Orko Silver Corporation

Conference Call

October 2, 2012

Operator: Good morning ladies and gentlemen. Welcome to the Orko Silver Corp Management Call. I would like to introduce the president of Orko Silver, Mr. Gary Cope. Please go ahead, Gary.

Gary Cope: Good morning everyone. Good afternoon for those of you who are back east and good evening to those of you calling in from Europe. My name is Gary Cope, President of Orko Silver. I'd like to thank you for dialling in today to hear about the new and very exciting 43-101 independent resource done by Mining Plus and Associates and released by Orko press release on September 20^{th}.

On the call with us today we have Orko management as well as Mike Collins of Mining Plus and Associates to try and answer all of your questions. And we're going to keep going as long as it takes to get all the questions answered, so there is no time limit on it. I'm going to make some very short comments and then ask our VP of Exploration, George Cavey to talk about the details of the new resource and then we'll open up the line to questions.

As all of you are acutely aware, this new resource has been a long time coming. But now that it has been completed, we couldn't be happier. The results are extremely impressive and will form the basis for a new PEA, which will be completed by AMEC in the coming months. As you might expect, we've had a number of mining companies reviewing the new data, and they're probably working on their own mine designs as we speak. We currently have eight CA's signed, all with standstill clauses. Can't say much more on that topic as we are under confidentiality.

I would now like to ask George Cavey to talk about the new resource.

George Cavey: Thanks, Gary. Welcome everybody. Hopefully we can answer all the questions in the time we have here. I think we are all very excited by this new resource estimate, and it represents a considerable change from what we had prior to this—release of this new resource estimate. What we have now is, we have moved from a model that was a combination of underground to open pit, to a combination of dominantly open pit, with a very minor component of underground. And that represents a great opportunity moving forward and makes a lot of different ways of approaching this.

But however, with the open pit scenario, you have most of your resources that are easily amenable to methods that tend to be a low cost per ounce. Now, however, saying that, we have a deposit that originally was looked at in our PEA, which is now no longer considered current and valid, but gives us a good basis for comparison. It had us looking at seven—approximately 7.2

Moz of production in silver equivalent basis over twelve years. So approximately 84 Moz.

This new open pit resource is considerably larger than that and gives a mine life—looks like it could be much bigger. We have to wait, of course, for the PEA to fully know how significant this is and how the economics turn out. But however, just moving from the open pit side away from the underground, is a great change and is a positive step for the company.

You have to look at this deposit in light of how many ounces, contained ounces, are now in the open pit category, in both indicated and inferred. At the moment, we're looking at approximately 110 Moz of silver equivalent in open pit indicated and 127 Moz of silver equivalent ounces in open pit inferred. So the things we'll have to do in the future obviously, is drilling to move that inferred into indicated, but that will come after the PEA with the recommendations in the PEA.

What we need to do now is complete the PEA. There's a number of potential steps we can do moving forward. Some re-sampling that we've identified, Mining Plus has identified, that may add some—considerable good information to us. There's other things that we'll look at as we move forward. It makes the most sense to optimize the PEA with the hope that it will—the recommendations will move us to a pre-feasibility or feasibility study.

So I think that's where I'll leave it and I'll throw it open to questions.

Operator: Okay, so ladies and gentlemen on the phones, if you have a question, please press zero one on your phone. If you want to withdraw your question, press the pound sign. So zero one, and if you do press, someone's going to come and take your name so that we can introduce you. So zero one on your phone if you have a question now please. So we do have a few people queuing up Gary, so we're just going to give them a few seconds here so that we can grab their names.

Gary Cope: Okay, thanks.

Operator: We actually have quite a few questions on the bridge. Our first one is from Allan Neil [ph]. Please go ahead Allan.

Allan Neil: Yes, I was just wondering why Mike Devji has sold shares in the last week or so. Insider doesn't look good. Could you comment please?

Mike Devji: This is Mike. I'll comment on that. I have a tax problem; exercised my stock options and that's the purpose of me selling.

Allan Neil: Thank you.

Mike Devji: Eighty thousand shares I sold.

