levels than in the past. A lesser priority was to test new near surface targets outside the resource areas. A total of 1,349 drill core samples were prepared and submitted for analysis during this period. The location of Phase 2 drill holes are shown in Figure 9-2. Composited assay results for Phase 2 drilling are presented in Table 9.2.1. True thicknesses have been estimated by either correcting for strike and dip of the vein with regard to bearing and inclination of the drill hole or by direct measurement from interpreted drill sections.

Significant results for Phase 2 drilling at the El Compas Adit zone include 193.40 g/t Au and 1,243 g/t Ag over 4.60 m (not true width) from drill hole 09COM043, drilled beneath the El Compas ramp, and 1.59 g/t Au and 326.6 g/t Ag over 3.10m from drill hole 09COM054, drilled 150m beneath the El Compas ramp, the deepest hole drilled to date by the Company to have intersected higher- grade mineralization. At El Orito significant results include 19.95 g/t Au and 168.1 g/t Ag over 5.85m from hole 09COM048.

The drill program was completed successfully. In addition to expanding the limits of mineralization in both resource areas, infill drilling down to 35m centers in most areas hosting potentially minable mineralization, and completing close spaced drilling in areas (ore chutes) hosting higher-grade mineralization, significant advances towards explaining the distribution of higher- grade within the El Compas vein were also made.

Table 9.2.1: Oro Silver Phase 2 Drilling Results

Hole	Area	From (m)	To (m)	Interval (m)	True Thickness* (m)	Au (g/t)	Ag (g/t)
09COM038	ORITO	134.76	136.80	2.04	1.39	3.12	39.9
09COM039	V3	17.80	19.70	1.90	1.72	2.38	4.2
09COM040	EC-4			No significant results			
09COM041	ORITO	83.00	83.65	0.65	0.42	4.94	30.5
and	ORITO	98.80	100.20	1.40	0.90	14.96	118.0
09COM042	ORITO	105.00	106.00	1.00	0.71	0.26	3.2
and	ORITO	203.00	204.00	1.00	0.50	0.38	0.5
09COM043	COMPAS	59.90	64.60	4.70	4.26	193.40	1,243.0
includes	COMPAS	61.70	64.60	2.90	2.63	312.99	1,969.3
includes	COMPAS	63.00	64.00	1.00	0.91	902.08	4,825.4
includes	COMPAS	63.00	63.42	0.42	0.38	2,048.80	10,172.4

Hole	Area	From (m)	To (m)	Interval (m)	True Thickness* (m)	Au (g/t)	Ag (g/t)
09COM044	COMPAS	77.43	78.33	0.90	0.52	62.67	171.8
and	COMPAS	84.00	91.64	7.64	6.75	0.60	24.5
includes	COMPAS	91.10	91.64	0.54	0.48	5.81	195.4
and	COMPAS	94.55	98.72	4.17	3.68	1.46	43.4
and	COMPAS	111.85	118.96	7.11	6.28	2.77	47.0
includes	COMPAS	116.20	118.96	2.76	2.44	4.68	69.1
09COM045	ORITO	148.90	151.22	2.32	1.78	1.11	30.9
09COM046	ORITO	69.96	70.43	0.47	0.27	18.31	426.9
and	ORITO	75.53	83.70	8.17	5.25	5.22	85.8
includes	ORITO	75.53	81.30	5.77	3.71	7.18	117.5
includes	ORITO	75.53	78.10	2.57	1.65	15.17	242.0
09COM047	ORITO	42.6	43.85	1.25	0.80	1.32	122.7
and	ORITO	59.2	60.7	1.50	0.86	0.81	22.4
and	ORITO	67.05	70.37	3.32	3.01	1.08	17.7
includes	ORITO	67.05	67.7	0.65	0.59	2.50	22.4
includes	ORITO	69.95	70.37	0.42	0.38	4.05	93.5
09COM048	ORITO	54.46	60.31	5.85	2.24	19.95	168.1
includes	ORITO	54.46	55.64	1.18	0.40	81.19	654.4
includes	ORITO	59.66	60.31	0.65	0.27	30.72	308.6
and	ORITO	63.13	65.46	2.33	0.80	1.33	22.7
and	ORITO	68.71	72.95	4.24	1.79	1.09	25.5
09COM049	COMPAS	42.00	45.00	3.00	2.12	0.64	1.7
and	COMPAS	48.30	54.15	5.85	4.14	1.30	23.0
includes	COMPAS	51.00	53.78	2.78	1.97	2.41	33.5
09COM050	COMPAS	50.38	50.76	0.38	0.27	7.37	80.1
and	COMPAS	62.00	65.67	3.67	2.36	0.39	7.7
09COM051	COMPAS	130.30	144.00	13.70	12.87	0.46	57.5
includes	COMPAS	140.00	142.75	2.75	1.94	0.68	87.7
and	COMPAS	154.48	155.95	1.47	0.94	0.37	68.3
09COM052	COMPAS	55.00	56.00	1.00	0.26	11.06	36.7
and	COMPAS	62.00	63.00	1.00	0.71	1.64	6.8
and	COMPAS	84.00	102.00	18.00	13.79	2.93	40.5
includes	COMPAS	98.00	102.00	4.00	2.83	9.88	109.2
09COM053	COMPAS	33.75	37.00	3.25	2.81	2.38	19.5
and	COMPAS	40.55	42.35	1.80	1.56	0.45	29.7
and	COMPAS	55.00	56.00	1.00	0.87	1.78	4.4
09COM054	COMPAS	195.90	197.66	1.76	1.52	0.21	21.7
includes	COMPAS	207.00	210.10	3.10	2.30	1.59	326.6
includes	COMPAS	207.00	208.00	1.00	0.74	4.70	909.9
09COM055	COMPAS N			No significant results			
09COM056	COMPAS S	98.82	99.95	1.13	0.73	0.76	5.0
10COM057	COMPAS DEEP	291.00	292.00	1.00	0.96	0.35	12.6
10COM058	ESCUAD DEEP			RC Pre-collar abandoned			
10COM059	ESCUAD DEEP	686.00	699.00	13.00	10.65	0.05	4.1
includes	ESCUAD DEEP	686.00	688.30	2.30	1.88	0.21	9.9
10COM060	ESCUAD DEEP	464.90	465.15	0.25	0.15	0.10	54.9
and	ESCUAD DEEP	672.00	680.10	8.10	8.04	0.01	0.8
and	ESCUAD DEEP	786.00	792.00	6.00	4.53	0.03	2.9
10COM061	ORITO	41.75	57.30	15.55	10.40	2.75	48.6
includes	ORITO	41.75	46.50	4.75	3.18	5.40	103.3
includes	ORITO	56.63	57.30	0.67	0.45	17.38	285.1
10COM062	ORITO	11.60	12.60	1.00	0.71	3.98	188.3

Hole	Area	From (m)	To (m)	Interval (m)	True Thickness* (m)	Au (g/t)	Ag (g/t)
and	ORITO	35.90	52.50	16.60	11.74	0.85	21.3
includes	ORITO	35.90	41.80	5.90	4.17	1.75	50.2
10COM063	ORITO	107.30	107.72	0.42	0.31	11.43	85.0
and	ORITO	133.50	135.72	2.22	1.65	4.53	30.8
and	ORITO	141.00	142.38	1.38	1.03	0.76	1.3
10COM064	COMPAS	106.40	116.30	9.90	8.57	1.04	133.60
includes	COMPAS	108.65	111.30	2.65	2.29	2.69	387.50
10COM065	COMPAS	86.50	92.73	6.23	5.10	12.35	364.00
includes	COMPAS	87.50	92.73	5.23	4.28	14.61	427.80
10COM066	COMPAS	74.25	85.15	10.90	9.62	9.38	115.20
includes	COMPAS	75.25	84.15	8.90	7.86	11.31	137.40
includes	COMPAS	83.05	84.15	1.10	1.00	56.23	593.10
10COM067	COMPAS	53.65	57.85	4.20	3.89	0.38	17.30
10COM068	COMPAS			Hole Abandoned			
10COM069	COMPAS	124.70	135.15	10.45	8.56	1.27	20.70
includes	COMPAS	132.40	135.15	2.75	2.25	3.62	56.80
10COM070	COMPAS			Hole Abandoned			
10COM071	COMPAS	61.30	75.05	13.75	13.28	1.44	34.30
includes	COMPAS	66.00	71.30	5.30	5.12	2.82	59.60
10COM072	COMPAS	78.15	83.15	5.00	4.53	31.62	415.50
includes	COMPAS	79.00	81.32	2.32	2.10	67.41	877.70
includes	COMPAS	81.10	81.32	0.22	0.21	694.10	8,650.30

*True thickness is estimated by correcting for true strike and dip of vein with regard to bearing and inclination of drill hole, or by direct measurement from interpreted cross sections.

El Compas Adit Zone Resource Area Drilling

Phase 2 drilling at the El Compas Adit zone resource area totaled 1,902m in 18 holes, not counting any holes related to the deep drilling program. Drilling consisted of step-out, infill, and close-spaced drilling, and the emphasis was on developing additional near-surface resources.

Step-out drilling targeted the down plunge extensions of two potential higher- grade chutes within the El Compas vein; one sub-vertical and located at approximately 2,516,000N, and the other sub-parallel to the Escuadra fault (south dipping) located at the south end of the mine. Step-out drilling also targeted near surface mineralization at the north end of the Adit zone, and in the V3 vein in the footwall of the Adit zone. Infill drilling was focused mainly just below the historic workings where local gaps occurred in the 2008 drilling. Three more holes tested targets along the El Compas vein system, but outside the resource area. Figures 9-3, 9-4, and 9-5 are representative east-west oriented cross sections through the Adit Zone resource area showing interpreted veins and drill hole grade composites. Figure 9-6 is a long section looking east through the El Compas vein resource area showing the location of drill hole pierce points.

El Orito Resource Area Drilling

The northerly trending El Orito vein and historic workings are located about 350 m northeast of the El Compas mine portal. Drilling at the El Orito vein resource area totaled 1,235m in 10 holes, and hole length ranged from 60m to 204m. Seven of the drill holes tested the near surface potential of the vein down to 75m below surface, while three evaluated the vein between 75m and 125m below surface. Figure 9-8 is a representative cross section at the El Orito resource area showing interpreted veins and drill hole grade composites. Figure 9-9 is a long section looking east through the El Orito vein resource area showing the location of drill hole pierce points.

The first seven holes were drilled in 2009 and were focused on extending vein mineralization south on strike. Previously, this direction had not been explored because Oro had not yet acquired the mineral rights. This drilling resulted in a significant increase in the mineralized strike length the El Orito vein, from 190m to 350m. Also, the best mineralized interval to date was intersected at El Orito during this round of drilling. Significant results include 19.95 g/t Au and 168.1 g/t Ag over 5.85m from hole 09COM048. See Figure 9-7 for core photo of hole 09COM048 vein. In 2010, three infill holes were drilled, which were designed to confirm the high grade potential surrounding high grade hole 10COM048.

Drillhole10COM061 is a shallow infill hole located 35 m north of 09COM048 and up-dip of 08COM26. Four quartz veins ranging 0.28m to 0.85m in width were intersected between 42m and 57m down hole. All veins exhibit well developed banded and bladed textures, with minor disseminated black AgS sulfide mineralization. Potential is good but veins are mostly narrow and are widely spaced.

Drillhole 10COM062 is a shallow infill hole located 35 m south of 09COM048. Three quartz veins ranging 0.25m to 2.10m in width and a quartz stock work zone were intersected between 35m and 44m down hole. The two upper veins (includes the 2.10m vein), exhibit well developed banded and bladed textures, with minor disseminated black AgS sulfide mineralization. The stock work quartz zone is 1.70m wide, is located adjacent and below the second vein, and consists of scattered white crystalline veins to 3.0cm in width with local AgS and visible gold mineralization. Potential is good for the two upper veins and very good for the quartz stock work interval. The third, deeper vein is chalcedonic to amethyst in composition and does not appear to have potential.

Drillhole 10COM063 was drilled down dip of hole 48 and intersected four quartz veins measuring 2.10m, 1.40m, 0.65m, and 0.40 in width between distances of 133m and 154m down hole. The two uppermost veins exhibit banded and bladed textures with local seams and blebs of AgS containing abundant fine disseminations of fine visible gold. The potential for these two veins to host high grade gold-silver mineralization is very good. The two other (footwall) veins are quartz-calcite and appear to be un-mineralized. This drill hole is one of the deeper holes drilled at El Orito hosting abundant AgS and visible gold suggests there is potential for ore shoot development at depth in this area.

Drill Targets Outside the Resource Areas

Drillhole 09COM055, located approximately 250m north of the El Compas portal, retested the historic MHM hole HOC-21 target, which intersected 9.65 g/t Au and 56 g/t Ag over 0.60m, but this time targeting it from west side, now that surface permission was obtained. The hole intersected only a few narrow (<15cm) quartz veins at the target depth, and was not able to confirm the MHM hole.

Drillhole 09COM056 tested the down dip mineral potential of a quartz vein showing at the south end of the El Compas claim in an area, some 300m south of Old El Compas shaft, that had previously been inaccessible. The vein lies within the El Compas vein system, strikes north, and is hosted in rhyolite at surface. It outcrops nearly continuously for more than 50m, is locally finely banded, and ranges from centimeters in width over much of its length but widens to nearly one meter wide as it approaches the old surface working at its south end. A rock chip sample collected perpendicular across the vein exposed in the working assayed 14.67 g/t Au and 6.4 g/t Ag over 0.65m. The drillhole tested the down dip projection of the vein approximately 100m below surface. The hole intersected a 1.13m quartz-chalcedony vein with banded and bladed textures at the target depth, still hosted in the rhyolite, but was only weakly mineralized (0.76 g/t Au and 5 g/t Ag).

One drillhole also tested the EC4 vein target, a narrow, north trending quartz-calcite vein, located about 1 km southeast of the main resource area. This hole was drilled to confirm narrow, high grade vein mineralization intersected in MHM holes HOC4-2 (9.72 g/t Au and 92.2 g/t Ag over 0.75m) and HOC4-4 (15.19 g/t Au and 155.0 g/t Ag over 1.05m. The drill hole targeted the midpoint between the two MHM holes and slightly deeper. The hole intersected a ~15 m structural zone starting a few meters above the predicted target depth, comprised of alternating fault, fracture, and quartz-calcite stockwork vein zones with associated propylitic alteration, including a 30cm dense stockwork of qz-cal veins starting at 136.8m, and a 20cm quartz vein starting at 141.5m, immediately below a zero recovery fault. Fine disseminated pyrite is associated with both of the bigger veins, and also with some, but not all, of the narrow (cm) stockwork veining. The hole was un-mineralized.

Deep Drilling

From February to April 2010 the Company conducted a round of deep drilling consisting of RC pre-collars with HQ/NQ diamond core tails for a combined total of 2,330m in 4 holes (this includes one RC pre-collar that had to be abandoned due to severe down hole deviation). Drillhole 10COM057 tested the El Compas vein more than 200m below the historic workings and 100m below the deepest known ore grade intercept to date (09COM054). The vein was intersected at the target depth but was only weakly mineralized. Two more holes, 10COM059 and 10COM060, targeted the El Compas 2 and El Compas veins respectively, south of the historic El Compas shaft, at greater than 600m below surface, where they were projected to intersect the Escuadra fault, a prominent northwest trending regional structure. Both holes reached their target depths and intersected structural zones containing narrow quartz veins and/or quartz vein fragments that may well correlate with the intended target structures. Geochemical analysis indicates highly anomalous base metal and silver values. In general the deep drilling confirmed the highly continuous nature and predictability of the major north and northwest trending veins and structures at El Compas but did not intersect ore grade mineralization. More deep drilling may be warranted once high grade mineralization controls are better understood.

9.3 Results and Discussion

Oro's Phase 2 drilling program was successfully undertaken. Based on the results of the new drill data, the decision was made to prepare an updated resource estimate for the El Compas and El Orito veins, with the expectation that the updated estimate would contain more resource, and that a higher percentage of the new resource would be in the indicated category, than for the 2008 estimate.

Phase 2 drilling took place in four rounds between June 2009 and September 2010. A total of 5,912 m of drilling in 39 diamond core holes was completed. Drilling mainly evaluated the mineral potential of the El Compas Adit and El Orito Resource Areas.

In both areas, drilling helped to expand the resource in several directions, beyond the limits of the 2008 resource model. Infill and close spaced drilling resulted in a reduction in the average distance between holes within the general resource areas characterized by above average grade. Close spaced drilling also helped to better understand the geometry of higher- grade ore chutes within both resource areas, which will help with the planning of additional holes designed to test these ore chutes down plunge. Overall, the average drill spacing within the above average portion of the resource area at the El Compas vein resource area was brought down to between 35 and 50m, while at El Orito the average drill spacing was reduced to about 50m. Finally, limited deep drilling has confirmed the highly continuous nature and predictability of the major north and northwest trending veins in the and structures in the mine vicinity at depths greater than 600m below surface. While none of the three completed holes intersected significant mineralization, they all intersected structures at or proximal to the calculated target depths that contained anomalous to weak silver, lead, and zinc values, which suggest a transition to a more intermediate sulfidation-style mineralization. Better understanding of the structural and mineralogical controls affecting the distribution of -grade at surface and at intermediate depths will hopefully lead to a more refined exploration model with which to program additional deep drill holes targeting silver-rich veins.

At the El Compas vein resource area, drilling by Oro intersected the best mineralized drill hole ever within the currently defined mineralized zone as well as the deepest ore grade. The additional drilling, which included close-spaced drilling at 15m centers, made it possible to better delineate the continuity of higher-grade mineralization in and immediately below this area, as well as reasonably explain the occurrence of linear trending zones within the plane of the El Compas vein with higher-gold and silver; shallow south dipping zones are related to intersecting northwest structures such as the Predilecta vein, and very steeply north plunging to nearly vertical zones at the north end of the historic underground workings are likely related to more vertical dipping structures.

Some changes occurred in the updated 2010 geologic model. The most significant changes were the reinterpretation of faults in the El Compas resource area. Previously, a number of faults that were crosscutting the El Compas vein, including the north striking FEV and northwest striking MF faults, were interpreted in the geological model to have caused minor offsets to the vein where they intersected it. In the new model these offsets have been removed, since new data supports the notion that the El Compas veins are essentially unaffected by these faults.

9.4 Density Determinations

Two hundred and ninety-six density determinations were made on pieces of half core from 19 drill holes located internal to the two resource areas. Representative samples of vein, and also of footwall and hanging wall host lithology adjacent to the veins, were selected for testing. Density was determined by the wet/dry method using an electronic scale. Results are summarized by rock type and are shown in Table 9.4.1 below.

For each determination, a single piece of half core measuring about 10 to 15 cm in length was utilized. After first zeroing the electronic scale the sample was placed onto the scale's weighing pan and the weight "in air" was recorded. Next, the same sample was suspended beneath the scale by a short length of cord in such a manner that it's weight while suspended below the scale was the same as when resting on the weighing pan. A basin of water was then raised until the suspended sample was underwater and the weight of the sample "in water" recorded, taking care that the sample has been fully submerged. The density of the cord used to suspend the sample was close to the density of water such that any additional displacement caused by the cord in the water could be considered insignificant.

The formula used to compute the Density of the sample was by the wet/dry method where:

$$\text{Density} = \frac{\text{Weight of core in air} - \text{Weight of core in water}}{\text{Weight of core in water}}$$

Table 9.4.1: Density Gravity Determinations of Drill Core

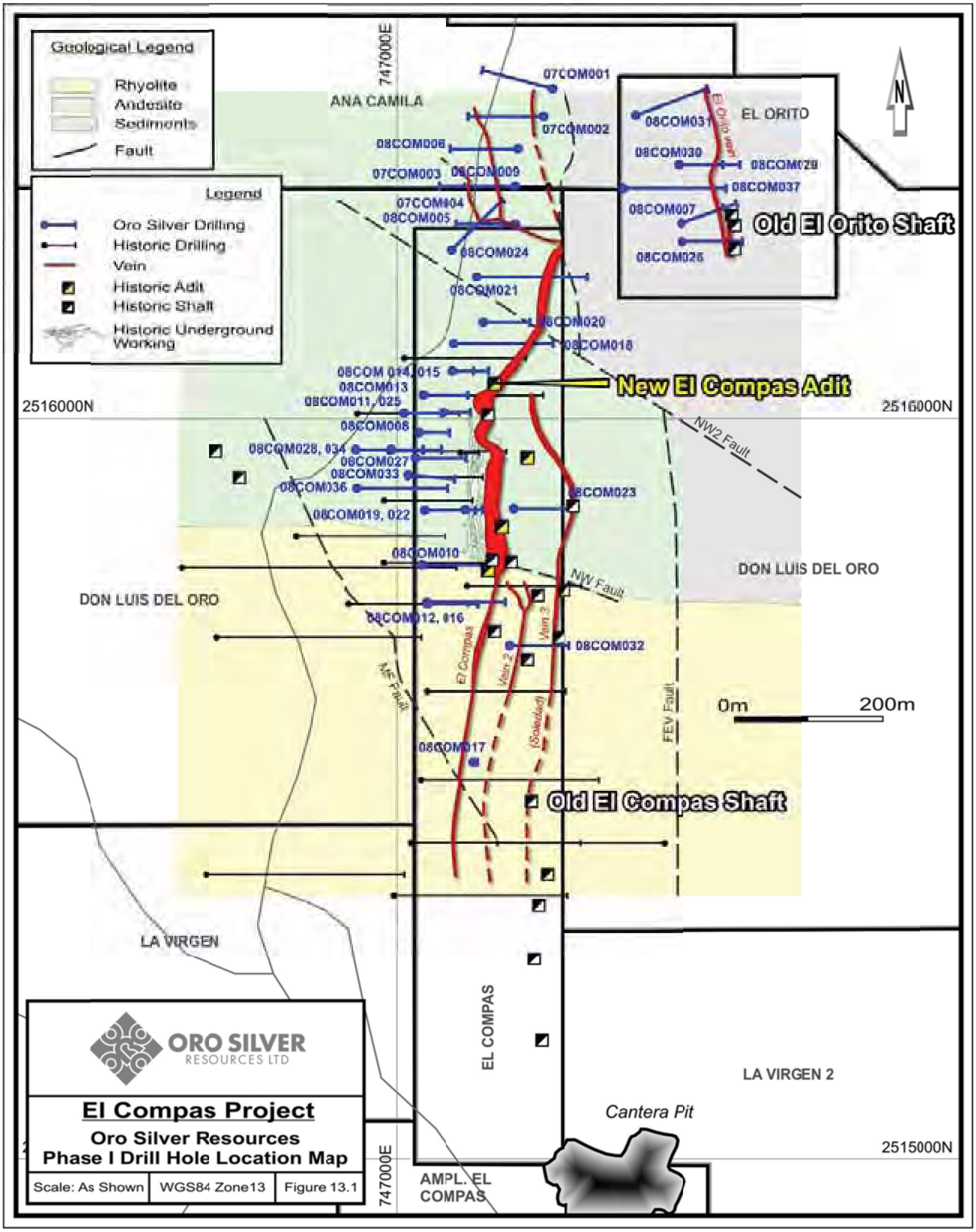
ROCK TYPE	# OF MEAS.	Density. RANGE (g/cm3)	AVG. Density. (g/cm3)
VEIN	119	2.227 - 2.680	2.550
ANDESITE	120	2.340 - 2.886	2.566
RHYOLITE	26	2.440 - 2.643	2.536
SHALE	4	2.426 - 2.611	2.536
SANDSTONE	27	2.496 - 2.716	2.610

A reference weight was used from time to time to check the precision of the scale.

9.4.1 Interpretation

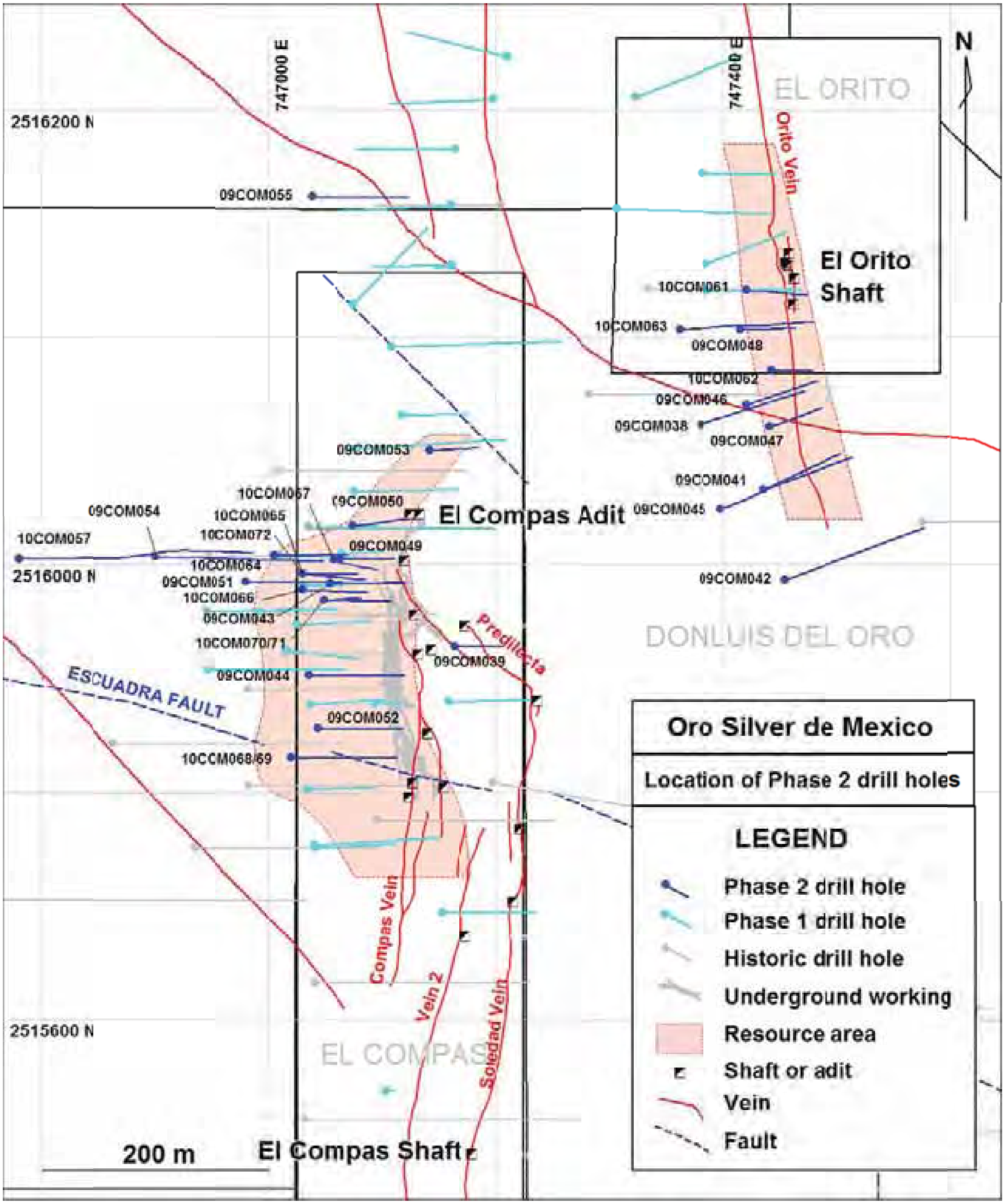
SRK is of the opinion that the drilling operations were conducted by professionals, the core was handled, logged and sampled in an acceptable manner by professional geologists, and the results are suitable for support of a NI 43-101 compliant resource estimation.

Figure 9-1: Location of Phase 1 Drill Holes



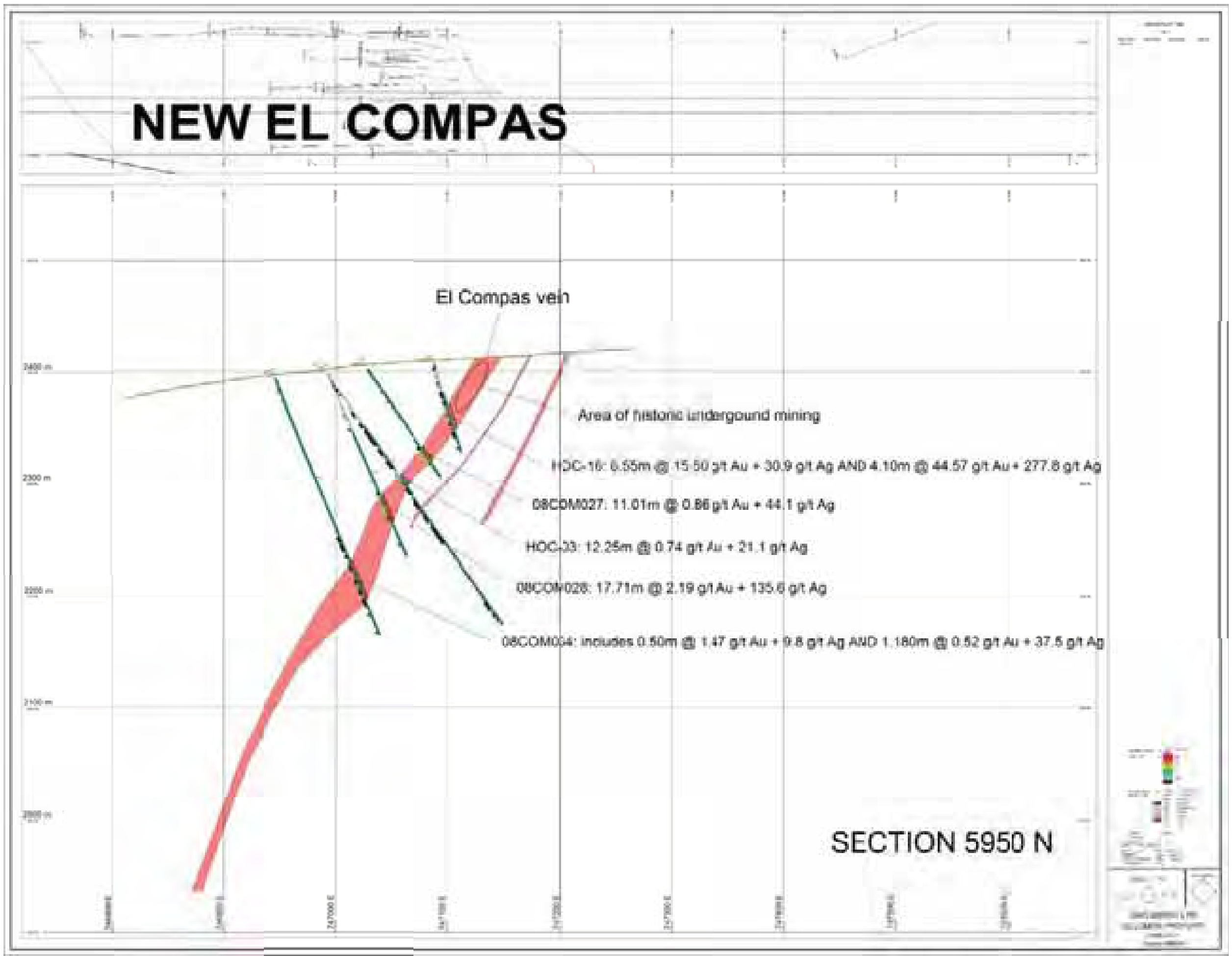
Source: BCGold Corp., 2008

Figure 9-2: Location of Phase 2 Drill Holes



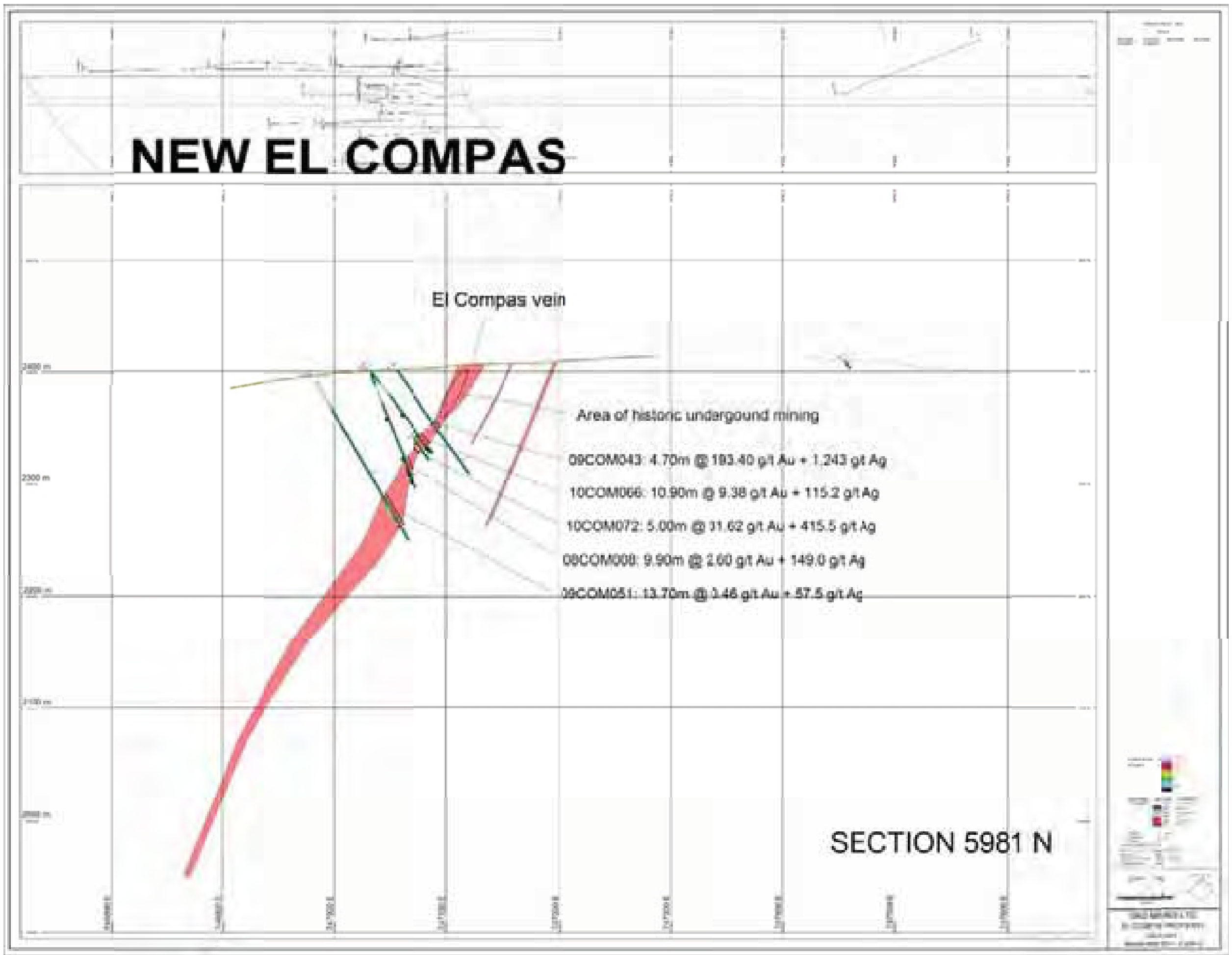
Source: BCGold Corp., 2008

Figure 9-3: El Compas Vein Vertical E-W Cross Section at 2,515,900N Showing Geology, and Mineralized Vein Intercepts



