

**MANAGEMENT INFORMATION CIRCULAR**  
**ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**  
**TO BE HELD ON DECEMBER 11, 2008**

**A- INFORMATION ON THE VOTES**

**SOLICITATION OF PROXIES BY MANAGEMENT**

This circular relates to the solicitation by the management of Orex Exploration Inc. (the " Company ") of proxies to be used at the Annual and Special Meeting of shareholders (the " Meeting ") of the Company to be held at the time, place and for the purposes indicated in the enclosed Notice of Meeting and any adjournment thereof. This solicitation of proxies will be done by the directors by mail, telecopy and email and the cost will be borne by the Company.

**APPOINTMENT OF PROXIES**

The persons mentioned in the enclosed form of proxy herewith are officers of the Company. **A shareholder has the right to appoint a proxy to represent him at the Meeting other than the persons whose names appear as proxies on the enclosed form of proxy by striking out the names printed on the form of proxy and inserting the name of the proxy of his own choice in the blank space provided therein.** A person appointed as proxy need not be a shareholder of the Company. The completed form of proxy must be received by the registrar and transfer agent of the Company, Computershare, Proxy Department, 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1 or by facsimile transmission to number 1-866-249-7775, in each case no later than December 9, 2008 or filed with the Chairman of the Meeting, on the day of the Meeting but prior to the Meeting.

A Non-Registered Shareholder who wishes to appoint another person to represent him at the Meeting shall carefully follow the instructions of his intermediary, including those regarding when and where the voting instruction form or proxy is to be delivered with directions concerning the appointment of another person to represent him at the Meeting.

**REVOCAION OF A PROXY**

A registered shareholder giving a proxy may revoke the proxy by instrument in writing executed by the shareholder or his agent duly authorized in writing or, if the shareholder is a Company, by an officer duly authorized in writing, and deposited either (i) at the head office of the Company, the last business day before the Meeting or the date of resumption in case of adjournment, or (ii) at the office of the registrar and transfer agent of the Company, Computershare, Proxy Department, 9<sup>th</sup> Floor, 100 University Avenue, Toronto, Ontario, M5J 2Y1, at the latest on December 9, 2008 or 48 hours before the date of resumption if the Meeting is adjourned, or (iii) hand over to the Chairman of the Meeting before the Meeting or any adjournment thereof.

Only registered shareholders may revoke a proxy in the manner described above. Non-registered holders who wish to change their vote must, in a reasonable delay, arrange for their respective intermediaries to revoke the proxy on their behalf.

## **DISCRETIONARY POWER CONFERRED BY THE PROXIES**

The voting rights conferred by the common shares for which a proxy has been given through a form of proxy duly signed in favour of the persons designated therein will be exercised or withheld from voting at the Meeting in accordance with the instructions indicated herein. **If no instructions are specified, the voting rights attached to the common shares will be exercised by those persons designated in the form of proxy FOR the election of the management nominees as directors, FOR the appointment of auditors and the authorization to the Board of Directors to fix their remuneration, FOR the amendment to the stock option plan and FOR the ratification of the Shareholder Rights Plan.**

**The enclosed form of proxy confers discretionary power with respect to any amendment pertaining to the matters identified in the Notice of Annual and Special Meeting and to any other matters which could be properly brought before the Meeting.** At the date hereof, the management of the Company has no knowledge of any amendment whatsoever nor of any other questions that could be brought before the Meeting.

## **EXERCISE OF VOTING RIGHTS BY NON-REGISTERED SHAREHOLDERS**

If you are a Non-Registered Shareholder (that is, if your shares are registered in the name of an intermediary such as a securities broker, clearing agency, financial institution, trustee or custodian), **you should carefully follow the instructions on the request for voting instructions or form of proxy that you receive from the intermediary, in order to vote the shares of the Company that you hold with that intermediary.**

The Non-Registered Shareholder, who wishes to attend the Meeting and vote in person (or have another person attend and vote on behalf of the Non-Registered Shareholder), should insert his own name (or such other person's name) in the blank space provided in the request for voting instructions or form of proxy to appoint himself (or such other person) as proxy holder and then follow his intermediary's instructions for returning the request for voting instructions or proxy form.

## **VOTING SECURITIES AND PRINCIPAL HOLDERS**

The authorized capital stock of the Company consists of an unlimited number of common shares.

As at October 31, 2008, 99,708,062 common shares of the Company were issued and outstanding. Each common share gives the right to one vote at the Meeting. The record date to determine the shareholders entitled to receive notice of, and vote at the Meeting or any adjournment thereof has been fixed at November 7, 2008.

As at October 31, 2008, to the knowledge of the executive officers of the Company, the only persons exercising control or direction over more than 10% of the voting rights attached to all classes of shares of the share capital of the Company are MineralFields Group, holding 10,183,173 shares, representing approximately 10,2% of the outstanding shares of the Company and Jacques Levesque, holding 16,582,560 common shares, representing approximately 16,7% of the outstanding shares of the Company.

## B- AGENDA OF THE MEETING

### PRESENTATION OF FINANCIAL STATEMENTS

The Company's annual financial statements for the fiscal year ended June 30, 2008 and the auditor's report thereon will be presented to the Meeting but will not be subject to a vote.

