

NEWS RELEASE

October 8, 2024

O Rei Resources Provides Corporate Update

VANCOUVER, BC – O Rei Resources Corp. (“**O Rei**” or “the **Company**”) is pleased to announce that it has entered into a definitive share purchase agreement (the “**Agreement**”) to acquire a gold project and all related assets (the “**Project**”) from a leading Canadian gold producer (the “**Seller**”) for up to US\$30 million on consideration (the “**Transaction**”).

The Agreement provides the consideration for the Transaction is to be satisfied as follows:

- Minimum upfront consideration of US\$8 million, comprised of US\$4M in cash (of which a US\$0.5M deposit was paid on execution) and US\$4M in common shares in the capital of O Rei upon closing of the Transaction.
- Deferred consideration of:
 - US\$2M in cash to be paid within 45 days of securing (1) written approval from relevant governmental authorities; and (2) building permit(s) allowing for the performance of construction activities needed for the development of the Project (the “**Trigger Event**”);
 - US\$10M in cash to be paid on the first anniversary of the Trigger Event; and
 - US\$10M in cash to be paid on the second anniversary of the Trigger Event.

Upon closing of the Transaction, O Rei and the Seller will enter into an investor rights agreement (the “**Investor Rights Agreement**”), which will grant the Seller certain rights, including the right for the Seller to participate in future equity offerings by O Rei in order to maintain the greater of 9.9% of O Rei’s share capital and the Seller’s pro rata ownership interest prior to the offering, and additional customary rights and restrictions for a transaction of this nature. The Company will also grant to the Seller a one and half percent (1.5%) net smelter returns royalty based upon production from the Project.

The Transaction is expected to close by the end of Q1 2025 following required regulatory approvals and other customary closing conditions. Mills Dunlop Capital Partners Ltd. acted as corporate and financial advisor to O Rei, and DLA Piper (Canada) LLP acted as O Rei’s legal counsel. NRG Capital Partners acted as financial advisor to the Seller, and Fasken Martineau LLP acted as the Seller’s legal counsel.

O Rei is also pleased to announce that it has closed a non-brokered private placement of approximately 2,564,100 subscription receipts (the “**Subscription Receipts**”) at a price of \$5.46 per Subscription Receipt for aggregate gross proceeds of approximately C\$14 million (the “**Offering**”). In accordance with their terms, each Subscription Receipt will automatically convert into one common share in the capital of O Rei (each, a “**Common Share**”) immediately prior to the completion of the Transaction upon satisfaction of the conditions precedent to the Agreement.

A portion of the aggregate gross proceeds from the Offering (the “**Released Proceeds**”) were released to the Company, and are being used to satisfy certain pre-closing obligations of O Rei pursuant to the Transaction and for general and administrative purposes. The gross proceeds less the Released Proceeds (the “**Escrowed Proceeds**”) will be held in escrow, pending satisfaction of certain escrow release conditions under the Subscription Receipts. If the Transaction is not completed, the Escrowed Proceeds will be returned to the holders of Subscription Receipts, together with their pro rata portion of the income earned thereon. No portion of the Released Proceeds will be refundable to the holders of Subscription Receipts.

The Subscription Receipts and underlying Common Shares are subject to a statutory hold period of four months and one day following closing of the Offering.

About O Rei Resources Corp.

O Rei is an exploration mining company based in British Columbia, Canada. The principal business of the Company is the exploration and evaluation of mining properties.

Contact

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Cautionary Note about Forward-looking Statements and Information

Certain of the statements made and information provided in this press release are forward-looking statements or information within the meaning of the United States Private Securities Litigation Reform Act of 1995 and applicable Canadian securities laws. Often, these forward-looking statements and forward-looking information can be identified by the use of words such as “plans”, “expects”, “is expected”, “budget”, “continue”, “projected”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates”, or “believes” or the negatives thereof or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might” or “will” be taken, occur or be achieved.

Forward-looking statements or information contained in this release include, but are not limited to, statements or information with respect to: completion of the Transaction, including timing thereof; Receipt of any cash and O Rei shares payable to the Seller on closing of the Transaction, including the amount of such cash and O Rei shares; Project achieving commercial production and receipt of any Deferred Consideration, ability to O Rei to advance Project and to build a mine, including cost and timing thereof, and ability to meet the conditions to completing the Transaction, including receipt of required regulatory approvals. Forward-looking statements and forward-looking information by their nature are based on assumptions and involve known and unknown risks, market uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or information.

We have made certain assumptions about the forward-looking statements and information, including assumptions about: our ability to completion the Transaction, and the timing thereof, ability to satisfy all conditions of closing, including receipt of all required regulatory approvals, the ability of O Rei to advance Project, including to achieve commercial production, and the timing thereof; and the amount of the cash and O Rei shares comprising the consideration paid at the closing of the Transaction. how the world-wide economic and social impact of COVID-19 is managed and the duration and extent of the COVID-19 pandemic; timing and cost of construction and exploration; the future price of gold and other commodities; the global concentrate market; exchange rates; anticipated costs, expenses and working capital requirements; the impact of acquisitions, dispositions, suspensions or delays on our business; and the ability to achieve our goals. In particular, except where otherwise stated, we have assumed a continuation of existing business operations on substantially the same basis as exists at the time of this release.

Even though our management believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statement or information will prove to be accurate. Many assumptions may be difficult to predict and are beyond our control.

Furthermore, should one or more of the risks, uncertainties or other factors materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described in forward-looking statements or information. These risks, uncertainties and other factors include, among others: inability to complete the Transaction, including the inability to meet the conditions to closing the Transaction, including receipt of required regulatory approvals, and the timing thereof; inability of O Rei to

advance Project to commercial production; inability of O Rei to pay the Deferred Consideration; global outbreaks of infectious diseases, including COVID-19; timing and cost of construction, and the associated benefits; recoveries of gold and other metals; geopolitical and economic climate (global and local), risks related to mineral tenure and permits; gold and other commodity price volatility; information technology systems risks; continued softening of the global concentrate market; risks regarding potential and pending litigation and arbitration proceedings relating to our business, properties and operations; expected impact on reserves and the carrying value; the updating of the reserve and resource models and life of mine plans; mining operational and development risk; financing risks; foreign country operational risks; risks of sovereign investment; regulatory risks and liabilities including environmental regulatory restrictions and liability; discrepancies between actual and estimated production; mineral reserves and resources and metallurgical testing and recoveries; additional funding requirements; currency fluctuations; community and non-governmental organization actions; speculative nature of gold exploration; dilution; share price volatility and the price of our common shares; competition; loss of key employees; and defective title to mineral claims or properties.

The inclusion of forward-looking statements and information is designed to help you understand management's current views of our near- and longer-term prospects, and it may not be appropriate for other purposes.

There can be no assurance that forward-looking statements or information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, you should not place undue reliance on the forward-looking statements or information contained herein. Except as required by law, we do not expect to update forward-looking statements and information continually as conditions change.