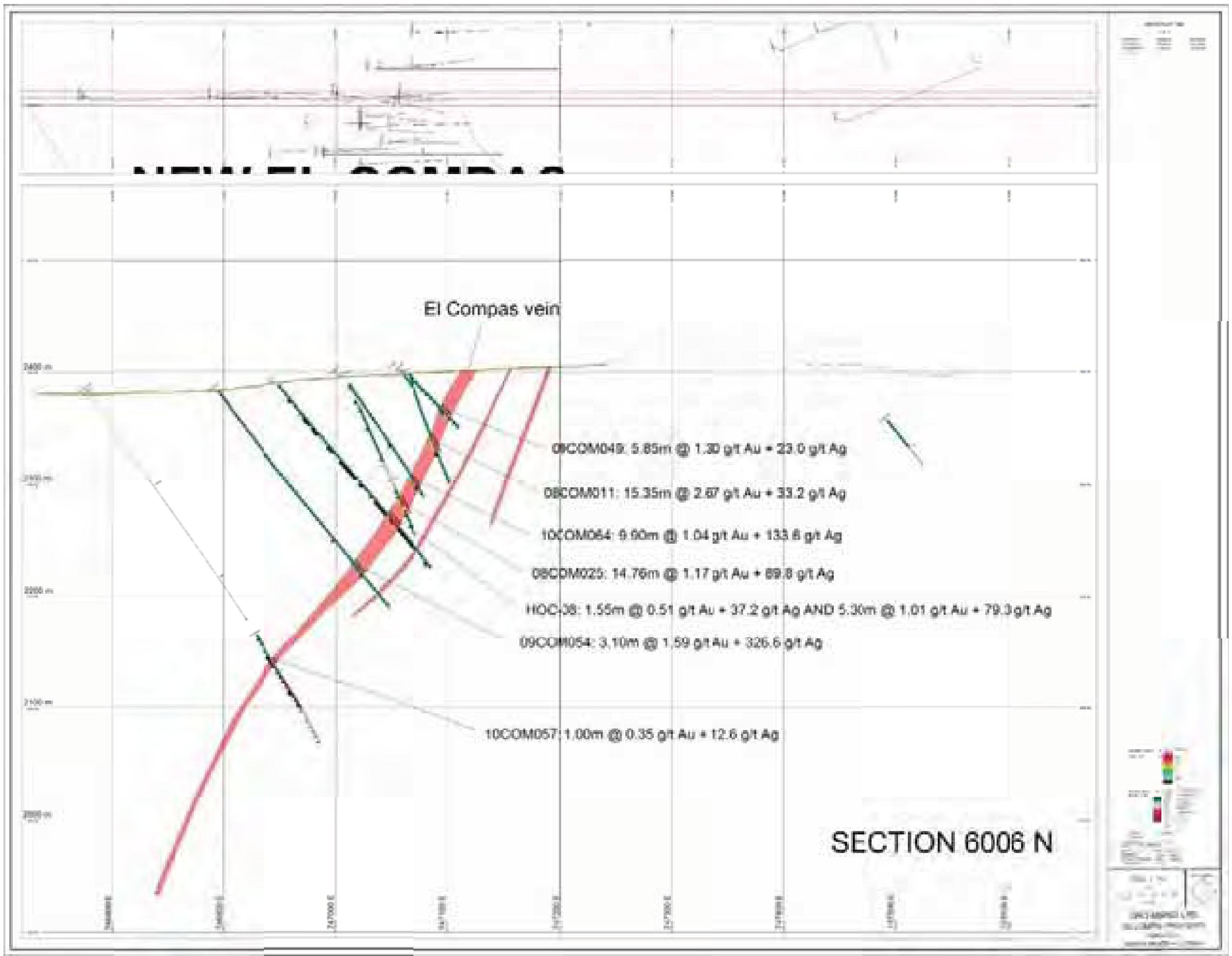
Source: BCGold Corp., 2008

Figure 9-4: El Compas Vein Vertical E-W Cross Section at 2,515,981N Showing Geology, and Mineralized Vein Intercepts



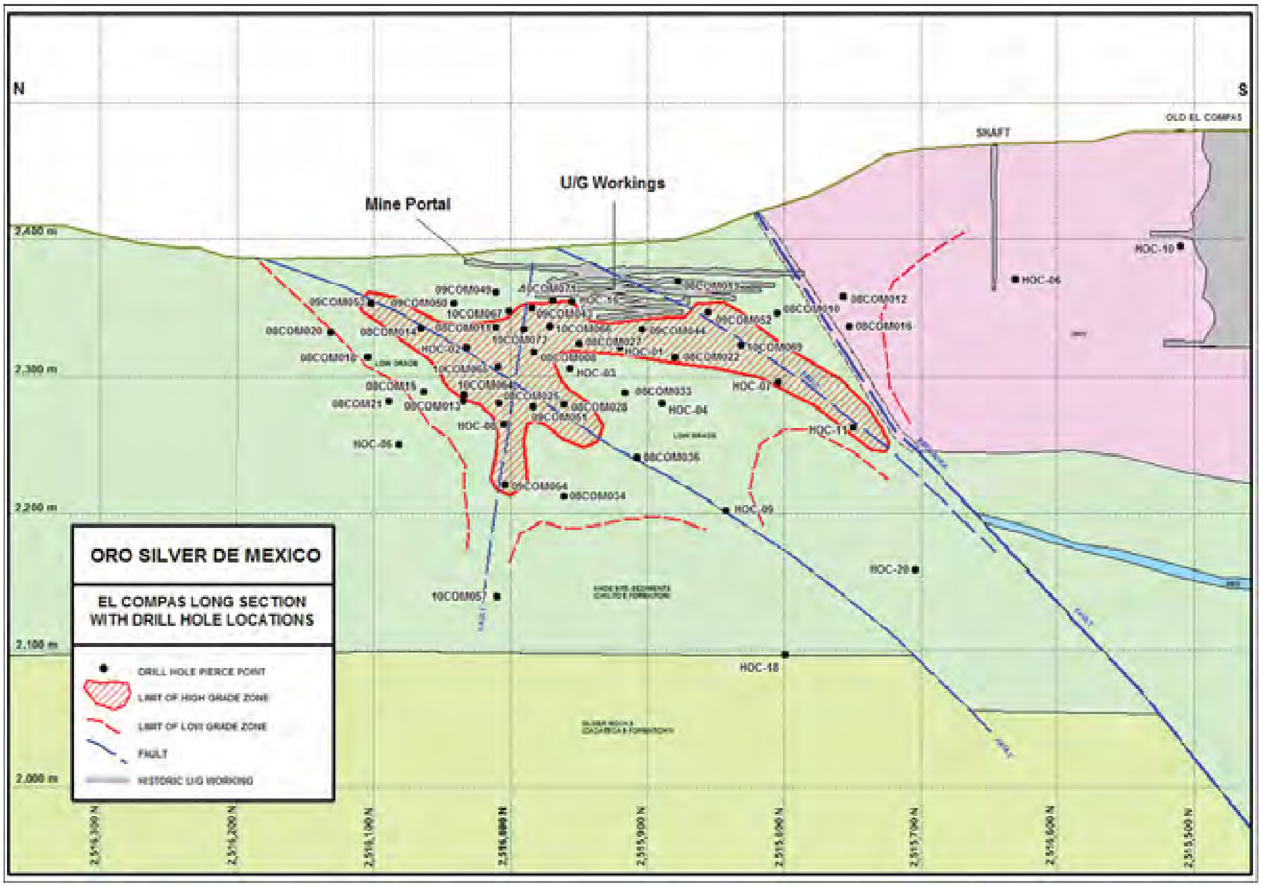
Source: BCGold Corp., 2008

Figure 9-5: El Compas Vein Vertical E-W Cross Section at 2,516,006N Showing Geology, and Mineralized Vein Intercepts



Source: BCGold Corp., 2008

Figure 9-6: Vertical Longitudinal Section Through the El Compas Vein System Showing Drill Intercepts and Location of Adit Zone Ore Chute

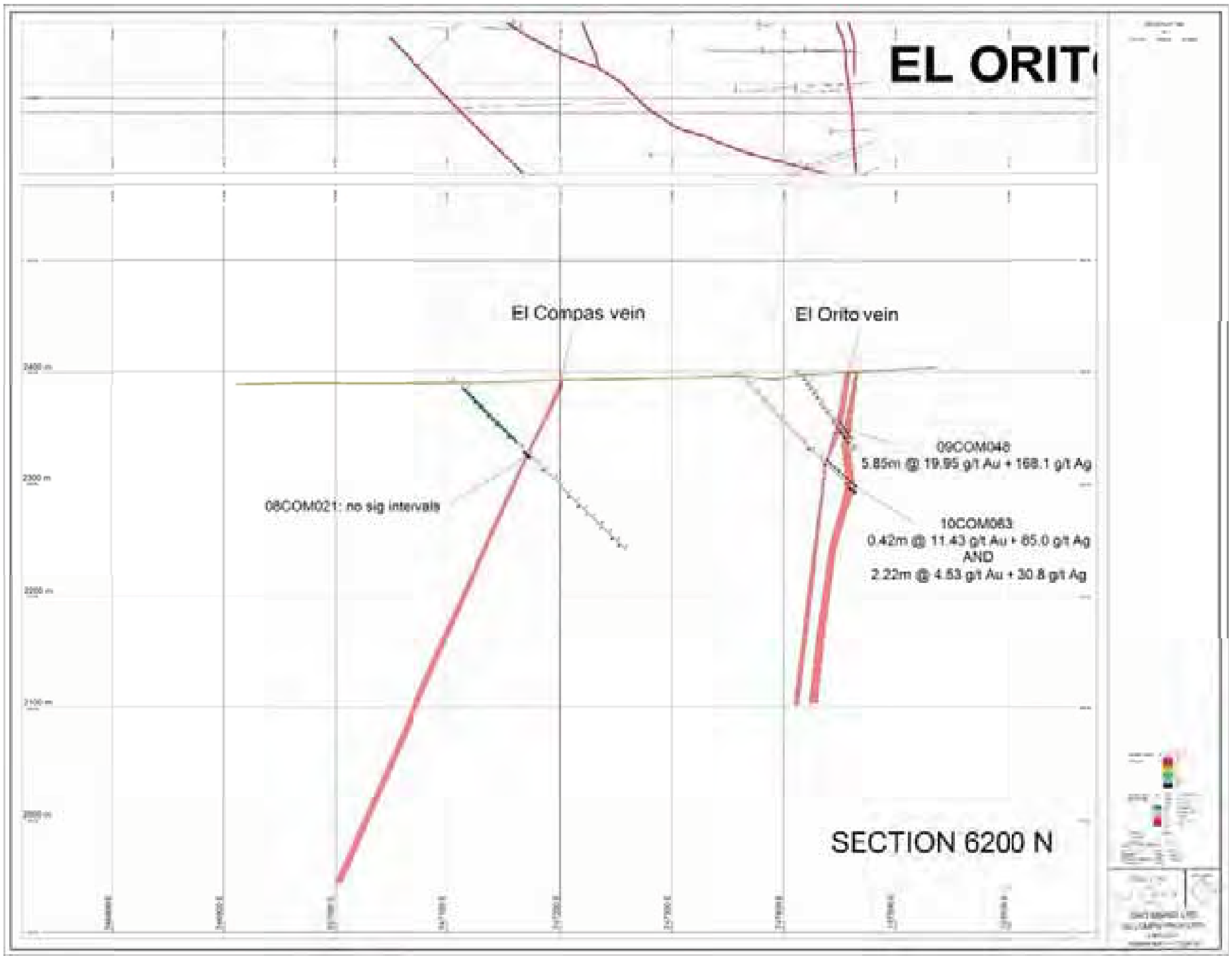


Source: BCGold Corp., 2008

Figure 9-7: Photo of Portion of High Grade Vein in Core from Drillhole 09COM043

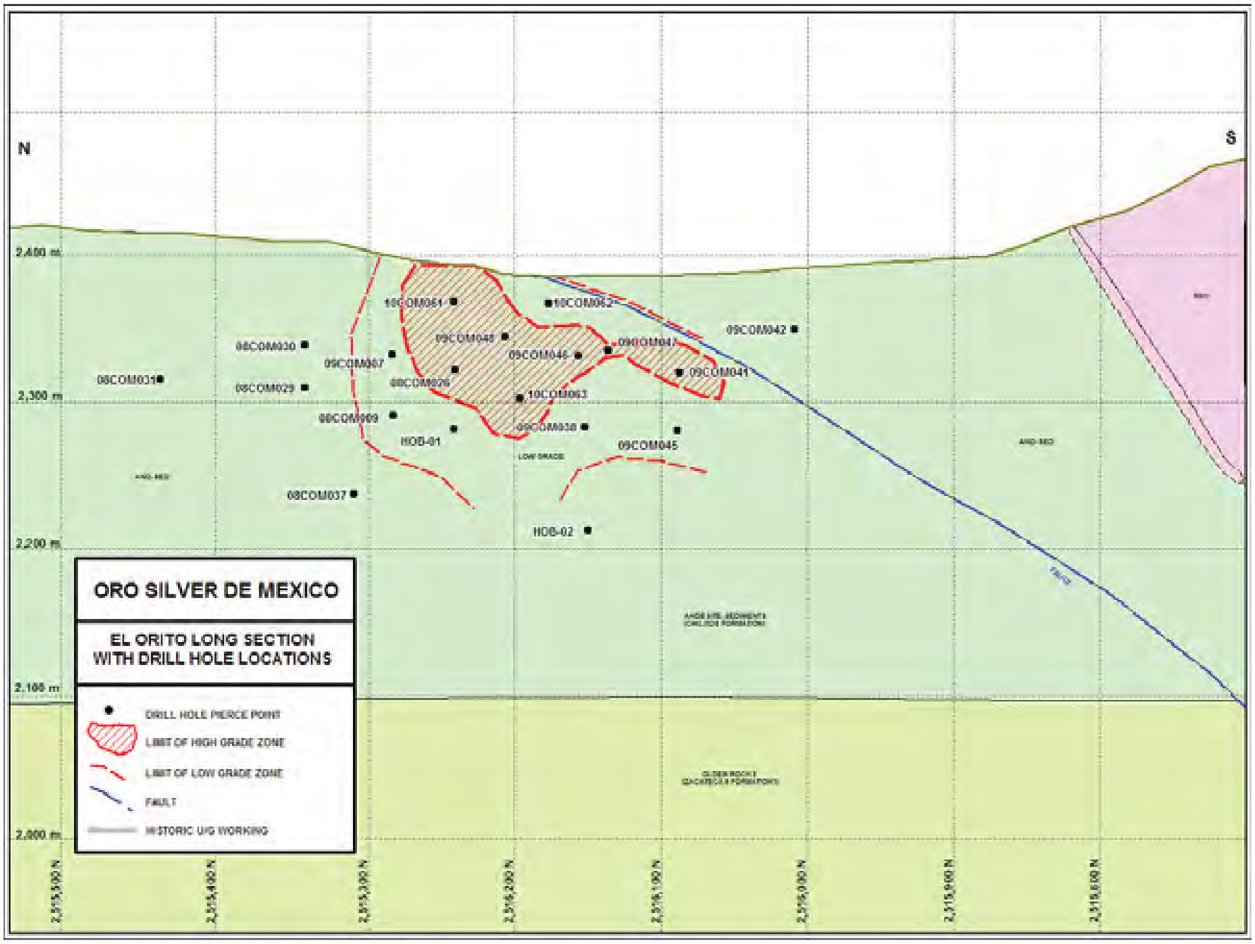
Bright spots are reflected light from both visible gold and native silver/silver sulfide (Cut HQ core is approximately 5cm across).

Figure 9-8: El Orito Vein Vertical E-W Cross Section at 2,516,200N Showing geology, and mineralized vein intercepts



Source: BCGold Corp., 2008

Figure 9-9: Vertical Longitudinal Section through the El Orito Vein system showing drill intercepts and resource area



Source: BCGold Corp., 2008

Figure 9-10: Photo of one of the veins cut by drill hole 09COM048 at El Orito. Silver sulfides visible as dark patches just right of 64 meter mark (HQ diameter core).

Source: BCGold Corp., 2008

10 Sampling Method and Approach

Portions of Section 10 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

10.1 MHM Sampling

Sampling methodology and approach were not documented in any MHM reports obtained by Oro. Limited information on sampling was inferred by Oro personnel from direct inspection of core boxes and their contents, and from assay certificates. Based on the evidence gathered Oro believes that MHM core sampling followed a systematic and organized approach.

The core boxes were clearly identified with hole name, box number, and from-to interval. Drill hole depths were recorded on blocks inserted by the drillers every 3.05m or less. Depth measurements calculated by MHM tied in well with the driller blocks.

The start and finish of sample intervals were identified with marks on the inside wall of the plastic core box channel using a red marker. The corresponding sample identification numbers were written on the plastic channel, at the midway point of the sample interval, also with a red marker.

Core was cut into equal halves with a diamond saw and one half was returned to the core box for storage while the other half was submitted for analysis. Sample weights listed on lab assay certificates are typically in the 1-3 kg range, and suggest that entire half core was indeed submitted for analysis.

MHM prepared and submitted for analysis a total of 926 core samples from 20 HQ and NQ diameter holes. All holes were collared in HQ diameter core; NQ coring was limited to the tail portions of the deeper holes. The minimum sample length was 5cm, the maximum sample length was 3.05m, and the average sample length was 0.77m. There were only 4 samples under 15cm in length and only 8 samples over 2.0m in length.

It is not known if MHM produced detailed geological logs of the drill holes; the only geologic data available was recorded in the drill database and consisted of a single data column identifying rock type, together with sample interval and assay results data.

It is not known whether geotechnical logging such as core recovery or RQD was completed. Inspection of drill core in drill boxes, and in particular the mineralized intervals, suggests that low core recovery was not a significant concern.

10.2 Oro Silver Channel Sampling

A total of 370 channel samples were systematically collected from forty-six sample lines spaced approximately 25 m apart along the El Compas mine ramp and submitted for analysis. Channel sample assay results were not incorporated into the database utilized in the resource estimate.

Prior to sampling, an Oro geologist marked out the channels with spray paint on drift back to be sampled. Where possible, the channels were oriented perpendicular to the strike of the vein, beginning and ending in host rock at least 1m to either side of the vein zone hangingwall and footwall contacts. Sample length was normally 1m, but in some instances samples were slightly shorter or longer, so that sample breaks coincided with vein zone hangingwall and footwall contacts. Samples were collected by two technicians using a hammer and chisel, with a plastic sheet to catch sample material. Scaffolding was utilized to access backs when necessary. Samples were cut, described, and bagged individually. Samples collected each day were security-sealed and removed from the mine-site. Sample blanks and Au standards were included in every batch of 30 samples. All channel samples were shipped to the Inspectorate sample prep facility in Durango, Mexico. This program was co-managed by Rolando Mendoza Pina, a Mexican Geolgical Engineer with MGTZ, under the supervision of an Oro geologist. The collection of sample material and subsequent surveying of sample locations was performed by MGTZ technicians.

Every effort was made to ensure the sampling was continuous within the channel interval, understanding that differences in hardness between geologic material could result in a sample bias. Neither Oro nor MGTZ believe a sample bias exists in the El Compas channel sampling.

10.3 Oro Silver Drill Sampling

During Phase 1 drilling, Oro Silver collected and submitted for analysis a total of 1,498 core samples from 37 HQ diameter holes. The minimum sample length was 3cm, the maximum sample length was 3.71m, and the average sample length was 0.99m. There were 4 samples under 10cm in length and 3 samples over 2.5m in length. Four Phase l drill holes were sampled in their entirety, all others were selectively sampled. Selective sampling was based on the prospect for an interval to carry gold or silver mineralization. Priority was therefore given to sampling geologic features such as veins, vein stockworks, fault zones, and altered/mineralized host rock. As an added precaution samples were normally taken for one meter above and one meter below the prospective interval.

During Phase 2 drilling, Oro collected and submitted for analysis a total of 1,349 core samples from 35 HQ diameter holes. The minimum sample length was 17cm, the maximum sample length was 2.45m, and the average sample length was 0.99m. There were 10 samples under 25cm in length and 4 samples over 2.0m in length. All Phase 2 holes were selectively sampled; however, additional samples were normally taken for one meter above and one meter below a prospective interval. Additional samples were collected if any open ended mineralized intervals were discovered upon receipt of assay results.

A drill core sampling process flow sheet and protocol manual was developed and implemented by Oro for the drilling program at El Compas. The relevant parts are summarized below.

At the drillsite, once the core interval has been drilled, it is placed directly in the core boxes by the driller. Every interval drilled, usually every core lift, is marked with a drill-hole depth marker using a wooden/plastic block with non-recovered intervals also indicated with wooden/plastic blocks.

The core is collected at each drill site at least twice a day and carefully transported, as to avoid mixing up the core or moving the drill-hole depth markers, to the core logging facility using a safe and appropriate vehicle. Before transport, a quick check is performed to ensure the proper drill hole number is written on the core boxes and that from-to's are written on the core boxes make sense. Under certain situations, Oro did ask the drillers to transport the core to the core logging facility.

A the core logging facility, the core boxes are stacked by box number in the waiting area. They are grouped by drill-hole so a second quick review of number of boxes. The core boxes are moved, as required, to the core logging benches for geotechnical, geological logging and sampling based on priority assigned to the different drill-holes. The core is washed of its excessive mud except for the ore zone intervals, which should remain untouched. The project geologists, in concert with the logging geologists, are responsible to define priorities for logging.

The logging protocol and format is provided in a Oro document called "MOS Core Logging Manual". The logging system has a principal objective to ensure consistency in data recording and aid in future geological modeling. General procedures are summarized as follows:

The order and name of the core boxes is checked again; the core must be placed in the boxes beginning at the upper left and ending at the lower right when the depth/drill-hole mark is to the left of the logger facing the core boxes, the core is not snaked back and forth. The core runs are checked for omission and/or errors. The core is lined-up within individual core boxes and between core boxes. The geologist does a walk-through to determine which sections need to be cleaned, which sections need to be geo-technically surveyed, and to determine major breaks of geotechnical & geological units. Prior to core logging, if applicable, the geologist or the technician complete the geotechnical logging of RQD and recovery. If geo-technical logging is done by a technician, the geologists can, at the same time, initiate the geological logging. The core is logged for lithology, structure, alteration and mineralization. Geological information is usually marked on the core using yellow wax markers; structural information can be marked on the core using a blue wax marker; measured depth, if applicable, can be marked with a black wax marker. It is strongly recommended to note important geological characteristics (rock types, structures, etc.) directly on the core so the core photos can "speak" for themselves. After the geological logging, the geologist assigns the sample interval by marking the core with a red wax marker with arrows indicating the start and end of the sample and the sample number mark in the middle of the interval; a center line, based on geological characteristics, is traced for sampling/cutting. A sample interval is typically 1 m in length, and no shorter than 30cm unless it is a vein, in which case the minimum length is 15 cm. Sample breaks should be adjusted to accommodate important changes in geology wherever possible. The geologist is responsible to fill the proper data in the sample tag books (drill-hole number, box number, from-to, etc.). The from and to for all samples are also marked in red so there is no confusion between these and the core run blocks or other information on the core. This allows for verification by the technician before/during sawing. The sample tag books are given to the sampler. The sampler will verify the sample number written on the core and match it against one of the sample tags. One of the small sections of the sample tags (there are three sections for each sample tag) is put in the sample bags in which the sample will be put, one is stapled to the core boxes at the beginning of the sampled interval while the biggest section of the sample tag is kept for reference. For duplicate samples, one of the small section of the tag is put in an empty bag, while the second small section of the tag is attached to the sample preceding the duplicate sample. For the blank and standard samples one of the small sections of the tag is attached to the bags while the other small section of the tag is stapled in the core boxes (sample preceding the standard/blank samples). Note that it is always the same side of the cut core that goes in the sampling bags, usually the right hand side. The geologists must make sure that the technician understands this step. The core boxes then proceed to the photo station where every box is digitally photographed twice; first dry and then wet.

The core sampling protocol and format is provided in a Oro Silver document called "MOS QA/QC and Assaying Procedures". General procedures are summarized as follows:

Sample numbers are assigned for each interval to be sampled by the geologists, who will also control insertion of sample numbers for QA/QC samples: one standard, 1 blank, and one duplicate for every batch of 30 samples. The QA/QC samples will be marked ahead of time in the sample book using the stamps provided. The "from" and "to" for each interval must be checked by the technicians. The sample numbers will be entered in the computer files on a daily basis. As an extra QA/QC procedure sample bags are prepared with the sample number marked on the outside of the bag.

All surface core is sawed in half using the centerline identified by the core logging geologists. The section being bagged for assaying is always the right hand side of the sawed core sample. All samples to be shipped out are weighed and entered in the computer file. If necessary the samples are double bagged and the external bag is closed using a security tie-wrap. Approximately 25-30 kg of individual samples are put in burlap bags for shipping, the burlap bags are also closed using a safety tie-wrap.

Once approximately 100 samples are ready for shipping a shipment form is completed. The forms will include information such as sample numbers, type of samples, and most importantly a shipment tracking number. All drill core was shipped to the Inspectorate sample prep facility in Durango, Mexico.

10.4 Factors Impacting Accuracy of Results

The drilling and sampling program were conducted by professional drillers and geologists who undoubtedly, performed to the standards of the mining industry. The sample recovery as recorded on the drill logs, shows that nearly all of the mineralized intervals produce very good recovery. All of the potentially mineralized material is tested as well as buffer zones to each side. Such thorough sampling ensures that both mineralized and un-mineralized material is adequately characterized. Based on the good recovery, proper chain of custody, and thorough sampling methods, the factors impacting accuracy of results are very positive.

10.5 Sample Quality

The drilling, logging and sampling procedures described above combined with good recovery ensure that sample quality of the drilling is very good. The sample length is appropriate to accurately characterize the mineralization and to distinguish any zones internal to the mineralization, which may have anomalously high or low-grades.

10.6 Sample Parameters

A sample interval is typically 1 m in length, and no shorter than 30cm unless it is a vein, in which case the minimum length is 15 cm. Sample breaks should be adjusted to accommodate important changes in geology wherever possible.

10.7 Relevant Samples

The relevant samples are the mineralized intervals of the drillholes.

11 Sample Preparation, Analyses and Security

Portions of Section 11 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

11.1 Sample Preparation and Analysis by MHM

Drill core samples were submitted to ALS Chemex in Guadalajara, Mexico for preparation, and then to Vancouver, Canada for ICP analysis using an Au+41 element package. Samples were fine crushed to 70% passing a 2 mm screen. A 1,000 gram split of the undersize fraction was pulverized to 85% passing 75 micron mesh using a ring and puck pulverizer, from which a 30 gram split was obtained with a riffle splitter for analysis. Gold was analyzed by fire assay with an atomic absorption finish. Samples exceeding 10 g/t were re-analyzed with a gravimetric finish. Silver was analyzed by the ICP method, but samples exceeding 100 g/t were re-analyzed by atomic absorption, following aqua-regia digestion. Mercury was analyzed by cold vapour atomic absorption spectroscopy. The remaining elements were analyzed by inductively coupled plasma-atomic emission spectroscopy ("ICP-AES"). Copies of assay certificates for MHM drill core sample results were reported in an earlier Technical Report on the El Compas Property (Tarnocai, C. and Thiboutot, H. 2007), and are not repeated in this report.

Sample blanks, duplicates, and possibly standards appear to have been inserted by MHM into the sample stream, perhaps as many as 2 QA/QC samples for every 5 core samples, based on a review of available data. There was no historical documentation available to verify the identity of the suspected QA/QC samples, so it was impossible to draw conclusions as to the quality of the program. However, samples were analyzed by internationally recognized labs and are considered to be of reasonable quality.

11.2 Sample Preparation and Analysis by Oro

11.2.1 Drilling Samples

All Phase 1 and Phase 2 diamond drill core samples were submitted to Inspectorate de Mexico S.A de C.V., for preparation in Durango, Mexico. All material was fine crushed to 70% passing a 2 mm screen, and a 500 gram split of the undersize fraction was pulverized to 85% passing a -150 mesh using a ring and puck pulverizer. Pulps for assaying were split using a riffle splitter and stored in paper envelopes. All pulps were sent to BSI Inspectorate Laboratories in Reno, Nevada for analysis, which was conducted on 2 assay ton samples. Analysis of Au was by fire assay, with a gravimetric finish on samples exceeding 3 g/t Au. Analysis of Ag was by 3 acid digestion and atomic absorption, with a gravimetric finish on samples exceeding 200 g/t Ag. Pulp and reject material is retained at Inspectorate's storage facility in Durango.

11.2.2 Underground Channel Samples

Underground channel samples collected by the Company in 2007 were submitted to Inspectorate de Mexico S.A de C.V., for preparation in Durango, Mexico. All material was fine crushed to 70% passing a 2 mm screen, and a 500 gram split of the undersize fraction was pulverized to 85% passing a -150 mesh using a ring and puck pulverizer. Pulps for assaying were split using a riffle splitter and stored in paper envelopes. All pulps were sent to BSI Inspectorate Laboratories in Reno, Nevada for analysis. Analysis was conducted on 2 assay ton samples. Analysis of Au was by fire assay, with a gravimetric finish on samples exceeding 3 g/t Au. Analysis of Ag was by 3 acid digestion and atomic absorption, with a gravimetric finish on samples exceeding 200 g/t Ag. Pulp material is stored at the Oro Silver warehouse and reject material is retained at Inspectorate's storage facility in Durango. Copies of Assay certificates for Oro Silver underground channel sampling results were reported in an earlier Technical Report on the El Compas Property (Tarnocai, C. and Thiboutot, H. 2007), and are therefore not included in this report.

The channel sample results were not incorporated into the database used to calculate the 2010 resource estimate.

11.3 Quality Assurance and Quality Control

SRK reviewed the QA/QC for data collected between 2007 and 2010. This is discussed in below in Sections 11.3 and 11.4.

During the Phase 1 and 2 drilling programs approximately 1 in 10 samples was a QA/QC sample while during the underground channel sampling program approximately every 14^{th} sample was a QA/QC sample. The data presented below are QA/QC from the Oro Silver drilling programs and alternated between a standard, a duplicate and a blank.

The Company maintains its assay database using Microsoft Access. SRK reviewed the QA/QC data that was extracted from the existing database and graphed by G.N. Lustig Consulting Ltd. (G.N. Lustig).

11.3.1 Standards

Commercial standards have a performance range that is either specified or direction is provided on how to determine a performance range. Generally, this is approximately ±2 standard deviation from the mean for the standard, and the standard is expected to perform within this range 95% of the time. The standard deviation is determined from analyses of the standard from a number of laboratories. For instance, the standards used at El Compas included 120 analyses. These standards are determined for a specific analytical technique. Within-set (samples run in sequence on the same day at the same laboratory) demonstrates homogeneity of the standard and the laboratories ability to routinely reproduce the analytical method. Between-set (samples run on different days at the same laboratory) considers the same factors as with-in set, but includes bias between laboratories and bias in the subsets of samples sent to the participating laboratories (Bloom, 2008).

The two certified standards used at El Compas were purchased from CDN Resource Laboratories Inc (CDN Resource), in Delta, British Columbia and were individually packaged in envelopes in 2 assay ton (60g) quantities. Although they are commercial standards and not matrix matched, they were prepared by CDN Resources from reject ore material from a low sulfidation epithermal deposit making them appropriate for use with El Compas. Recommended values and "Between Lab" two standard deviations was determined using Fire Assay with AA or ICP finish on 1 assay ton (30g) charges. This makes the two standards suitable for the analytical technique used by the Company. Neither standard is certified for silver. The standards with recommended values for gold are listed in Table 11.3.1.1.

Table 11.3.1.1: Recommended Values for CDN Resource Standards

Standard	Project Designation	Recommended Value (Au)	"Between Lab" Two Standard Deviations
CDN-GS-P7A	Standard1	0.77 g/t	±0.06 g/t
CDN-GS-5C	Standard2	4.74 g/t	±0.28 g/t

There were 49 and 47 analytical results extracted from the database for CDN-GS-P7A and CDN-GS-5C respectively. At ± two standard deviations, CDN-GS-P7A had eleven failures out of 49 analyses or approximately 22%. Of these 49 failures, eight were low and three were high. Using the same criteria for CDN-GS-5C of a ± two standard deviations performance range, there are six gold failures out of 47 analyses of 13%. For CDN-GS-5C five failures were low and one was high. Overall both of the standards are performing low.

CDN-GS-P7A (all high) and four failures for CDN-GS-5C (two high and two low). The standard data is graphed according to drillhole identification, which although the year is included in the drillhole identification may or may not represent a consecutive time sequence. However, analytical results have a greater variation between 09COM038 and 10COM071. Graphs for gold standards with silver results for CDN-GS-P7A and CDN-GS-5C are in Figures 11-1 and 11-2 respectively.

11.3.2 Duplicates

At the Project all duplicate samples are pulp duplicates. A sample tag for a given duplicate was placed in a sample bag and submitted to the preparation laboratory. From a designated original sample, the laboratory prepared a split of the original pulp and assigned it the sample number in the empty bag. SRK does not know if the duplicates were analyzed in sequence with the original sample or not. There were 97 duplicates pairs extracted from the database.

Pulp duplicates are expected to perform with in ±10% of a x=y (45°) slope. Duplicates samples should not be analyzed in sequence and should represent the full range of analytical results. At El Compas the gold grade averages around 3.65 to 5.82g/t and silver is 42.96 to 60.61g/t. However, of the 97 sample pairs four gold pairs are above 0.50g/t and three silver analyses are above 40.00g/t.

Graphs of the El Compas pulp duplicates show good reproducibility with no failures for gold for the pairs in the range of the deposit average. There are failures below 0.30g/t gold, but these are approaching the detection limit and outside the range of interest. Silver has two failures in the average range of the deposit and is overall a little more noisy than the gold analyses. Scatter plots of the gold and silver pairs are shown in Figures 11-3 and 11-4 respectively.

11.3.3 Blanks

Blank material was created from felsic rhyolitic rock collected from a rock quarry located south of the El Compas Mine. Blank material was not analyzed prior to use as a control sample.

SRK does not know whether the material was submitted as a coarse preparation blank or a pulp blank. Additionally, SRK does not know the grades of samples preceding the blank sample making cross contamination difficult to assess.

The Company is using 5X the detection limit to determine blank failures, which is a common industry practice. The detection limits is interpreted from the Access database as 0.005g/t gold and 0.01g/t silver. However, the fee schedule for BSI Inspectorate Laboratories suggests that the detection limit for silver is 0.1g/t. If a blank exceeds 0.025g/t gold or 0.5g/t silver the blank is considered a failure. The Company submitted 111 blank samples for analysis. There were four failures for gold (3.6%), and 11 silver failures (9.9%), which is very good performance. One blank sample failed for gold and silver with 0.402g/t and 6.9g/t respectively. This is very high for a blank failure and suggests cross contamination during sample preparation or a sample mix-up. This and all blanks should be investigated to determine the cause of the failure.

11.4 Interpretation

Overall, standard CDN-GS-5C performed better than CDN-GS-P7A. Standard CDN-GS-5C was the higher grade standard, had less failures and all failures were less than three standard deviations. Standard CDN-GS-P7A was a lower grade standard outside of the range of grade for this deposit and had more failures with more falling outside of three standard deviations. Standard CDN-GS-P7A was in the range of analytical results of most of the duplicate samples analyzed for this deposit. Since gold performed well in this range of duplicates, it suggests that analysis should return a repeatable result for the low grade standard. It may be that a different low grade standard should be selected or a site specific standard would be more appropriate. SRK recommends continuing to monitor the standard performance and replacing the standard if necessary. SRK also recommends the addition of a third, high grade standard to better bracket mineralization in the deposit with samples of known grade.

The pulp duplicates performed as expected for a gold, silver epithermal deposit that may or may not have visible gold and silver. SRK recommends collecting duplicates from all grade ranges in the deposit. The current duplicates due not adequately represent all possible analytical results at El Compas. Higher grade samples may show more variability and suggest a nugget problem in the deposit. SRK also recommends that 5 to 10% of sample be sent to a second laboratory to verify the results from BSI Inspectorate Laboratories. This is an industry best practice.

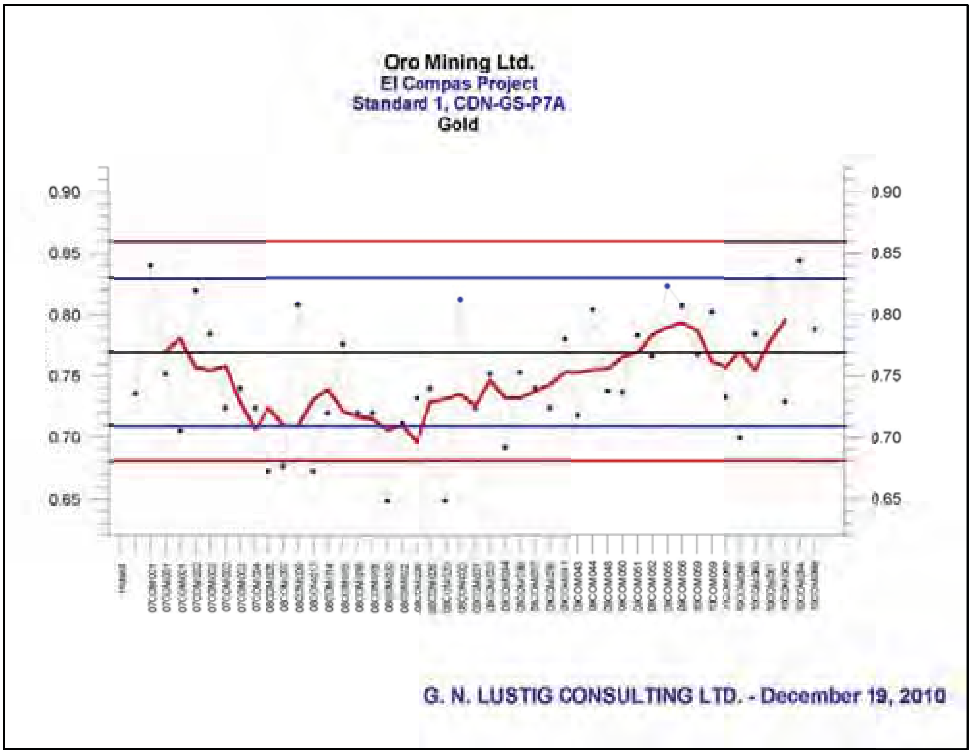
Blank samples performed well indicating no or little cross contamination between samples. Several failures suggest the possibility of cross contamination or sample mix-ups. SRK did not have access to the preceding samples so is unsure, which is more probable, but a sample mix-up is most likely and should be investigated first. SRK also recommends that if the blank samples are pulp blanks that coarse blanks be added to the sample stream to more adequately monitor sample preparation.