### ELECTION OF DIRECTORS

Pursuant to the Company's articles of incorporation, the Board of Directors may be composed of a maximum of nine directors. The Board of Directors is currently composed of six members. Pursuant to the general by-laws of the Company, the term of office of each director elected at the Meeting shall end at the date of the next annual meeting following his election or nomination or at the date of the election or nomination of his successor, unless he resigns or his office becomes vacant through death or any other reason in accordance with the by-laws of the Company.

**The persons named in the enclosed form of proxy will vote IN FAVOUR of the election of the management nominees whose names are listed below, unless the shareholder signatory of the proxy has indicated his will to abstain from voting regarding to this matter.**

Management of the Company does not contemplate that any of the nominees will, for any reason, become unable or unwilling to serve as a director. However, if any change should occur prior to the Meeting, the persons named in the form of proxy reserve the right to vote for other nominees of their choice.

Nominees proposed by management of the Company were elected at a previous annual meeting for which an information circular including the complete description of their occupations was sent to shareholders, except Michael A. Dehn, nominee, President and director of Avanti Management & Consulting Limited, a Toronto based consulting firm specializing in the resources sector. With over 17 years experience in the mining industry, Mr. Dehn was President, CEO and director of Nayarit Gold Inc. from September 2005 to April 2007. Between 1995 and 2005, he worked as an exploration geologist and later as a senior geologist with Goldcorp Inc.. Mr. Dehn has been a director and/or management of publicly traded and private junior mining companies and is currently director of NWM Mining Corp., Puget Venture Inc., Trelawney Resources Inc. and Metalore Resources Limited. His expertise lies in grassroots to advanced minerals exploration, marketing and financing junior companies.

<b>Name and Principal Occupation</b>	<b>Office Held within the Company</b>	<b>Director Since</b>	<b>Number of Common Shares Owned Directly or Indirectly, as of October 31, 2008</b>
<b>Ali Abbas Al Hazeem</b> Dubai, United Arab Emirates President of Amarium Commodities DMCC	Director and Chairman	March 31, 2008	0
<b>Mark Billings (1)</b> Montreal, Quebec President and CEO of the Company	Director, President, Chief Executive Officer and Chief Financial Officer	October 24, 2007	300,000
<b>David Hachette</b> Dartmouth, Nova-Scotia Qualify Assurance Manager for Research In Motion (RIM)	Director	October 2004	84,000

<b>Name and Principal Occupation</b>	<b>Office Held within the Company</b>	<b>Director Since</b>	<b>Number of Common Shares Owned Directly or Indirectly, as of October 31, 2008</b>
<b>Louis Lapointe (1)</b> Laval, Quebec President of Power Split International Inc.	Director	October 24, 2007	0
<b>Claude Poulin (1)</b> Rouyn-Noranda, Quebec Chartered accountant, Income tax specialist	Director	December, 1999	311,000
<b>Michael A. Dehn</b> Toronto, Ontario President of Avanti Management & Consulting Limited	Nominee	--	0

(1) Member of the Audit Committee.

In the ten (10) years prior to the date of this circular and except as disclosed below, the proposed directors mentioned above have not been personally, and have not been a director or officer of any company that has been the subject of any cease trade order or similar order for more than 30 consecutive days and have not been declared bankrupt or made a voluntary assignment or proposal with respect to bankruptcy or insolvency, or been subject to any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold their assets.

#### **APPOINTMENT OF AUDITORS**

Raymond Chabot Grant Thornton LLP have been the auditors of the Company, from their office in Val d'Or, since 2005.

**The persons named in the enclosed form of proxy will vote IN FAVOUR of the appointment of Raymond Chabot Grant Thornton LLP, Chartered Accountants as Auditors and authorize the Board of Directors to fix their remuneration, unless the shareholder signatory of the proxy has indicated his will to abstain from voting in regards to this matter.**

#### **AMENDMENT TO THE STOCK OPTION PLAN**

Following a resolution adopted November 5, 2008, the Board of Directors of the Company agreed to increase the number of common shares that may be issued under its 2008 stock option plan ("2008 Plan") from 8,000,000 to 9,900,000. Refer to page 9 of this circular for more information on the 2008 Plan.

The amendment of the 2008 Plan to increase the number of common shares that may be issued at 9,900,000 is subject to the approval of the TSX Venture Exchange. The Board of Directors wishes to obtain approval of its shareholders along this line. To be authorized, this resolution must be adopted by a majority of votes cast at the Meeting.

**The persons named in the enclosed proxy form intend to vote IN FAVOUR of the resolution authorizing the amendment to the 2008 Plan as mentioned above, unless the shareholder giving the proxy has indicated his will to vote against with respect to such resolution.**

#### **RATIFICATION OF THE SHAREHOLDER RIGHTS PLAN**

At the Meeting, the shareholders will be asked to ratify the Shareholder Rights Plan (the "Rights Plan") adopted by the Board of Directors on November 5, 2008.