Operator: So once again, anyone on the phone, if you have a question or a comment, please press zero one and operator's going to come and take your name so we can introduce you. So our next question is from Paul Narose [ph], please go ahead Paul.

Paul Narose: Yeah, Gary, this is obviously great news and a great news conference. I just wonder about the timeline for the new updated feasibility—or PEA and then the eventual feasibility study?

George Cavey: I'll answer that. It's George Cavey answering. What we're doing now is finalizing all of the bits and pieces that have to be completed to complete the PEA. One of the things that has been recommended is some infill sampling. Mining Plus has identified some areas. We're just reviewing their proposal now and the timing of that, it shouldn't take too long, but several months to do the work that they were recommending once we start that work.

There's other things we're considering. We're reviewing some potential drilling. We haven't decided if we're going to do that, but it makes—if it makes sense, we might do that. Could be a delay, might not. It'll depend on what makes the most sense in the near-term. We need to look at all aspects of moving this from PEA to the pre-feasibility study. Once we get the results from the PEA, it'll give us recommendations, and those recommendations will tell us how much we have to do to actually complete the feasibility.

So without that PEA document, the Preliminary Economic Assessment, we don't really know how much or how long it's going to take. For example, one of the things we have to do, is we have to move the inferred, in pit inferred resources into indicated categories, so it can be included in the feasibility study. So that being the case, we need to get Mining Plus to tell us how many metres of drilling that—we need to—how many metres of drilling that's going to take and how many holes. And we don't know the answer to that, so we don't know how long that will actually take. But it will be some drilling.

There is a lot of work done prior to Pan American losing their option and not completing the feasibility study. They did a lot of very good work, and that work—some of it is partially done. We are looking at how much we have to do, say more metallurgic—what they started but didn't finish. Certain samples are sitting in labs, waiting on instructions from us to complete. And we will be guided by AMEC's PEA to tell us what to do with those samples and how much it'll take to move those into the feasibility study down the road. Things like that, we can't really say how long it'll take. As for the PEA, we know right now that AMEC is working on the PEA, and will be guided by what we still want to do. And we're just going through that. We've said in the news release it'll be sometime in the new year, and I believe that'll be the case.

Paul Narose: George, just to continue a bit further, does Orko have enough money to take it—the company right to the feasibility study?

George Cavey: At this point in time, feasibility, we don't know what it'll cost until we get the recommendations out of the PEA. However, we have enough money certainly to complete the PEA. We have about $12 million in the bank. We anticipate that the work that is proposed and to complete the PEA, I'm guessing shouldn't be much more than $1 million, and we certainly have enough money to do that. But again, we don't know how much drilling, how much metallurgic, how much other work that was started by Pan American but wasn't completed, and we don't know what the costs of that are yet.

Paul Narose: I don't know if this is a fair question, but what are the chances of Orko lasting until a feasibility study, or being bought out before that?

Gary Cope: Let me get that. I'll take that. Paul, sorry, is that Paul still?

Paul Narose: Yeah.

Gary Cope: Yeah, this is Gary.

Paul Narose: Hi Gary.

Gary Cope: I think the chances are pretty good. I mean, feasibility is quite a ways off. Again, we have eight CAs signed. We're in active discussions with at least three or four of those. So I would say there's a good chance that we won't make it to feasibility. You know, you got to understand that this new resource has thrown—everybody's taken by surprise. And everybody's gone back to the drawing board to realize this could be a lot bigger than everybody thought. So—but in answer to your question, I would think we wouldn't go to feasibility.

Paul Narose: Okay, thank you very much Gary.

Operator: Our next question is from Carl Davidson [ph]. Please go ahead Carl.

Carl Davidson: Thank you. Yeah, for Mexican silver miners already in production using pit mining, what are their cash costs per ounce?

Gary Cope: Well, they—you take it George. They vary.

George Cavey: Yeah, they're all over the map. Some open pit are cheaper than underground. Some—I think you're better to look into the various analysts' reports. They have summaries of that sort of thing. I haven't tracked it. But you're talking typically anywhere from, you know, I guess eight to fifteen I would think, in Mexico, is a range. Ours in the PEA that was suggested, which again, is no longer current, came up with around eleven. So we were in that range.