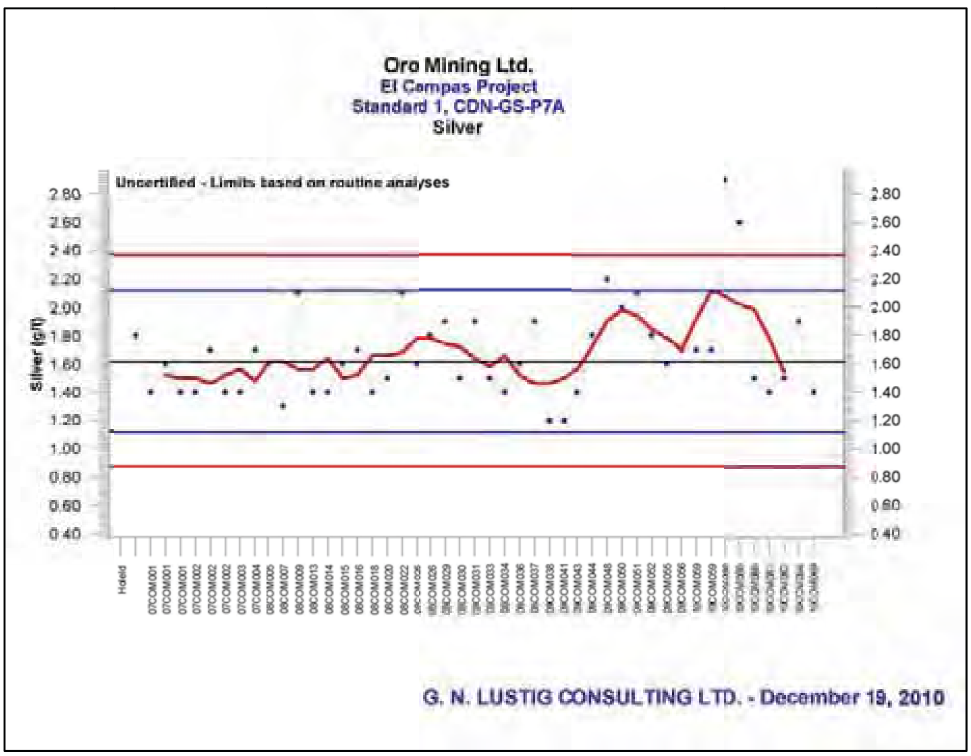
During sampling and analysis programs, QA/QC sample results require continuous monitoring to identify failures, if any, as quickly as possible, determine the reason for the failure and respond appropriately to the failure. This may be as simple as properly identifying the sample number or as complicated as reanalysis of the entire sample job.

When a QA/QC sample failure is identified, it must be investigated to determine the cause of the failure. Failures can be the result of sample mix-ups, homogeneity differences between sample splits, contamination during sample preparation or analytical procedural problems.

SRK is of the opinion that the frequency of QA/QC samples the Company inserts into the sample stream during drilling and sampling programs is appropriate for the type of deposit and analytical technique used. SRK strongly recommends that the failures identified be investigated to determine the reason why the failure occurred and action taken to correct the failure in line with industry best practice. SRK is also of the opinion that the QA/QC supports the use of the database for resource estimation.

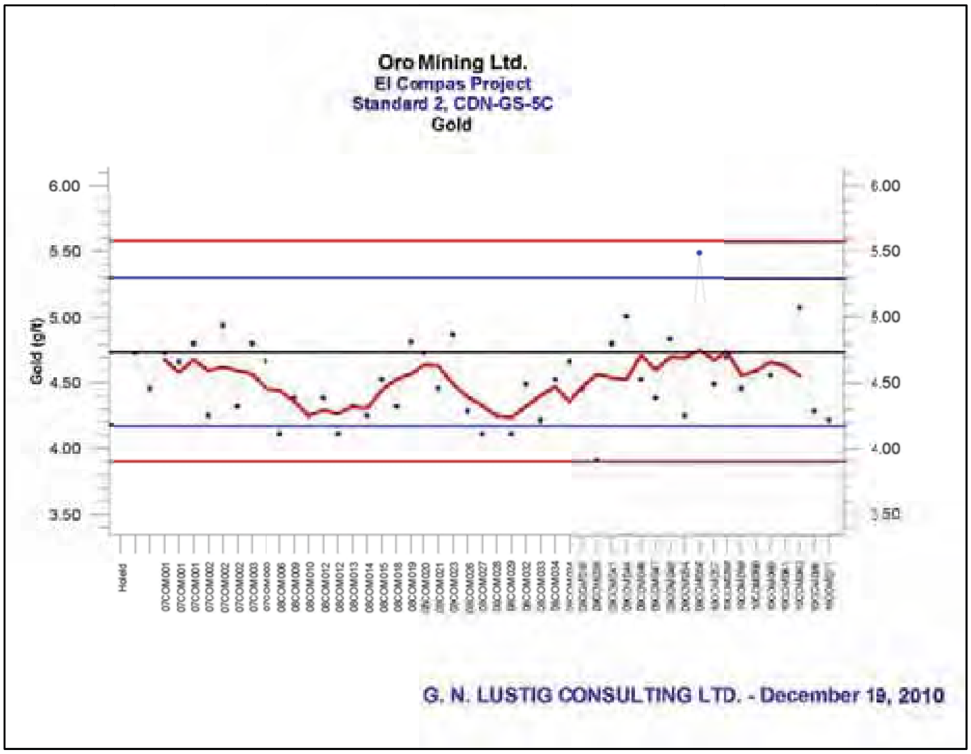
Figure 11-1: Results for Standard CDN-GS-P7A

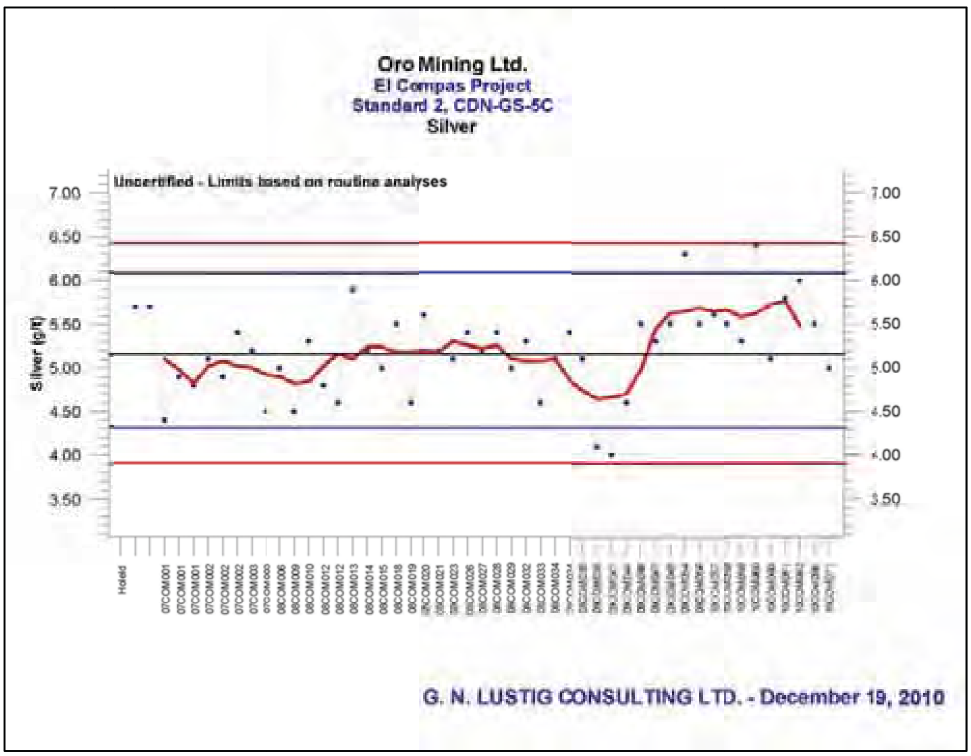




Source: G.N.Lustig Consulting Ltd. 2010

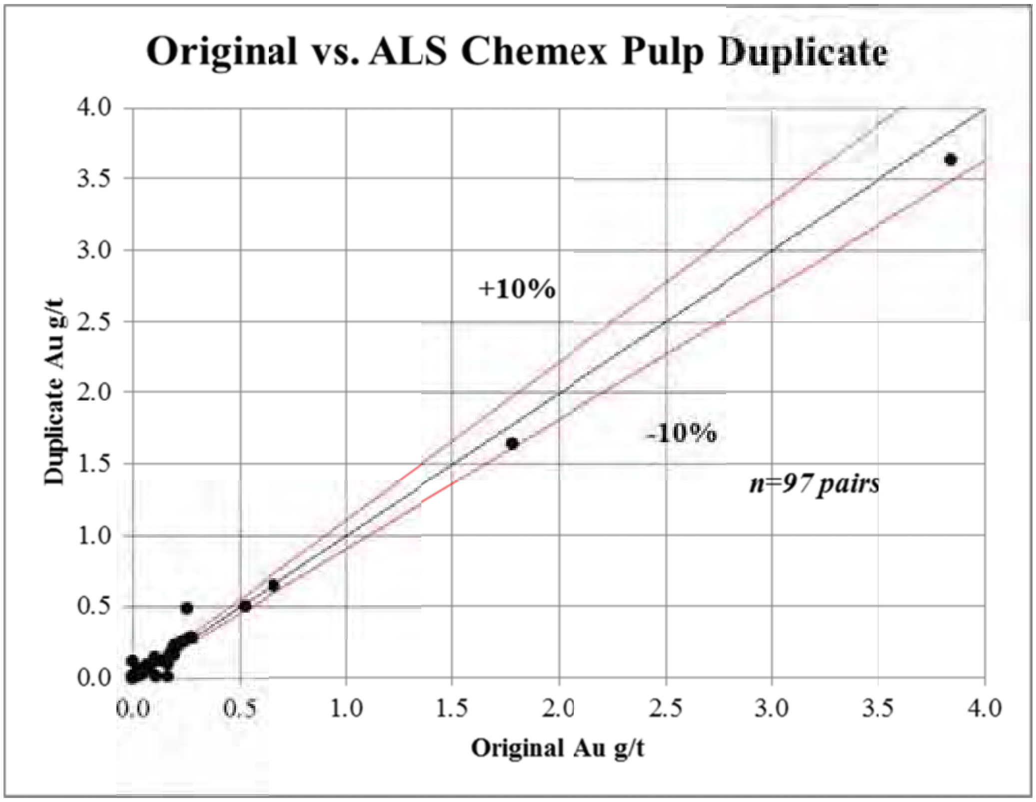
Figure 11-2: Results for Standard CDN-GS-5C





Source: G.N.Lustig Consulting Ltd. 2010

Figure 11-3: Scatterplots for Gold



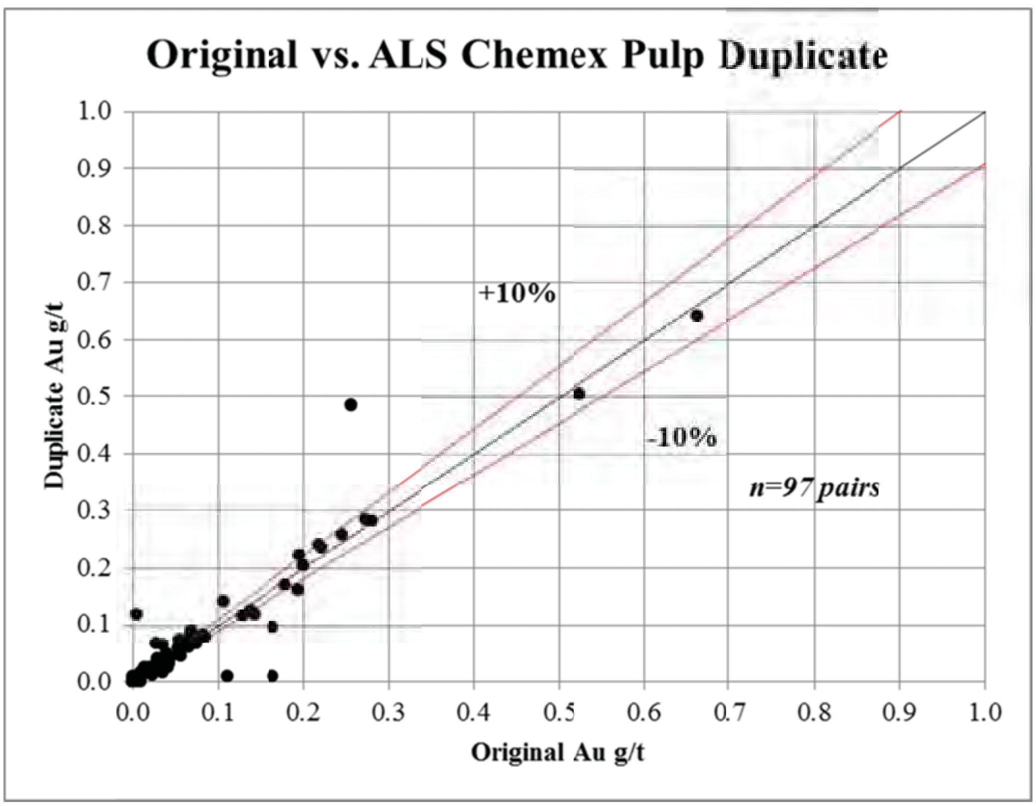
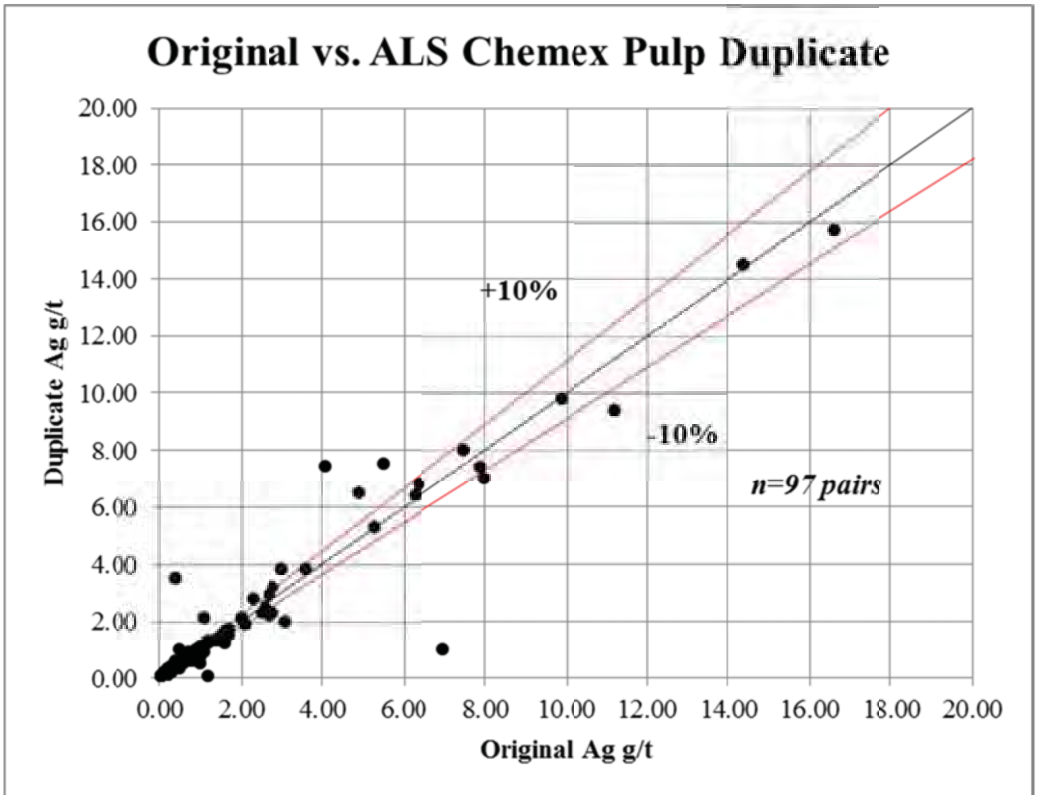
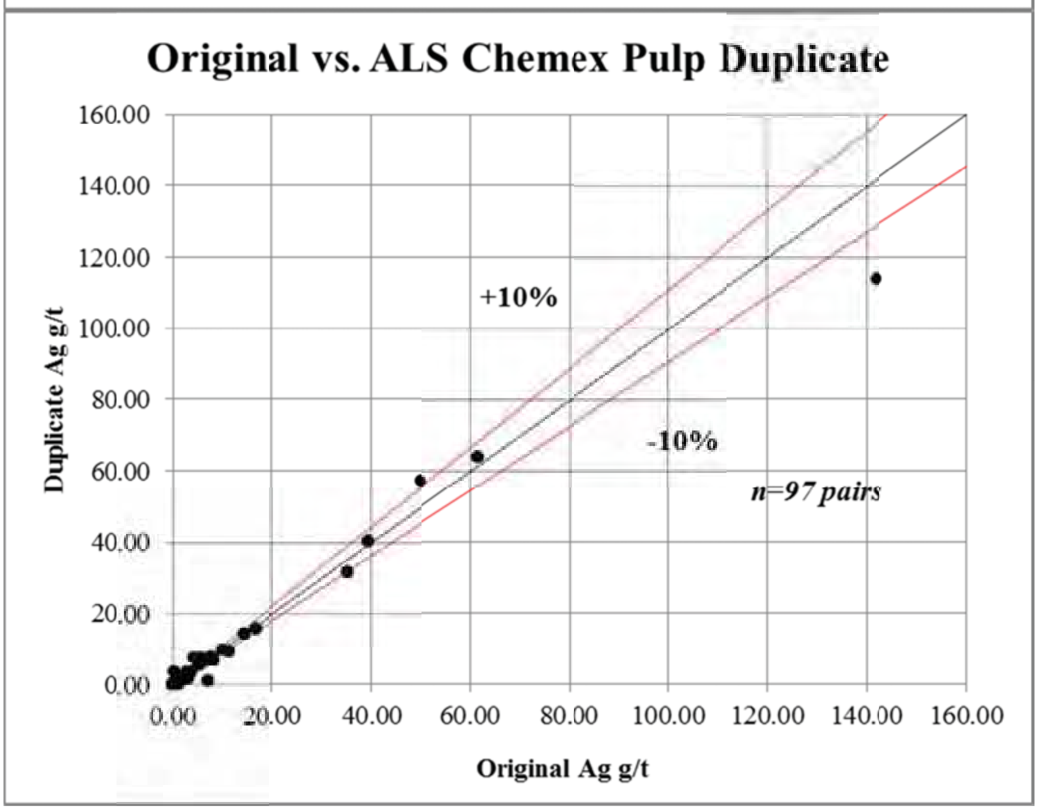


Figure 11-4: Scatterplots for Silver





12 Data Verification

Section 12 is extracted in-part from Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008. Changes to standardizations, sub-titles, and organization have been made to suit the format of this Technical Report. SRK comments and opinions, where present, contain "SRK" in the pertinent sentences and paragraphs, and sub-heading titles.

12.1 Validation of Historic Data

Data verification procedures of Minera Hochschild are not specified in any reports.

MHM property data made available to Oro Silver was contained in three printed and bound reports and in one digital CD. Relevant data included a summary report on drilling, a drill hole summary report, interpreted drill cross sections and long sections, a property geology plan with drill hole locations, level plans with geology and channel sample locations, and copies of assay certificates for drill core and channel sample results. The CD included drill and channel sample databases in excel. The drill database was organized by sample number and included the corresponding geologic, sample interval, and assay results data.

Diamond drill core from the 20 holes drilled by MHM at El Compas was stored at site at the El Compas mine. Oro Silver gained full custody of the drill core after the option to purchase agreement with the concession owner was signed.

12.1.1 Drill Collar Locations, Azimuths, and Dips

Collar data for MHM drill holes was recorded in table format in a summary report on drilling (Anonymous, 2005). The collar UTM's were originally recorded in NAD27 and were converted by the Company to the WGS84 coordinate system. The collar locations were then checked in the field using a hand held GPS and found to coincide, taking into account the relative accuracy of the GPS. The MHM drill collars were marked in the field by a 30 cm square concrete base surrounding a short section of plastic pipe set in the hole to preserve the azimuth and dip angle. In general these were still very well preserved. Only one hole, HOC-21, could not be located in the field. The azimuth and dip of the plastic pipe at each collar location was also close to recorded measurements. MHM collar coordinates converted to WGS 84 were utilized for early planning purposes, but holes were later re-surveyed by MGTZ on behalf of the Company, for incorporation into the resource model. Results of the Oro Silver survey compare very well with the original MHM survey and are therefore considered to be reliable.

12.1.2 Digital Drill Database

In order to validate the MHM digital drill database all data were checked against original data sources. Assay results were compared with scanned copies of the assay certificates, and sample number, sample interval and geologic code were compared with sample tag number, from-to, and geologic information gathered from direct inspection of the core boxes and their contents. During the validation process it was discovered that data from most of drill hole 18 was not in the database and had to be added manually by Oro Silver geologists. A number of other minor errors and inconsistencies were discovered in the MHM database that have also been modified in the OSR version used in the resource estimation. Without including the hole 18 missing data about 6% of the sample intervals had some type of error or omission.

12.1.3 Re-logging of Historic Drill Core

All 20 MHM drill holes were re-logged for lithology, alteration, mineralization, and vein content. This was done to verify and expand on the original MHM work, and also to make geologic terminology consistent with Oro Silver logging codes. This work was carried out by a contract geologist provided by MGTZ and overseen by a geologist of the Company.

12.1.4 Check Assaying of Historic Drill Core

In order to validate the historical drilling results and thereby make them NI 43-101 compliant, Oro Silver re-sampled approximately 10% of the 825 intervals originally sampled and submitted for analysis by MHM. Oro Silver selected, cut, and bagged 80 samples, consisting of quarter core cut from the remaining half core left by MHM, over intervals identical to those of the original MHM samples. The samples were selected randomly from 17 of 20 MHM holes and included both mineralized and non-mineralized intervals. The samples were submitted to Inspectorate Lab for analysis.

The paired assays were compared with statistical plots. A summary of the results is presented in Table 12.1.4.1 below.

As seen in Table 12.1.4.1, the re-sampled gold assays compare well with the original assays, with differences in average grades below a ± 10% range and high coefficients of correlation. Although the re-sampled silver average grades show larger differences with the original assays, with differences on the margin of acceptability, their coefficients of correlation remain high. Thus, overall the original Hochschild drill hole data is considered acceptable for resource estimation.

Table 12.1.4.1: Summary of Statistical Comparison of MHM Check Assays

Gold Assays			
Statistical Parameter	**Hochschild Assay**	**Oro Silver Assay**	**Oro Silver Assay Gravimetric Finish**
mean (g/t)	1.785	1.890	1.759
difference		5.9%	-1.5%
linear correlation		0.926	0.942
linear correlation (logs)		0.953	0.954
rank correlation		0.942	0.942
Silver Assays			
Statistical Parameter	**Hochschild Assay**	**Oro Silver Assay**	**Oro Silver Assay Gravimetric Finish**
mean (g/t)	15.570	16.979	17.489
difference (%)		9.0%	12.3%
linear correlation		0.907	0.914
linear correlation (logs)		0.918	0.918
rank correlation		0.898	0.898

12.1.5 Additional Sampling of Historic Drill Core

MHM selectively sampled the biggest veins and many zones of narrow stockwork veining went un-sampled. A total of 1,025 additional core samples were cut and submitted for analysis by Oro Silver from intervals not previously sampled by MHM. The selected samples typically exhibited one or more of the following characteristics: stockwork veining, hydrothermal clay alteration, faulted texture, or was situated adjacent to an historical sample that was mineralized. An Oro Silver geologist identified and marked out the sample intervals, and a technician prepared samples of half core cut by a diamond saw. The additional sampling by Oro Silver identified a number of narrow, weakly mineralized intervals that were missed by MHM sampling. In general; however, the Oro Silver results confirmed that the most significant precious metal mineralization is associated with quartz-calcite veins hosted within principal vein-bearing structures.

12.2 Validation of Oro Silver Data

12.2.1 Drill Core

A total of 2,646 core samples of Oro Silver and MHM core, and 98 blanks, 98 duplicates, and 98 standards (48 low grade, 50 medium grade), were submitted to Inspectorate Lab for analysis. On average about 1 in every 10 samples submitted for assay during the drilling program was a quality control sample. Oro Silver hired an independent laboratory consultant, Chuck Whipple, to evaluate the QA/QC sample results. Mr. Whipple looked at the QA/QC sample data graphically and statistically and detected certain discrepancies in the sample populations, which are described below.

Analysis of the QA/QC data for the standards indicates the possibility of a low bias (Figures 12-1 and 12-2). Both standards' means are about 5% lower than their certified gold concentrations, and lab results deviate about the means 50-63% more than the recommended values.

Analysis of the QA/QC data for the blanks indicates quality was fair with a 96% pass rate, but two failed blanks failed very badly (150 and 400 ppb Au), as though there were sequence errors or the blanks were carrying gold to begin with (Figure 12-3). Nevertheless, Mr. Whipple concluded that sample contamination is probably not a significant issue.

The duplicate samples are fire assay replicates from the same pulp, so they can only be deemed to check fire assay precision, and not the variability of the sample prep process. Two graphs are provided: one shows the percent deviation from the mean of each duplicate pair's results (Figure 12-4), and the other shows how the duplicate results deviate about a 45 degree (parity) line (Figure 12-5). It is clear from the first graph that a significant number of data deviate significantly from the mean and is cause for concern. However, it becomes evident from the second graph that the problematic assay concentrations are generally below 20 ppb, where analytical variability is the greatest. For this reason Mr. Whipple concludes that the problematic sample pairs can be ignored but adds that there are likely still some problems with contamination in some assays, which usually only shows up in low concentration results.

To address the sample bias issue Mr. Whipple's recommendation was to re-assay 10% of the drill samples using a 1 assay tonne (AT) sample charge. Mr. Whipple's previous experience indicates that 2 assay tonne fire assays are often biased low due to additional flux requirements and additional fusion time required. In response to these recommendations, Oro Silver re-analyzed all samples above a 0.40 g/t Au cut-off, a total of 149 samples. Inspectorate Lab in Durango, Mexico prepared two sets of pulps (duplicate sets): one set weighed 160 grams, the other 80 grams. The two sets of sample pulps were delivered to the Oro Silver office in Zacatecas for relabeling to ensure a blind test for the re-analysis. Inspectorate picked up the pulps and shipped the heavier set to Inspectorate Reno and the lighter set to Acme Lab in Vancouver, Canada. Inspectorate assayed a 1 AT sample of each pulp for Au once by fire assay with an AAS finish. If the resulting values were less than 3 g/t, they were re-assayed again by the same process. If the resulting values were greater than 3 g/t, they were assayed again in duplicate, by fire assay with a gravimetric finish. Acme assayed a 1 AT sample of each pulp for Au only once by fire assay with an AAS finish. Overlimits greater than 3 g/t were re-assayed with a gravimetric finish.

Assay results were not yet available at the time of submission of this report and therefore cannot be commented on at this time.

12.2.2 Channel Samples

Approximately 1 in every 14 samples submitted for assaying during the channel sample program was a quality control sample. Quality control samples included banks and standards, but not duplicates.

As a validation check by an outside lab, pulp and reject material from 10%, or 37 of the 370 channel samples analyzed at Inspectorate, were submitted to Acme Analytical Lab in Vancouver, Canada for check analysis. Two envelopes containing 500 grams of sample pulp and reject material respectively, were prepared for each sample by Inspectorate Lab in Durango, Mexico, and shipped to the Oro Silver's Zacatecas office for relabeling with new sample identification numbers. The samples were returned to Inspectorate, who shipped them to Acme. Analysis was by their Group 6 Precious Metal by fire assay on a two assay ton sample.

As a further validation check on the quality of the underground channel sample assays results, 56 sample intervals from 10 of the 46 original channels were re-sampled. Sample material was collected from channels measuring approximately 8 cm wide by 3 cm deep, cut with a portable diamond rock saw, over distances as close as possible to the original sample interval. Analysis was by Inspectorate Lab on 2 assay ton sample charges. Results of the study show that sample variability is quite high for a significant number of matched sample pairs, especially when the interval is high-grade. However, when the averages for all samples within a given channel are computed, and compared, the variability tends to be much lower. This suggests that high grade mineralization in some samples is situated at or near a given sample break and that a minor shift in the position of the sample break during the re-sampling could result in the high-grade mineralization to be included in the adjacent sample interval.

12.3 Database Validation

Mr. Jutras independently examined the entire drill hole database in terms of consistency of the information provided. Minor discrepancies were identified and corrected. The drill hole database was then considered adequate for resource estimation.

Independent Qualified Person Robert De L'Etoile has also reviewed the Oro Silver database and found it to be acceptable

12.4 SRK Data Verification

SRK database verification consisted of the following:

- Field inspection of drilling sites, and confirmation of collar coordinates;
- Visual inspection of the drill core for comparison of geology, mineralization, and assays;
- Examination in Oro Mining's Zacatecas office of core logging and sampling protocols and the resulting drillhole digital logs;

- Underground inspection of mineralized veins and collection of spot samples to verify gold and silver mineralization;
- Examination of the drillhole database, and confirmation of assays and drill collars, and drillhole orientations; and
- Statistical review of drillhole assay data.

12.4.1 Field Inspection of the project site

SRK visited the El Compas and Orito veins in the field on December 15, 2010, and visited vein exposures in outcrops, verifying vein quartz zones as represented on maps. SRK Spot checked drillhole collar coordinates with a hand-held GPS unit, and confirmed the X and Y locations for three drillhole collars preserved in the field and the mine access portal, to within ±5 to 10m accuracy.

12.4.2 Visual Inspection of drill core and comparison to drillhole logs

SRK examined drill core for select drillholes stored at the offices of Oro Mining. The holes examined are listed in Table 12.5.2.1 below:

Table 12.5.2.1: Select Core Intervals Visually Examined (SRK, December 2010)

Drillhole	From (m)	To (m)
08COM029	101.8	113.0
08COM009	120.3	127.2
08COM008	84.5	96.6
08COM028	121.5	140.2
09COM054	206.8	211.3
09COM043	57.8	65.4
10COM061	36.3	65.3
10COM071	58.0	78.5
10COM072	76.9	84.0
10COM065	81.1	93.4

Core intervals visually inspected are half-core intervals which have been saw cut for assay. The core was examined for lithology, vein presence, and evidence of mineralization; in comparison to assayed for those intervals and the digital drillhole logs.

In general, the following observations were made:

- Gold and silver grades generally correlate with quartz veining in the host rock (typically andesite);
- Higher grades of Au and Ag correlate with typically darker colored (often greenish-brown) banded quartz veining, and often with dark bands of very finely disseminated sulfides (possibly Argentite)
- Very high grades (+10 g/t Au and +200 g/t Ag) correlate with banded quartz veins that have masses of black sulfides (argentite), visible gold, ± minor pyrite.

Veins widths are variable from a few cm to over 5 m. Quartz vein textures commonly exhibit multi-episodic banded silica, crypto-crystalline to drusy quartz, white to greenish brown to dark grey colored bands, with visible very fine grained silver sulfides and occasionally visible Au. Open space filling of quartz replacing bladed calcite is common, and chalcedonic silica was noted in the central (latest episode) of some veins. Near surface veins exhibit some hematite alteration (oxidation) of former sulfide-bearing quartz bands. Clays can be present in some vugs and vein open spaces. All the veins are typical low-sulfidation quartz veins.

Drillhole logs are digital logs in CoreView software, and were examined to verify that assays and geology correspond to the core interval examined; no discrepancies were noted.

12.4.3 Visual examination and select sampling of veins underground

SRK examined the underground workings from the portal to the 6th level, and verified the presence of quartz veins from less than 1.0 m to over 5.0 m in true widths, exhibiting the same vein characteristics as noted in core. SRK collected 4 select grab samples from vein exposures on the 6th level to verify gold and silver mineralization; and encountered high-grade gold values (1.5 to 12.5 ounces Au per tonne) and similarly high-grade silver values (6 to 23 ounces Ag per tonne) (Table 12.5.3.1 below). It should be noted that visible very-fine-grained black sulfides (silver sulfides) were observed in the hand specimen for sample SRK-EC-04; however, no visible gold was noted in any of the samples and no silver sulfides (or any other sulfides) were noted in the other three samples. SRK's four select samples are not to be construed as representative samples, as they were collected from a known high-grade area specifically to verify gold and silver values; and the results confirm high-grade values for both gold and silver.

Table 12.5.3.1: Select Vein Grab Samples (SRK, December 2010)

Sample Number	Au Assay (g/t)	Ag Assay (g/t)	Description
SRK-EC-01	46.3	192	Greenish brown banded quartz vein, no visible sulfides. Crypto-crystalline to sucrosic texture
SRK-EC-02	135.5	272	Light to dark brown banded quartz vein with white drusy quartz filling voids; no obvious sulfides
SRK-EC-03	141.5	262	Greenish brown to dark brown banded quartz vein with white quartz after bladed calcite; no sulfides
SRK-EC-04	388.0	721	Dark brown to dark grey banded quartz vein with very fine grained disseminated black metallic sulfides (argentite).

Note: Analyses by ALS Chemex, by 30g Fire Assay – gravimetric finish.

12.4.4 Database evaluation

SRK examined the drillhole database with respect to drill collar coordinates and hole orientations and verified the assay certificates against the drillhole assays in the database.

The collar coordinates, azimuth, and dip of 30 core holes were examined from digital drill log header information against the drillhole database collar file. One azimuth and one dip angle were found to slightly differ, for a 1.3% error rate of the data checked; an acceptable level of error. Many of the early drillhole logs in Coreview did not have header information recorded on the logs, and there is no master paper copy of the drillhole Coreview logs for archive purposes. SRK recommends verifying the header information against the drillhole digital database to finalize all drillhole logs. In addition, SRK recommends printing of the Geology (summary log tab), Geotech, Survey, Sample, Alteration, and Mineralization tabs from Coreview to create a master paper archive copy of each of the drillhole logs.

SRK verified the 2008-2010 digital database as provided by Oro by comparing the original assay certificates provided by the assay laboratory with a randomly selected 10% of the database. The error rate was low (0.93%), based on a manual check of 214 assays

12.4.5 Statistical Evaluation

Statistical plots as cumulative frequency (CF) plots of Au and Ag values are shown in Figures 12-6 and 12-7, respectively, for original drilling by Hochschild (HOC) versus more recent drilling by Oro Silver.

Gold assays from drilling by Hochschild are biased low with respect to Oro Silver (Oro Mining) drill hole assays for gold on a global deposit basis. Similarly, but with an even greater bias, Figure 12-7 shows Hochschild drillhole Ag assays to be significantly biased low with respect to Oro Silver drillhole Ag assays. In both cases the databases were truncated at background inflections in the curves; 0.01 ppm Au, and 0.1 ppm Ag, such that low end bias by sample location is not a concern.

The bias differences can perhaps be accounted for in the two drilling campaigns by the following:

- Drilling by Oro Silver has been targeted drilling to further define higher grade zones encountered in Hochschild drilling, and thus is biased high by success in drilling relatively more mineralized as well as higher grade holes.
- Assay methods and/or the analytical labs used by Hochschild resulted in relatively less accurate (perhaps due to partially digestions) Au and Ag values relative to Oro Silver methodologies. This has been documented with respect to silver assays, as Hochschild analyses were done by aqua regia digestion for silver whereas Oro Silver analyses were by more complete 3-acid digestion. Oro Silver's re-assay program (Section 12.1.4) on ¼-core demonstrated Oro Silver's analytical procedures showed a 12% high bias relative to Hochschild for silver.

SRK concludes that it is difficult to assess whether targeted drilling or analytical procedures are the root cause of the high bias of Oro Silver drilling analyses for both gold and silver relative to Hochschild drilling, on a global basis. It is important to note that the bias is relative; that is, Hochschild drilling assays are biased low, and may be precisely low; however, the accuracy of either data set will require additional confirmation through check assays and additional drilling.

SRK does not consider the relative differences material to resource estimation, as both sets of drilling data have had sufficient QA/QC procedures in place to render the data acceptable for use in resource estimation. If indeed the Hochschild data are not just relatively low, but precisely low due to the analytical techniques used, then the Hochschild data are conservative, and thus so is the resource estimate.

SRK examined the Au and Ag relationship for each of the major drilling campaigns, Hochschild (HOC) and Oro Silver (OS); the Au versus Ag scatterplots are shown in Figure 12-8 and 12-9.