The Board of Directors has determined that the Rights Plan is in the best interests of the shareholders and the Company and recommends that shareholders vote for its approval. The Rights Plan will provide the Board of Directors and the shareholders more time to fully consider any unsolicited takeover bid for the Company. The Rights Plan is intended to discourage coercive or unfair takeover bids and gives the Board of Directors time to pursue alternatives to maximize shareholder value, if appropriate, in the event of an unsolicited takeover bid.

The Rights Plan will remain in force for a period of three years, subject to its ratification by the shareholders at the Meeting. To continue to be effective, the Rights Plan must be approved by a resolution passed by a majority of the votes cast at the Meeting in person or by proxy. Should the resolution not be passed by a majority of the votes so cast at the Meeting, the Rights Plan shall be of no further force and effect from the date of the Meeting.

**Background:** The primary objective of the Rights Plan is to provide the Board of Directors with sufficient time to explore and develop alternatives for maximizing shareholder value if a takeover bid is made for the Company and to provide every shareholder with an equal opportunity to participate in such a bid. The Rights Plan encourages a potential acquirer to proceed either by way of a Permitted Bid (as defined in the Rights Plan), with requires the takeover bid to satisfy certain minimum standards designed to promote fairness, or with the concurrence of the Board.

In adopting the Rights Plan, the Board of Directors considered the legislative framework in Canada governing takeover bids. Under provincial securities legislation, a takeover bid generally means an offer to acquire voting or equity shares of a person or persons, where the shares subject to the offer to acquire together with shares already owned by the bidder and certain related parties thereto, aggregate 20 % or more of the outstanding shares of a Company.

The existing legislative framework for takeover bids in Canada continues to raise the following concerns for shareholders of the Company:

- (i) **Time:** Current legislation permits a takeover bid to expire 21 days after it is initiated. The Board of Directors is of the view that this is not sufficient time to permit shareholders to consider a takeover bid and make a reasoned and unhurried decision.
- (ii) **Pressure to Tender the Shares:** A shareholder may feel compelled to tender his/her shares to a takeover bid which the shareholder considers to be inadequate out of a concern that in failing to do so, the shareholder may be left with illiquid or minority discounted Common Shares. This is particularly so in the case of a partial takeover bid for less than all of the Common Shares, where the bidder wishes to obtain a control position but does not wish to acquire all of the Common Shares. The Rights Plan provides a shareholder tender approval mechanism which is intended to ensure that a shareholder can separate the decision to tender from the approval or disapproval of a particular takeover bid.
- (iii) **Unequal Treatment: Full Value:** While existing provincial securities legislation has substantially addressed many concerns in this regard, there remains the possibility that control of the Company may be acquired pursuant to a private agreement in which one or a small group of shareholders disposes of Common Shares at a premium to market price which premium is not shared with the other shareholders. In addition, a person may slowly accumulate Common Shares through stock exchange acquisitions which may result, over time, in an acquisition of control without payment of fair value for control or a fair sharing of a control premium among all shareholders.

**Summary:** The following is a summary of the principal terms of the Rights Plan which is qualified in its entirety by reference to the text of the Rights Plan Agreement that will be concluded with Computershare Investor Services inc.

**Issue of Rights:** On the execution of the Rights Plan Agreement between the Company and Computershare Investor Services Inc., one right to purchase a Common Share, upon the terms and subject to the conditions set forth in the Rights Plan, will be issued and attached to each Common Share outstanding and attached to each Common Share subsequently issued.

**Rights Exercise Privilege:** The Rights will separate from the Common Shares and will be exercisable on the tenth Business Day after the earlier of (i) the Stock Acquisition Date (ii) the date of the commencement of, or first public announcement of the intent of any Person to commence a Triggering Event, other than a Permitted Bid or Competing Permitted Bid; (iii) the date upon which a Permitted Bid or Competing Permitted Bid ceases to be such; or (iv) such later date as may be determined by the Board of Directors in good faith.

**Triggering Event:** The acquisition by any Person (an “Acquiring Person”) of 20% or more of the outstanding Common Shares of the Company, other than by way of a Permitted Bid, a Voting Share Reduction, an Exempt Acquisition, a Pro Rata Acquisition or a Convertible Security Acquisition is referred to as a “Triggering Event”. Any Rights held by an Acquiring Person will become void upon the occurrence of a Triggering Event. Ten Business Days after the occurrence of the Triggering Event, each Right (other than those held by the Acquiring Person), will permit the purchase of Common Shares at a substantial discount to the market price at the time.

Issuance of the Rights is not initially dilutive. Upon a Triggering Event occurring and the Rights separating from the Common Shares, reported earnings per share on a fully diluted or non-diluted basis may be amended. Holders of Rights not exercising their Rights upon the occurrence of a Triggering Event may suffer substantial dilution.

**Certificates and Transferability:** Prior to the Separation Time, the Rights are evidenced by a legend imprinted on certificates for the Common Shares issued from and after the Effective Date and are not to be transferable separately from the Common Shares. From and after the Separation Time, the Rights will be evidenced by Rights certificates which will be transferable and traded separately from the Common Shares.