Carl Davidson: Okay, so on the old resource estimate, the cash costs were just under $12 an ounce. So the cash costs on a pit mining method would actually be quite a bit less. They could be maybe $8 an ounce, $10 an ounce?

George Cavey: I don't have an answer to that right now because you've got to understand that that's going to come with the PEA. Conceptually it could be lower, if you're talking a smaller operation. If you're talking a big operation, your cap costs could increase, but your cost per ounce could go down. Your cash operating cost could go down. But however, all of that is speculation at this point in time because we have no idea how big—when you're looking at a deposit size, what we're looking at is completely different from what we were looking at before. Instead of the seven million tons per year, what you see with this size of resource is something that would be north of that.

Carl Davidson: Okay. For the upfront capital expenditures for the open pit compared to the prior mining method, would that be quite a bit less also?

George Cavey: Well, the other method did have an open pit component. And so there was a—already an open pit section in that, that did have capital costs which were lower than the underground. However, with this being virtually all an open pit deposit now, or a deposit that can be mined by open pit methods, yeah, you're—you have to remember—to move this deposit, which is quite a large deposit when you combine the indicated and the inferred, when you move it and look at a number that large, you realize that your mine life is going to be longer than the 12 years suggested by Pan American. I don't know how long at this point in time. We have to wait for that PEA. And your amount of ounces per year conceivably could be quite a bit bigger than what was suggested.

Carl Davidson: Okay. If you wanted—if 25% of the inferred makes it to the indicated, would that be low? Or are we looking at something more like 50% of the inferred making it to the indicated?

George Cavey: I don't have an answer for that right now because I still don't know how much drilling or whatever will be required to actually move those ounces into the indicated category.

Mike Collins: Yeah, okay, this is Mike Collins with Mining Plus and—

George Cavey: One moment please

Mike Collins: Mike Collins with Mining Plus. We've been involved putting the resource, 43-101 compliance resource calculation together. There's a couple of things that you look at when you move indicated—or inferred into indicated category. One is, you know, we probably—if we're moving that forward, we want to look at the things that are near-term in the mine life and focus on that. Because you don't move your entire inferred into indicated prior to starting a mine. You want your starter pits to be solid, all indicated and moving them into measured. But it's a cost/time benefit. Sort of how long are you going to drill before you move on to feasibility and that's—those are the issues that are faced. But certainly there's good opportunity to move significant inferred resources into the indicated category.

Carl Davidson: Okay, the last question was for Gary. Before the new resource estimate came out, NPV was $315 million at $25 silver. NPV was around $900 million at $38 silver. If silver goes to $50 again, that would take the NPV up to around $1.5 billion, and that increase is much higher than the percentage increase in the silver price. Do I have that correct?

Gary Cope: George just handed me a slide in our PowerPoint that's to be updated. But yeah, silver—it's very silver sensitive. Obviously the higher silver price goes, the bigger percentage of the growth. So you probably do have that right. We will have a new slide in our PowerPoint that addresses that.

Carl Davidson: Yeah, I'm coming up with, at $33 silver, where we are now, the NPV at 5% is around $600 million. And if the silver price were to go up 50%, to around $50 an ounce, the NPV of the deposit would go up to $1.5 billion, which is 150% increase. So you've got 150% increase in value on a 50% increase in silver price.

Gary Cope: You're basing it on the old PEA, right?

Carl Davidson: Yeah, on the old one, yeah.

Gary Cope: Yeah, which is no longer in effect. But you will see something similar, for sure. I mean, the higher silver goes, the greater gain you have in the NPV.

Carl Davidson: Yeah, and as a shareholder, which I am, and I see silver going to at least $50 in the next two years, I am okay with no takeover until the silver price reaches $50, because to me, that way I would make more money, instead of the company who would be doing the takeover. And so as a shareholder, I would be okay with waiting, and I thought I would let management know that. Because as the silver price goes up, the NPV of the silver deposit goes up exponentially.

Gary Cope: You've got to remember also though, that that NPV is—if you're using a $50 silver price, is based on the life of the mine, not just the current price. So you get—the analysts don't use the current price in an NPV. They use a price that they believe will last the life of the mine.