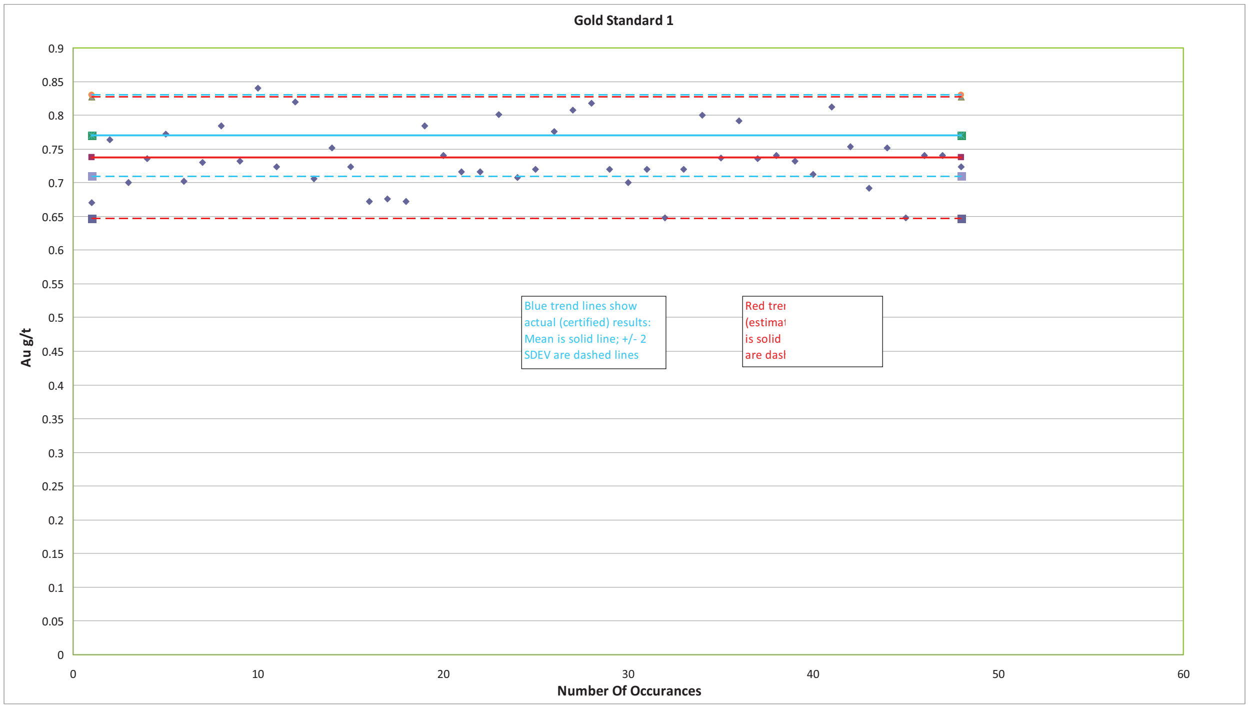
Hochschild drilling Au and Ag values show a very broad pattern on the scatter plot and globally have a 0.59 correlation coefficient. Whereas the scatter plot for Au and Ag pairs in Oro Silver drilling show a tighter pattern and pairs have a 0.90 correlation coefficient.

Figures 12-10 and 12-11 below show the Ag/Au Ratios plotted against depth for each drilling campaign. While Ag/Au ratios vary considerably there is a general tendency for higher Ag/Au ratios with increasing depth, which lends support to Oro Mining's postulation of potential bonanza grade silver-dominant mineralization at depths below the gold-silver mineralization presently defined in the El Compas vein system from surface to approximately 200 m in depth.

12.5 Limitations (SRK)

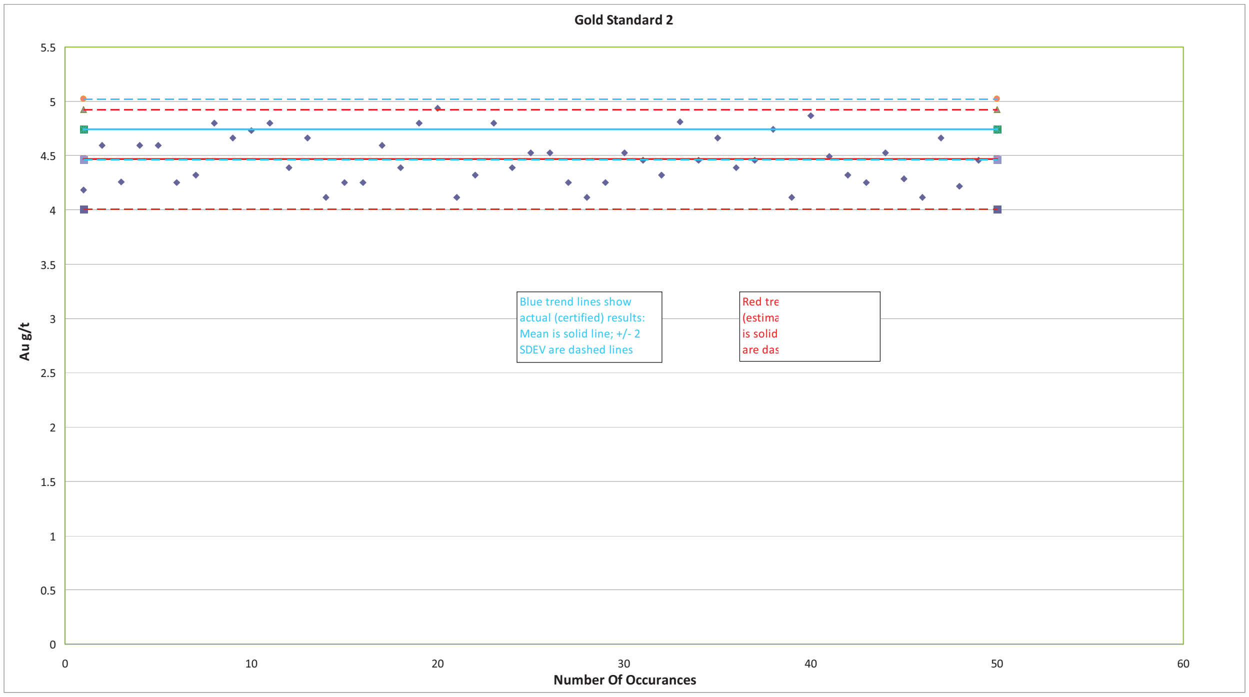
SRK considers the assay database to have been adequately verified and of sufficient quantity and quality for use in resource estimation.

Figure 12-1: El Compas Drilling QA Standard 1 Trendline



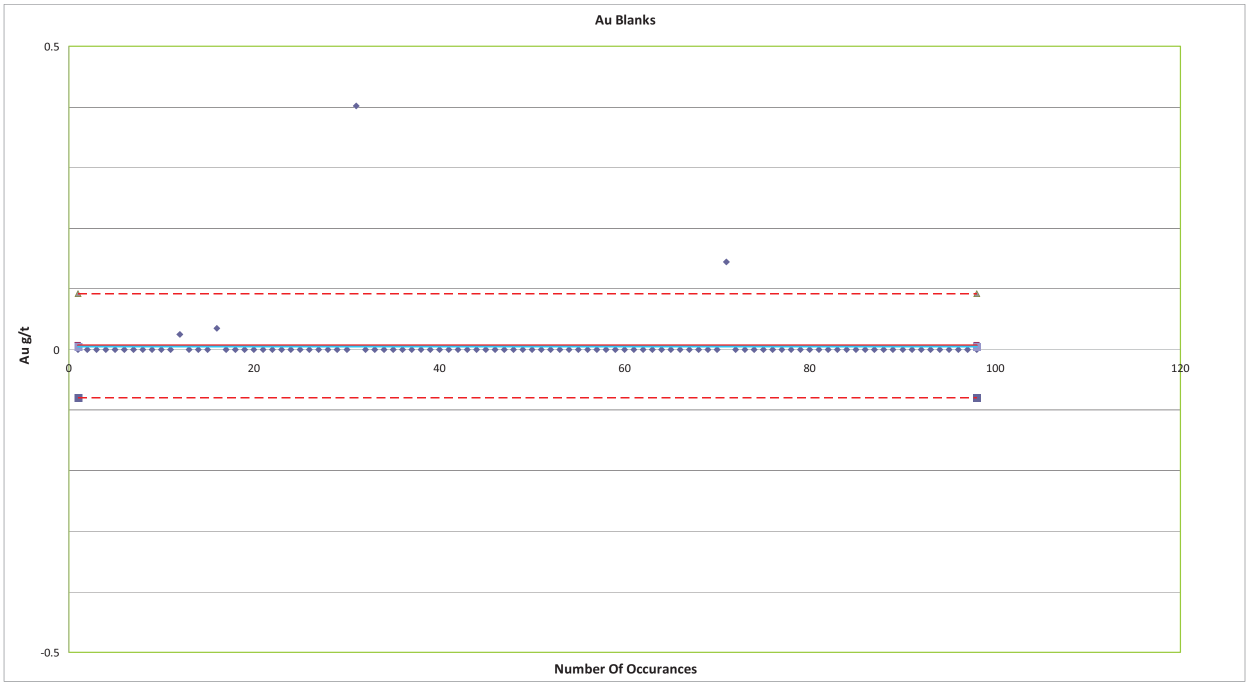
Source: BCGold Corp., 2008

Figure 12-2: El Compas Drilling QA Standard 2 Trendline



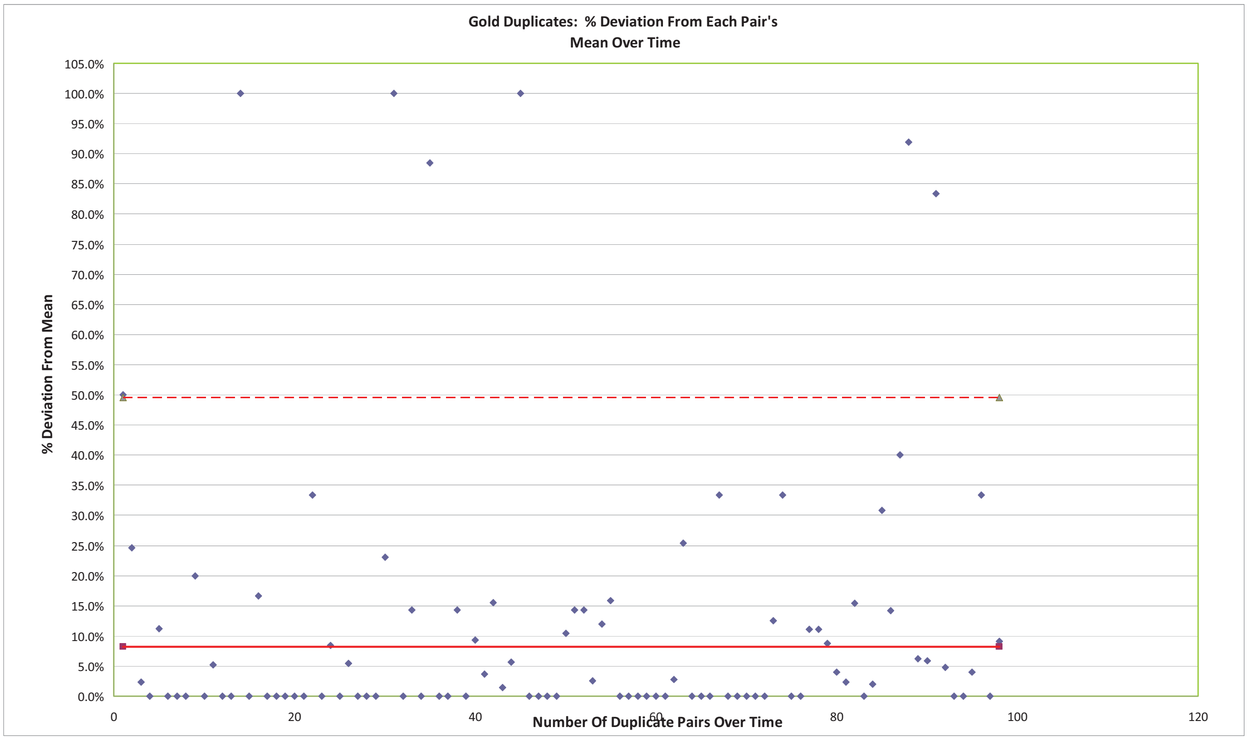
Source: BCGold Corp., 2008

Figure 12-3: El Compas Drilling QA Blanks Trendline



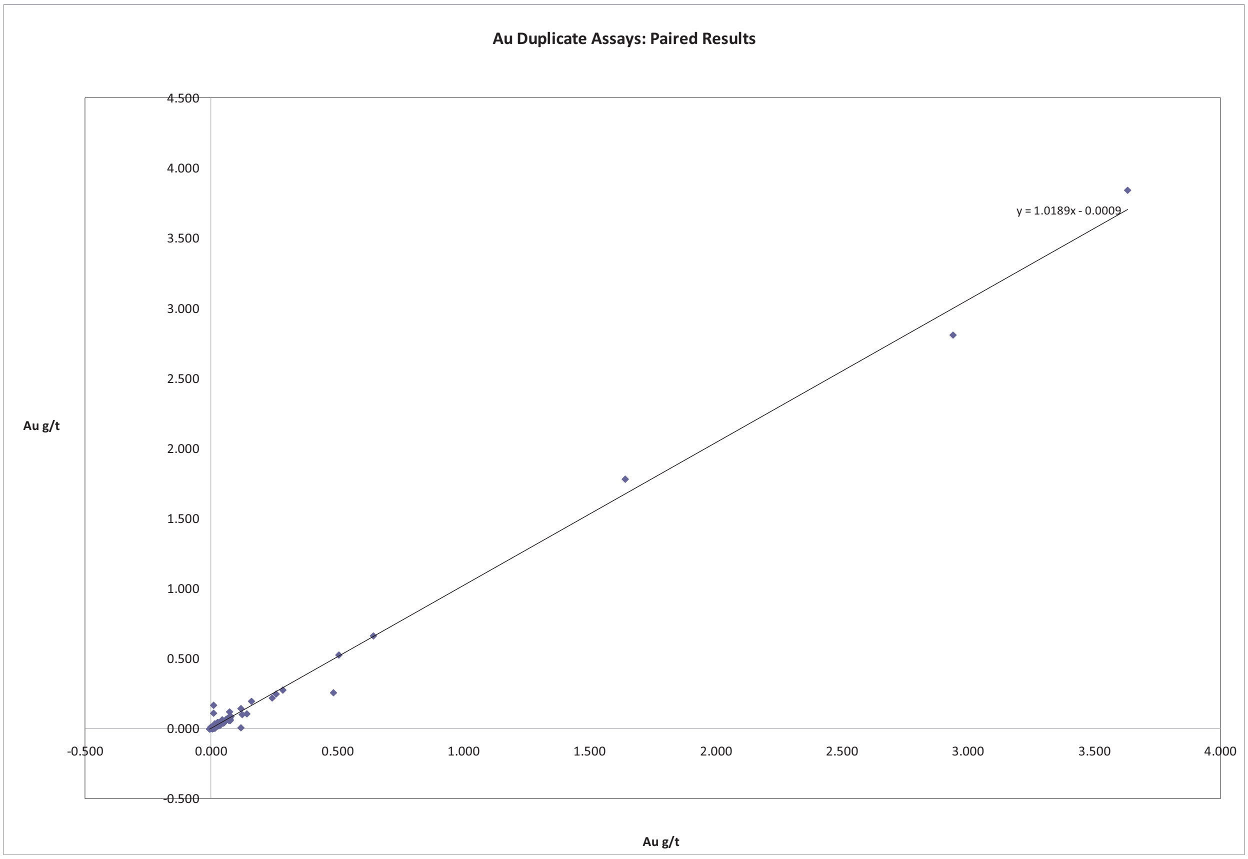
Source: BCGold Corp., 2008

Figure 12-4: El Compas Drilling QA Duplicates Trendline



Source: BCGold Corp., 2008

Figure 12-5: El Compas Drilling QA Duplicates Paired Results



Source: BCGold Corp., 2008

Figure 12-6: El Compas drillhole Gold assays – Hochschild (HOC) versus Oro Silver data, shown as CF plots (SRK, December 2010).

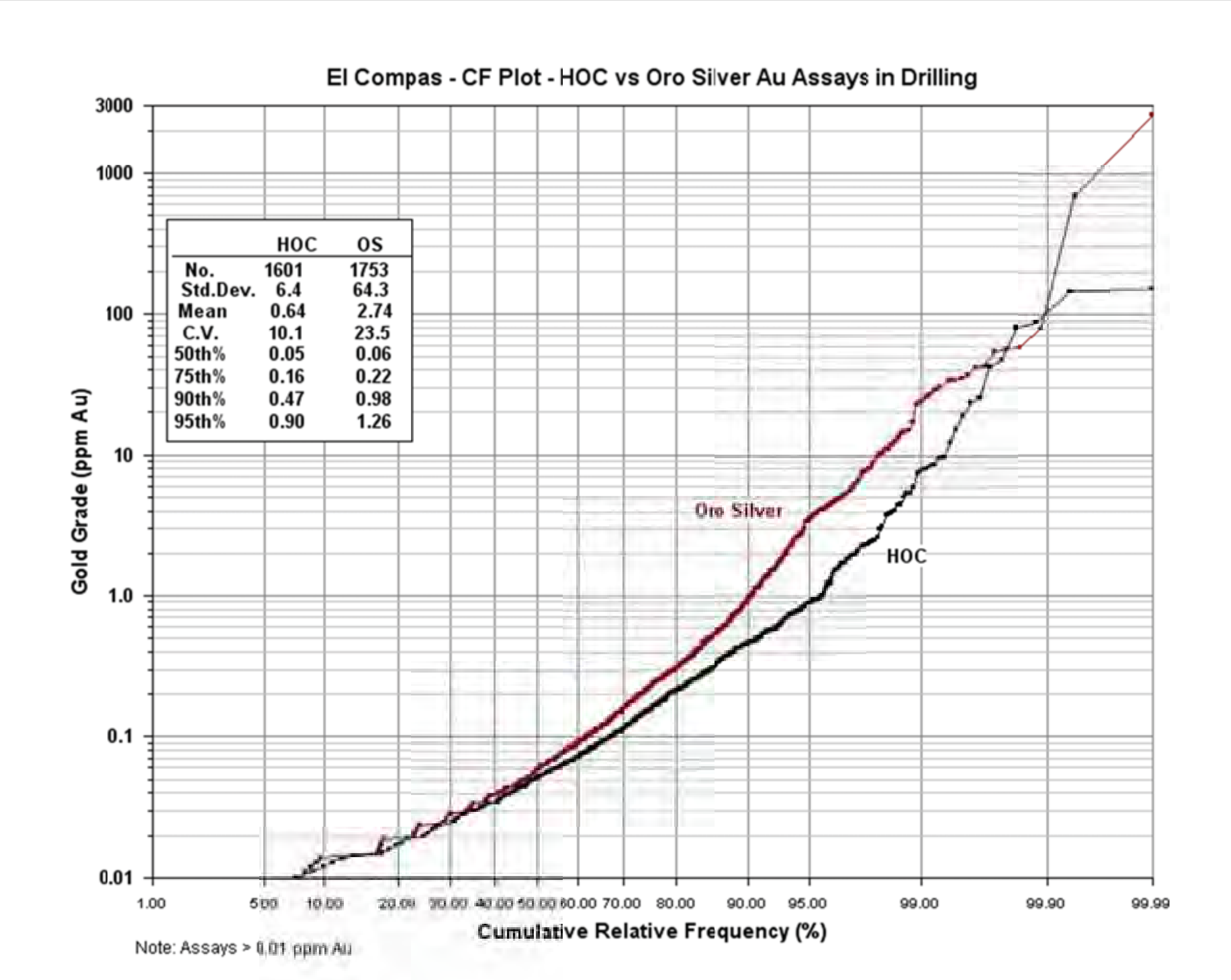


Figure 12-7: El Compas drillhole Silver assays – Hochschild (HOC) versus Oro Silver data, shown as CF plots (SRK, December 2010).

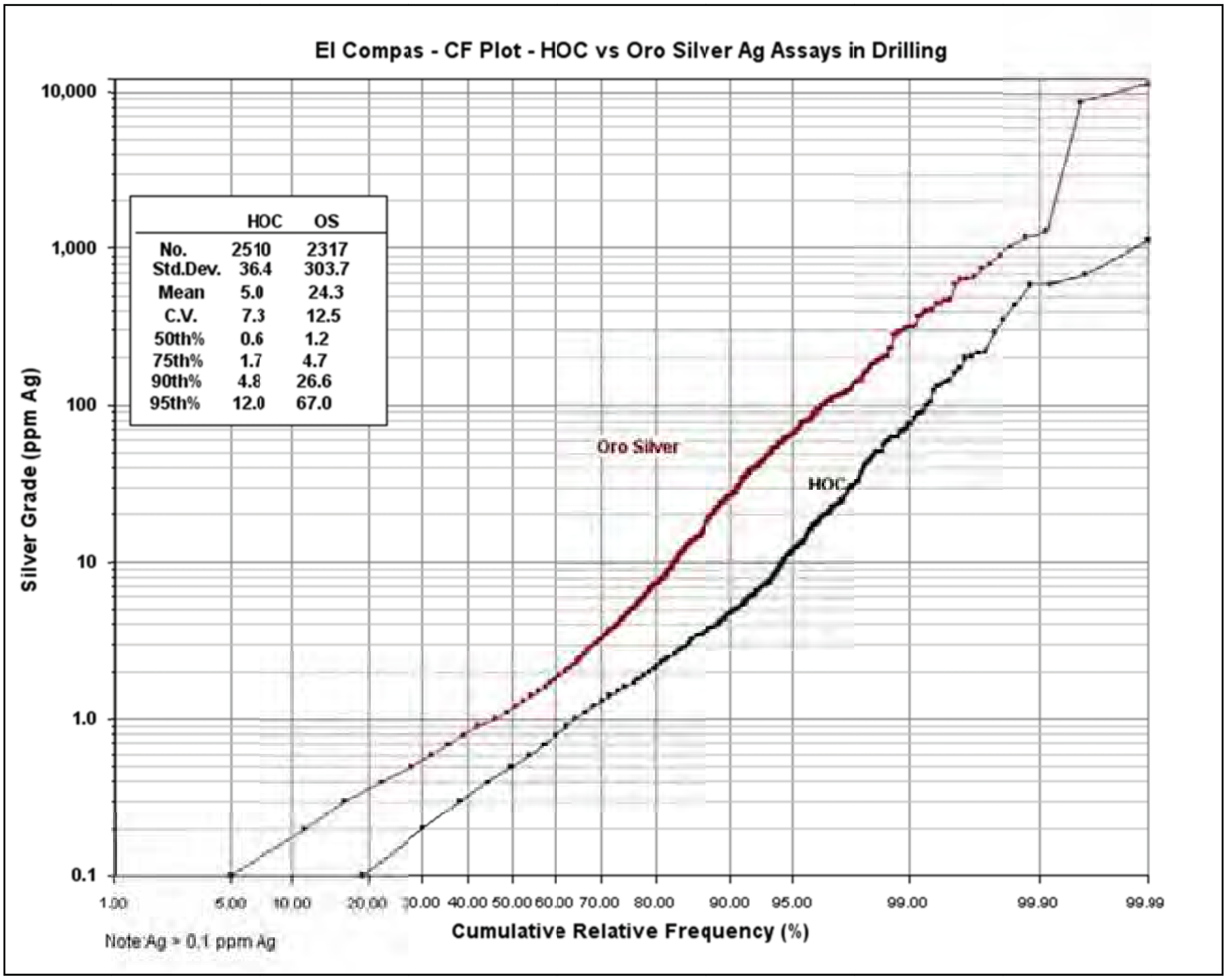


Figure 12-8: Scatter Plot of Au versus Ag grades – Hochschild Drilling (SRK, December 2010)

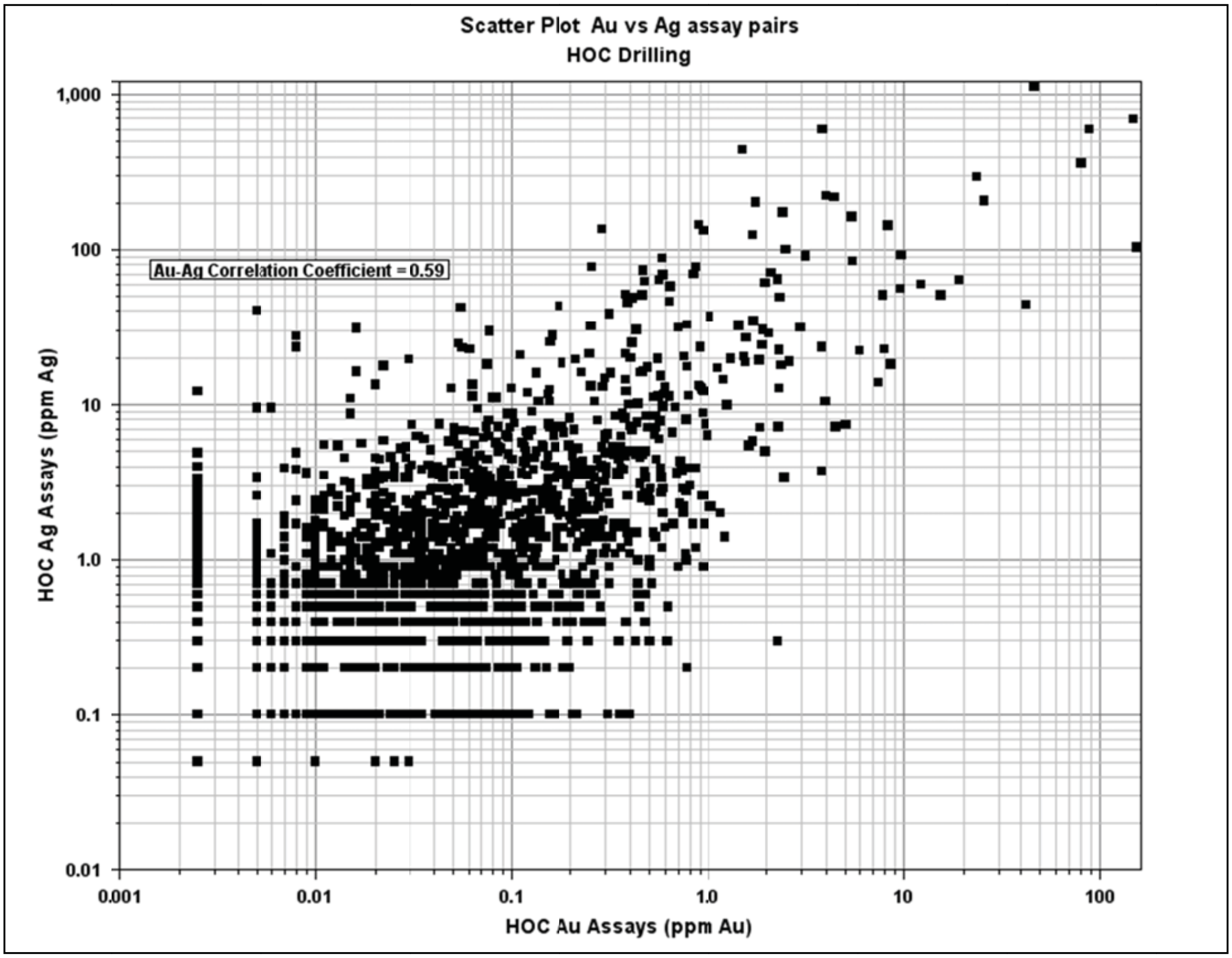


Figure 12-9: Scatter Plot of Au versus Ag grades – Oro Silver Drilling (SRK, December 2010)

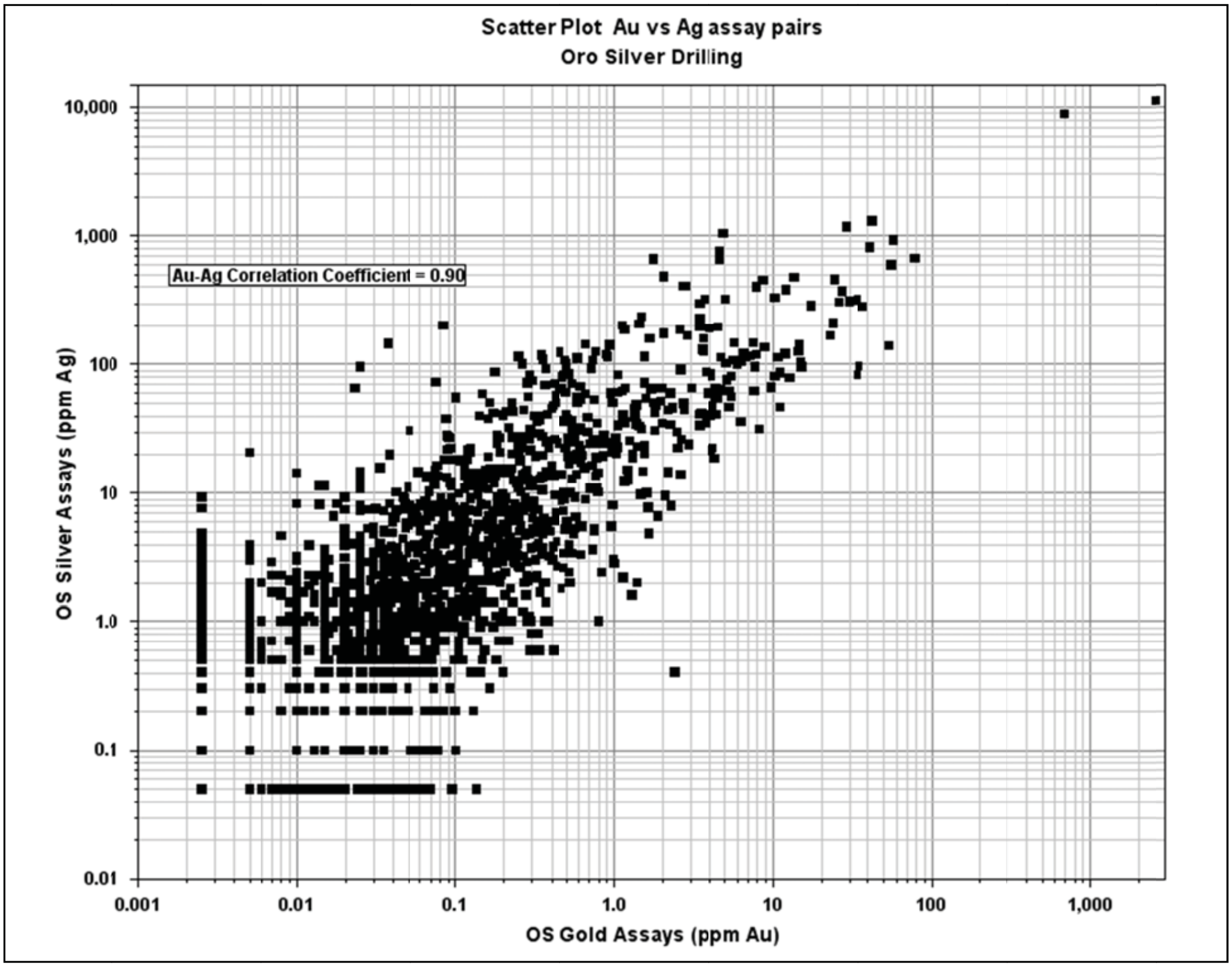


Figure 12-10: Ag/Au Ratio Scatter Plot versus drill depth – Hochschild drilling (SRK, December 2010)

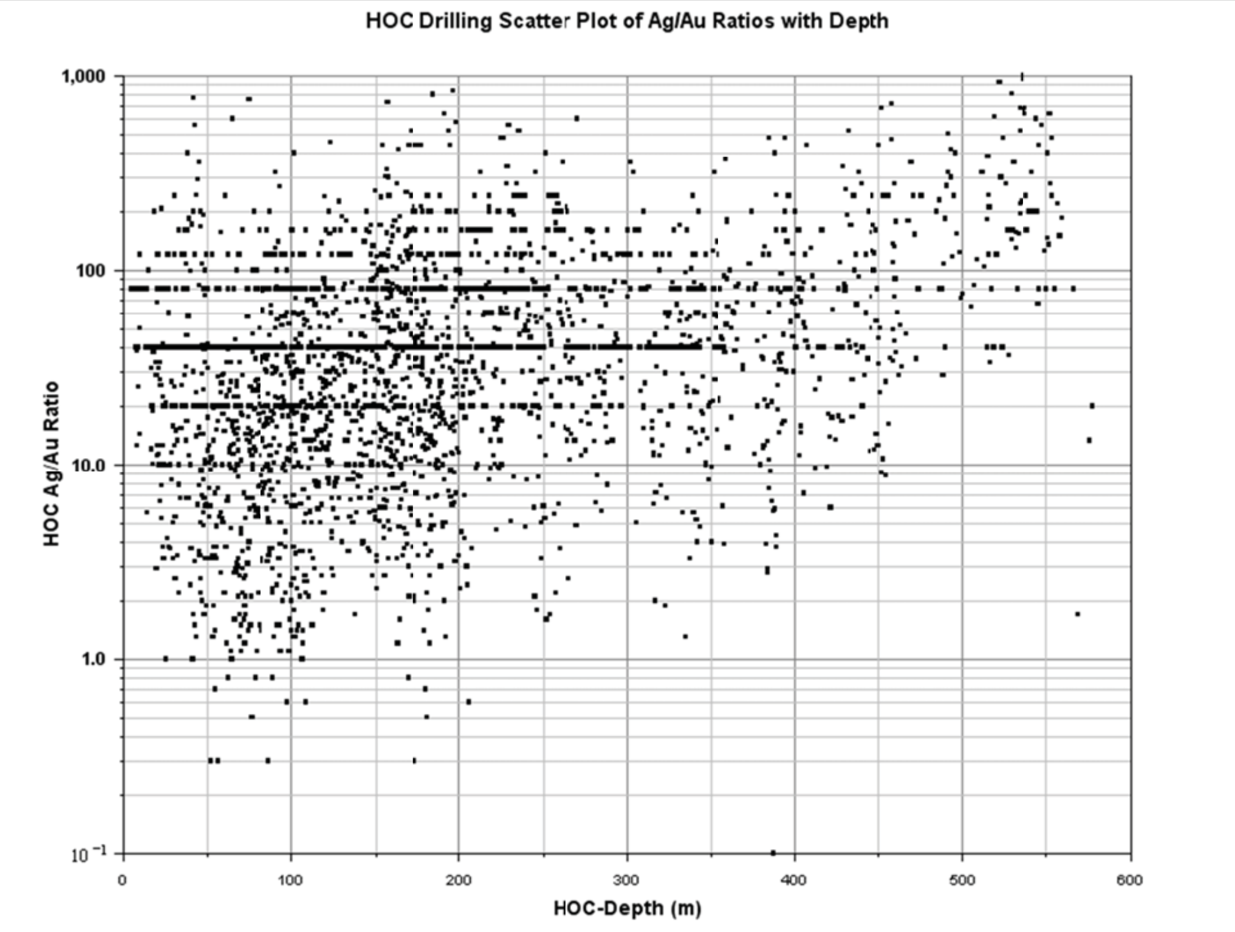
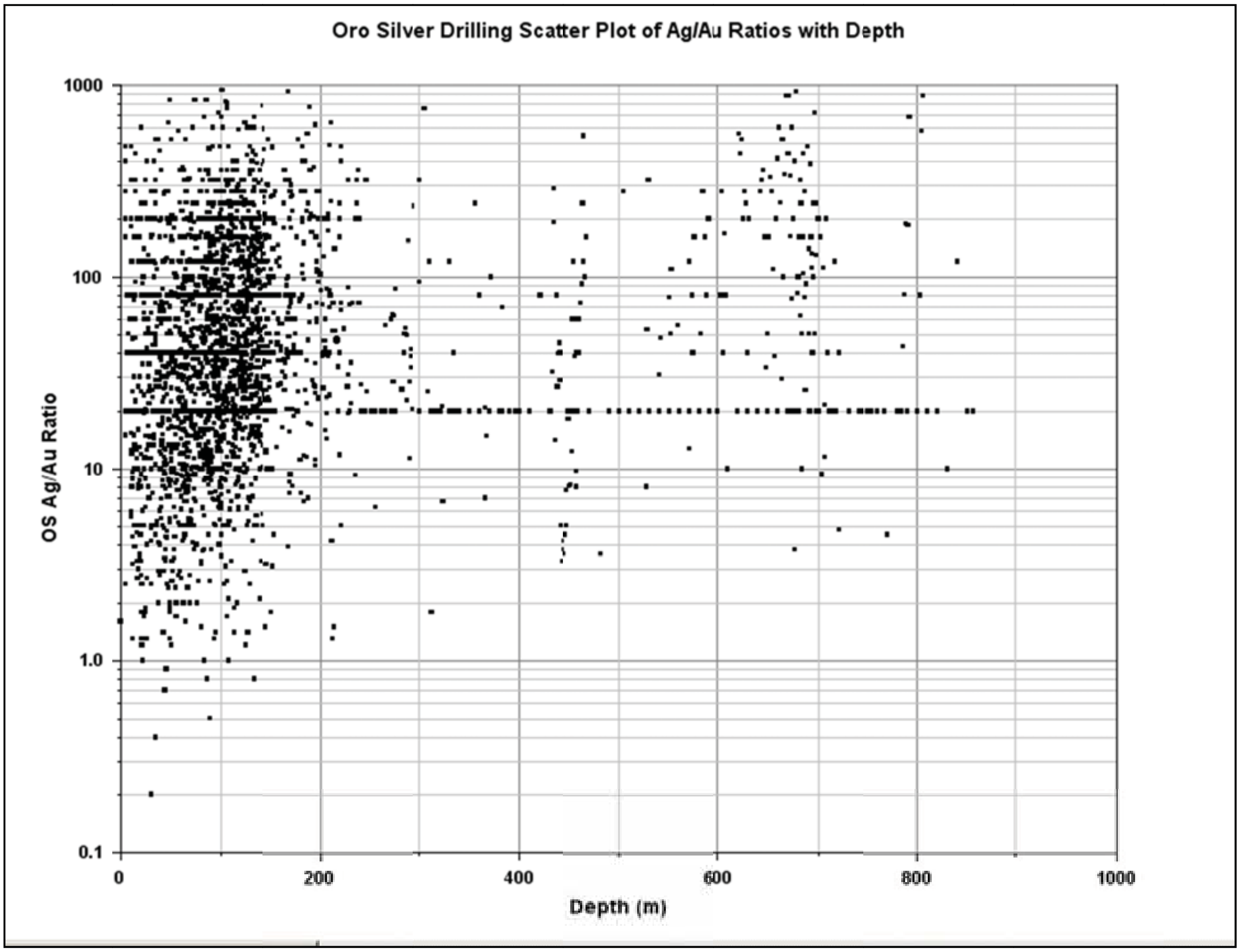


Figure 12-11: Ag/Au Ratio Scatter Plot versus drill depth – Hochschild drilling (SRK, December 2010)



13 Adjacent Properties (Item 17)

13.1 Statement

There are no known adjacent properties of interest.