**Permitted Bid Requirements:** Under the Rights Plan, a “Permitted Bid” is a bid made to all shareholders of the Company and that is open for acceptance for not less than 60 days. If, at the end of such 60-day period, at least 50 percent of the outstanding shares, other than those owned by the offeror and certain related parties, have been tendered, the offeror may take up and pay for the shares but must extend the bid for a further 10 days to allow other shareholders to tender.

The Rights Plan is similar to other shareholders rights plans adopted by several other Canadian companies and approved by their respective shareholders.

**Waiver:** The Board of Directors may, until the occurrence of a Triggering Event, waive the application of the Rights Plan to a particular Triggering Event (an “Exempt Acquisition”) where the Takeover Bid is made by a takeover bid circular to all holders of Common Shares. Where the Board of Directors exercises the power of waiver for one Takeover Bid, the waiver will also apply to any other Takeover Bid for the Company made by a takeover bid circular to all holders of Common Shares prior to the expiry of the other bid for which the Rights Plan has been waived by the Board of Directors.

**Redemption:** The Board of Directors, with the majority approval of shareholders (or the holders of Rights if the Separation Time has occurred) at a meeting duly called for that purpose, may redeem the Rights at \$0.0001 per Right. Rights may also be redeemed by the Board of Directors without such approval following completion of a Permitted Bid, Competing Permitted Bid or Exempt Acquisition.

**Amendment:** The Company may amend the Rights Plan with the majority approval of shareholders (or the holders of Rights, if the Separation Time has occurred) at a meeting duly called for that purpose. The Company, without such approval, may correct clerical or typographical errors and, subject to approval as

noted above at the next meeting of the shareholders (or holders of Rights, as the case may be), may make amendments to the Rights Plan which the Board of Directors acting in good faith considers necessary or desirable.

**Recommendation of the Board of Directors:** The Board of Directors has determined that the Rights Plan is in the best interests of the Company and its shareholders. The Board of Directors unanimously recommends that shareholders vote in favour of the Rights Plan Resolution. At the present time, the Company has not knowledge of any Takeover Bid, nor of any intended Takeover Bid from any person.

The Rights Plan is subject to the approval of the TSX Venture Exchange.

**The persons named in the accompanying form of proxy intend to vote IN FAVOR of the resolution ratifying the Rights Plan unless the shareholder signing the proxy has indicated his/her intention to vote against the resolution.**

## C- COMPENSATION OF EXECUTIVES AND DIRECTORS

### Executive Compensation

The following table sets out all annual and long-term compensation for services in all capacities to the Company for the fiscal years ended June 30, 2008, 2007 and 2006 of the Chief Executive Officer and the Chief Financial Officer of the Company (the "Named Executive Officers"). No other executive officer of the Company received more than \$150,000 in salary and bonus during the fiscal year ended June 30, 2008.

**Summary Compensation Table**

Name and Principal Position	Annual Compensation				Long-Term Compensation			All Other Compensation
	Years	Salary (\$)	Bonus (\$)	Other Annual Compensation (\$)	Awards		Payouts	
					Securities Under Options Granted	Shares Subject to Resale Restrictions (\$)	LTIP Payouts	
Mark Billings President, CEO and CFO	2008(1)	53,468	0	0	1,250,000	0	-	-
Jacques Levesque President, CEO and CFO	2008(2)	0	0	27,000	0	0	-	-
	2007	0	0	108,000	0	0	-	-
	2006	0	0	104,500	0	0	-	-

(1) Mark Billings has been acting as Chief Financial Officer of the Company since October 24, 2007 and as President and Chief Executive Officer since March 31, 2008. This amount was paid to a private company owned by Mr. Billings. Ali Abbas Al Hazeem acted as President and Chief Executive Officer from October 24, 2007 to March 31, 2008. No compensation was paid to him as such for that period.

(2) Jacques Levesque ceased to act as director and officer of the Company on October 24, 2007. These amounts were paid to private companies owned by Jacques Levesque, former president of the Company, as rental expenses for the office and equipment, secretarial and accounting services. For the year ended June 30, 2008, the amounts were incurred from July 1<sup>st</sup> to October 1<sup>st</sup>, 2007.

### Options Granted during the last Financial Year

The following table indicates the stock options granted to the Named Executive Officers during the last financial year ended June 30, 2008.

Name	Options Granted (#)	Percent of Total Options Granted in Financial Year (%)	Exercise Price (\$/Security)	Market Value on the Date of Grant (\$/Securities)	Expiration Date
Mark Billings	250,000	16.6%	\$0.105	\$0.105	February 11, 2013
	1,000,000	22.3%	\$0.15	\$0.10	March 31, 2013

During the last financial year of the Company, no option was granted to Jacques Levesque and Ali Abbas Al Hazeem during the period while they were acting as Named Executive Officers (from July 1<sup>st</sup> to October 24, 2007 for Mr. Levesque and from October 24, 2007 to March 31, 2008 for Mr. Al Hazeem).

### Options Exercised during the last Financial Year

During the last financial year, no officer has exercised stock options for the period he was acting as a Named Executive Officer. The following table gives information on the value of the options held by the only Named Executive Officer on June 30, 2008.