Carl Davidson: Okay, I'll keep that in mind too. Thank you.

Gary Cope: Okay.

Operator: Okay, so we'll go to our next question from John McNeill [ph]. Please go ahead.

John McNeill: Good afternoon. I'm just curious as to what caused the one week delay in this conference call. What do you know now that you didn't know a week ago?

George Cavey: I apologize for that one. This is George Cavey speaking. I was in Europe travelling, doing some presentations and we just could not get a schedule.

Every time we tried to come up with a date, I was either on a plane or a train. As well, Mining Plus could not be here due to prior commitments. So we announced the date and then realized that neither Mike Collins nor myself could be there.

John McNeill: Thank you.

Operator: Our next question is from Bill Lupien, please go ahead.

Bill Lupien: Yeah, it's Bill Lupien. I'm not sure who this should be directed to, but if the economics on the new super pit concept are favourable, after you get the new PEA, what do you think the potential numbers we should be looking at in terms of mill size and production?

Art Freeze: Art Freeze here Bill. I mean, there are—it could be a very large operation, but I think a realistic scenario to look at would be 200,000 tons per day of rock. Which would give you 15,000 tons per day through the mill, recovering around 80 grams of that, would translate into 12 to 13 Moz of silver production per year to start off. Perhaps you want to grow. With 100,000 ton per day of rock moving, with a 7500 ton per day plant, 6.5 to 7 Moz per year is possible. So those are the—basically the scenarios that we are tentatively contemplating at this point, just throwing figures off the wall.

Bill Lupien: Yeah, Art, what—how does that compare with other big silver mines, say in Mexico?

Art Freeze: There isn't anything that big in terms of daily throughput, in terms of rock moving. I mean, obviously companies like Fresnillo and Goldcorp's Penasquito are moving vast volumes of material as well. But one is underground and one is open pit and one is poly-metallic. This is a pure silver play. So there's really nothing in the pure silver sector that would be the equivalent of this particular scenario, operating today.

Bill Lupien: Okay, thank you.

Operator: Our next question is from Gary Lundgren, please go ahead.

Gary Lundgren: This is Gary Lundgren from Lund Corporation. I have three questions. The first is, with eight mining companies executing confidentiality agreements, will Orko consider, not only just a JV similar to Pan American, but an outright sale of the company should offers come forth?

Gary Cope: Gary answering. We obviously have made no—we haven't hidden the fact that we would prefer an outright sale. The JV is what we had with Pan American. I think if you asked the mining company, any mining company, whether they'd like to have a junior around with a carried interest, they'd probably tell you not a chance. So in answer to your question, we would prefer an outright sale.

Gary Lundgren: Okay, next question, are you giving these companies that are executing CAs a deadline for any offers?

Gary Cope: No.

Gary Lundgren: Okay, last question, since it's now kind of a super open pit and the underground mine previously was in the higher grade, which was pretty far down, would the initial years of a super open pit produce much lower grade than initially thought?

George Cavey: This is George responding. There is a number of areas that are right at surface on the west side that are of the normal grade, the higher grade. So there is good grade at surface in one of the pits that was proposed by the old PEAs. So the other two pits, they are—have material there at surface that seems to be economically viable. And so you're not just having to wait till you get down there. There is material at surface that is achievable and probably at a lower strip ratio than the 13 to 1 that we're suggesting.

Gary Lundgren: Okay, thank you. That's all my questions.

Operator: Our next question is from Paul Pettingale [ph], please go ahead.

Paul Pettingale: Yes, hi Gary, George, Mike and company. Some of my questions have been answered, but I guess George, this might be to you. You mentioned about more drilling. What struck me was the drilling in Martha has not been completed to test depth extension. So what's your sense? Do you think Martha goes quite a bit deeper or—could you comment on that?

George Cavey: Well, what you do is you look at this as a—it's an epithermal, low sulphidation epithermal vein system, and these things tend to coalesce at depth. So where we've tested it, is only to a certain part. And you got to remember too, the geometry of this deposit; it's lying on its side essentially. So depth is actually off to the west. It's not truly depth below where we're looking at it.