14 Mineral Processing and Metallurgical Testing

Portions of Section 14 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

14.1 Summary of Mineralogical and Metallurgical Investigations Undertaken

A series of mineralogical and metallurgical investigations have been conducted by SGS Mineral Services Laboratory in Lakefield Canada (SGS). These have included the following work, which is detailed in the below referenced reports;

Mineralogical investigation focusing on gold deportment. Results reported in "A Deportment Study of Gold in High Grade 2 Composite Sample from Mexico" December 2007.

- Preliminary metallurgical investigations into cyanidation, gravity and flotation including the effect of milling, addition of further lixiviants and settling testwork. Results reported in "The Recovery of Gold from Ore Samples from Mexico" April 2008.
- Investigations into precious metal recovery using Ammonium Thiosulphate (ATS) as the lixiviant. "An Investigation into Gold and Silver extraction by Ammonium Thiosulphate Leaching of Low Grade Composite Samples" November 2009.
- Investigations into the amenability of two samples (high and low grade) to gold and silver recovery by leaching at coarse size using bottle roll and percolated column tests. Results reported in "An Investigation into Determination of the Amenability of Two Ore Samples to the Cyanide leaching process" July 2010

A summary of the testwork findings is included in this section of the report.

The tests were initially focused on the recovery of gold and silver by gravity, cyanidation and flotation following milling. Further tests were undertaken to investigate leaching using Ammonium Thiosulphate to assess alternative treatment routes to cyanidation. Amenability to treatment at coarse sizes by heap leach was investigated in rolling bottle and small scale column tests with cyanide. Heap leach was envisaged as a potential method of reducing operating and up front capital costs on the project.

In summary the tests indicated that the material tested is amenable to treatment by milling and cyanidation giving recoveries of generally around 93% for gold and 55% for silver at a grind size of 80% < 50-70 micron. On the high grade samples higher recoveries were achieved. Flotation tests were generally only partially successful.

Precious metal recoveries using ATS were generally lower than with cyanide although it is highlighted that the tests undertaken were indicative and still require further investigation.

Gold and silver recoveries at coarse sizes (< ½" and < ¼") by cyanidation were generally poor at 40 – 55% for gold and 15 – 20% for silver. Results varied with sample grade and crush size although were inconsistent.

14.2 Initial Mineralogical Investigations

Details of the source of the composite sample used for the initial mineralogical investigations are not provided although it is noted that the head grade was relatively high and indicated to be in the region of 34 g/t Au and 200 g/t Ag. Sulphide sulphur analyses were <0.05%. The sample was prepared by heavy liquid separation (> 2.9 density) and "superpanning" to recovery concentrate for analysis by optical and scanning electron microprobe. In the heavy fraction the main minerals were indicated to be iron oxides mainly goethite, limonite, hematite and magnetite with lower levels of sulphide minerals pyrite, pyrrhotite, chalcopyrite, arsenopyrite, galena, chalcocite and covellite.

Particle size of the gold ranged between 1 and 134 micron. The gold occurred as native gold and as electrum with gold mainly liberated or attached. Silver occurred mainly in one of three forms; Ag-S-Se complexes, native silver and as Au-Ag compounds. The Ag-S-Se complexes are similar to the minerals Acanthite and Aguilerite. The silver is mainly liberated or attached with a small amount locked, mainly in iron oxides.

14.3 Preliminary Metallurgical Testwork Investigations into Cyanidation, Flotation and Gravity

The following summary is based on the executive summary presented in the SGS Lakefield Research Report

A laboratory test program was conducted at SGS Mineral Services Laboratory in Lakefield Canada, to investigate the recovery of gold and silver from ore samples from Oro Silver Resources Ltd.'s project in Mexico. The testwork consisted of preparation of eight composite samples, head analyses, gravity separation followed by cyanidation, whole ore flotation, and settling tests.

The composite samples received were as follows

Table 14.3.1: List of Composite Samples Tested

Composite		Mass ~kg
1	Low Grade 1 (LG 1)	37
2	Low Grade 2 (LG 2)	35
3	Mid-Low Grade 1 (MLG 1)	37
4	Mid-Low Grade 2 (MLG 2)	35
5	Mid-High Grade 1 (MHG 1)	31
6	Mid-High Grade 2 (MHG 2)	31
7	High Grade 1 (HG 1)	34
8	High Grade 2 (HG 2)	32
Total		274

Source: SGS Minerals, 2008

Each sample was crushed to - 10 mesh and a head sample was riffled out for analysis of Au, Ag, S (total), S (sulphide), Carbon (total) and a multi-element ICP scan. Results are presented in Table 14.3.2.

Table 14.3.2: Analysis of Head Samples

Elements		Composite							
		Low Grade 1	Low Grade 2	Mid-Low Grade 1	Mid-Low Grade 2	Mid-High Grade 1	Mid-High Grade 2	High Grade 1	High Grade 2
Au									
Direct assay	g/t	2.46	2.91	5.17	5.65	9.36	9.23	33.9	38.5
Calc. from testwork	g/t	2.35	2.34	5.21	5.53	9.12	9.05	32.6	33.3
Ag									
Direct assay	g/t	48.7	43.5	94.7	100	117	97.7	213	193
Calc. from testwork	g/t	49.9	45.7	98.4	108	114	100	233	195
S	%	0.08	0.02	0.03	0.02	0.04	< 0.01	0.04	0.03
S^{2-}	%	< 0.05	< 0.05	< 0.05	< 0.05	< 0.05	< 0.05	< 0.05	< 0.05
C(total)	%	0.47	0.39	0.22	0.07	0.47	0.15	0.39	0.11
Al	g/t	23000	33000	30000	27000	27000	30000	29000	23000
As	g/t	74	58	32	31	< 30	37	270	43
Ba	g/t	79	220	88	110	84	96	120	73
Be	g/t	9.5	8.3	22	18	16	22	8.9	17
Bi	g/t	< 20	< 20	< 20	< 20	< 20	< 20	< 20	< 20
Ca	g/t	18000	19000	13000	7000	24000	10000	18000	5600
Cd	g/t	< 3	< 3	< 3	< 3	< 3	< 3	< 3	< 3
Co	g/t	12	17	13	12	12	14	13	8
Cr	g/t	65	70	64	91	62	71	67	36
Cu	g/t	32	33	36	31	25	29	51	36
Fe	g/t	16000	26000	20000	17000	18000	22000	21000	14000
K	g/t	14000	19000	19000	18000	16000	16000	16000	15000
Li	g/t	69	63	56	60	55	55	67	65
Mg	g/t	11000	12000	9700	8200	13000	13000	13000	7800
Mn	g/t	390	470	240	270	370	300	420	170
Mo	g/t	< 5	< 5	< 5	< 5	< 5	< 5	< 5	< 5
Na	g/t	680	1300	1600	960	1300	2000	1500	270
Ni	g/t	74	77	67	72	74	72	66	48
P	g/t	160	300	200	160	190	230	210	130
Pb	g/t	< 20	< 20	< 20	< 20	27	< 20	< 20	< 20
Sb	g/t	25	28	21	22	< 10	16	14	17
Se	g/t	< 30	< 30	< 30	< 30	< 30	< 30	< 30	< 30
Sn	g/t	< 20	< 20	< 20	< 20	< 20	< 20	< 20	< 20
Sr	g/t	48	67	65	47	94	58	77	31
Ti	g/t	890	1500	1000	860	950	1200	1000	690
Tl	g/t	< 30	< 30	< 30	< 30	< 30	< 30	< 30	< 30
U	g/t	< 20	< 20	< 20	< 20	< 20	< 20	< 20	< 20
V	g/t	47	81	56	47	54	58	65	37
Y	g/t	2.9	6.6	3.9	3.5	4.4	4.1	4.8	2.9
Zn	g/t	< 10	< 10	< 10	< 10	< 10	< 10	< 10	< 10

Source: SGS Minerals, 2008

The gold head grades varied from 2.46 g/t for the Low Grade 1 Composite to 38.5 g/t for the High Grade 2 Composites. The silver head grades ranged from 43.5 g/t for the Low Grade 2 Composite to 213 g/t for the High Grade 1 Composite. The composite samples contained < 0.05% sulphide.

Mineralogical study conducted on the High Grade 2 Composite (38.5 g/t Au, 193 g/t Ag) indicated that quartz was the most abundant mineral followed by potassium-feldspar-montmorillonite and trace amounts of magnetite and hematite. Microscopic scanning of visible gold indicated that the gold particles ranged in size from 1 µm to 134 µm with an average size of 19 µm.

Gold occurred as electrum and native gold with an average gold content of 63.9%. By frequency approximately 65.4% of the gold was liberated, 13.5% was attached (to Fe oxides, Ag-S-Se, pyrite and non-opaque minerals), and 21.1% was locked (in Fe oxides and other minerals). Based on the surface area, the liberated, attached and locked gold grains accounted for 77.9%, 20.9%, and 1.3%, respectively.

Silver minerals in the High Grade 2 Composite occurred mainly as Ag-S-Se, with some native silver and Au-Ag alloy. The Ag-S-Se particles ranged in size from 1 to 122 µm with an average size of 30 µm, and having Ag content of 74.7% to 81.7%, with an average of 77.8%. By frequency, approximately 75.4% of the Ag-S-Se occurred liberated, 9.4% was attached (to goethite limonite, gold, and non-opaque minerals), and 15.2% was locked (in iron-oxides and in non-opaque minerals). Based on the surface area, the liberated, attached and locked Ag-S-Se grains accounted for 86.3%, 10.3%, and 3.4%, respectively.

Cyanidation tests were conducted on the Mid-High Grade 1 and High Grade 2 Composites to evaluate the effects of particle size and leach time on gold and silver extraction. Cyanide leach recoveries of approximately 94-98% for Au and 57-58% for Ag (residue 0.5 g/t Au, 47 g/t Ag) were attained by leaching the Mid-High Grade 1 Composite at a P_{80} size of 50 µm for 144 hours. The reagent consumption was approximately 0.4 kg/t NaCN and 1.7 kg/t equivalent CaO.

Gold and silver extractions of approximately 97-98% for Au and 71% for Ag were obtained by leaching the High Grade 2 Composite at a P_{80} size of 51 µm for 144 hours. The reagent consumption was approximately 0.45 kg/t NaCN and 1.7 kg/t equivalent CaO. The addition of lead nitrate (150 g/t) had very little effect on the cyanidation performance of both composite samples evaluated.

One cyanidation test was conducted on each of the Mid-Low Grade 1 and Mid-High Grade 2 Composites to confirm gold and silver recovery. The P_{80} grind sizes were 71 µm for the Mid-Low Grade 1 Composite and 67 µm for the Mid-High Grade 2 Composite. The gold and silver recoveries after 72 hours of leaching were approximately 92% for Au and 52% Ag (residue ~0.4 g/t Au, ~48 g/t Ag) for the Mid-Low Grade 1 Composite, and 93% for Au and 51% for Ag (residue ~0.7 g/t Au and ~49 g/t Ag) for the Mid-High Grade 2 Composite. The

cyanide consumption was approximately 0.3 kg/t NaCN for both samples. The lime consumption (as equivalent CaO) was 1.1 kg/t for the Mid-Low Grade 1 Composite, and was slightly higher at 1.3 kg/t for the Mid-High Grade 2 Composite.

Treating the composite samples by gravity separation recovered 9-29% of the gold and 1-8% of the silver in the Mozley concentrate. The concentrate grade ranged from approximately 1,500 g/t Au to 52,000 g/t Au, and 2,200 g/t Ag to 50,000 g/t Ag. Leaching the gravity tailings at a P_{80} size of approximately 55-60 µm for 72 hours extracted approximately 91-96% of the Au and 50-75% of the Ag. The combined gravity cyanidation of gravity tailings gold and silver recoveries were 92-97% for Au and 50-76% for Ag.

The possibility of recovering gold and silver from whole ores by flotation was investigated on the Low Grade 1, Low Grade 2, Mid-Low Grade 1, Mid-High Grade 1, and High Grade 2 Composites. The first series of flotation tests was conducted using copper sulphate as an activator, and the recoveries were approximately 66-78% for Au and 32-50% for Ag. Replacing copper sulphate with NaSH (as a sulphidizing agent) had very little impact on the results. The recoveries were approximately 67-75% for Au and 25-48% for Ag.

The gold losses to the flotation tailings were probably locked in non-opaque minerals (mainly silicates). However, no further flotation testwork was conducted to confirm this assumption or identify other reasons for the poor gold and silver recoveries.

Settling testwork was conducted on pulps from cyanidation of the Mid-Low Grade 1 and Mid-High Grade 2 Composites. It was observed in the testwork that supernatant solution clarity was poor in tests using feed with pulp density above 10% solids. Additional testing and rheology study are recommended for future test program."

The results of the testwork are summarized in the following Table14.3.3.

Table 14.3.3: Metallurgical Testwork Summary of Results

Process		Composite							
		Low Grade 1	Low Grade 2	Mid-Low Grade 1	Mid-Low Grade 2	Mid-High Grade 1	Mid-High Grade 2	High Grade 1	High Grade 2
Au									
Direct assay	g/t	2.46	2.91	5.17	5.65	9.36	9.23	33.9	38.5
Calc. from testwork	g/t	2.35	2.34	5.21	5.53	9.12	9.05	32.6	33.3
Ag									
Direct assay	g/t	43.7	43.5	94.7	100	117	97.7	213	193
Calc. from testwork	g/t	49.9	45.7	98.4	108	114	100	233	195
S	%	0.08	0.02	0.03	0.02	0.04	<0.01	0.04	0.03
S^{2-}	%	<0.05	<0.05	<0.05	<0.05	<0.05	<0.05	<0.05	<0.05
C(total)	%	0.47	0.39	0.22	0.07	0.47	0.15	0.39	0.11
Whole Ore Cyanidation									
Au Extraction	%			92		93.97	93		96.98
Ag Extraction	%			52		55.58	51		68.71
Gravity Separation									
Au Recovery in Grav Conc.	%	17.6	24.8	8.8	10.7	10.8	15.6	23.3	28.6
Ag Recovery in Grav Conc.	%	1.3	1.9	2.5	1.4	2.8	1.9	8.0	5.0
Cyanidation of Gravity Tails									
Au Extraction	%	92.1	90.7	92.7	91.3	92.7	91.2	94.8	95.9
Ag Extraction	%	49.7	54.9	53.0	50.5	58.2	51.7	74.5	71.2
Grav+CN Grav Tails Au Recovery	%	93.5	93.0	93.3	92.2	93.5	92.6	96.0	97.1
Grav+CN Grav Tails Ag Recovery	%	50.4	55.8	54.2	51.2	59.4	52.6	76.5	72.6
Flotation of Whole Ore									
Conc Au Grade	g/t	25.7	11.5	51-65		90-149			424-434
Conc Ag Grade	g/t	222	106	483-557		632-1050			1538-1577
Conc S Grade	%	0.19	0.03	0.13-0.34		0.03-0.26			0.03-0.16
Au Recovery	%	67	66	68-70		67-71			75-78
Ag Recovery	%	25	32	33-34		38-40			48-50
S recovery	%	35	33	42-49		20-27			16-33
Mass recovery	%	5	13	6-7		4-7			6

Source: SGS Minerals, 2008

14.4 Ammonium Thiosulphate Amenability Leaching Testwork

Samples used in the earlier testwork detailed above were used for the ammonium thiosulphate (ATS) leaching testwork. Two composite samples were prepared; mid-low grade and low grade. For the ATS tests only the low grade composite was initially used.

Table 14.4.1: Low Grade Composite and Head Analysis

Sample	Mass (kg)	Au (g/t)	Ag (g/t)
Low Grade 1	22.89	2.46	48.7
Low Grade 2	13.22	2.91	43.5
Mid-Low Grade 1	10.21	5.17	94.7
Mid-Low Grade 2	14.10	5.65	100
Low Grade Comp			
(direct)		3.66	65.3
(calculated)		3.76	67.3

Source: SGS, 2009

For the tests a grind curve was initially established by milling 1kg samples for different time periods. The grind curve established is presented in Figure 14-1.

In the initial evaluation testwork three leaching tests were undertaken on the low grade composite;

- 72 hour stirred vessel leach with ground ore (P80 ~60µm); at pH 8.5. Test TS-1
- 72 hour stirred vessel leach with ground ore (P80 ~60µm); at pH 9.5. Test TS-2
- 21 day rolling bottle leach with unground ore (crushed to minus 10 mesh); leach conditions were dependant on the results of the preceding 72 hour stirred vessel leaches. Test TS-3

The results of the stirred leach tests are presented in Table 14.4.2 and the kinetic curves in Figures 14-2 and 14-3 for TS-1 and TS-2 respectively

Table 14.4.2: Stirred Vessel Leach Conditions and Results, Low Grade Comp Feed

Test	Grind (µm)	Pulp Density (% solids)	Final pH	Final emf (AgCl mV)	$[S_2O_3]$ (M)	[Cu] (mg/L)	Extraction (%) Au	Extraction (%) Ag	Residue (g/t) Au	Residue (g/t) Ag	Head (g/t) Au direct	Head (g/t) Au calc	Head (g/t) Ag direct	Head (g/t) Ag calc
TS-1	73	35	8.2	-50	0.6	25	53	31	1.67	46.4	3.66	3.52	65.3	66.0
TS-2	73	33	9.4	12	0.6	25	90	50	0.36	32.2	3.66	3.52	65.3	63.7

Source: SGS, 2009

Results of the bottle roll tests are presented in Table 14.4.3 with the kinetic curves presented in Figure 14-4.

Table 14.4.3: Bottle Roll Test TS-3 Metallurgical Balance, Low Grade Comp Feed

Product	Total (g, mL)	Assays (mg/L, g/t) Au	Ag	% Extraction Au	Ag
Day 1 Preg	1518	0.66	5.16	26.2	12.6
Day 2 Preg	1495	0.74	7.56	29.3	18.4
Day 4 Preg	1516	0.91	7.37	36.8	18.4
Day 7 Preg	1498	1.01	7.75	40.8	19.4
Day 15 Preg	1517	1.06	7.95	43.6	20.3
Day 21 Preg	1486	1.07	8.15	43.9	20.7
Residue	994.6	2.16	49.5	56.1	79.3
Head (calc.)	1000.0	3.82	62.0	100	100
Head (direct)		3.66	65.3		

Source: SGS, 2009

It was concluded in the SGS report that the material tested appeared amenable to ATS leaching (gold recoveries up to 90% achieved and silver recoveries of 50%) but that the test conditions were still to be optimized and that further investigations would be required.

14.5 Heap Leach Testwork

Heap leach testwork was undertaken on two bulk composite samples; high grade and low grade. The samples assayed as follows by fire assay.

Table 14.5.1: Analysis of High and Low Grade Samples

Sample	Grade Au (g/t)	Ag (g/t)
High Grade	12.26	74
Low Grade	3.74	40

Source: SGS, 2010

Two exploratory bottle roll tests were undertaken on each sample at two different crush sizes (80% < ½” and 80% < ¼”). The results are presented in Tables 14.5.2 and 14.5.3 for the high and low grade samples respectively. The bottles were rolled for a period of 14 days at 40% solids and a cyanide level of 1500 ppm NaCN.

Table 14.5.2: High Grade Bottle Roll Test Results

Description	K_{80} @ 1/2"		K_{80} @ 1/4"	
	Au	Ag	Au	Ag
Calculated Head g/t	13.46	72	11.20	70
Head Assay g/t	12.26	74	12.26	74
Residue g/t	7.99	61	4.87	53
Extraction %	40.7	14	56.5	24.8
Reagents Consumption	NaCN kg/t	CaO kg/t	NaCN kg/t	CaO kg/t
	0.5	1.2	0.6	2.2

Source: SGS, 2010

Table 14.5.3: Low Grade Bottle Roll Test Results

Description	K_{80} @ 1/2"		K_{80} @ 1/4"	
	Au	Ag	Au	Ag
Calculated Head g/t	4.11	40	4.19	40
Head Assay g/t	3.74	40	3.74	40
Residue g/t	2.40	34	2.19	32
Extraction %	41.6	14.9	47.6	20.9
Reagent Consumption	NaCN kg/t	CaO kg/t	NaCN kg/t	CaO kg/t
	0.59	1.29	0.55	1.29

Source: SGS, 2010

To establish leaching kinetic related to heap leach a series of column tests were run over a period of 2 months. The columns investigated high and low grade samples at two different crush sizes (80% < ½" and 80% < ¼"). Two columns were run for each test making a total of eight column test runs. For one set of tests the columns were charged direct with crushed material while for the other test the material was screened at ¼" and 10 mesh with the -10mesh fraction routed to a Knelson concentrator for the recovery of free gold. The + ¼", +10 mesh and tailings from the Knelson concentrator were charged to the column.

The aim of the gravity tests on the columns feeds was to produce a saleable gold product and to reduce gold lock up on the heap. The response to gravity concentration on the -10 mesh fraction was poor as shown in Tables 14.5.4 and 14.5.5.

Table 14.5.4: Knelson Concentration Test Results on High Grade Samples

	Sample	Products	Weight %	R/C	Assay Au g/t	Assay Ag g/t	Distribution Au %	Distribution Ag %
High Grade	1/4"	Concentrate	74.9	1.34	15.00	71	80.2	78.0
		Residue	25.1		11.00	60	19.8	22.0
		Calculated Head			13.99	68		
	1/2"	Concentrate	66.2	1.5	12.00	54	71.2	69.9
		Residue	33.8		9.48	46	28.8	30.1
		Calculated Head			11.15	51		

Source: SGS, 2010

Table 14.5.5: Knelson Concentration Test Results on Low Grade Samples

	Sample	Products	Weight %	R/C	Assay Au g/t	Assay Ag g/t	Distribution Au %	Distribution Ag %
Low Grade	1/4"	Concentrate	66.2	1.5	4.59	42	72.8	70.4
		Residue	33.8		3.36	35	27.2	29.6
		Calculated Head			4.17	40		
	1/2"	Concentrate	71.4	1.4	5.41	38.7	82.5	78.3
		Residue	28.6		2.87	26.9	17.5	21.7
		Calculated Head			4.68	35.3		

Source: SGS, 2010

The column leach tests for the pairs of columns operated with and without gravity preconcentration are presented in Tables 14.5.6 to 14.5.9 for the different grade samples and crush sizes.

Table 14.5.6: Column Tests Final Results - High Grade - ½"

Description	Leach Column (Direct Load)		Leach Column (Previous Knelson Concentration)	
	Au	Ag	Au	Ag
Calculated Head (g/t)	11.78	69	12.06	65
Head Assay (g/t)	12.26	74	12.26	74
Calculated Residue (g/t)	6.71	59	6.89	56
Residue Assay (g/t)	6.44	63	6.61	58
Extraction (%)	41.3	14.8	42.3	12.2
Reagent Consumption	NaCN kg/t	CaO kg/t	NaCN kg/t	CaO kg/t
	0.36	0.37	0.26	0.38

Source: SGS, 2010

Table 14.5.7: Column Tests Final Results - High Grade - ¼ ”

Description	Leach Column (Direct Load)		Leach Column (Previous Knelson Concentration)	
	Au	Ag	Au	Ag
Calculated Head (g/t)	13.09	65	12.81	68
Head Assay (g/t)	12.26	74	12.26	74
Calculated Residue (g/t)	6.22	52	6.57	55
Residue Assay (g/t)	6.28	55	6.13	56
Extraction (%)	56.0	17.7	50.9	16.3
Reagent Consumption	NaCN kg/t	CaO kg/t	NaCN kg/t	CaO kg/t
	0.37	0.36	0.27	0.30

Source: SGS, 2010

Table 14.5.8: Column Tests Final Results - Low Grade -½”

Description	Leach Column (Direct Load)		Leach Column (Previous Knelson Concentration)	
	Au	Ag	Au	Ag
Calculated Head (g/t)	4.45	38	4.39	43
Head Assay (g/t)	3.74	40	3.74	40
Calculated Residue (g/t)	2.78	32	2.71	37
Residue Assay (g/t)	2.23	32	2.44	32
Extraction (%)	44.7	15.2	45.0	14.5
Reagent Consumption	NaCN kg/t	CaO kg/t	NaCN kg/t	CaO kg/t
	0.33	0.35	0.29	0.33

Source: SGS, 2010

Table 14.5.9: Column Tests Final Results - Low Grade -¼ ”

Description	Leach Column (Direct Load)		Leach Column (Previous Knelson Concentration)	
	Au	Ag	Au	Ag
Calculated Head (g/t)	4.24	39	4.31	39
Head Assay (g/t)	3.74	40	3.74	40
Calculated Residue (g/t)	2.52	32	2.76	34
Residue Assay (g/t)	2.38	30	2.41	34
Extraction (%)	46.1	15.7	41.6	14.4
Reagent Consumption	NaCN kg/t	CaO kg/t	NaCN kg/t	CaO kg/t
	0.26	0.34	0.38	0.30

Source: SGS, 2010

Further tests were undertaken to upgrade the concentrate from the Knelson gravity testwork on the four column feed samples. This involved the use of Wilfley shaking tables in an attempt to produce a high grade gravity concentrate. The results are presented in table 14.5.10 and 14.5.11 for the concentrates from the high grade and low grade samples respectively.

Table 14.5.10: Wilfley Table Upgrade Results – High Grade Sample

Sample	Products	Weight %	R/C	Assay Au g/t	Assay Ag g/t	Distribution Au %	Distribution Ag %
KNELSON	Concentrate	46.7	2.14	13.71	83	52.4	53.9
	Residue	53.3		10.90	62	47.6	46.1
			Calculated Head	12.21	72	100.0	100.0
			Head Assay	12.26	74		
WIFLEY TABLE	Concentrate	8.8	11.37	10.24	65	6.6	6.8
	Residue	91.2		14.04	85	93.4	93.2
			Calculated Head	13.71	83	100.0	100.0
			Head Assay	13.71	83		

Source: SGS, 2010

Table 14.5.11: Wilfley Table Upgrade Results – Low Grade Sample

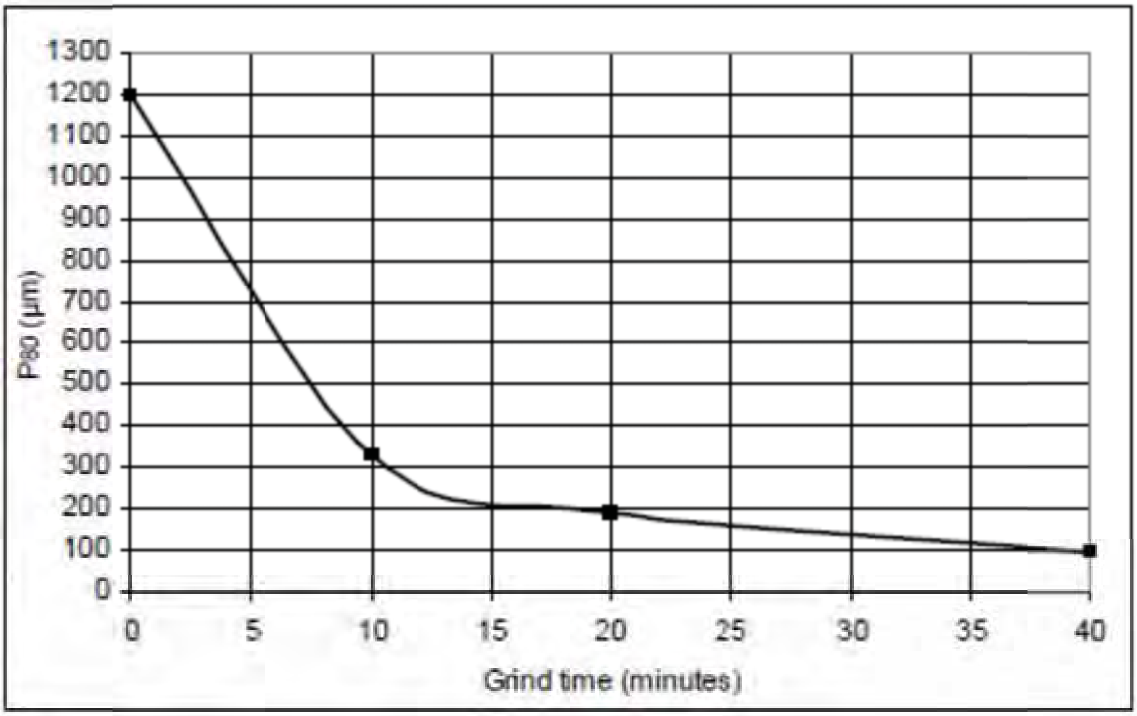
Sample	Products	Weight %	R/C	Assay Au g/t	Assay Ag g/t	Distribution Au %	Distribution Ag %
KNELSON	Concentrate	41.4	2.14	3.76	37	42.9	43.6
	Residue	58.6		3.55	34	57.1	56.4
	Total	100.0	Calculated Head	3.63	35	100.0	100.0
			Head Assay	3.74	40		
WIFLEY TABLE	Concentrate	2.2	44.89	12.69	75	7.5	4.5
	Residue	97.8		3.56	36	92.5	95.5
	Total	100.0	Calculated Head	3.76	37	100.0	100.0
			Head Assay	3.76	37		

Source: SGS, 2010

In conclusion the column and bottle-roll tests determined that the samples present a certain degree of amenability to the leaching process for both elements: Au and Ag although recoveries were relatively poor.

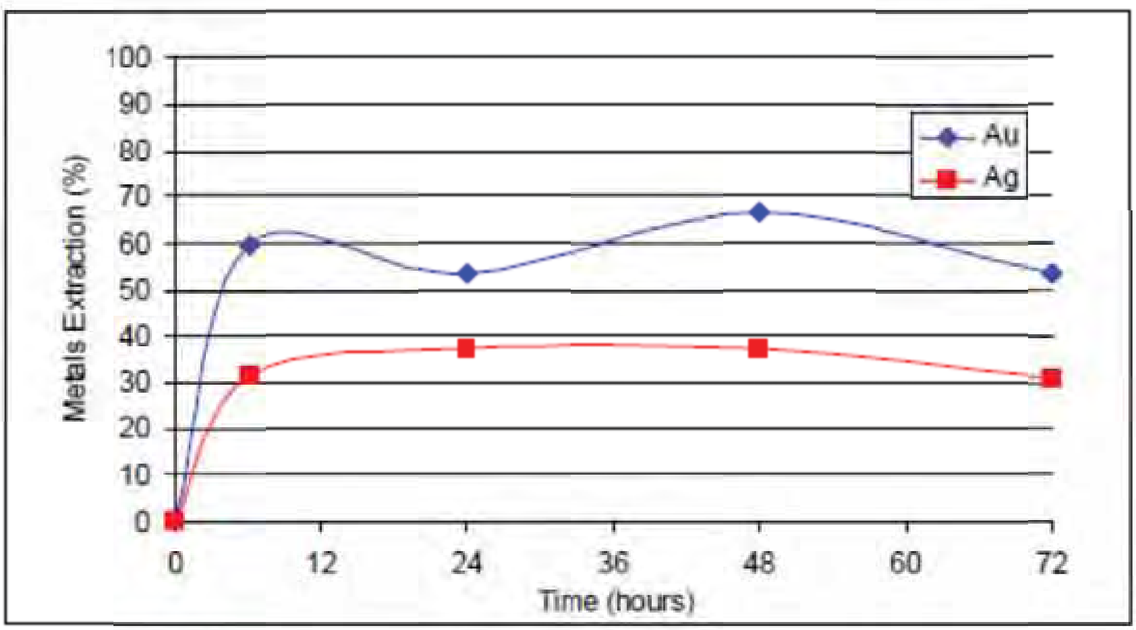
In the column tests although 60 days of treatment had been completed, the most significant Au and Ag extractions were achieved during the first month of treatment. Reagent consumptions are moderately low.

Figure 14-1: Grind Curve



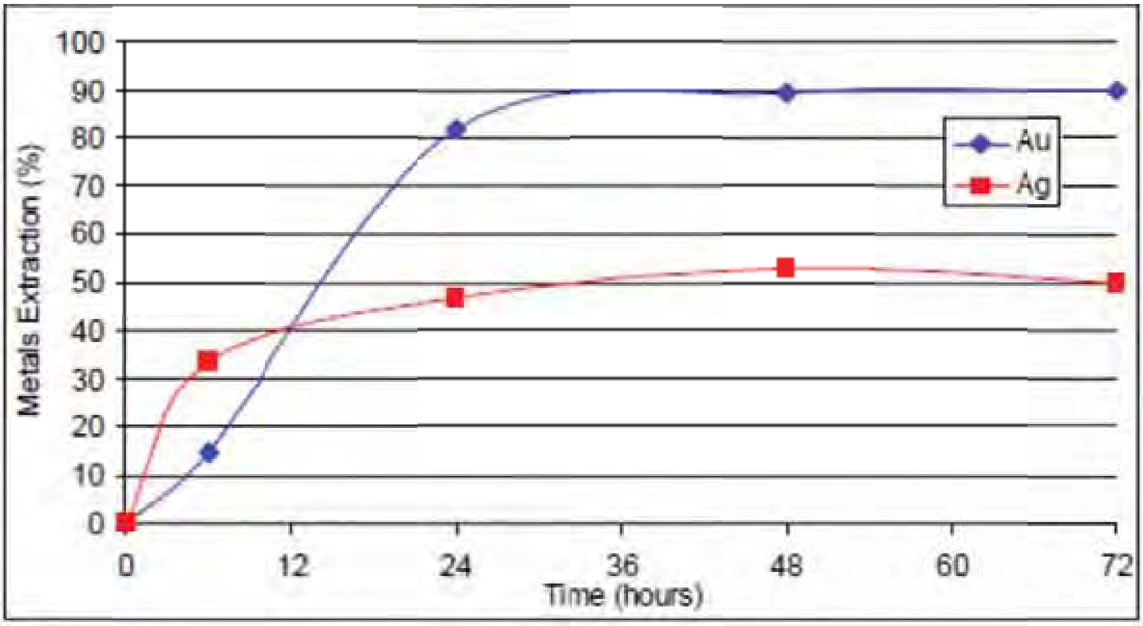
Source: SGS, 2009

Figure 14-2: Leach Kinetics Test TS-1



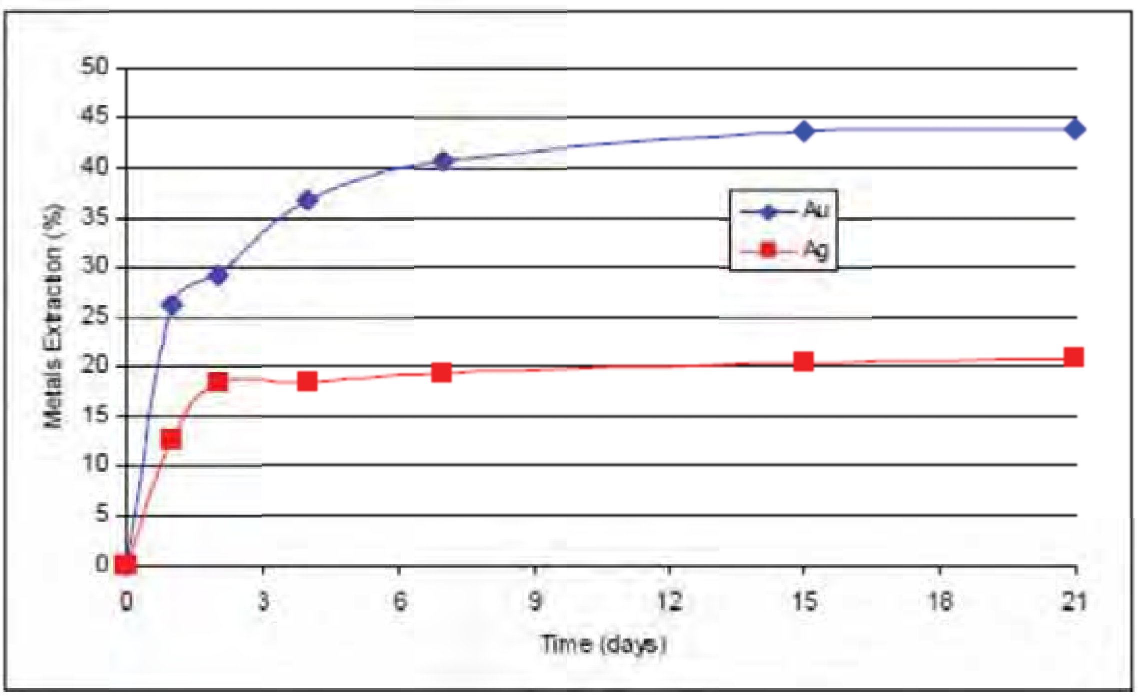
Source: SGS, 2009

Figure 14-3: Leach Kinetics Test TS-2



Source: SGS, 2009

Figure 14-4: Leach Extraction Kinetics Test TS-3



Source: SGS, 2009

15 Mineral Resources (Item 19)

Portions of Section 15 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

The mineral resource estimate was prepared by Jeffrey Volk, FAusIMM, CPG, Principal Resource Geologist at SRK Denver. Grade estimations were made using a three-dimensional block model constructed using commercial mine planning software (Vulcan® v8.0.3 build 3536). The project limits are based on a UTM coordinate system, using a parent block size of 3m x 3m x 3m, with a sub-cell size of 1m x 1m x 1m. Gold and silver mineralization at El Compas occurs primarily as low sulfidation epithermal veins hosted in in sedimentary and volcanic rocks. The veins are oriented N-NW, and dip moderate to steeply to the west. All drilling was conducted using angle holes, in order to better intercept the zones of mineralization.