Named Executive Officer	Securities, Acquired on Exercise	Aggregate Value Realized (\$)	Unexercised Options at FY-End Exercisable / Unexercisable	Value of Unexercised in-the-Money Options at FY-End (\$) Exercisable/ Unexercisable (1)
Mark Billings	-	-	1,250,000/ 1,250,000	\$3,750/ \$3,750

(1) The value of unexercised in-the-money options is based on the closing price of the Company's common shares on the TSX Venture Exchange on June 30, 2008 (\$0.12), less the respective exercise price of the options.

### Directors' Compensation

The Directors did not receive any remuneration in their capacity as directors of the Company during the fiscal year ended June 30, 2008. During the last financial year, the Company granted a total of 350,000 stock options to some directors, at an exercise price of \$ 0.105, expiring February 11, 2013 and a total of 2,500,000 stock options to its directors at an exercise price of \$ 0.15, expiring March 31, 2013.

### Compensation Committee

The Board of Directors directly assumes the obligations usually delegated to the compensation committee.

### Employment Agreements

There are no employment agreements between the Company and its officers and there is no remuneration plan that could apply in the case of a dismissal, retirement, or any other reason for the end of employment with the Company or following a change of control or a change in the responsibilities of the officers due to a change of control of the Company. On October 24, 2007, the Company signed an agreement with a private company owned by Mark Billings, president, chief executive officer and chief financial officer of the Company, for management and supervision of the affairs of the Company. Monthly payments of \$6,500 are payable. This agreement was for a term of one year and has been renewed.

## Securities Authorized for Issuance Under Equity Compensation Plans

The following table gives certain information as of June 30, 2008, being the Company's most recently completed fiscal year, with respect to compensation plan under which equity securities of the Company are authorized for issuance.

Plan Category	Number of securities to be issued upon exercise of outstanding options (a)	Weighted-average exercise price of outstanding options	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in a)
Equity compensation plans approved by security holders <b>2008 Stock Option Plan</b>	6,100,000	\$0.14	1,900,000
Equity compensation plans not approved by security holders	-	-	-

On February 19, 2008, the Board of Directors of the Company adopted a new stock option plan (the "2008 Plan"), aiming, amongst other things, to conform with Policy 4.4 of the TSX Venture Exchange for a Tier 2 issuer. The 2008 Plan was approved by the Company's shareholders at the general meeting held on March 31, 2008.

Persons who may receive share purchase options under the 2008 Plan are the officers or directors of the Company or any of its affiliates, employees of the Company or of a management company employee and consultants (the "*Eligible Participants*"). The maximum number of shares that may be reserved for issuance pursuant to the grant and exercise of stock options under the 2008 Plan is 8,000,000

The maximum number of shares, which may be reserved for issuance to any one Eligible Participant, in any 12 month period, shall not exceed 5% of the issued shares of the Company at the date of the grant.

The maximum number of shares, which may be reserved for issuance to any one Consultant, in a 12 month period, shall not exceed 2% of the issued shares of the Company at the date of the grant. The maximum number of stock options granted to persons employed to provide investor relations activities must not exceed 2% of the issued shares of the Company at the date of the grant, in any 12 month period. Stock options issued to Consultants performing investor relations activities must vest in stages over 12 months with no more than  $\frac{1}{4}$  of the stock options vesting in any three month period.

The expiry date of a stock option shall be the 5th anniversary of the date of grant unless a shorter period of time is otherwise fixed by the Board of Directors, which shall administer the 2008 Plan. In the event of the death of an optionholder, the stock option shall expire at the earlier of: (i) the expiry date of the option or (ii) the first anniversary of his death. Should a person cease to be an Eligible Participant for any other reason than death, then the expiry date of stock options corresponds to whichever of the following comes first: (i) the expiry date of the option; and (ii) the date that is 90 days following the date that person ceased to be an Eligible Participant. In the case of a person performing investor relations activities, such delay is of 30 days following the date that person ceased to provide investor relations activities.

The minimum exercise price for the shares underlying the stock options shall be, with respect to a stock option, the closing price of the common shares of the Company on the TSX Venture Exchange on the trading day immediately preceding the day on which the option is granted, provided that if there are no trades on such day, then the simple average of the bid and ask prices on the trading day immediately preceding the day of grant will be used.

Stock options (and any rights thereunder) shall not be assignable or transferable other than by will or pursuant to the laws of succession or descent and distribution, and the stock options may be exercised only by the recipient of the survivor or his representatives after his death.

Stock options and the shares issued upon their exercise are subject to resale restrictions of 4 months from the date on which the stock options were granted, in addition to being subject to restrictions on resale provided by the securities law.

#### **INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS**

During the fiscal year ended June 30, 2008 and as at the date of this circular, none of the directors, executive officers, employees or previous directors, executive officers or employees of the Company was indebted to the Company with respect to the purchase of securities of the Company and for any other reason pursuant to a loan.

#### **DIRECTORS' AND OFFICERS' LIABILITY INSURANCE**

The Company maintains insurance for the benefit of the Company's directors and officers against any liability incurred by them in their capacity as directors and officers. The policy provides coverage in respect of a maximum total liability of \$5 million, subject to a deductible of \$25,000 per event, or \$50,000 for each Securities claim. The annual premium is \$18,500.