And so that area, in the theoretical model of an epithermal vein system, tends to be of the—probably more base metal rich than precious metal rich. We're definitely in the precious metal rich component. So it is areas where we have no doubt from the geological model, it should coalesce at depth. We have no idea what the grade and what—we see some base metals down there, but not enough drilling has been done. I don't see that as an immediate target. There is probably other targets that you can grab ounces in the pit that are probably more economical ounces right away, that could be future underground mining from the pit basement.

So at this point in time, it is—geologically there is reason to believe that the veins do coalesce, but it's not a target we're chasing immediately.

Paul Pettingale: Okay, thanks. Just an add on to that. The—there was also mentioned sampling Pan American drill core required due to insufficient sampling density. What do you mean by that?

George Cavey: Mining Plus was able to determine that there was a number of holes that—there was visible veins that were observed and not sampled. And there may be reasons why they didn't do that, but we need to go back and re-look at all of that sampling and say, well, why wasn't it sampled? And they're in the block model right now. Those results show zero grade because of course there's no sample collected from where the visible vein is. So we need to go back, and we're just talking with Mining Plus about a proposal to do that.

And so we will likely proceed, but at what level, we just don't know and how long it'll take. Should take no more than about two months, and it shouldn't delay the PEA because it'll be a part of the PEA.

Paul Pettingale: Okay. Gary, this question's for you. Now I missed out on the gentleman that called in about the negotiations that you've been doing. But I did pick up on a TV interview. I guess somebody had called in, and you had mentioned to them that you're in serious negotiations with three or four. I'm not sure if I got that right. But I think he had asked—the interviewer had asked a question about whether—how long it would take to bring the inferred to indicated. You'd said you might not get there because, I think the timeline—it was near year end, that you thought the company might be taken out. Is that—

Gary Cope: No, he was talking about feasibility, between now and the full feasibility.

Paul Penningale: I'm sorry, okay. Okay, but you're—but was he correct in you had three or four companies you're in negotiation with? Is that reasonable?

Gary Cope: We are in—how would I say this, we are in constant talks with at least three or four of the eight, and that's all I'll say.

Paul Penningale: Okay, thank you.

Operator: We have one last question. I just wanted to remind everyone on the phones, if you have a question or if you were in the queue before and you want to ask another question, press zero one. Our question is from Carl Davidson. Please go ahead Carl.

Carl Davidson: Yeah, hi. For takeovers that have occurred for pre-production phase companies, what has been the price per ounce compared to takeovers that have occurred on miners that are already in production? What are—what is the difference in per ounce takeover prices?

Gary Cope: I don't have that information. Obviously, you know, the—obviously you get a higher price for something that would be in production versus pre-production. But I don't have the comparables.

Carl Davidson: Okay, thank you.

Operator: So it shouldn't be too long. We have a few more new questions queued up. So we're just grabbing their name now so we can introduce them. We'll take a question here from Guy Mousseau [ph], please go ahead.

Guy Mousseau: Oh, hi Gary. Congratulations on the new report. Looks really good on us. My question is, in order to move our inferred to indicated, how much money and how much drilling is that going to take? I'm sorry, I missed that part of the call when you answered it.

Gary Cope: Yeah, it's a question previously asked and I've already stated, we don't know until we get the PEA done. At this point in time, it'll tell us exactly how much drilling is required to move the in pit resources from inferred into indicated. But as Mike Collins said from Mining Plus, that if you're looking at a starter pit, potentially you wouldn't be trying to put all of the ounces in. You'd start production on the ounces that are in the indicated category and advance drilling as you're advancing your pit walls, etc. So it doesn't all have to be done immediately before you go into production.

Guy Mousaus: Could we start with the gold first? In my discussions with you before, I understood the gold is pretty accessible and because price of gold is really high, could we start with an open pit over the gold?

George Cavey: No, the gold and silver occur together. So you cannot do one without the other.

Guy Mousaus: Sorry, I misunderstood then. I thought the gold was in an area separate by itself.

George Cavey: Okay, what you're thinking of is there is a small area to the southern part of the ridge that hosts La Preciosa, still well within our property boundaries, that has higher grade gold values in the drill indications that we have. But it's way outside of the resource block right now, and it's a future target, future exploration. But it's not in the resource right now. Maybe that's what you're referring to.