The resource estimate has been generated from composites derived from drillhole sample assay results, and is constrained by manually constructed 3-D vein solids constructed by Oro geology personnel. No geologic model was utilized to constrain the resource estimate. Grade interpolation parameters have been defined based largely on the geologic understanding of controls on mineralization, drillhole spacing and geostatistical analysis of the data. The resources have been classified by their proximity to the sample locations and number of drillholes used to inform the blocks. SRK finds the resource model and resource classification to be acceptable for resource reporting under CIM guidelines.

15.1 Drillhole Database

The final El Compas database was received from Oro on November 13, 2010 and comprises data from drilling programs conducted by Oro and its predecessor companies as well as Minera Hochschild during the period 2005-2010. This drilling data has been reviewed by SRK and approximately 10% of the database was compared to the original assay certificates for the 2008-2010 drilling campaigns. This comparison showed a very low error rate, and SRK is of the opinion that the data is suitable for use in resource estimation. SRK was provided with a digital database including collar, survey, assay and geologic information for all available drillhole data. This database comprises 132 drillholes accounting for 27,116.84m of drilling. Of this total, 5,160.22m have non-zero values for gold and silver. The average non zero assay interval is 1.00m, with minimum and maximum assay intervals of 0.03 and 9.95m, respectively, for a total of 5,153 assay determinations.

The majority of the holes were directed to the northeast and east, although some of the earlier drilling was angled to the west. All drilling was conducted using HQ and NQ core diameter. Down-hole surveying for the Oro angle-drilling programs was conducted using a Reflex EZ-Shot® survey instrument, with readings conducted on an average of 50m intervals down hole. Down-hole survey methodology utilized for the Hochschild drilling programs is not documented, however historic drilling invoices show charges for Reflex tests and monthly Reflex survey tool rentals.

15.2 Coordinate System

All drilling data as well as the digital topographic surface and grade wireframes have been provided to SRK in a UTM coordinate system (WSG84 Zone 13), and resource modeling and grade estimation work has been conducted in this coordinate space.

15.3 Overburden and Topography Surface

A wireframe digital terrain model (DTM) surface of topography was provided to SRK by Oro. The source of these data is from government maps covering the deposit area, and SRK considers these data inaccurate, a fact that was recognized by both MHM and Oro. Both MHM and Oro conducted a resurvey program that tied in drill collars, underground openings, and channel sample locations. A visual comparison between the drillhole collars and the provided resurveyed topography shows generally good agreement in most areas, however the resurvey area is limited to the immediate area of known mineralization. SRK recommends that Oro complete an updated and expanded survey program to better tie in the topography with surveyed drill collars, as well as to allow for a reasonable area peripheral to the deposit for infrastructure planning as the project advances. However, SRK considers that the resurveyed topography over the deposit area as provided by Oro is reasonably accurate and appropriate for use in resource estimation.

Historical underground mining has occurred in the central portion of the Main El Compas vein. An underground survey was conducted in 2008, allowing the construction of 3-D solids to be used for depletion of the block model. However, as no detailed historic production records exist and there are no surveyed as-builts for any material extracted between the surveyed levels, SRK has elected to zero out tonnage and grade in the block model above the elevation of the lowest level and between the northernmost and southernmost extent of the underground workings. No overburden surface exists, and site inspection revealed that overburden is limited to a maximum thickness of a few meters, and several of the veins outcrop at surface.

15.4 Geology and Vein Modeling

The database provided also contained detailed lithology, structural and vein thickness and compositional information. Oro geology personnel utilized the vein width information for construction of three dimensional vein solids for six drill-identified veins.

Vein solids were provided to SRK based on cross-sectional interpretation conducted by Oro for all six zones, using logged vein widths as a basis. Areas with zero vein widths were allowed a limited minimum thickness, in order to preserve vein continuity for grade estimation. A plan view of the six veins solids is provided in Figure 15-1.

SRK conducted visual inspection of the provided solids, and finds them to be reasonable for use in resource estimation. SRK recommends that Oro geologists reassess the existing vein solids and reconcile in both plan and section for the next phase of resource estimation. SRK also recommends that Oro update a 3-D geologic and structural model developed in 2008 to better constrain grade estimation, as well as to allow more flexibility in the assignment of density.

15.5 Exploratory Data Analysis

Univariate statistics were carried out on the raw gold and silver data for individual veins, as well as data external to the vein wireframes. It can be observed that on a grade thickness basis, the El Compas vein 1 (EC-V1) accounts for the majority of both gold and silver metal in the project area. The El Compas Other veins 1 and 2 (EC-OTH1 and EC-OTH2) are defined by a very limited number of intercepts and will required additional drilling to confirm continuity of grade. Summary statistics for gold and silver are provided in Tables 15.5.1 and 15.5.2, respectively.

Table 15.5.1: Summary Statistics for Raw Gold Assays

		Statistics Above Cutoff								Incremental Statistics Between Cutoffs	
Mineralized Zone	Cutoff (g/mt)	total meters	incremental percent	max grade (g/mt)	mean grade (g/mt)	grd-thk (g/mt-m)	standard deviation	coeff. of variation	total meters	mean grade (g/mt)	grd-thk (g/mt-m)
All Data	0.1	4,786	86.28%	11,224.00	9.12	43,635	129.33	14.19	4,129	0.93	3,858
	5	657	4.90%		60.57	39,777	344.71	5.69	235	6.91	1,620
	10	422	5.72%		90.37	38,157	427	4.73	274	22.76	6,233
	50	148	3.09%		215.21	31,924	703.38	3.27	148	183.95	27,210
EC-NW1	0.1	60	96.19%	56	1.46	88	5.92	4.05	58	0.6	35
	5	2	1.65%		23.33	54	20.53	0.88	1	5.3	5
	10	1	1.16%		37.21	48	17.4	0.47	1	21.1	15
	50	1	0.99%		56	34	0	0	1	56	34
EC-OTH1	0.1	3	37.43%	23.8	14.27	38	8.29	0.58	1	3.68	4
	5	2	0.00%		20.6	34	1.51	0.07	0	0	0
	10	2	62.57%		20.6	34	1.51	0.07	2	20.6	34
	50	0	0.00%		0	0	8.29	0	0	0	0
EC-OTH2	0.1	0	100.00%	0.4	0.4	0	0	0	0	0.4	0
	5	0	0.00%		0	0	0	0	0	0	0
	10	0	0.00%		0	0	0	0	0	0	0
	50	0	0.00%		0	0	0	0	0	0	0
EC-V1	0.1	759	46.00%	11,224.00	40.74	30,941	318.11	7.81	349	1.98	690
	5	410	14.09%		73.77	30,251	430.15	5.83	107	7.13	763
	10	303	25.69%		97.3	29,488	498.23	5.12	195	22.37	4,365
	50	108	14.17%		232.62	25,123	817.27	3.51	108	189.71	20,409
OR-V1	0.1	73	61.35%	811.6	24.81	1,820	82.96	3.34	45	2.04	92
	5	28	8.13%		60.94	1,728	125.2	2.05	6	7.43	44
	10	22	20.41%		75.2	1,684	137.42	1.83	15	24.74	370
	50	7	10.12%		176.96	1,313	203.16	1.15	7	176.96	1,313
OR-V2	0.1	64	36.61%	757.2	52.99	3,414	117.54	2.22	24	1.67	39
	5	41	16.99%		82.62	3,374	139.27	1.69	11	6.98	76
	10	30	21.28%		110.32	3,298	153.74	1.39	14	27.41	376
	50	16	25.12%		180.59	2,922	181.1	1	16	180.59	2,922
External to Vein Wireframes	0.1	3,826	95.46%	600	1.92	7,334	13.6	7.1	3,652	0.82	2,998
	5	174	2.86%		24.99	4,336	59.2	2.37	110	6.67	731
	10	64	1.25%		56.4	3,605	89.16	1.58	48	22.47	1,074
	50	16	0.42%		156.88	2,532	132.63	0.85	16	156.88	2,532

Table 15.5.2: Summary Statistics for Raw Silver Assays

		Statistics Above Cutoff								Incremental Statistics Between Cutoffs	
Mineralized Zone	Cutoff (g/mt)	total meters	incremental percent	max grade (g/mt)	mean grade (g/mt)	grd-thk (g/mt-m)	standard deviation	coeff. of variation	total meters	mean grade (g/mt)	grd-thk (g/mt-m)
All Data	0.01	3,111	94.07%	2,595.18	0.97	3,003	31.02	32.14	2,926	0.10	297
	1.00	185	4.04%		14.65	2,705	126.54	8.64	126	2.40	301
	5.00	59	0.96%		40.79	2,404	221.69	5.44	30	6.72	200
	10.00	29	0.94%		75.60	2,204	311.41	4.12	29	75.60	2,204
EC-NW1	0.01	56	98.93%	9.65	0.18	10	0.99	5.49	56	0.08	4
	1.00	1	0.00%		9.65	6	0.00	0.00	0	0.00	0
	5.00	1	1.07%		9.65	6	0.00	0.00	1	9.65	6
	10.00	0	0.00%		0.00	0	0.99	0.00	0	0.00	0
EC-OTH1	0.01	3	88.40%	2.91	0.84	2	0.78	0.93	2	0.57	1
	1.00	0	11.60%		2.91	1	0.00	0.00	0	2.91	1
	5.00	0	0.00%		0.00	0	0.78	0.00	0	0.00	0
	10.00	0	0.00%		0.00	0	0.78	0.00	0	0.00	0
EC-OTH2	0.01	0	100.00%	0.01	0.01	0	0.00	0.00	0	0.01	0
	1.00	0	0.00%		0.00	0	0.00	0.00	0	0.00	0
	5.00	0	0.00%		0.00	0	0.00	0.00	0	0.00	0
	10.00	0	0.00%		0.00	0	0.00	0.00	0	0.00	0
EC-V1	0.01	709	83.29%	2,595.18	3.27	2,320	64.74	19.79	591	0.23	137
	1.00	118	11.59%		18.43	2,184	157.51	8.55	82	2.42	199
	5.00	36	2.56%		54.66	1,985	281.14	5.14	18	6.54	119
	10.00	18	2.56%		102.72	1,866	391.62	3.81	18	102.72	1,866
OR-V1	0.01	69	81.43%	41.71	1.58	109	5.27	3.33	56	0.17	10
	1.00	13	11.55%		7.75	99	10.13	1.31	8	2.18	17
	5.00	5	2.57%		16.91	82	11.60	0.69	2	6.45	11
	10.00	3	4.44%		22.96	70	10.58	0.46	3	22.96	70
OR-V2	0.01	59	57.56%	79.38	4.04	237	11.93	2.96	34	0.17	6
	1.00	25	24.40%		9.29	231	16.96	1.83	14	2.45	35
	5.00	11	10.58%		18.53	196	22.93	1.24	6	6.42	40
	10.00	4	7.47%		35.67	156	27.68	0.78	4	35.67	156
External to Vein Wireframes	0.01	2,216	98.75%	54.16	0.15	325	1.48	10.08	2,188	0.06	140
	1.00	28	0.95%		6.71	185	11.43	1.70	21	2.35	49
	5.00	7	0.14%		20.51	136	17.04	0.83	3	7.96	24
	10.00	4	0.16%		31.37	111	16.88	0.54	4	31.37	111

The raw gold and silver assay dataset was inspected for the presence of high-grade outlier values that could adversely impact grade estimation. Subsequent to reviews of the log-probability plots for the combined dataset for gold and silver, assay caps were determined and are summarized in Table 15.5.3. All raw data was capped prior to compositing. The log-probability plots that for the basis for capping determinations are provided in Figures 15-2 and 15-3 for gold and silver, respectively.

Table 15.5.3: Assay Capping Statistics

Metal	Assay Cap (g/t or %)	Total Meters Capped	Percentile of Distribution	Reduction in Grade-Thickness (%)	CV - Uncapped	CV - Uncapped
Au	25	14	98.54	55.43	32.14	2.28
Ag	250	23	99.52	31.21	14.73	2.85

SRK notes that the coefficient of variance of the uncapped data is extremely high and that the reduction in contained gold metal on a grade*thickness basis is significant. In excess of 55% of gold metal on a grade*thickness basis is contained within 23 assays, and the grade distribution above 25 g/t Au is extremely erratic. However, the assay cap results in a significant reduction in the coefficient of variance, which is the main purpose for capping assays. The silver assay cap results in a less extreme but still significant reduction of metal on a grade*thickness basis. SRK also notes that there are several significant intercepts external to the modeled veins, and recommends that these isolated higher grade zones be further drill tested to determine continuity.

15.6 Compositing

All raw gold and silver assay data was composited into 1m down-hole lengths. The composite length was chosen to reflect the average raw sample length, given the currently envisioned selective underground mining. Several holes were randomly selected and the composited values were manually checked for accuracy, with no errors identified.

Composites were split at the hanging wall and footwall boundaries of the six 3-D vein solids for retrieval during the grade estimation process.

15.7 Specific Gravity

A total of 296 density determinations were made by Oro using split core from 19 drill holes located within the resource area. Samples from the hanging wall, vein and footwall were determined using the wet immersion method. The results of this study are provided in Table 15.7.1. Given the relatively narrow range between minimum and maximum values on vein samples (2.227 to 2.680 t/ m^3), SRK assigned a densities to all vein blocks based on the average values determined by Oro. These averages appear reasonable, given the vein composition identified within the mineralized zones at El Compas.

Table 15.7.1: Summary of Density Determinations

ROCK TYPE	# OF MEAS.	S.G. RANGE (g/cm3)	AVG. S.G. (g/cm3)
VEIN	119	2.227 - 2.680	2.550
ANDESITE	120	2.340 - 2.886	2.566
RHYOLITE	26	2.440 - 2.643	2.536
SHALE	4	2.426 - 2.611	2.536
SANDSTONE	27	2.496 - 2.716	2.610

Source: BCGold Corp., 2008

15.8 Variogram Analysis and Modeling

SRK conducted variogram analysis for both the exhaustive dataset and on vein only data using the 1m gold composite data. Given the wide data spacing in some areas and the high variability of the assay data, no meaningful variograms could be generated. The resulting variograms were characterized by extremely high nugget values and short ranges, and were not interpretable for use in defining grade estimation search parameters.

15.9 Block Model Limits

A sub-celled block model was created in Vulcan™ software for the deposit area, using the parameters presented in Table 15.9.1.

Table 15.9.1: El Compas Block Model Specifications

Model Axis	Minimum (m)	Maximum (m)	Parent Block size (m)	Sub-block size (m)	# Blocks
East	746,700	747,552	3	1	142
North	2,515,125	2,516,580	3	1	485
Elevation	2000	2,501	3	1	167

A parent block size of 3m x 3m x 3m was chosen with a sub-cell size of 1m x 1m x 1m, and is considered appropriate with respect to the current drillhole spacing as well as the SMU size typical of an operation of this type and scale.

15.10 Grade Estimation

Block grades for gold and were estimated for each individual zone by IDW (power=2), and all block grade estimates were made using length weighted composite drillhole data. Due to the undulating geometries observed in the vein solids and the variability of strike and dip orientation, SRK elected to use the Tetra modeling routine available in Vulcan. Tetra modeling is particularly useful in deposits where grade is preferentially distributed geometrically between two surfaces, as observed in undulating narrow veins where grade is preferentially distributed in hanging wall or footwall, or in stratabound or layered deposits. Tetra modeling allows for the unfolding or flattening of undulating surfaces to allow for search orientation to dynamically rotate parallel to the orientation of the surfaces during grade estimation.

Grades were estimated by inverse distance weighing squared (IDW) using a three pass nested search, with progressively increasing search distances as detailed in Table 15.10.1. The progressively increasing search ellipses are pancake or disk shaped, in order to minimize the smearing of grade in the Z direction. Metal grades, average Cartesian distance to composites and estimation pass number were stored for each individual search pass. Blocks and composites were matched by zone number in order to ensure that only composites contained within each individual zone were permitted for retrieval during the grade estimation process. Parent cell grades were assigned to sub-celled blocks. Additional nearest neighbor (NN) grade estimates were conducted for silver and gold for subsequent model validation work.

Table 15.10.1: El Compas Interpolation Parameters for Gold and Silver

Search Pass	Search Ellipse Range (m)			No. Composites			Search Orientation (degrees)		
	X	Y	Z*	Min/block	Max/block	Max/hole	Z	X'	Y'
1 (inside Vein Wireframes)	50	50	0.1	2	3	1	Tetra Search (parallel to footwall/hanging wall of veins)		
1 (inside Vein Wireframes)	100	100	0.2	2	3	1			
1 (inside Vein Wireframes)	150	150	0.3	1	3	1			

*Z search unitless (percentage of distance between hanging wall and footwall)

15.11 Model Validation

Various measures have been implemented to validate the resultant resource block model. These measures include the following:

- Comparison of drillhole composites with resource block grade estimates from all zones both visually in plan and section;
- Statistical comparisons between block and composite data using histogram and cumulative distribution analysis;
- Generation of a comparative nearest neighbor model; and
- Swath plot analysis (drift analysis) comparing the IDW (to the second power) model with the nearest neighbor model.

15.11.1 Visual Inspection

Visual comparison between the block grades and the underlying composite grades in plan and section show close agreement, which would be expected considering the estimation methodology employed. An example cross section and level plan showing block and composite gold and silver grades and for the main El Compas vein are provided in Figures 15-4 through 15-7, respectively.

15.11.2 Block-Composite Statistical Comparison

SRK also conducted statistical comparisons between the IDW block gold and silver grades (Indicated and Inferred material) and the underlying composite grades (Figures 15-8 and 15-9). This comparison shows that the model grade distribution is appropriately smoothed when compared with the underlying composite distribution, and that the comparison of average grades and percentages above incremental cut-offs show close agreement.

15.11.3 Comparison of Interpolation Methods

For comparative purposes, additional gold and silver grades were estimated using nearest neighbor (NN) interpolation methods. The nearest neighbor model was estimated using the same boundary constraints as was applied to the IDW model. The results of the NN models are compared to the IDW model at a zero g/t Au equivalent cut-off grade in Table 15.11.3.1 and 15.11.3.2. It can be observed that there is close agreement between average grade and contained metal above a zero Au equivalent cutoff.

Table 15.11.3.1: Comparison of Tonnage and Grade Above Zero g/t Au Equivalent Cut-off: IDW and Nearest Neighbor Models: All Indicated Blocks

Model	kt	Metal Grade			Contained Metal		
		AuEQ (g/t)	Au (g/t)	Ag (g/t)	AuEQ (koz)	Au (koz)	Ag (koz)
IDW	2,525	1.58	1.20	23.92	128	98	1,942
NN	2,524	1.62	1.24	23.80	131	101	1,931
% Diff (IDW-NN)	**0.01%**	**-2.25%**	**-3.13%**	**0.52%**	**-2.24%**	**-3.12%**	**0.53%**

Table 15.11.3.2: Comparison of Tonnage and Grade Above Zero g/t Au Equivalent Cut-off: IDW and Nearest Neighbor Models: All Inferred Blocks

Model	kt	Metal Grade			Contained Metal		
		AuEq (g/t)	Au (g/t)	Ag (g/t)	AuEq (koz)	Au (koz)	Ag (koz)
IDW	3,781	0.82	0.67	9.56	99	81	1,162
NN	3,768	0.79	0.65	9.05	96	79	1,096
% Diff (IDW-NN)	0.35%	3.09%	2.58%	5.33%	3.43%	2.92%	5.66%

15.11.4 Swath Plots (Drift Analysis)

A swath plot is a graphical display of the grade distribution derived from a series of bands, or swaths, generated in several directions through the deposit. Grade variations from the IDW model are compared using the swath plot to the distribution derived from the (NN) grade model.

On a local scale, the NN model does not provide reliable estimations of grade, but on a much larger scale it represents an unbiased estimation of the grade distribution based on the underlying data. Therefore, if the IDW model is unbiased, the grade trends may show local fluctuations on a swath plot, but the overall trend should be similar to the NN distribution of grade.

Swath plots have been generated in three orthogonal directions for distribution of gold and silver in for all veins combined. Swath plots for gold and silver along the EW, NS and vertical directions are shown in Figures 15-10 through 15-15.

There is good correspondence between both models in all orthogonal directions. The degree of smoothing in the IDW model is evident in the peaks and valleys shown in the swath plots, however, this comparison shows close agreement between the IDW and NN models in terms of overall grade distribution as a function of X, Y and Z location.

15.12 Resource Classification

The mineral resources at the El Compas gold-silver deposit have been classified in accordance with the CIM definition for standards for mineral resources and mineral reserves. The classification parameters are defined in relation to the block-composite separation distance and are intended to encompass zones of reasonably continuous mineralization. Due to the lack of, historical production data, no blocks have been classified as Measured.

Indicated Mineral Resources – Blocks in the models which has been estimated using a minimum of two drill holes which have a maximum block-composite separation distance of 50m x 50m x 0.1 (tetra space) .

Inferred Mineral Resources – Blocks in the models that do not meet the criteria for Indicated resources but are within a maximum block-composite separation distance of 150m x 150m x 0.3 (tetra space) from one or more drillholes.

15.13 Mineral Resource Statement

The mineral resources for the El Compas deposit, located in Zacatecas State, Mexico, have been estimated by SRK at 524kt grading an average of 4.38 g/t gold and 65.53 g/t silver classified as Indicated mineral resources with an additional 419 kt grading an average of 3.98 g/t gold and 47.57 g/t silver classified as Inferred mineral resources. The resource is stated above 2.0 g/t Au equivalent cutoff and contained within potentially economically mineable underground vein solids.

The mineral resources are reported in accordance with Canadian Securities Administrators (CSA) National Instrument 43-101 (NI 43-101) and have been estimated in conformity with generally accepted Canadian Institute of Mining, Metallurgy and Petroleum (CIM) "Estimation of Mineral Resource and Mineral Reserves Best Practices" guidelines. Mineral resources are not mineral reserves and do not have demonstrated economic viability. There is no certainty that all or any part of the mineral resource will be converted into mineral reserves. The resource estimate was completed by Jeffrey Volk, CPG, FAusIMM, CPG, a Principal Resource Geologist, With SRK. Mr Volk has 24 years of operational and consulting experience in the minerals industry, specifically in mineral resource estimation, production geology, feasibility studies and economic evaluations. Mr. Volk has completed resource modeling, due diligence, acquisition and evaluations assignments for precious and base metals, platinum group metals, laterite and uranium in Russia and the Former Soviet Union, Australia, Africa, Peru, Philippines, Mexico, Chile and North America. Mr Volk is independent of the issuer and an independent Qualified Person, as this term is defined in NI 43-101. The effective date of this resource estimate is December 23, 2010 and is based on data received by SRK in October 2010. The mineral resource statement for the El Compas gold-silver project is presented in Table 15.13.1.

Table 15.13.1: SRK Mineral Resource Statement, El Compas Gold-Silver, Zacatecas State, Mexico, December 23, 2010

Vein	kt	Metal Grade			Contained Metal		
		AuEq (g/t)	Au (g/t)	Ag (g/t)	AuEq (koz)	Au (koz)	Ag (koz)
Indicated Mineral Resources							
El Compas - All Veins	394	5.22	4.20	64.38	66	53	816
Orito - All Veins	130	6.04	4.95	69.01	25	21	287
Total Indicated	**524**	**5.42**	**4.38**	**65.53**	**91**	**74**	**1,103**
Inferred Mineral Resources							
El Compas - All Veins	161	3.80	3.27	33.33	20	17	172
Orito - All Veins	258	5.31	4.41	56.44	44	37	468
Total Inferred	**419**	**4.73**	**3.98**	**47.57**	**64**	**54**	**641**

* Mineral resources are not mineral reserves and do not have demonstrated economic viability. All figures have been rounded to reflect the accuracy of the estimate.

Resources stated above a 2.0 Au equivalent contained within potentially minable vein wireframes using a gold:silver ratio of 63:1. Metallurgical recoveries assumed at 100%.

Underground cutoff of 2.0 g/t Au equivalent based on a gold price of $1,200/oz.

Mineral resource tonnage and contained metal have been rounded to reflect the accuracy of the estimate, and numbers may not add due to rounding.

The mineral resources are reported at a cut-off grade to reflect the "reasonable prospects" for economic extraction. SRK considers that portions of the El Compas gold-silver deposit are amenable to underground extraction, and has not considered open pit mining methods for deeper portions of the deposit.

The reader is cautioned that the results from this pit optimization are used solely for the purpose of reporting mineral resources that have "reasonable prospects" for economic extraction by an open pit. After review of several scenarios considering different metal prices, SRK assumed a gold price of US$1,200/oz and a gold:silver ratio of 63 to 1. The US$1,200/oz gold price was selected by SRK to represent an "optimistic" expectation reflecting the intent that the resource should comprise material that is potentially economically mineable in the future.

15.14 Mineral Resource Sensitivity

In order to assess the impact of cut-off grade on contained metal, tonnage and grade were reported above a series of gold equivalent cut-offs (Tables 15.13.1 through 15.13.2). As can be observed from these estimates, the resource is relatively insensitive to cut-off grade in the 2.0 to 2.5 g/t Au equivalent cut-off range, which is likely the cut-off grade range of economic interest.

Table 15.13.1: Au Equivalent CoG Sensitivity Analysis All Veins – Indicated Resources

AuEq Cutoff (g/t)	kt	Metal Grade			Contained Metal		
		AuEQ (g/t)	Au (g/t)	Ag (g/t)	AuEq (koz)	Au (koz)	Ag (koz)
1.00	898	3.75	2.93	51.85	108	85	1,498
1.10	842	3.93	3.08	53.70	106	83	1,454
1.20	791	4.11	3.23	55.34	105	82	1,408
1.30	743	4.30	3.39	57.00	103	81	1,362
1.40	701	4.47	3.54	58.51	101	80	1,319
1.50	663	4.65	3.69	59.98	99	79	1,278
1.60	627	4.82	3.85	61.31	97	78	1,236
1.70	595	5.00	4.00	62.55	96	77	1,196
1.80	567	5.15	4.14	63.63	94	76	1,160
1.90	545	5.29	4.26	64.60	93	75	1,132
2.00	524	5.42	4.38	65.53	91	74	1,103
2.10	502	5.57	4.51	66.52	90	73	1,074
2.20	484	5.69	4.62	67.40	89	72	1,050
2.30	466	5.83	4.75	68.33	87	71	1,023
2.40	448	5.97	4.87	69.16	86	70	996
2.50	431	6.11	4.99	69.99	85	69	971
2.60	415	6.25	5.12	70.87	83	68	945
2.70	401	6.38	5.24	71.67	82	67	923
2.80	387	6.51	5.36	72.57	81	67	902
2.90	375	6.62	5.46	73.44	80	66	885
3.00	362	6.75	5.57	74.41	79	65	865
3.10	350	6.88	5.69	75.37	77	64	847
3.20	338	7.01	5.80	76.42	76	63	830
3.30	327	7.13	5.91	77.28	75	62	814
3.40	317	7.25	6.01	78.22	74	61	798
3.50	307	7.39	6.13	79.23	73	60	781

Table 15.13.2: Au Equivalent CoG Sensitivity Analysis All Veins – Indicated Resources

AuEQ Cutoff (g/t)	kt	Metal Grade			Contained Metal		
		AuEq (g/t)	Au (g/t)	Ag (g/t)	AuEq (koz)	Au (koz)	Ag (koz)
1.00	647	3.56	2.95	38.47	74	61	800
1.10	608	3.72	3.09	39.85	73	60	779
1.20	579	3.84	3.20	40.86	72	60	761
1.30	542	4.03	3.35	42.43	70	58	739
1.40	519	4.14	3.46	43.28	69	58	722
1.50	500	4.24	3.55	43.99	68	57	708
1.60	482	4.35	3.64	44.75	67	56	693
1.70	465	4.44	3.72	45.38	66	56	679
1.80	449	4.54	3.81	46.13	66	55	666
1.90	434	4.63	3.89	46.83	65	54	654
2.00	419	4.73	3.98	47.57	64	54	641
2.10	404	4.83	4.06	48.32	63	53	628
2.20	391	4.92	4.14	49.03	62	52	617
2.30	378	5.01	4.22	49.75	61	51	605
2.40	365	5.11	4.31	50.37	60	51	591
2.50	353	5.20	4.39	51.06	59	50	579
2.60	339	5.30	4.48	51.91	58	49	566
2.70	326	5.41	4.57	52.73	57	48	553
2.80	315	5.51	4.66	53.53	56	47	541
2.90	281	5.82	4.92	56.90	53	44	514
3.00	268	5.96	5.04	57.94	51	43	500
3.10	256	6.10	5.17	58.99	50	42	485
3.20	244	6.25	5.30	60.04	49	41	470
3.30	233	6.39	5.42	61.06	48	41	457
3.40	223	6.52	5.54	61.98	47	40	445
3.50	214	6.65	5.65	62.87	46	39	433

15.15 Discussion and Conclusions

The current resource is not completely closed off along strike and down-dip. Although the El Compas main vein is reasonably well drilled in its central area, drill spacing is considerably wider in the other vein areas. SRK recommends additional step out drilling to extend the current resource base, as well as resource conversion drilling to convert Inferred to Indicated resources.

Given the complex controls on mineralization, SRK recommends that the 2008 geologic model be updated with the 2009-2010 drilling information. SRK also recommends that the current vein wireframes be recompleted and rectified in both plan and section.

SRK notes that there are significant discrepancies between drill hole collar elevations and the regional topographic DTM model based on government mapping. SRK recommends that Oro conduct a resurvey of topography both over the mineralized area and external, to allow for future planning of infrastructure.

Figure 15-1: Plan View Showing Vein Solids

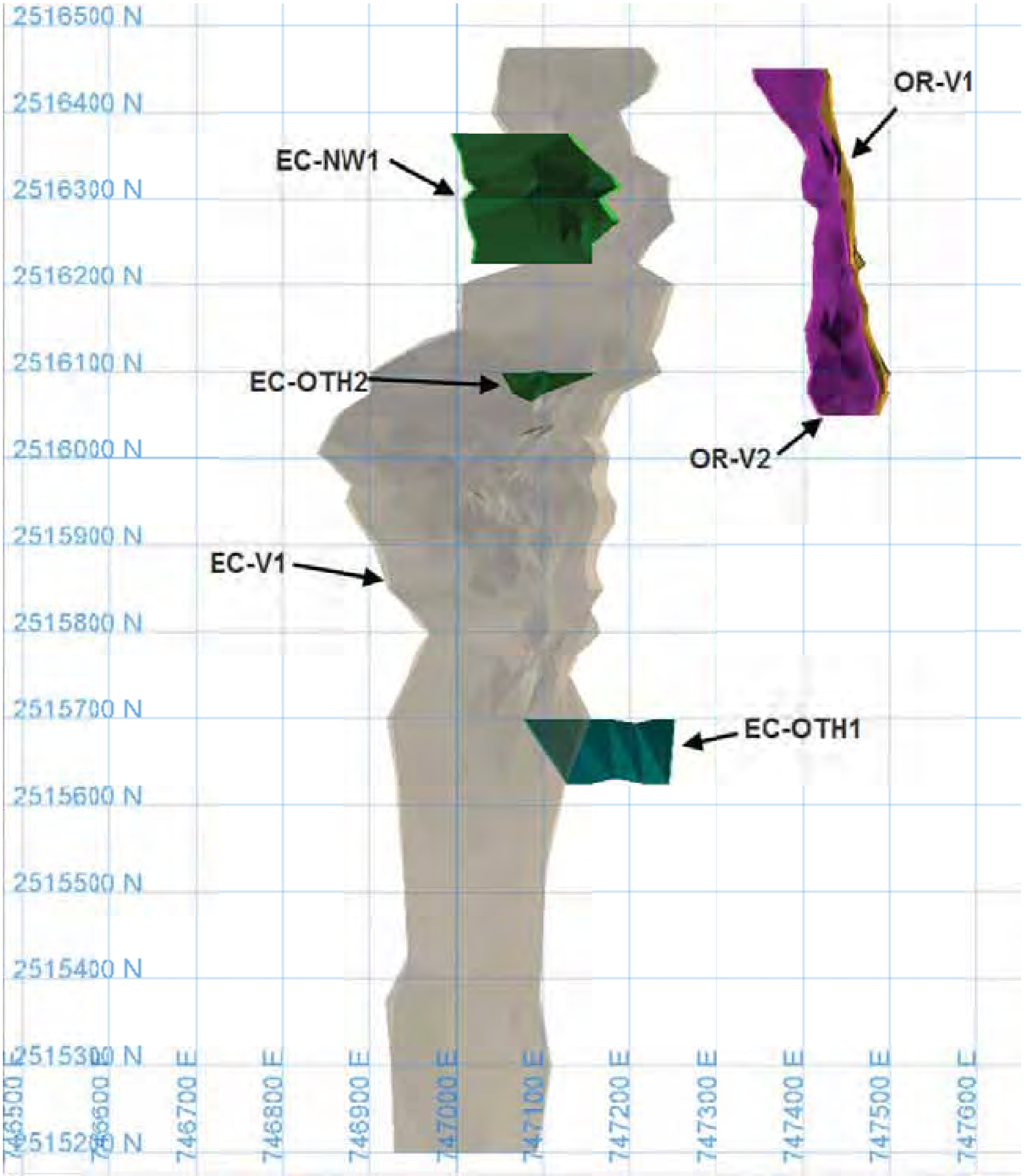
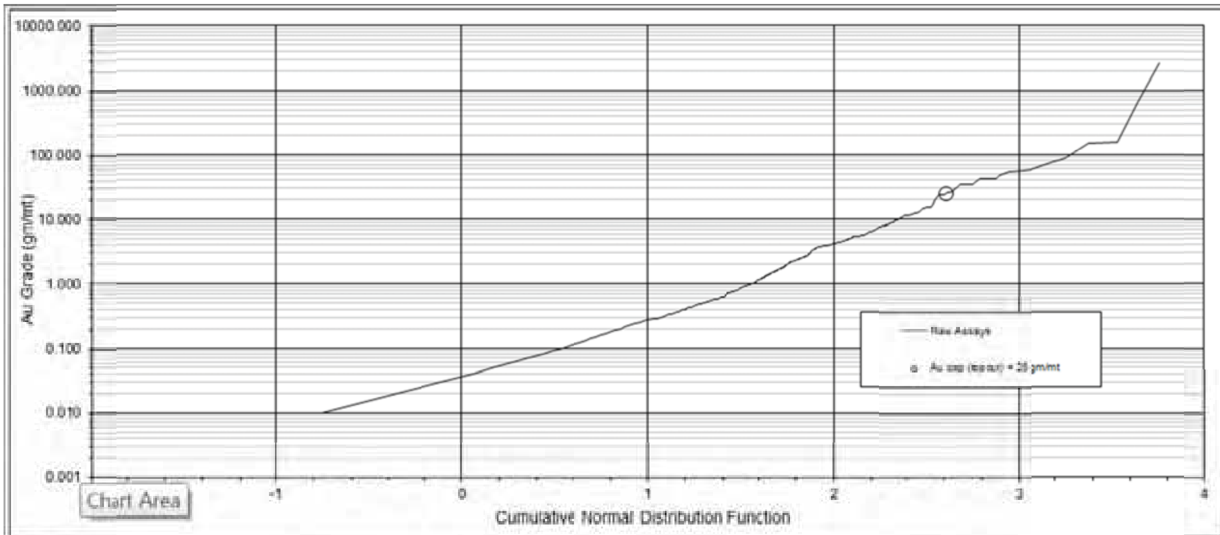
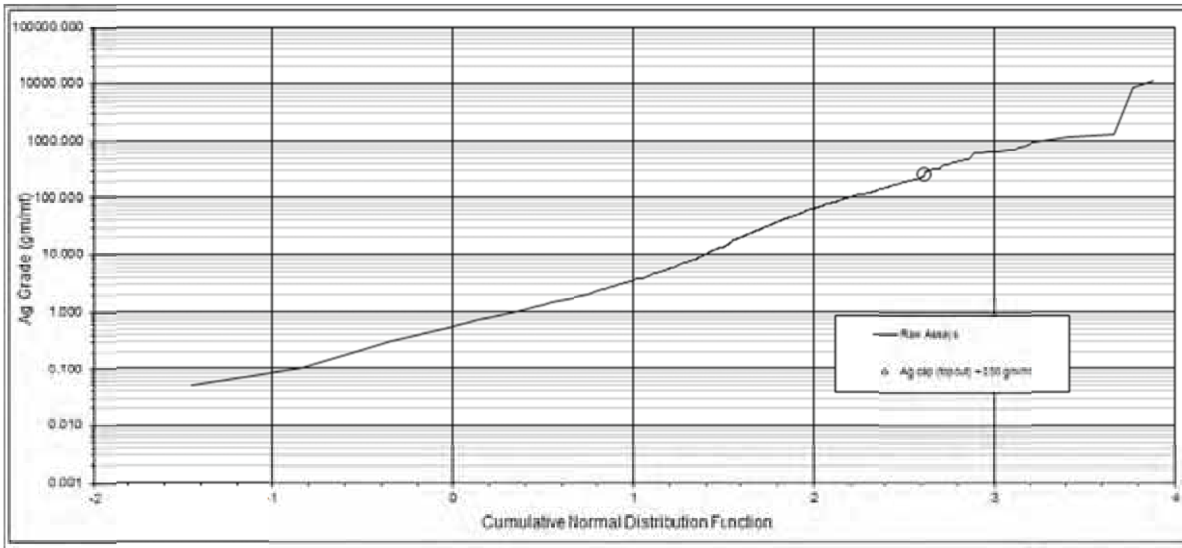