### **D- INFORMATION ON THE AUDIT COMMITTEE**

#### **AUDIT COMMITTEE'S CHARTER**

The Audit Committee's Charter is attached as Schedule A of this circular.

#### **COMPOSITION OF THE AUDIT COMMITTEE AND FINANCIAL ABILITY OF THE MEMBERS**

The Audit Committee is presently composed of Mark Billings, Chartered Financial Analyst and holder of an MBA, Claude Poulin, chartered accountant and income tax specialist and Louis Lapointe, who holds a BA in business administration.

The Board of Directors has determined that Claude Poulin and Louis Lapointe are independent members of the audit committee and Mark Billings is a non-independent member due to his role as President and Chief Executive Officer of the Company. A director is "independent" if he has no direct or indirect material relationship with the issuer, that is, a relationship which could, in the view of the Board of Directors, reasonably be expected to interfere with the exercise of the member's independent judgment.

The Board of Directors has determined that each of the three members of the audit committee is "financially literate" within the meaning of *Regulation 52-110 respecting Audit Committees*, that is, each member has the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Company's financial statements.

## EXTERNAL AUDITOR SERVICE FEES

	Fiscal Years ended June 30,	
	2008	2007
Audit Fees <sup>(1)</sup>	\$26,000	\$21,000
Audit-related Fees <sup>(2)</sup>	\$0	\$0
Tax Fees <sup>(3)</sup>	\$0	\$0
All Other Fees <sup>(4)</sup>	\$0	\$0

- (1) Corresponds to the aggregate fees billed by the Company's external auditor for audit services provided to the Company.
- (2) Corresponds to the aggregate fees billed by the Company's external auditor for assurance and related services provided to the Company that are reasonably related to the performance of the audit or review of the Company's financial statements and are not reported under item « Audit Fees ».
- (3) Corresponds to the aggregate fees billed by the Company's external auditor for professional services provided to the Company regarding tax compliance, tax advice and tax planning.
- (4) Corresponds to the aggregate fees billed by the Company's external auditor for products and services provided to the Company other than the services reported under items « Audit Fees », « Audit-Related Fees » and « Tax Fees ».

## EXEMPTION FOR VENTURE ISSUERS

The Company may use the exemption of the *Regulation 52-110 respecting Audit Committees*, which exempts Venture issuers from the application of certain dispositions concerning the composition of the audit committee and of certain disclosure obligations.

## E - CORPORATE GOVERNANCE PRACTICES

The following table describes the Company's approach to corporate governance with reference to *Regulation 58-101 respecting Disclosure of Corporate Governance Practices* ("the Regulation 58-101") for Venture Issuers. The Company believes that its practices are adequate and efficient for its organization as well as for its "junior" exploration company status. The matters pertaining to the corporate governance practices have been examined by the Board of Directors.

Composition of the Board	The Board of Directors (the "Board") consists of a majority of independent directors as this term is defined in Regulation 58-101. The only directors considered not to be independent are Mark Billings and Ali Abbas Al Hazeem, due to their respective positions as President and Chairman. David Hachette, Louis Lapointe and Claude Poulin are all considered independent pursuant to Regulation 58-101 and, subject to his nomination at the Meeting, Michael Dehn will be considered as an independent director.
Directorships	The only directors that are presently also directors of other reporting issuers are Mark Billings, director of Ona Energy Inc. and Argex Silver Capital Inc. and Ali Abbas Al Hazeem who is director of Odyssey Petroleum Corporation. Mr. Michael Dehn, nominee, is director of NWM Mining Corp., Puget Ventures Inc., Trelawney Resources Inc. and Metalore Resources Limited.
Orientation and Continuing Education	The Board does not currently have a formal orientation program for new directors. The Board briefs all new directors on the policies of the Board and other relevant corporate and business information.
Ethical Business Conduct	The Board does not have a written code of ethics and conduct for the directors and officers. The Company has no employees. All of the

	directors are required to act and carry out their duties honestly and in good faith with a view to the best interest of the Company. The Company requests that all its directors act according to the laws and rules where they are governed. Directors with an interest in a material transaction are required to declare their interest and abstain from voting on such transactions. All Board members have solid track records in spheres ranging from finance to exploration in order to ensure a culture of ethical business conduct.
Nomination of Directors	The Board does not have a nominating committee. The current size and composition of the Board allow the entire Board to take the responsibility for finding and nominating new directors, taking into consideration the competencies, skills, experiences and ability to devote the required time.
Compensation Committee	The Board does not have a compensation committee. The current size of the Board allows the entire Board to take responsibility for considering compensation for the Company's executive officers and directors. Except for the issuance of incentive stock options from time to time, the Company does not presently compensate its directors for their capacity as such. Since October 24, 2007, a monthly amount has been paid to a private Company related to the President, Chief Executive Officer and Chief Financial Officer for his services. The Company may also pay fees to some directors for professional services (as geological expertise) rendered to the Company.
Other Board Committees	The Company does not have any standing committees other than the Audit Committee.
Board Assessments	The Board is responsible for assessing its effectiveness as well as that of individual directors. The Board considers the mix of skills and experience that directors bring to the Company to assess whether they have the necessary skills to perform their function effectively.