Guy Mousaus: Okay. And one of the fellows asked about a price per ounce for takeouts. Now Mine Finders was starting to produce themselves. What was the takeout price on Mine Finders per ounce? Do you remember?

Gary Cope: I don't have the price per ounce, but it was $1.5 billion and they had $300 million in the bank. So roughly $1.2 billion, and I don't have the price per ounce.

Guy Mousaus: How many ounces did they get?

Gary Cope: I don't have that Guy, sorry.

Guy Mousaus: It was a pretty good takeover though, and I could see the—do you think that we would be more saleable if we were to commence, like, an open pit operation, even if it was heap leach or something?

Gary Cope: Don't have the answer to that either.

Guy Mousaus: Okay, just speculating.

George Cavey: The other component is, this won't be a heap leach. This is not your Nevada style open pit deposit. It's still a—the mineral is going to likely be mined with conventional mining using CIL and Merrill Crowe. So it won't be a heap leach at all.

Gary Cope: And if I could add to that, Guy. I think with the new information and the resource that's coming out, that we're pretty saleable.

Guy Mousaus: That's what we're all wondering is, when it'll be coming, because as you know, I've been with you for—since before the first resource and it's been a long haul for us.

Gary Cope: Well, it has, and like I say, this is—this resource when we put it out, was one of our best days that we've had. The market hasn't quite got the scope of this yet, but as the PEA comes out, I think there'll be some wide eyes.

Guy Mousaus: Well, is there anybody else that would be in competition with us? We seem to have the largest resource for a silver play of anywhere in the world. Is there anybody that is in competition with us?

George Cavey: Yeah, there's—it's George talking again here. What we've done or not—one of the brokerage firms around town said, let's compare all of the large silver—primary silver deposits of the world and say, those that are—that could produce more than 5 million tons annually—5 Moz annually, sorry, how many and where are they? The list is actually on the PowerPoint presentation on our website. I won't read in detail. But however, the summary is that of the eight or ten that they list, several are in areas that have some political instability, and therefore may have some delay to their production. People that have new projects in Argentina, for example, or Bolivia.

And so when you narrow it down to companies that can produce more than 5 Moz, there's only 3 or 4 in the world that would be at all comparable to us, Corani is one, Alexco is another. And so there is very—there is very few that are that big. And so we are very unique in our space, and I would like you to go to our PowerPoint presentation. You'll see the list there in detail.

Guy Mousaus: Thanks for that, because I thought that, because we're in Mexico, which is a stable country and very mining friendly, and I'm afraid right now to invest anywhere in South America, the way those—the governments are treating mining companies so poorly. I would think that we were on the top of the list and that the big boys, maybe even Pan Am should be taking another look at us.

George Cavey: Well, we certainly are on the list of some of the larger deposits, silver only deposits of the world, and that does make us unique, and the fact that it is a very politically stable part of the world. And one of the big advantages of Mexico is it's a part of NAFTA, the North American Free Trade Agreement. So they cannot do the silly games that you see in some of these other countries. And so we're somewhat protected by that.

So we are very fortunate to have a large deposit in a very easy area. You've got to remember our deposit, it's just outside the capital city of Durango. So it's not infrastructure challenged. It is in a politically stable environment. And so it does have a lot of very attractive features that make it unique in our space.

Guy Mousaus: Yes, exactly. That's why I've stuck with you so long. We've got the politics, we got a mining friendly place. We've got a hell of a good deposit, and we're not—we're in a place where there's a great deal of silver. Isn't Mexico's the number one silver producer in the world right now?

George Cavey: It is indeed.

Guy Mousaus: Yeah, so we seem to have everything going for us. I think we just have to be patient.

Gary Cope: Well, you've been patient so far Guy. You've been with us since, what, 2004?

Guy Mousaus: Yes. So I'm waiting for that big payday.

Gary Cope: Well, hopefully not too much longer.

Guy Mousaus: Thanks Gary.

Operator: Our next question is from Ekart Pragshad [ph], please go ahead Ekart.