Figure 15-2: Log Probability Plot of Raw Gold Assays



	Untransformed Au Statistics								Log Normal Approximation Model		
	Au Cutoff = 0.01 gm/mt		Au Cutoff = 0.50 gm/mt		Au Cutoff = 5.00 gm/mt		Au Cutoff = 25.00 gm/mt				
	Meters	Au (gm/mt)	Meters	Au (gm/mt)	Meters	Au (gm/mt)	Meters	Au (gm/mt)	Mean	Standard Deviation	Third Parameter
Raw Assays	3,111	0.965	311	8.981	59	40.789	14	139.767	-1.12	0.90	0.00
incr. % and grade	90.0%	0.075	8.1%	1.539	1.4%	9.433	0.4%	139.767			
low cut	0.10		25 g/mt percentile		GT lost by capping		percent of GT >= 2595 g/mt				
			98.54%		55.43%		37.12%				
Au cap (topcut)	25.00		percent of GT >= 25 g/mt		CV uncapped		CV capped				
			67.50%		32.14		2.28				

Figure 15-3: Log Probability Plot of Raw Silver Assays



	Unransformed Ag Statistics								Log Normal Approximation Model		
	Ag Cutoff = 0.01 gm/mt		Ag Cutoff = 4.00 gm/mt		Ag Cutoff = 10.00 gm/mt		Ag Cutoff = 250.00 gm/mt			Standard	Third
	Meters	Ag (gm/mt)	Meters	Ag (gm/mt)	Meters	Ag(gm/mt)	Meters	Ag (gm/mt)	Mean	Deviation	Parameter
Raw Assays	5,161	8.458	757	53.160	422	90.369	23	840.616	-1.12	0.90	0.00
incr. % and grade	85.3%	0.779	6.5%	6.173	7.7%	47.028	0.4%	840.616			
low cut	0.10		250 g/mt percentile		GT lost by capping		percent of GT >= 11224 g/mt				
			99.52%		31.21%		10.80%				
Ag cap (topcut)	250.00		percent of GT >= 250 g/mt		CV uncapped		CV capped				
			44.42%		14.73		2.85				

Figure 15-4: Example East-West Cross-Section, Showing Block and Composite Gold Grades, Main El Compas Vein

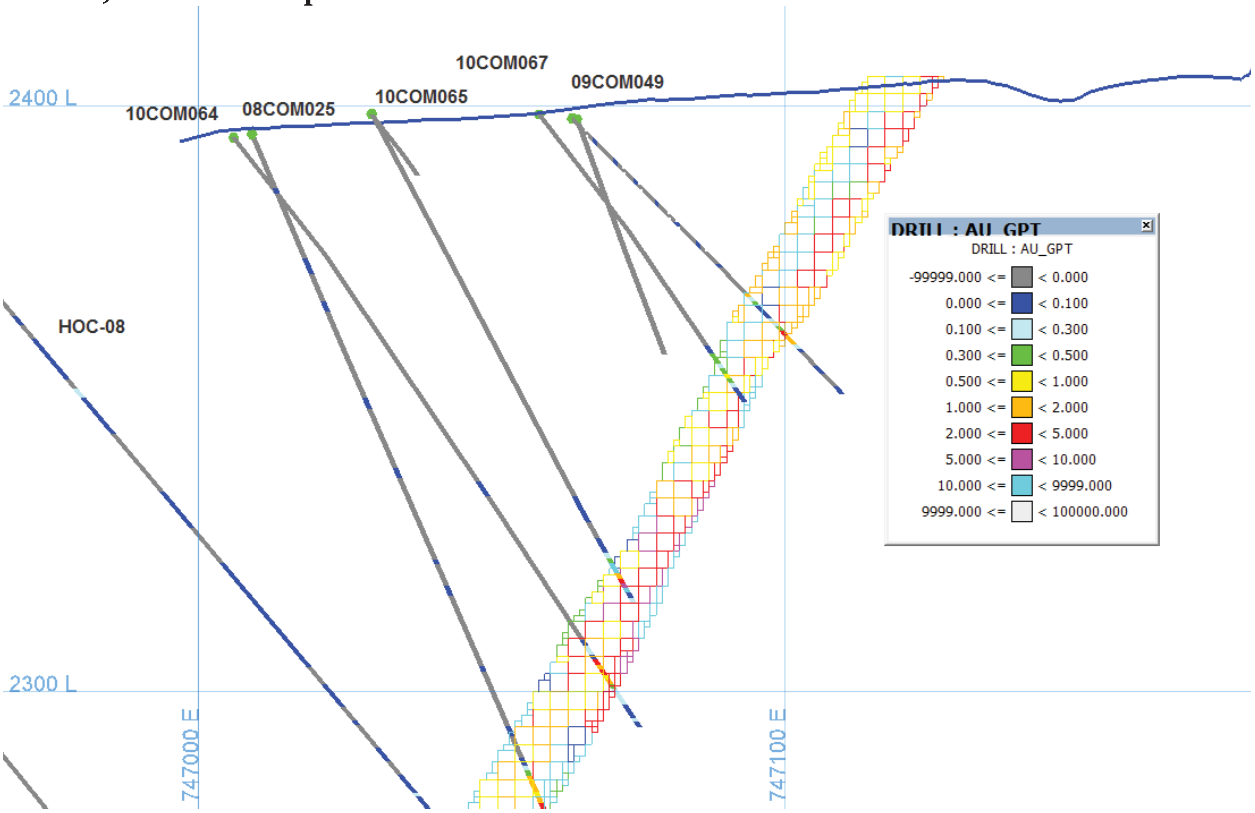


Figure 15-5: Example Level Plan, Showing Block and Composite Gold Grades, Main El Compas Vein

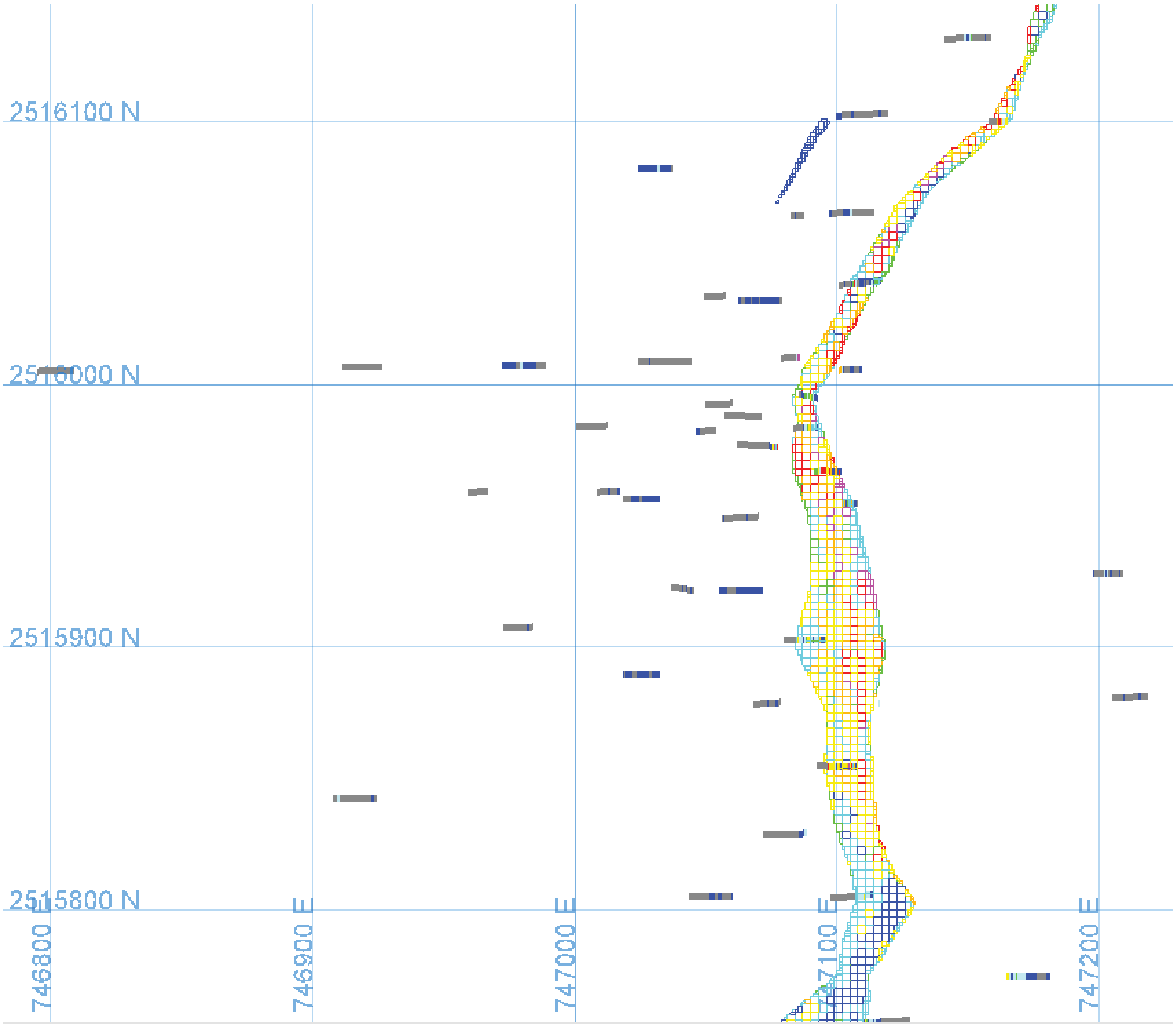


Figure 15-6: Example East-West Cross-Section, Showing Block and Composite Silver Grades, Main El Compas Vein

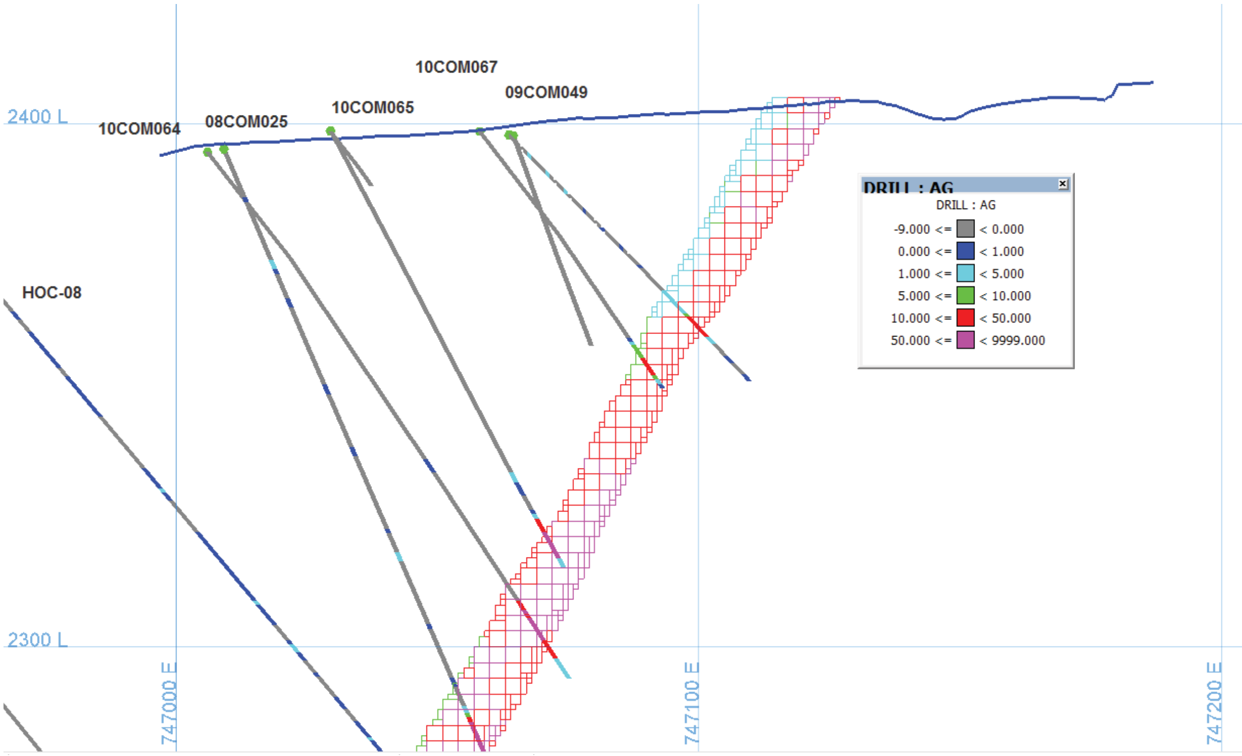


Figure 15-7: Example Level Plan, Showing Block and Composite Silver Grades, Main El Compas Vein

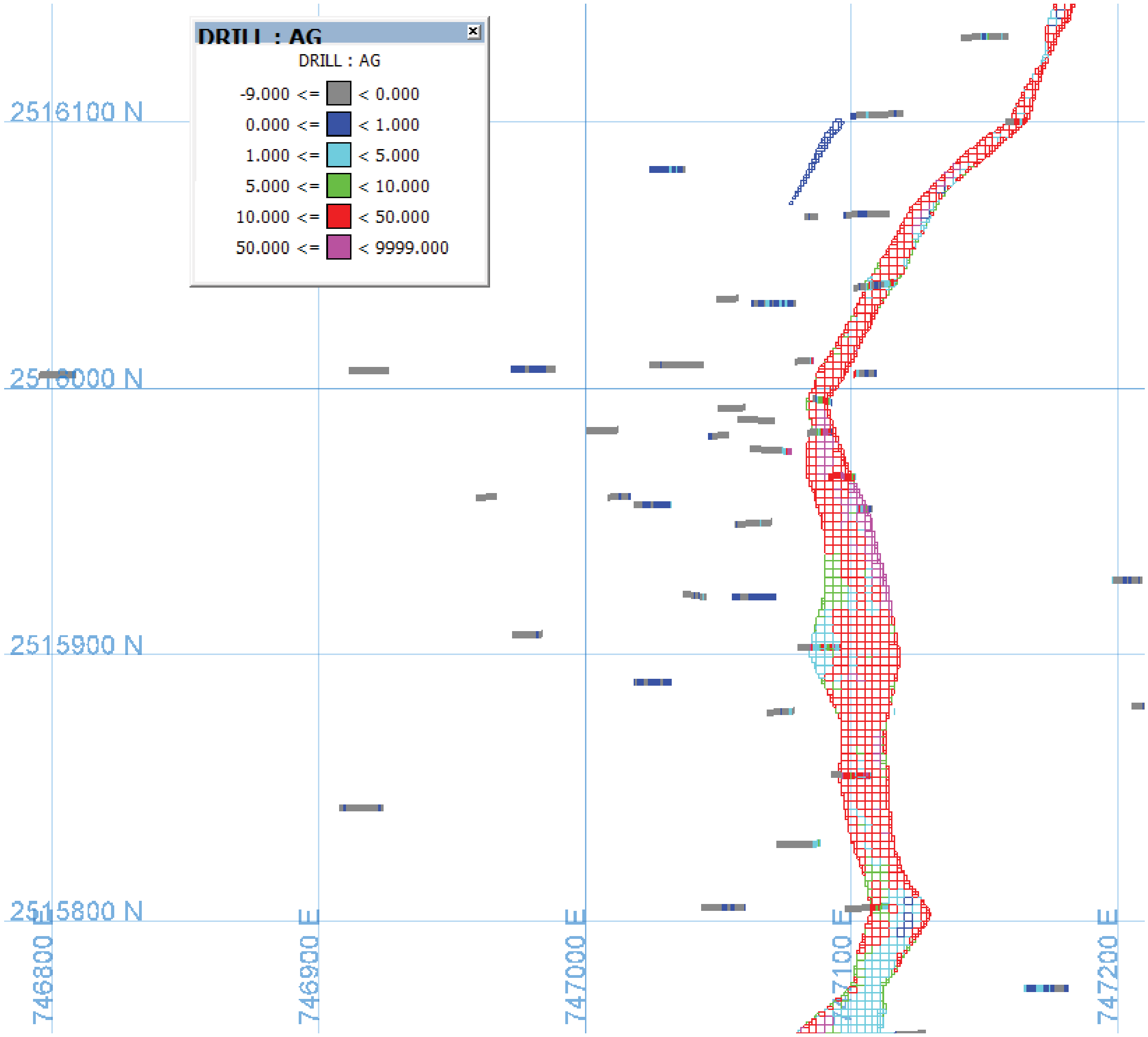
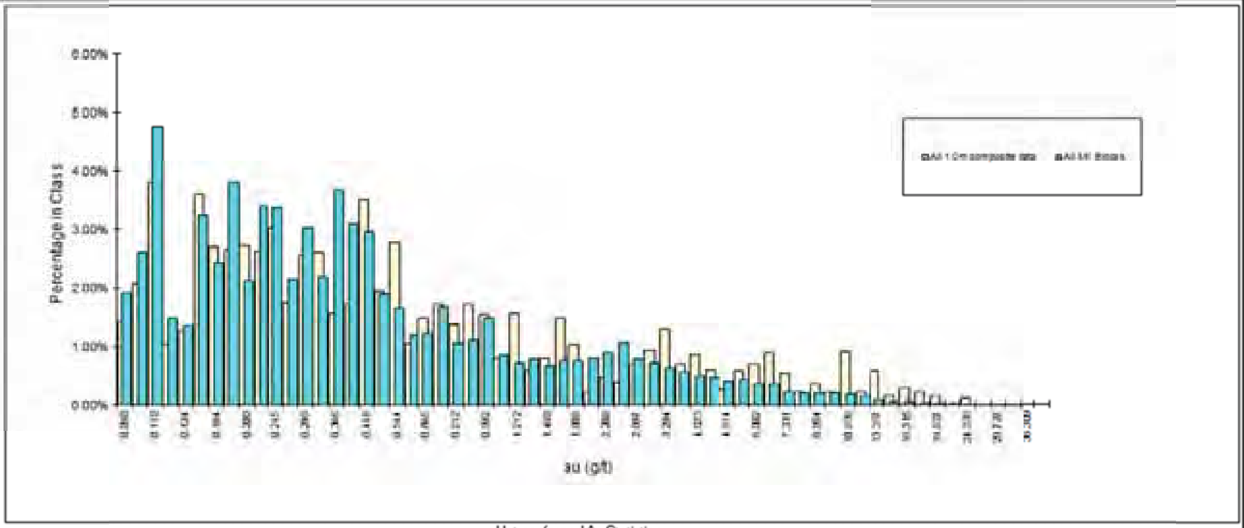


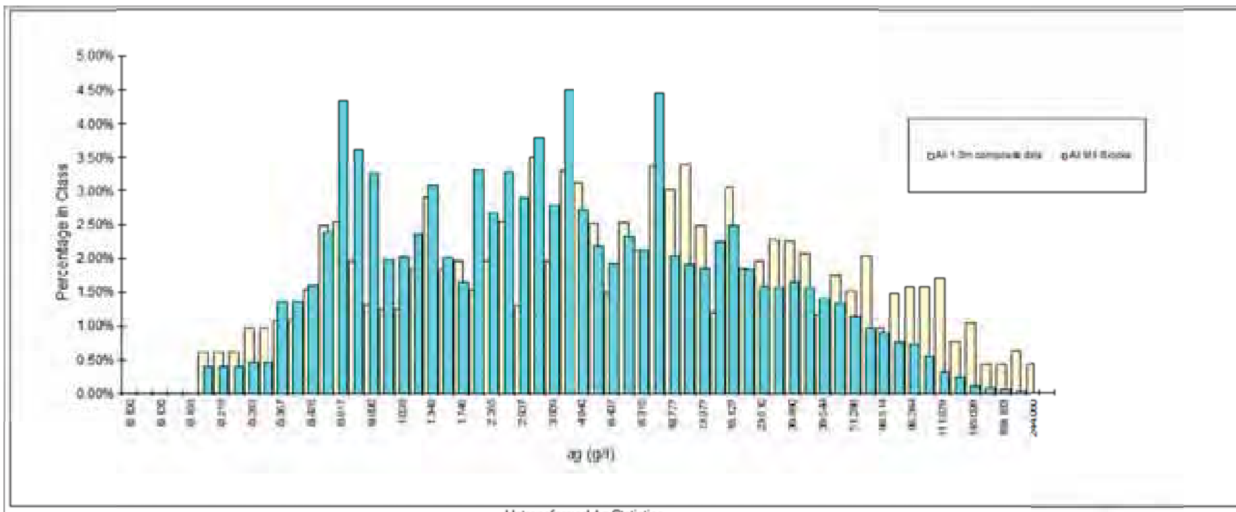
Figure 15-8: Histogram Comparison of Block Gold Grades and Composite Data: Indicated and Inferred Blocks: All Veins



Untransformed Au Statistics

	Au Cutoff= 0.010 g/t		Au Cutoff = 0.200 g/t		Au Cutoff = 0.700 g/t		Au Cutoff = 2.000 g/t	
	meters/tonnes	Au (g/t)	meters/tonnes	Au (g/t)	meters/tonnes	Au (g/t)	meters/tonnes	Au (g/t)
All 1.0m composite data	867	1.181	489	2.033	224	3.988	109	5.940
incr. % and grade	43.6%	0.078	30.5%	0.375	13.3%	1.181	12.6%	5.940
All MII Blocks	8,942,593	0.719	4,758,817	1.280	1,772,991	2.825	831,535	4.726
incr. % and grade	46.8%	0.081	33.4%	0.363	10.5%	1.146	9.3%	4.726

Figure 15-9: Histogram Comparison of Block Silver Grades and Composite Data: Indicated and Inferred Blocks: All Veins



Untransformed Ag Statistics

	Ag Cutoff = 0.100 g/t		Ag Cutoff = 1.000 g/t		Ag Cutoff = 10.000 g/t		Ag Cutoff = 100.000 g/t	
	meters/tonnes	Ag (g/t)	meters/tonnes	Ag (g/t)	meters/tonnes	Ag (g/t)	meters/tonnes	Ag (g/t)
All 1.0m composite data	917	24.248	767	28.912	397	52.054	63	150.525
incr. % and grade	16.4%	0.528	40.3%	4.070	36.4%	33.640	6.0%	150.525
All MII Blocks	9,433,899	12.539	7,514,461	15.582	2,775,759	35.463	125,167	180.734
incr. % and grade	20.3%	0.626	50.2%	3.937	28.1%	30.964	1.3%	180.734

Figure 15-10: North-South Swath Plot – Au Inverse Distance and Nearest Neighbor Models

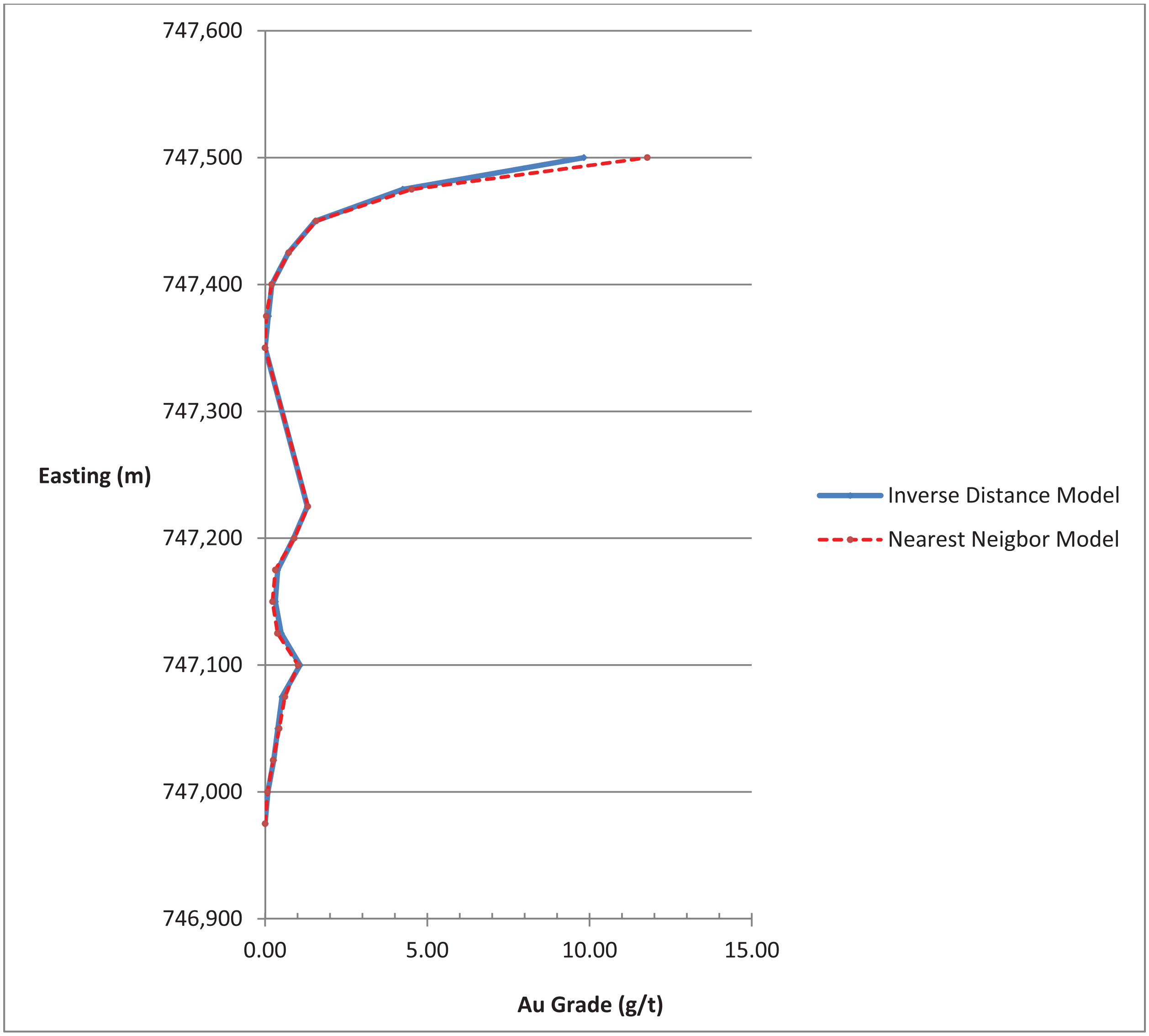


Figure 15-11: East-West Swath Plot – Au Inverse Distance and Nearest Neighbor

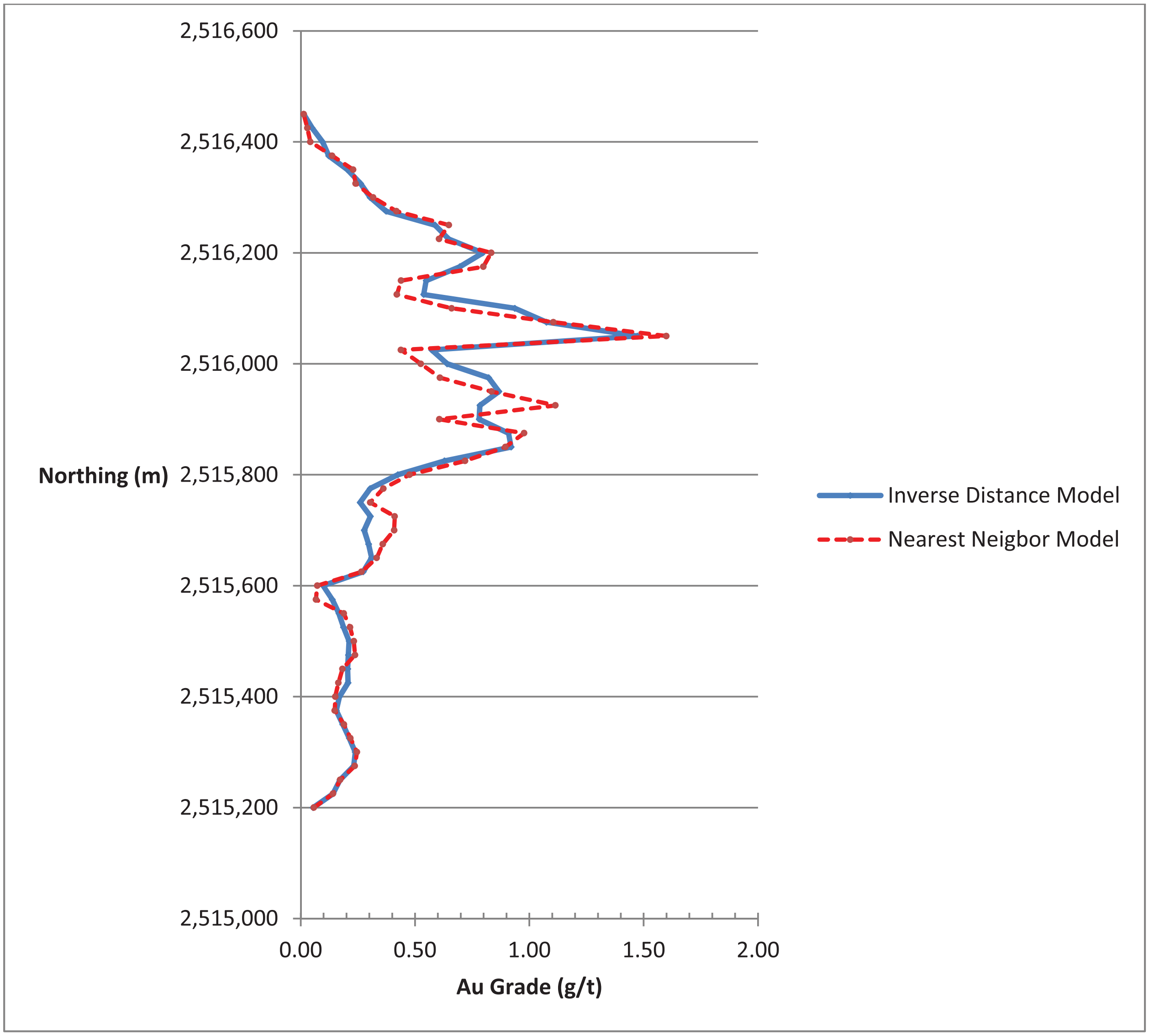


Figure 15-12: Vertical Swath Plot – Au Inverse Distance and Nearest Neighbor Models

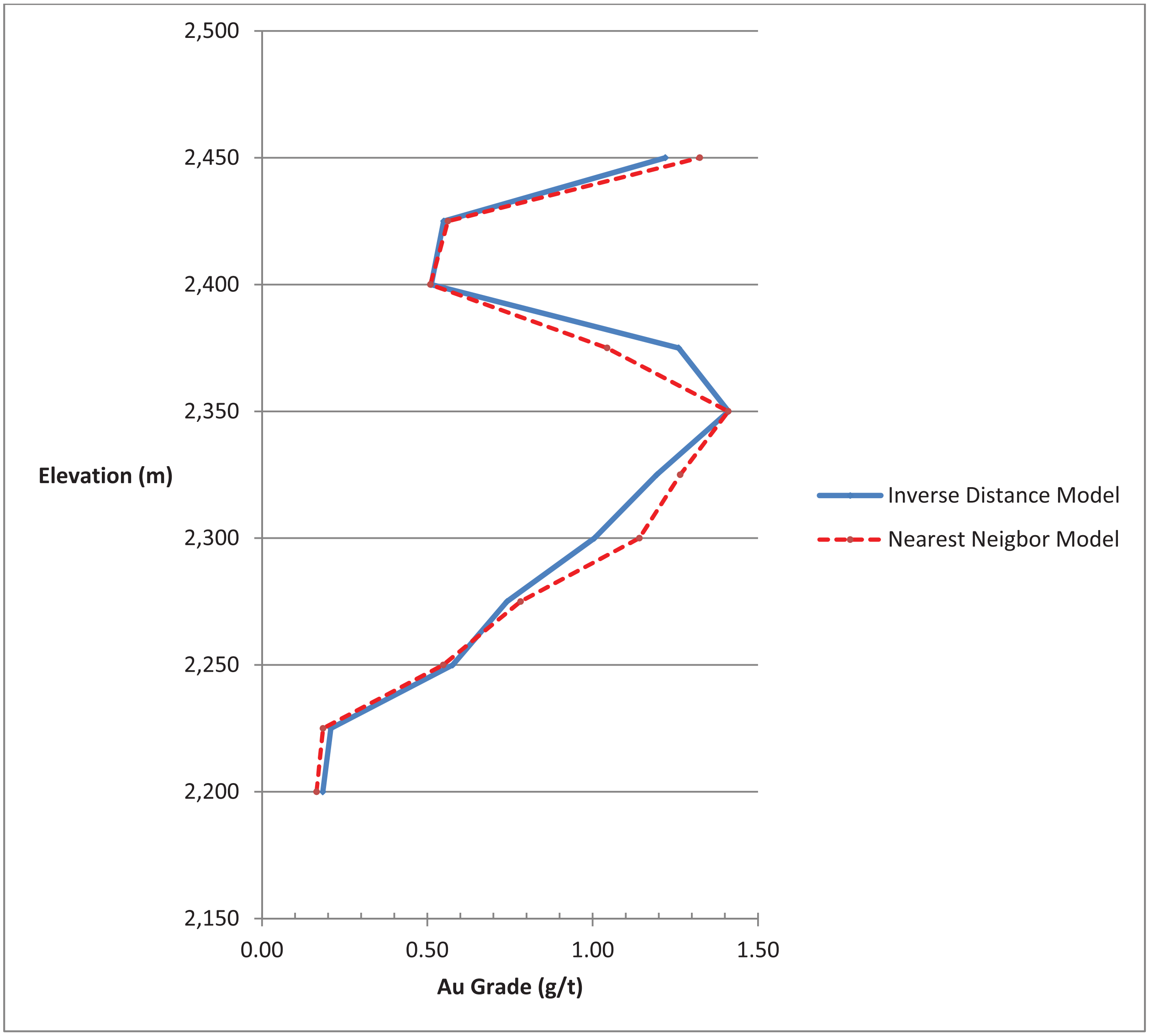


Figure 15-13: North-South Swath Plot – Ag Inverse Distance and Nearest Neighbor Models