## F- OTHER INFORMATION

### INTEREST OF OFFICERS AND OTHER PERSONS IN MATERIAL TRANSACTIONS

To the knowledge of the executive officers of the Company, except what is disclosed elsewhere in this circular and in the annual financial statements of the Company (refer to Note 9 "Related Party Transactions"), no insider or proposed director of the Company, nor any associate or affiliate of any informed person or proposed director, has or had, directly or indirectly, any material interest in any transaction since the commencement of the Company's most recently completed fiscal year or in any proposed transaction which has materially affected or would materially affect the Company, except what is disclosed in this circular.

On February 11, 2008, the Company concluded an agreement with 2541-8203 Quebec Inc. (the "Creditor"), providing for the settlement of a debt of \$580,646 by the issuance of 5,806,463 common shares of its capital at a price of \$0.10 per share. The Creditor is a private company owned by Jacques Levesque, director and officer of the Company until October 24, 2007, and holder of more than 10 % of the voting rights attached to the Common Shares of the Company. This transaction was approved by the disinterested shareholders of the Company at the annual and special meeting held on March 31, 2008 and by the TSX Venture Exchange on June 12, 2008. Those shares were issued on June 12, 2008.

### MANAGEMENT AGREEMENT

Since October 2007, 2541-8203 Quebec inc., a private company controlled by Jacques Levesque, has provided management services that are required for the ongoing successful operation of the Company in

return for a monthly payment of \$10,000. Those services include general accounting, follow-up of the exploration expenses and preparation for submission to the Board of Directors or audit committee of the documentation required to satisfy the continuous disclosure obligations. Jacques Levesque ceased to act as director and officer of the Company on October 24, 2007.

#### **ADDITIONAL INFORMATION**

Financial information on the Company is included in its financial statements and in the notes for the fiscal year ended June 30, 2008. These documents and other financial information on the Company may be obtained on SEDAR at [www.sedar.com](http://www.sedar.com). Shareholders may also request copies of the Company's financial statements and Management's Discussion and Analysis to the Secretary of the Company, 101-A, Principale Avenue, Suite 200, Rouyn-Noranda, Quebec, J9X 4P1.

#### **APPROVAL OF MANAGEMENT PROXY CIRCULAR**

The contents of this Management Proxy Circular and the sending of the circular to the shareholders have been approved by the Board of Directors of the Company.

Montreal, November 5, 2008

*(s) Mark Billings*  
Mark Billings  
President and Director

**SCHEDULE "A"**  
**OREX EXPLORATION INC. (the « Company »)**

**AUDIT COMMITTEE CHARTER**

This Charter was adopted in conformity with *Regulation 52-110 respecting Audit Committees* (« Rule 52-110 »). The Audit Committee Charter sets out the mandate and responsibilities of the Audit Committee (hereinafter described as the "Audit Committee" or the "Committee") and describes the qualifications and status required to become a member. The Committee reviews its charter annually and, as required, makes recommendations to the Board of Directors (hereinafter described as the "Board of Directors" or the "Board") as to any changes to be made.

**1. Overall Purpose - Role of Audit Committee**

The Committee is a committee of the Board to whom the Board has delegated the responsibility of reviewing the financial reporting process. The Audit Committee has a general mandate to assist the Board in fulfilling its responsibilities with regard to the financial information of the Company and its accounting practices, mainly in the process of reporting and disclosure. In this context, the Committee:

- ensures the reliability and the integrity of the Company's financial statements and financial information, as well as other information made public by the Company;
- supervises the management of accounting systems and internal controls;
- assists in ensuring proper communications between the directors and the external auditors;
- supports the independence of the external auditors;
- supports the duties of the external directors in facilitating in-depth discussions between the director members of the Audit Committee, Management and the external auditors;
- supervises the activities of the external auditors appointed to carry out an audit or to perform other related services; and
- recommends to the Board the appointment of the external auditors and their remuneration.

The Committee has the authority to examine and make recommendations on any question brought to its attention. The Committee, in carrying out this mandate, has access, upon request, to all relevant information concerning the Company's operations, whether this information is in the hands of the Company, a subsidiary or a related person.

The Committee may, at his own discretion, use the services of outside consultants.

**2. Committee Responsibilities - Audit**

In general, the Committee's mandate is to supervise the reporting and disclosure processes of the Company and to report on its activities to the Board.

The Committee must ascertain that adequate procedures are in place to review the public disclosure by the Company of financial information extracted or derived from its financial statements and must periodically assess the adequacy of these procedures.

The Committee must establish procedures for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters; and the confidential, anonymous submission by employees of the Company, if any, of concerns regarding questionable accounting or auditing matters.