Ekart Pragshad: Yeah, hi, this is Ekart Pragshad. I'm a recent investor and I have a basic question. It seems rather odd that Pan Am Silver would have walked—after spending $18 million in three—dollars in three years of their money here on investing in this project. So my basic question is, is there something hidden here that escapes us all that hasn't been covered? Like, permit problems, political problems, etcetera? I mean, I'm here—live here in the United States and you always hear about the EPA doing all kinds of crazy stuff here. And so in keeping with the previous caller, discussions about Mexico being a friendly environment. If there was one concern that you'd have about this whole thing going according to schedule, what would that be?

Gary Cope: First of all, I'll answer the first part of your question first. There are no hidden defects in this project. As George said, it's in an area that's almost ideal setting for mining. The infrastructure is all there. You've brought up the fact that Pan American gave up the project. The only thing I would say to that is, I can't speak for Pan American, but what I would suggest is that you ask the board of directors of Pan American why they dropped the project, remembering that they also had just bought Mine Finders very early before.

There are no defects in this project. The last part of your question is, what would scare me the most? I can't—the price of silver? I guess that is—I mean, that's the one that would scare everybody, is if we had a massive drop in the price of silver. Remembering that this resource was done at $25.90 silver. So we're trading almost $10 above that. It would have to go down significantly below $25 before we were afraid. But that would be the only thing.

Ekart Pragshad: Well, I understand price of silver, but that's—but a permit problem? I mean, you don't foresee anything that—you know, water problem, labour problem? I mean, is there anything here that could be really a fly in the ointment here, that makes this whole thing just more risky?

Gary Cope: We absolutely do not see any—foresee any problem on the horizon.

Ekart Pragshad: Thank you.

Operator: Okay, our next question is from Mauritz Kay [ph], please go ahead Mauritz.

Mauritz Kay: Hi, there. I'm Mauritz. I'm a Europe based shareholder, and if my understanding is correct, the interested parties in the takeover have signed a standstill agreement and management needs to agree to any takeover. My question would be, at what share price would management start considering a takeover offer?

Gary Cope: I will not answer that question, as I'm sure some of our potential suitors are on the line. Let's just say—I will say that the resource has given us a renewed, probably, valuation of the project.

Mauritz Kay: Okay, thank you.

Gary Cope: You're welcome.

Operator: Our next question is from Clark Peterson [ph], please go ahead Clark.

Clark Peterson: Gary, as a long time silver buff, buying into Sunshine back in the '70s, waiting through the Bunker Hunt thing, taking out a fortune, bouncing back and forth, being a geologist, miner, farmer, everything you could imagine. First question this: you inferred sometime back or said, that Pan Am had not acquired the surface rights to the property and that's still out there to deal with. Will that be a problem, or did these things move through smoothly?

Gary Cope: We're actually addressing that issue right now.

George Cavey: Well, I'd just like to—it's George, I'd just like to add one thing, to make sure people understand. The mineral rights are owned by the Mexican government, owned by the state. And the surface rights are held either through private individuals or communities that are known as eijedos. And so in our situation, we have had permits and we've had approval to continue to work for the last nine years on this project. So we've been in constant communication with them. We have not moved down the road to purchase the land at the time that Pan American walked away from the project because that was part of their—what they had to do to complete the feasibility study.

So we've just started that process—restarted that process now. We're retaining the right people to do that. We don't know how long that'll take or what the costs are going to be at this point in time. It is Mexico, so if you have a chance to look at our PowerPoint, you'll see that we have no rivers, cities, towns or anything where our project is, that should come up and be any real issue. However, you don't know until you get your process and you move forward with the purchase of land. As a matter of fact, where the open pit is proposed right now, the two open pits, one very large one and a slightly smaller one, it is open graze land right now. It's not even under agricultural—any kind of agricultural growth.

So where we would have to put the waste dumps and tailings, that may encroach on some of the agricultural terrain. So it mostly—it's bean farming, and so that works to our advantage, too. So right now we don't anticipate there's going to be a major problem in acquiring the land, but we're just starting down the road on our own, so we will know as we move forward.

Clark Peterson: Thank you. Last question. Gary, I met you, your team through the years, not always identified myself. Looking forward to the future, a buyout of the property, can you keep your team together and take us on to another project?