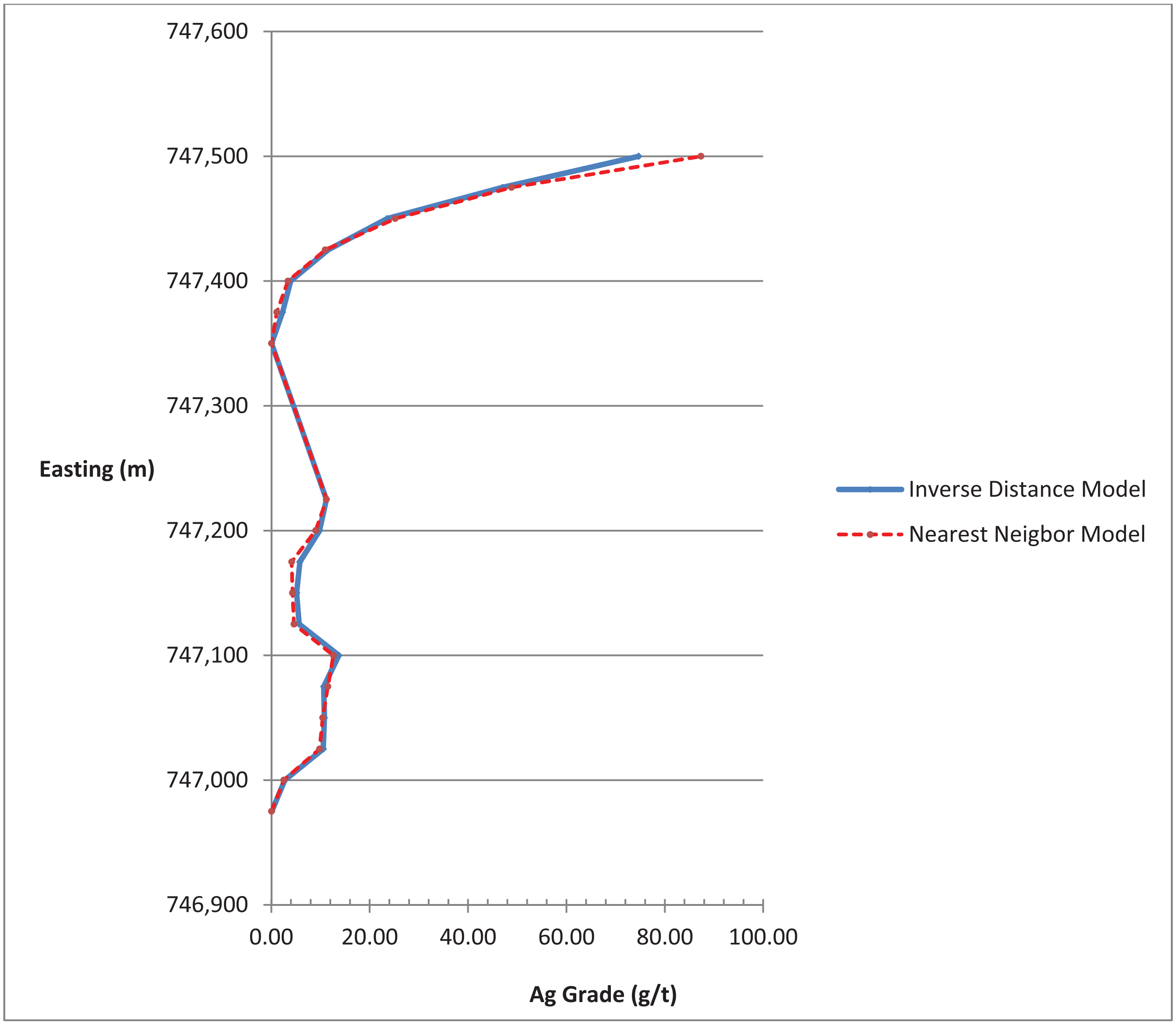


Figure 15-14: East-West Swath Plot – Ag Inverse Distance and Nearest Neighbor

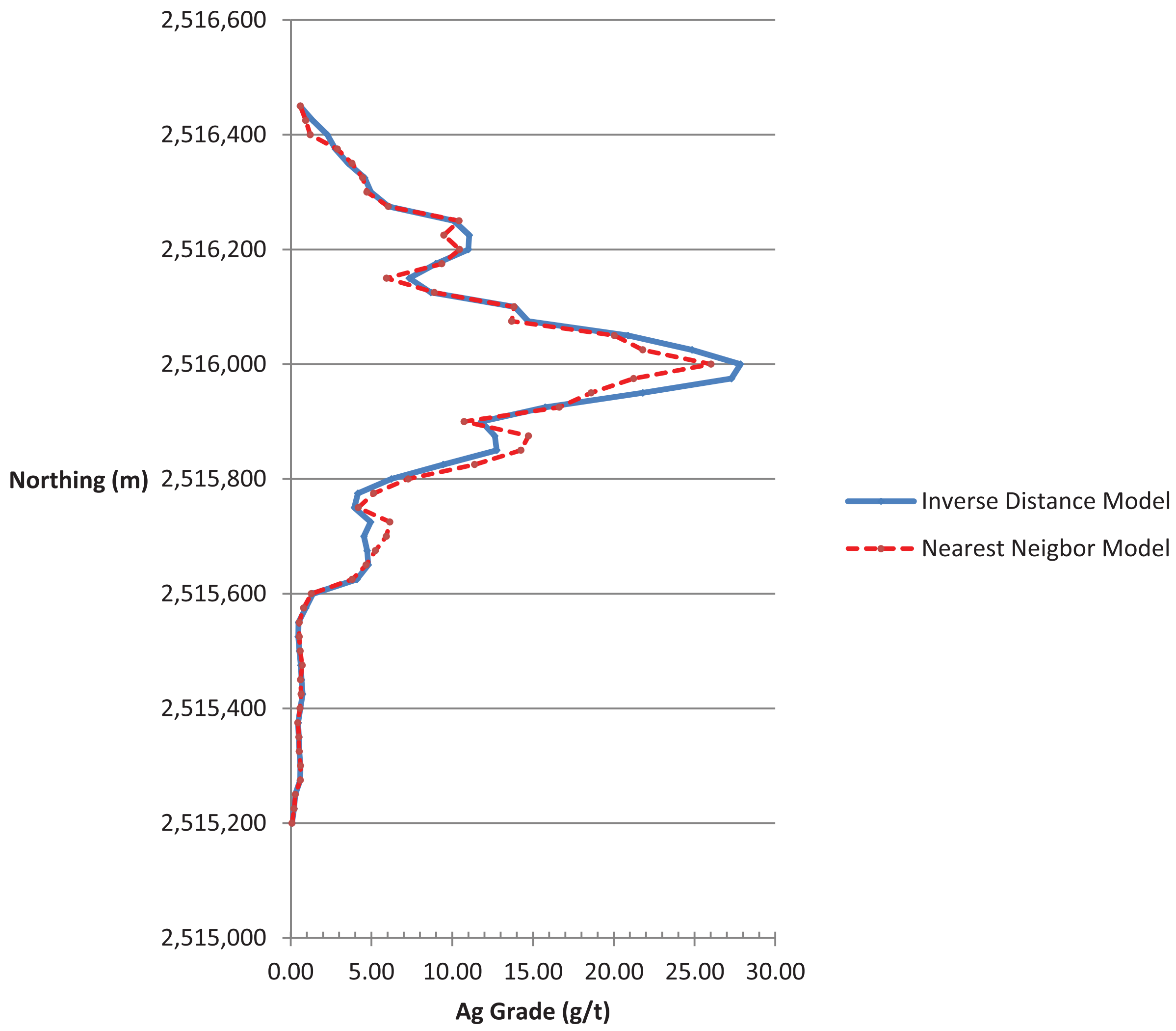
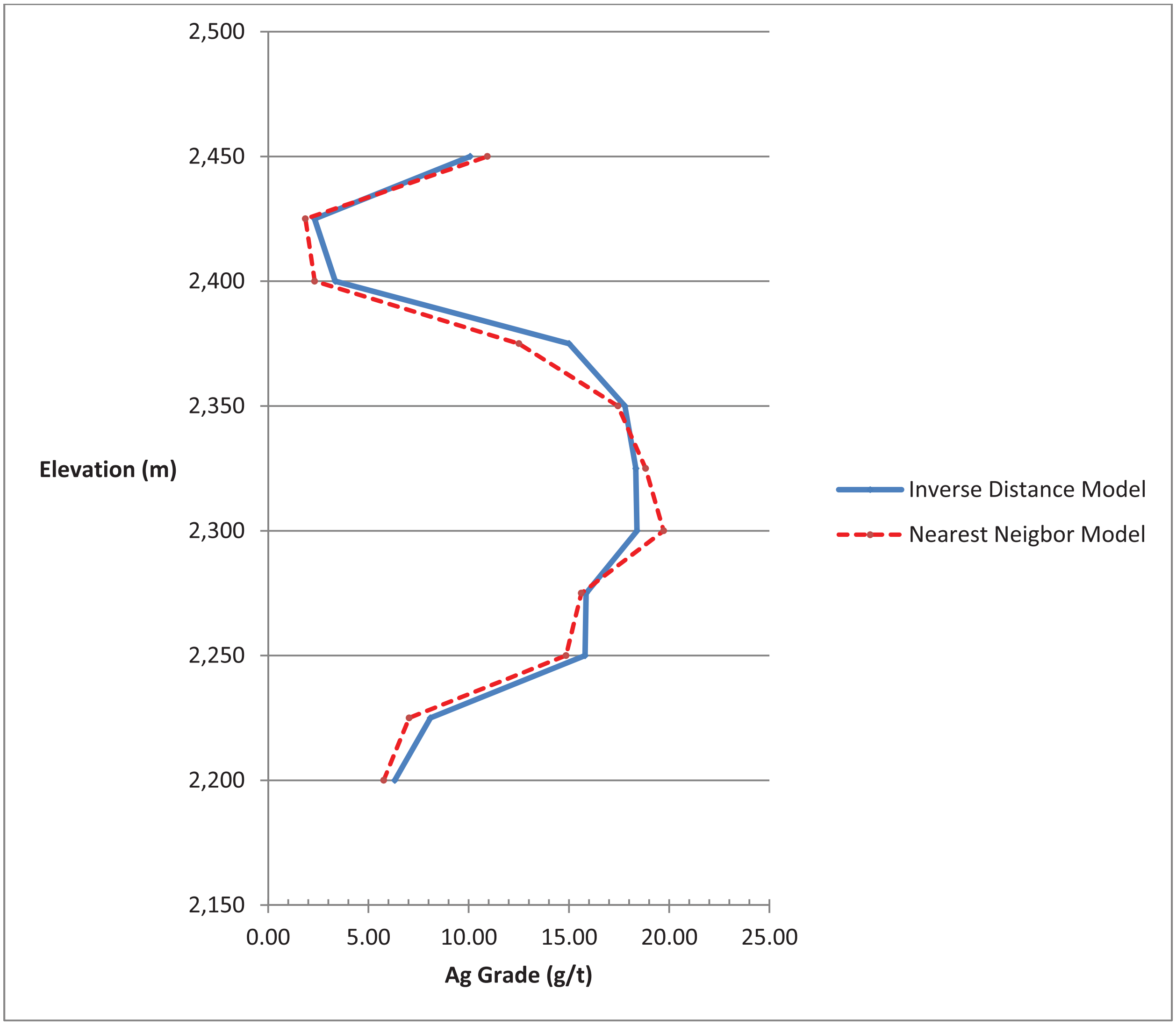


Figure 15-15: Vertical Swath Plot – Ag Inverse Distance and Nearest Neighbor Models



16 Mineral Reserves (Item 19)

There are no current Proven or Probable Mineral Reserves on the El Compas Property.

17 Other Relevant Data and Information

Some economic studies including mine design and mineral processing have been completed by the Company and by a local Mexican consultant to assess the economic viability of mining the El Compas and El Orito resources. This information is of a very preliminary nature and is not reported here.

18 Interpretation and Conclusions (Item 21)

Portions of Section 18 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

18.1 Exploration

Veins at El Compas show characteristics typical of low sulphidation state epithermal systems. Mining of planar quartz veins at El Compas has occurred along discrete, steeply plunging zones. One of these zones was recently exploited by a ramp-in-ore, and another occurs at the inactive El Compas shaft. These lenticular zones within the veins represent ore chutes. The chutes appear to occur within the northerly trending veins, near their intersection with northwest trending faults and fault-veins. Fault-vein intersection zones are mapped on surface as areas of curvilinear quartz veins and veinlets, faults, and fault-related cleavage arrays. Veins at El Orito show characteristics similar to those at El Compas, although evidence of northwest trending veins were is not indicated.

A Phase 1 diamond core drilling program consisting of 5,400m in 37 HQ diameter holes evaluated the along strike and down dip extent of the El Compas Adit Zone ore chute, and the El Orito vein in the vicinity of historical workings, in addition to several other target zones along the El Compas vein. At the Adit Zone Phase 1 drilling delineated a steeply north plunging ore chute approximately 250m wide by up to 200m down dip from surface that is still partially open at depth. At El Orito significant mineralization has outlined a probable ore chute that measures 130m wide by at least 110m down dip from surface that is open to the south and partly at depth. Ore chutes in both areas are comprised of multiple sub-parallel, most likely anastamosing quartz-calcite veins with individual vein widths up to 12m (less at El Orito). Distribution of economic grade precious metal mineralization within the ore chutes is difficult to predict but typically occurs in veins at the footwall or hangingwall contacts.

Phase 2 drilling took place in four rounds between June 2009 and September 2010. A total of 5,912 m of drilling in 39 diamond core holes was completed. Drilling mainly evaluated the mineral potential of the El Compas Adit and El Orito Resource Areas.

In both areas drilling helped to expand the resource in several directions, beyond the limits of the 2008 resource model, which resulted in an increase in the total resource. Infill and close spaced drilling resulted in a reduction in the average distance between holes within the general resource areas characterized by above average grade, which should lead to an increase in the proportion of indicated resources over the 2008 model. Close spaced drilling also helped to better understand the geometry of high grade ore chutes within both resource areas, which will help with the planning of additional holes designed to test these ore chutes down plunge. Overall, the average drill spacing within the above average portion of the resource area at the El Compas vein resource area was brought down to between 35 and 50 meters, while at El Orito the average drill spacing was reduced to about 50 meters. Finally, limited deep drilling has confirmed the highly continuous nature and predictability of the major north and northwest trending veins in the and structures in the mine vicinity at depths greater than 600m below surface. While none of the three completed holes intersected ore grade mineralization, they all intersected significant structures at or proximal to the calculated target depths that contained anomalous to weak silver, lead, and zinc values, which suggest a transition to a more intermediate sulfidation-style mineralization. Better understanding of the structural and mineralogical controls affecting the distribution of (high-grade) at surface and at intermediate depths will hopefully lead to a more refined exploration model with which to program additional deep drill holes targeting silver-rich veins.

At the El Compas vein resource area drilling by the Company intersected the best mineralized drill hole ever within the currently defined mineralized zone (09COM043), as well as the deepest ore grade interval (09COM054). The additional drilling, which included close-spaced drilling at 15m centers in the vicinity of holes 09COM043 and MHM historic hole HOC-16, made it possible to better delineate the continuity of high grade mineralization in and immediately below this area, as well as reasonably explain the occurrence of linear trending zones within the plane of the El Compas vein with high to very high gold and silver grades; shallow south dipping zones are related to intersecting northwest structures such as the Predilecta vein, and very steeply north plunging to nearly vertical zones at the north end of the historic underground workings are likely related to more vertical dipping structures.

Some changes occurred in the updated 2010 geologic model. The most significant changes were the reinterpretation of faults in the El Compas resource area. Previously, a number of faults that were crosscutting the El Compas vein, including the north striking FEV and northwest striking MF faults, were interpreted in the geological model to have caused minor offsets to the vein where they intersected it. In the new model these offsets have been removed, since new data supports the notion that the El Compas veins are essentially unaffected by these faults.

18.2 Mineral Resource

The El Compas property, which had past production, has been sampled with over 11,000m of drilling since 2005. Due to the relatively simple configuration of the veins containing mineralization, the current amount of available data is considered sufficient to undertake the estimation of a mineral resource. One of the key objectives of the latest Oro Silver drilling campaign was to confirm mineralization at depth as well as to confirm and expand mineralized areas previously identified by the Hochschild drilling. The re-sampling of approximately 10% of Hochschild's drill hole data by Oro Silver has demonstrated that the historic data were adequate to be used for mineral resource estimation.

The statistical analysis of mineralization within the veins revealed that better gold grades are mainly located in the northern upper portion of the EC vein with better silver grades located in the northern lower portion of the EC vein. The ratio of silver to gold indicates a trend increasing at depth in that area. It was also observed that few samples are representative of the higher grade portion of the mineralization.

The mineralization at El Compas is mainly found within the vein units, where gold mineralization has a tendency to have better grades on the footwall contact and silver mineralization has a tendency to have better grades on both the footwall and hanging wall contacts. The relatively narrow shape of the veins also tends to control the main directions of continuity, as observed in the variographic analysis.

The EC and El Orito1 veins contain most of the mineralization at an elevated cut-off. Potential for additional mineral resources exist at depth in the northern section of the EC vein and to the south of the El Orito 1 vein.

Some of the validation tests were carried out to verify the conditional bias and the smoothing level of the estimated resource. In order to reduce the conditional bias, larger blocks are needed and a great quantity of samples is required during estimation. In return this will cause a large degree of smoothing in the estimates and would not be an adequate representation of the recoverable resources. Thus smaller block sizes, indicative of a possible SMU (Selective Mining Unit) size, combined with a lower degree of smoothing is the preferred approach, as chosen in this study, in providing a more realistic representation of the recoverable mineral resources.

In the current estimation approach preference was given to the discretization of the veins' shape, the configuration of the grade's distribution within the veins, without any global or local bias. The higher level of smoothing can be viewed as conservatism built-in the gold and silver grade estimates. It is believed that additional drill hole data would tend to reduce the smoothing level currently observed.

The estimation strategy utilized in the generation of the mineral resource estimate is a simple approach that follows standard industry practice. The validation of the estimates has shown that the resource is unbiased and is therefore considered to be a fair representation of the in-situ mineral resource of the areas of interest at El Compas. The utilization of a variable search strategy (anisotropy model) for the grade interpolation process has proven to be beneficial in providing a more realistic outcome.

19 Recommendations (Items 22)

Portions of Section 19 reference Oro Silver's Technical Report titled "Technical Report (Amended) on the El compass Property, Zacatecas State, Mexico, Mineral Resource Estimation", with a report date of October 31, 2008.

Recommendations are listed in order of priority but are subject to change.

19.1 Exploration

A preliminary economic analysis should be undertaken to determine whether the current resource model, taken as a base case, meets the minimum requirements for development into a profitable mine operation.

Additional drilling is recommended for the El Compas and El Orito resource areas. At El Compas Phase ll drilling should target the down dip extension of the Adit Zone in the central and northern portions of the ore chute below the limit of current drilling, where high-grade mineralization was intersected and is still open at depth. At El Orito step-out drilling is recommended in order to test the strike extension of mineralized veins to the south of current drilling and expand resource potential in this direction. Infill drilling at both locations should also be considered in order to upgrade more of the current resource estimate from the inferred to the indicated category. Finally, if potential for enhanced ore chute development is postulated at the intersection of north and northwest trending structures then additional drilling should be factored into any proposed drill program. A minimum 12 hole, 2,000 m diamond drill program is proposed in order to complete the proposed work.

Oro Silver has consolidated its land position in the El Orito district and now has mineral title to essentially all lands covering the principal structures and historical workings. A detailed compilation of historical data is currently underway. The results of the compilation should be utilized to define and prioritize target areas for follow up in the field. A phased district-wide exploration program that includes geological mapping, geochemical sampling, and up to 1,500 meters of diamond drilling to confirm historical drilling results and test new targets identified during the field study is recommended.

An option-to-purchase or long term rental agreement should be negotiated as soon as possible with the owner of the surface rights to the lands covering the El Compas and El Orito mineral resources and access ways, along with sufficient space for envisioned mine infrastructure. At present no such agreement exists.

Regional studies indicate there are a number of pathfinder elements associated with precious metal mineralization in the El Orito and surrounding mining districts. A trace element study of El Compas drill core should therefore be considered, as the results could help to identify structural elements and/or mineralogical associations that are associated with precious metal mineralization, which could to help to guide future exploration work, and. If successful at El Compas this information could then be utilized as a tool to define new search criteria in the other parts of the district.

A topographic survey should to be completed over the resource area. Although topographic expression in this area is relatively subdued the only surface elevation data currently available comes from government maps which are known to be very imprecise.

19.2 Cost Estimates

SRK is of the opinion that the project has merit, and recommends the following work programs as identified and costed in Table 19.2.1. Estimated costs total US$1,125,000.

Table 19.2.1: Recommended Work Program and Budget

Activity	Unit Cost ($/unit)	Number of Units	Total Cost $US)	Description
Infill/Step Out Drilling and assaying	150/m	5,000	750,000	delineation of additional resources/upgrading of current resources
Geotechnical Studies	lump sum		50,000	geotechnical relogging and lab testwork
Metallurgical Studies	lump sum		100,000	testwork in support of a PEA level flowsheet
Hydrogeologic Studies	lump sum		50,000	analysis of existing data/collection of additional data during next drilling campaign
Topographic Survey	500/hectare	100	50,000	conduct new topo survey to replace existing incorrect topo
Environmental Studies	lump sum		25,000	conduct baseline studies in support of permitting
Preliminary Economic Assessment (PEA)	lump sum		100,000	complete PEA based on the above programs in support of project economics
TOTAL			**1,125,000**	

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21 Glossary

21.1 Mineral Resources

The mineral resources and mineral reserves have been classified according to the "CIM Standards on Mineral Resources and Reserves: Definitions and Guidelines" (December 2005). Accordingly, the Resources have been classified as Measured, Indicated or Inferred, the Reserves have been classified as Proven, and Probable based on the Measured and Indicated Resources as defined below.

A Mineral Resource is a concentration or occurrence of natural, solid, inorganic or fossilized organic material 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.

An 'Inferred Mineral Resource' is that part of a Mineral Resource for which quantity and grade or quality can be estimated on the basis of geological evidence and limited sampling and reasonably assumed, but not verified, geological and grade continuity. The estimate is based on limited information and sampling gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes.

An 'Indicated Mineral Resource' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape and physical characteristics can be estimated with a level of confidence sufficient to allow the appropriate application of technical and economic parameters, to support mine planning and evaluation of the economic viability of the deposit. The estimate is based on detailed and reliable exploration and testing information gathered through appropriate techniques from locations such as outcrops, trenches, pits, workings and drillholes that are spaced closely enough for geological and grade continuity to be reasonably assumed.

A 'Measured Mineral Resource' is that part of a Mineral Resource for which quantity, grade or quality, densities, shape, 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 drillholes that are spaced closely enough to confirm both geological and grade continuity.

21.2 Mineral Reserves

A Mineral Reserve is 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.

A 'Probable Mineral Reserve' 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.

A 'Proven Mineral Reserve' 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.

21.3 Glossary

The following general mining terms may be used in this report.

Table 22.3.1: Glossary

Term	Definition
Assay:	The chemical analysis of mineral samples to determine the metal content.
Capital Expenditure:	All other expenditures not classified as operating costs.
Composite:	Combining more than one sample result to give an average result over a larger distance.
Concentrate:	A metal-rich product resulting from a mineral enrichment process such as gravity concentration or flotation, in which most of the desired mineral has been separated from the waste material in the ore.
Crushing:	Initial process of reducing ore particle size to render it more amenable for further processing.
Cut-off Grade (CoG):	The grade of mineralized rock, which determines as to whether or not it is economic to recover its gold content by further concentration.
Dilution:	Waste, which is unavoidably mined with ore.
Dip:	Angle of inclination of a geological feature/rock from the horizontal.
Fault:	The surface of a fracture along which movement has occurred.
Footwall:	The underlying side of an orebody or stope.
Gangue:	Non-valuable components of the ore.
Grade:	The measure of concentration of gold within mineralized rock.
Hangingwall:	The overlying side of an orebody or slope.
Haulage:	A horizontal underground excavation which is used to transport mined ore.
Hydrocyclone:	A process whereby material is graded according to size by exploiting centrifugal forces of particulate materials.
Igneous:	Primary crystalline rock formed by the solidification of magma.
Kriging:	An interpolation method of assigning values from samples to blocks that minimizes the estimation error.
Level:	Horizontal tunnel the primary purpose is the transportation of personnel and materials.
Lithological:	Geological description pertaining to different rock types.
LoM Plans:	Life-of-Mine plans.
LRP:	Long Range Plan.
Material Properties:	Mine properties.
Milling:	A general term used to describe the process in which the ore is crushed and ground and subjected to physical or chemical treatment to extract the valuable metals to a concentrate or finished product.
Mineral/Mining Lease:	A lease area for which mineral rights are held.
Mining Assets:	The Material Properties and Significant Exploration Properties.
Ongoing Capital:	Capital estimates of a routine nature, which is necessary for sustaining operations.
Ore Reserve:	See Mineral Reserve.
Pillar:	Rock left behind to help support the excavations in an underground mine.
RoM:	Run-of-Mine.
Sedimentary:	Pertaining to rocks formed by the accumulation of sediments, formed by the erosion of other rocks.
Shaft:	An opening cut downwards from the surface for transporting personnel, equipment,

Term	Definition
	supplies, ore and waste.
Sill:	A thin, tabular, horizontal to sub-horizontal body of igneous rock formed by the injection of magma into planar zones of weakness.
Smelting:	A high temperature pyrometallurgical operation conducted in a furnace, in which the valuable metal is collected to a molten matte or doré phase and separated from the gangue components that accumulate in a less dense molten slag phase.
Stope:	Underground void created by mining.
Stratigraphy:	The study of stratified rocks in terms of time and space.
Strike:	Direction of line formed by the intersection of strata surfaces with the horizontal plane, always perpendicular to the dip direction.
Sulfide:	A sulfur bearing mineral.
Tailings:	Finely ground waste rock from which valuable minerals or metals have been extracted.
Thickening:	The process of concentrating solid particles in suspension.
Total Expenditure:	All expenditures including those of an operating and capital nature.
Variogram:	A statistical representation of the characteristics (usually grade).

21.4 Abbreviations

The following abbreviations may be used in this report.

Table 21.3.2: Abbreviation

Abbreviation	Unit or Term
A	ampere
AA	atomic absorption
A/m2	amperes per square meter
ANFO	ammonium nitrate fuel oil
Ag	silver
ASL	Above Sea Level
Au	gold
AuEq	gold equivalent grade
°C	degrees Centigrade
CCD	counter-current decantation
CIL	carbon-in-leach
CoG	cut-off grade
cm	centimeter
cm2	square centimeter
cm3	cubic centimeter
cfm	cubic feet per minute
ConfC	confidence code
CRec	core recovery
CSS	closed-side setting
CTW	calculated true width
CV	Coefficient of variation (standard deviation/mean)
°	degree (degrees)
dia.	diameter
DDH	Diamond drill hole (core)
DGM	Direccion General de Minas
EC	El Compas
EDA	Exploratory Data Analysis
EIS	Environmental Impact Statement
EMP	Environmental Management Plan
FA	fire assay
ft	foot (feet)

Abbreviation	Unit or Term
ft2	square foot (feet)
ft3	cubic foot (feet)
g	gram
gal	gallon
g/L	gram per liter
g-mol	gram-mole
gpm	gallons per minute
g/t	grams per tonne
ha	hectares
HDPE	Height Density Polyethylene
hp	horsepower
HTW	horizontal true width
ICP	induced couple plasma
ID2	inverse-distance squared
ID3	inverse-distance cubed
IFC	International Finance Corporation
ILS	Intermediate Leach Solution
kA	kiloamperes
KE	Kriging Efficiency
kg	kilograms
km	kilometer
km2	square kilometer
koz	thousand troy ounce
KSR	Kriging Slope Regression
kt	thousand tonnes
kt/d	thousand tonnes per day
kt/y	thousand tonnes per year
kV	kilovolt
kW	kilowatt
kWh	kilowatt-hour
kWh/t	kilowatt-hour per metric tonne
L	liter
L/sec	liters per second
L/sec/m	liters per second per meter
lb	pound
LHD	Long-Haul Dump truck
LLDDP	Linear Low Density Polyethylene Plastic
LOI	Loss On Ignition
LoM	Life-of-Mine
m	meter
m2	square meter
m3	cubic meter
masl	meters above sea level
MARN	Ministry of the Environment and Natural Resources
MDA	Mine Development Associates
mg/L	milligrams/liter
mm	millimeter
mm2	square millimeter
mm3	cubic millimeter
MME	Mine & Mill Engineering
Moz	million troy ounces
Mt	million tonnes
MTW	measured true width
MW	million watts
m.y.	million years

Abbreviation	Unit or Term
NGO	non-governmental organization
NI 43-101	Canadian National Instrument 43-101
OSC	Ontario Securities Commission
oz	troy ounce
%	percent
PLC	Programmable Logic Controller
PLS	Pregnant Leach Solution
PMF	probable maximum flood
ppb	parts per billion
ppm	parts per million
QA/QC	Quality Assurance/Quality Control
RC	rotary circulation drilling
RoM	Run-of-Mine
RQD	Rock Quality Description
SEC	U.S. Securities & Exchange Commission
sec	second
SG	specific gravity
SPT	standard penetration testing
st	short ton (2,000 pounds)
t	tonne (metric ton) (2,204.6 pounds)
t/h	tonnes per hour
t/d	tonnes per day
t/y	tonnes per year
TSF	tailings storage facility
TSP	total suspended particulates
µm	micron or microns
V	volts
VFD	variable frequency drive
W	watt
XRD	x-ray diffraction
y	year

Appendix A

Certificate of Author

Item 24

NI 43-101 Updated Technical Report on Resources, El Compas Property, Mineral Resource Estimation, Zacatecas State, Mexico Company, Effective Date: December 23, 2010, Report Date: January 30, 2011.

Dated this 30th Day of January, 2011.

"Signed"

Neal Rigby, CEng, MIMMM, PhD

"Signed"

Jeff Volk, CPG, FAusIMM, MSc

"Signed"

Dorinda Bair, CPG, B.Sc. Geology

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CERTIFICATE of AUTHOR

I, Neal Rigby, CEng do hereby certify that:

1. I am a Principal of:

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   Lakewood, CO, USA, 80235

2. I graduated with a BSc degree in Mineral Exploitation with first class honors in 1974 and a PhD in Mining Engineering in 1977 both from the University of Wales, UK.

3. I am a member of the Institute of Materials, Mining and Metallurgy.

4. I have worked as a mining engineer for a total of 35 years since my graduation from university.

5. I have read the definition of “qualified person” set out in National Instrument 43-101 (“NI 43-101”) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a “qualified person” for the purposes of NI 43-101.

6. I am responsible for the review and endorsement of all Sections the technical report titled “NI 43-101 Updated Technical Report on Resources, El Compas Property, Mineral Resource Estimation, Zacatecas State, Mexico Company” and dated January 30, 2011 (“Technical Report”) relating to Oro Mining’s El compass Project, Zacatecas, Mexico. I did not visit the El Compas property.

7. I have not had prior involvement with the property that is the subject of the Technical Report.

8. I am independent of the issuer applying all of the tests in Section 1.4 of National Instrument 43-101.

9. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

10. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

11. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 30th Day of January, 2011.

"Signed"

____

Dr. Neal Rigby, CEng, MIMMM, PhD

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CERTIFICATE OF AUTHOR

I, Jeffrey Volk, CPG, FAusIMM, MSc, do hereby certify that:

1. I am Principal Resource Geologist with:

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   Denver, CO, USA, 80235

2. I graduated with a Master of Science degree in Structural Geology from the Washington State University in 1986. In addition, I have obtained a Bachelor of Arts degree in geology from the University of Vermont in 1983.

3. I am a fellow of the Society of Economic Geologists and a Certified Professional Geologist and member of the American Institute of Professional Geologists (AIPG). I am also a fellow and member of the Australian Institute of Mining and Metallurgy (FAusIMM).

4. I have worked as a geologist for a total of 23 years since my graduation from university.

5. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

6. I am responsible for Section 15 and the compilation and editing of all sections of the technical report titled "NI 43-101 Updated Technical Report on Resources, El Compas Property, Mineral Resource Estimation, Zacatecas State, Mexico Company" and dated January 30, 2011 ("Technical Report") relating to Oro Mining's El compass Project, Zacatecas, Mexico. I did not visit the El Compas property.

7. I have not had prior involvement with the property that is the subject of this Technical Report.

8. I am independent of the issuer applying all of the tests in section 1.4 of National Instrument 43-101.

9. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

10. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

11. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 5th Day of September, 2010.

"Signed" *"Sealed"*

Jeffrey Volk, CPG, FAusIMM, MSc CPG#10835

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CERTIFICATE OF AUTHOR

I, Dorinda K. Bair, B.Sc. do hereby certify that:

1. I am Senior Geologist of:

   SRK Consulting (U.S.), Inc.
   7175 W. Jefferson Ave, Suite 3000
   Denver, CO, USA, 80235

2. I graduated with a Bachelor of Science degree in Geology Earth Science from Lewis-Clark State College in 1987.

3. I am a Certified Professional Geologist of the American Institute of Professional Geologists.

4. I have worked as a Geologist for a total of 23 years since my graduation from university.

5. I have read the definition of "qualified person" set out in National Instrument 43-101 (NI 43-101) and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

6. I am responsible for the preparation of Section 11 of the technical report titled "NI 43-101 Updated Technical Report on Resources, El Compas Property, Mineral Resource Estimation, Zacatecas State, Mexico Company" and dated January 30, 2011 ("Technical Report") relating to Oro Mining's El compass Project, Zacatecas, Mexico. I did not visit the El Compas property.

7. I have not had prior involvement with the property that is the subject of the Technical Report.

8. I am independent of the issuer applying all of the tests in section 1.4 of National Instrument 43-101.

9. I have read NI 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

10. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.

11. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 30th Day of January, 2011.

"Signed" *"Sealed"*

Dorinda K. Bair, B.Sc. CPG#11352

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CERTIFICATE of AUTHOR

I, Robert Paul Riley, C Eng, FIMMM, MI Chem E., do hereby certify that:

1. I am Associate Principle Process Engineer of:

   SRK Consulting (U.S.), Inc.
   7175 W. Jefferson Ave, Suite 3000
   Denver, CO, USA, 80235

2. I graduated with a B Sc (Tech) degree in Chemical Engineering and Fuel Technology from the University of Sheffield in1974.

3. I am a Chartered Engineer registered in the UK, a Fellow of the Institute of Materials, Minerals and Mining and a member of the Institution of Chemical Engineers.

4. I have worked as a process engineer for a total of 35 years since my graduation from university.

5. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101.

6. I am responsible for the preparation of Section 14 of the technical report titled "NI 43-101 Updated Technical Report on Resources, El Compas Property, Mineral Resource Estimation, Zacatecas State, Mexico Company" and dated January 30, 2011 ("Technical Report") relating to Oro Mining's El compass Project, Zacatecas, Mexico. I did not visit the El Compas property.

7. I have not had prior involvement with the property that is the subject of the Technical Report.

8. I am an independent of the issuer applying all of the tests in section 1.4 of National Instrument 43-101.

9. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.

10. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them for regulatory purposes, including electronic publication in the public company files on their websites accessible by the public, of the Technical Report.[1]

11. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all scientific and technical information that is required to be disclosed to make the Technical Report not misleading.

Dated this 30th Day of January, 2011.

"Signed" *"Sealed"*

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Robert Paul Riley, C Eng, FIMMM, MI Chem E.

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CERTIFICATE OF AUTHOR

Allan V. Moran
Principal Geologist
SRK Consulting (U.S.) Inc.
Email: **amoran@srk.com**

I, Allan V. Moran, a Registered Geologist and a Certified Professional Geologist, do hereby certify that:

1. I am currently employed as a consulting geologist to the mining and mineral exploration industry, as Principal Geologist with SRK Consulting (U.S.) Inc, with an office address of 3275 W. Ina Rd., Tucson, Arizona, USA, 85741.
2. I graduated with a Bachelors of Science Degree in Geological Engineering from the Colorado School of Mines, Golden, Colorado, USA; May 1970.
3. I am a Registered Geologist in the State of Oregon, USA, # G-313, and have been since 1978. I am a Certified Professional Geologist through membership in the American Institute of Professional Geologists, CPG - 09565, and have been since 1995.
4. I have been employed as a geologist in the mining and mineral exploration business, continuously, for the past 39 years, since my graduation from university.
5. I have read the definition of "qualified person" set out in National Instrument 43-101 ("NI 43-101") and certify that by reason of my education, affiliation with a professional association (as defined in NI 43-101) and past relevant work experience, I fulfill the requirements to be a "qualified person" for the purposes of NI 43-101. The Technical Report is based upon my personal review of the information provided by the issuer. My relevant experience for the purpose of the Technical Report is:
   - Vice President and U.S. Exploration Manager for Independence Mining Company, Reno, Nevada, 1990-1993;
   - Manager, Exploration North America for Cameco Gold Inc., 1998-2002;
   - Exploration Geologist for Freeport McMoRan Gold, 1980-1990;
   - Experience in the above positions working with and reviewing resource estimation methodologies, in concert with resource estimation geologists and engineers.
   - As a consultant, I completed several NI 43-101 Technical reports, 2003-2010.
6. I am responsible for the SRK input to Section 12 (Data Verification), and was the qualified person that conducted the site visit for the technical report titled "NI 43-101 Updated Technical Report on Resources, El Compas Property, Mineral Resource Estimation, Zacatecas State, Mexico Company" and dated January 30, 2011 ("Technical Report") relating to Oro Mining's El compass Project, Zacatecas, Mexico. I have personally visited the Project in the field on December 15 and 16, 2010.
7. I have not had prior involvement with the property that is the subject of the Technical Report.

8. As of the date of this certificate, to the best of my knowledge, information and belief, the Technical Report contains all the scientific and technical information that is required to be disclosed to make the Technical Report not misleading.
9. I am not aware of any material fact or material change with respect to the subject matter of the Technical Report that is not reflected in the Technical Report, for which the omission to disclose would make the Technical Report misleading.
10. I am independent of the issuer applying all of the tests in Item 1.4 of National Instrument 43-101.
11. I have read National Instrument 43-101 and Form 43-101F1, and the Technical Report has been prepared in compliance with that instrument and form.
12. I consent to the filing of the Technical Report with any stock exchange and other regulatory authority and any publication by them, including electronic publication in the public company files on their websites accessible to the public, of the Technical Report

Report dated this 30th Day of January, 2011.

"Signed" *"Sealed"*

Allan V. Moran
Printed name of Co-Author