And, more particularly,

## **2.1 Financial Statements, Notes, Management Reports and Press Releases**

- 2.1.1 The Committee examines the interim financial statements and the audited financial statements at year-end before making them public, as well as the documents prepared for electronic deposit with regulatory authorities. The Committee may make whatever changes it deems necessary to the financial statements. Otherwise, the Committee recommends the approval of these financial statements by the Board.
- 2.1.2 The Committee examines the notes to the financial statements and all management reports accompanying the financial statements distributed to the shareholders and/or to the regulatory authorities, as well as press releases issued along with the financial statements, notes and related comments. The Committee makes all the modifications deemed necessary to these documents. Otherwise, it recommends the approval of these documents by the Board.

## **2.2 External auditors**

- 2.2.1 The Committee makes recommendations to the Board with regard to the selection of external auditors, their remuneration and their reappointment, as the case may be. It reviews the audit plan with the external auditors and defines the specific needs of the Committee. The Committee receives the auditors' report with the accompanying notes.
- 2.2.2 The Committee meets with the external auditors before the beginning of their mandate and, at this meeting, examines and approves the scope of the audit plan as well as the audit fees allocated to the work to be done.
- 2.2.3 At that time, the Committee analyzes the external auditors' independence, reviews services other than audit services to be performed by the external auditors and determines if the nature and extent of these services may or may not be prejudicial to their independence.
- 2.2.4 The Committee also meets with the external auditors at the meeting planned for the examination of the year-end audited financial statements and, on this occasion, receives the post-audit report that will mainly deal with:
- The acceptability and quality of the Company's accounting principles;
  - The quality of the accounting systems and internal controls put in place by Management to ensure the integrity of the accounting and financial information;
  - The recommendations made by the auditors to Management with respect to the accounting systems and internal controls, and Management's response thereto;

- The assessment of the measures put in place to deal with the risks faced by the Company when, in the auditors' opinion, certain factors could have a material impact on the results of the Company; and
- The difficulties encountered by the external auditors in the course of their mandate, in particular any restrictions imposed by Management or serious accounting questions over which they disagreed with Management.

2.2.5 At these meetings, the Audit Committee may meet with the auditors, out of the presence of the Company's Management and the internal directors. In fact, the Committee has direct access to the external auditors and Management and may hold private and informal discussions with each of the parties, whenever deemed opportune in carrying out their mandate.

2.2.6 Also, the Management of the Company and the external auditors may, if necessary, ask to meet the members of the Committee to review with them all transactions, procedures or other questions which, in their opinion, are relevant to the mandate of the Committee.

2.2.7 The Audit Committee must approve, in advance, all the services that are not related to the audit that the external auditors do for the Company and its subsidiaries.

2.2.8 The Committee examines the conditions of the mandate of the external auditors and verifies that the fees are appropriate and reasonable for the audit and approves unpaid fees.

### **3. Responsibilities of the Committee - Conflicts of Interest**

Every year or more often, as required, the Committee examines

- 3.1 Any situation that has been brought to its attention that may cause a conflict of interest and, more particularly, the approval of the financial conditions applicable within the framework of contracts with persons or companies related to or affiliated with the Company, to ensure that these contracts are as advantageous to the Company as if they had been negotiated with other parties.
- 3.2 Any eventual violation of a contract that is brought to its attention and which could have an impact on the financial statements.

### **4. Appointment of Auditors - Other Resources**

In performing its duties, the Committee may hire all necessary resources.

Each year, after having verified the qualifications of the incumbent or potential auditors, the Committee must recommend to the Board the appointment of external auditors. At its first meeting of the year in March, the Committee must consider whether it is appropriate, for the next fiscal year, to proceed with a call for tenders from various auditing firms or to renew the mandate of the auditors in place.

If Management proposes a change of external auditors, the Committee must be informed of the reasons for such a change and, in all cases, approve the information to be made public in accordance with the regulations.

## **5. Composition**

The Audit Committee consists of a minimum of three directors appointed by the Board at the first meeting following the annual general meeting of the shareholders.

The members of the Committee must be in majority independent directors, as defined by Rule 52-110. All members of the Committee must be financially literate.

The majority of the members of the Committee shall have accounting or related financial management expertise. All members of the Committee that are not financially literate will work towards becoming financially literate to obtain a working familiarity with basic finance and accounting practices.

For the purposes of this Charter, the definition of “financially literate” is the ability to read and understand a set of financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can presumably be expected to be raised by the Company’s financial statements.

## **6 Chairman of the Committee**

The Chairman of the Committee is selected by the members of the Committee unless he is appointed by the Board; in the case of absence, unavailability or if he vacates his post, the chairmanship will be assumed by a member chosen by the Committee.

## **7. Number of Meetings**

The Committee will meet at least four times per year or more, if necessary. If necessary, meetings can be held by conference call.

Any member of the Committee may convene a special meeting.

## **8. Organization**

The Committee appoints a Secretary.

Before each Committee meeting, the Secretary distributes a written agenda to the members. The Secretary will also maintain minutes of each meeting.

## **9. Quorum and Decisions**

A majority of Committee members shall constitute a quorum.

Provided there is a quorum, decisions are made by a vote of the majority of the members present.

## **10. Report**

The Committee reports to the Board of Directors. The minutes of a Committee meeting constitute a report in itself.