Gary Cope: That's always possible.

Clark Peterson: Thank you.

Operator: Our next question is from Carl Davidson, please go ahead Carl.

Carl Davidson: Yeah, hi. The potential suitors, do they have more or less or the same amount of eagerness to complete a takeover with the new resource estimate as compared to the months and months prior with the old estimate.

Gary Cope: A very good question. We don't know the answer to that yet. The new resource has just gone out recently and Mining Plus put in months and months of work on this, and it's very in depth and there's a lot of data. So I think it took some people by surprise, and I suspect that they've gone back and started to rework some designs and to see if they can agree with the Mining Plus. But it's a very good question, and I suspect that it will increase the awareness and the interest.

Carl Davidson: I was under the impression that because it's open pit versus more underground, that cash cost per ounce would be significantly less and therefore they would be more eager to do a takeover.

Gary Cope: That's potentially very true.

Carl Davidson: Lastly, how many months would it take to get into production if a suitor did do a takeover? What is a realistic timeframe, like two years or—for them to actually get production?

Gary Cope: I'm going to turn that one over to Mike.

Mike Collins: That's a pretty broad question. This is Mike Collins speaking here. I guess, you know, you've got to go through your PEA process, which is ongoing right now. And then there—between your PEA and your final feasibility, your bankable feasibility, there's always a period where you look to optimize the dataset that you have. Perhaps you revisit metallurgy and say, well, is there slightly better process?

So there is a—there can be a significant timeframe. One of the things that Orko is—has been doing, is looking at getting in front of the questions from the resource calculation that we've done. Looking at it and saying, okay well, what can we do now? Looking down the road towards the feasibility and what do we know is going to be asked in between, so that we can move that timeline—shrink the timeline and get to a final feasibility number sooner.

Carl Davidson: I mean, would two years be realistic if someone were interested in the next few months, to be in production, within let's say two years? Is that realistic?

Mike Collins: I'd be completely offside if I started telling you when it was going to go to production or go to construction.

Carl Davidson: Okay, thank you.

Operator: If anyone on the phones has another question, please press zero one. For now, our last question is from Peter Marquis [ph], please go ahead Peter.

Peter Marquis: Hi to everyone there. I got one question. What percentage of the company does Sprott, Pan Am and Goldcorp still hold, and how many shares does it convert to? If you can answer that.

Gary Cope: As far as I know, Pan Am still has four million shares. Goldcorp, as far as I know, still has three million shares and sorry, Sprott was the other one?

Peter Marquis: Yes.

Gary Cope: Mike?

Mike Devji: Sprott's around seven point five.

Gary Cope: Seven point five million, and the—

Peter Marquis: Well, seems like they all have confidence, that's good. You guys are doing a very good job. Keep it up.

Gary Cope: The big one is the Van Eck fund, the GDXJ, which they have just around ten million shares.

Peter Marquis: Very good. Okay, excellent job. Thank you very much.

Gary Cope: You're welcome.

Operator: So we do have another question, Paul Penningale, please go ahead.

Paul Penningale: Hi Gary, it's Paul again. Do you know if there have been many analysts write up on the—as a result of the new resources—is there much written up by the analysts? And what feedback have you been getting?

Mike Devji: Paul, this is Mike here. As far as the analysts are concerned, I think this resource coming out last Thursday, or two weeks ago roughly, hasn't given them enough time to prepare something. But I think there is a number of analysts that are actually looking at writing us up. I know the guys from GMP are probably revisiting our new report at the moment, that I'm aware of. Other than that, I can't really tell you if there's anything else. But there is a number of new analysts that have come and talked to us over the last ten days, and I'm pretty sure that something will happen.

Paul Penningale: Okay, great. Great work everyone.

Operator: So we don't have anyone queued up for now on the phone.

George Cavey: Okay, well, thank you everybody for dialling in, and hopefully we answered the questions. If you come up with any other ones, feel free to phone us or email us, and thank you for your time.

Operator: So ladies and gentlemen, this concludes the Orko Silver Corp Management Call. Thank you for your participation. Have a great day.

[End of Recording]