

MATERIAL CHANGE REPORT

Form 51-102F3

1. **Reporting Issuer**

Oremex Silver Inc.
Suite 1200, 333 Bay Street
Toronto, Ontario
M5H 2R2

2. **Date of Material Change**

April 2, 2012

3. **News Release**

The news release, attached hereto as Schedule "A", was disseminated on April 2, 2012 through Marketwire and was subsequently filed on SEDAR.

4. **Summary of Material Change**

The board of directors Oremex Silver Inc. ("**Oremex Silver**" or the "**Company**") declared a dividend-in-kind (the "**Dividend**") of 14,000,000 common shares held by it in the capital of Oremex Gold Inc. (TSX VENTURE:OAU) (the "**Oremex Gold Shares**"). The Company intends to pay the Dividend during the week of May 7, 2012 to the holders of record (the "**Shareholders of Record**") of the outstanding common shares of the Company (the "**Oremex Silver Shares**") at the close of business on April 30, 2012 (the "**Record Date**").

5. **Full Description of Material Change**

The board of directors Oremex Silver declared the Dividend with respect to the Oremex Gold Shares. The Company intends to pay the Dividend during the week of May 7, 2012 to Shareholders of Record on the Record Date. The common shares of the Company will start to trade ex-dividend on April 26, 2012.

The Oremex Gold Shares were acquired by the Company in connection with the previously announced spin-out of its gold assets to Oremex Gold Inc. in July 2011, and subject to escrow in accordance with the rules and policies of the TSX Venture Exchange (the "**Exchange**"). The Company received approval from the Exchange for the release of the Oremex Gold Shares from escrow for the purposes of effecting the Dividend. Upon transfer to the Shareholders of Record, no Exchange escrow conditions will apply to such shares.

The Dividend will be paid and satisfied in full by the Company transferring the Oremex Gold Shares to the Shareholders of Record on the Record Date, on a pro-rata basis, subject to certain adjustments to account for the Company's withholding obligations under applicable tax laws (as described in the news release). Based upon the number of Oremex Silver Shares currently outstanding, and without taking into account the exercise of any options or warrants currently outstanding or the effect of rounding for fractional interests, one Oremex Gold Share will be paid under the Dividend for approximately every 8.775 Oremex Silver Shares held by a Shareholder of Record on the Record Date.

The Dividend will be an "eligible dividend" for the purposes of the *Income Tax Act* (Canada) and corresponding provincial legislation. The Dividend will be taxable and non-residents of Canada will be subject to Canadian withholding taxes. In order to comply with its statutory withholding obligations, Oremex Silver will, with respect to Shareholders of Record having a registered address outside of Canada on the Record Date, withhold and retain all interest, right and title to that number of Oremex Gold Shares required to meet the Company's withholding obligations with respect to such shareholders (the "**Withheld Shares**") and remit to the Canada Revenue Agency, in cash, the equivalent of the fair market value of the Withheld Shares.

It is expected that certificates evidencing the Oremex Gold Shares paid under the Dividend will be mailed to the Shareholders of Record on or shortly after the Dividend payment date.

6. Reliance on subsection 7.1(2) of National Instrument 51-102

This report is not being filed on a confidential basis.

7. Omitted Information

There are no significant facts required to be disclosed herein which have been omitted.

8. Executive Officer

For further information, please contact Paul Haber, Chief Financial Officer of Oremex Silver Inc. at (416) 309-4321.

9. Date of Report

Dated at Toronto, Ontario, this 10th day of April, 2012.

SCHEDULE "A"

Please see attached.



OREMEX SILVER DECLARES DIVIDEND-IN-KIND OF SHARES OF OREMEX GOLD INC.

Toronto, Ontario – April 2, 2012 - Oremex Silver Inc. (“Oremex Silver” or the “Company”) (TSX Venture: OAG) (OTCQX: ORAGF) (Frankfurt: OSI) announces that its board of directors has declared a dividend-in-kind (the “Dividend”) of 14,000,000 common shares held by it in the capital of Oremex Gold Inc. (TSX VENTURE: OAU) (the “Oremex Gold Shares”). The Company intends to pay the Dividend during the week of May 7, 2012 to the holders of record (the “Shareholders of Record”) of the outstanding common shares of the Company (the “Oremex Silver Shares”) at the close of business on April 30, 2012 (the “Record Date”). The common shares of the Company will start to trade ex-dividend on April 26, 2012 [i.e. shares of the Company purchased on the TSX Venture Exchange (the “Exchange”) on or after April 26, 2012 will not be eligible to receive the Oremex Gold Shares as a dividend-in-kind]. The Company would like to remind all holders of Company options or warrants who intend to exercise their securities and participate in the Dividend that they should proceed to do so well in advance of the ex-dividend date since these exercises may take additional time to process.

The Oremex Gold Shares were acquired by the Company in connection with the previously announced spin-out of its gold assets to Oremex Gold in July 2011, and subject to escrow in accordance with the rules and policies of the Exchange. The Company received approval from the Exchange for the release of the Oremex Gold Shares from escrow for the purposes of effecting the Dividend. Upon transfer to the Shareholders of Record, no Exchange escrow conditions will apply to such shares. The Company has filed a Form-3E with the Exchange in respect of the Dividend, notifying the Exchange of the Record Date.

The Dividend will be paid and satisfied in full by the Company transferring the Oremex Gold Shares to the Shareholders of Record on the Record Date, on a *pro-rata* basis, subject to certain adjustments to account for the Company’s withholding obligations under applicable tax laws (as described below). No fractional Oremex Gold Shares, cash or any other form of payment will be payable under the Dividend. Any fractional interests in Oremex Gold Shares under the Dividend will be rounded up or down to the nearest whole number of shares. Based upon the number of Oremex Silver Shares currently outstanding, and without taking into account the exercise of any options or warrants currently outstanding or the effect of rounding for fractional interests, one Oremex Gold Share will be paid under the Dividend for approximately every 8.775 Oremex Silver Shares held by a Shareholder of Record on the Record Date.

The Dividend will be an “eligible dividend” for the purposes of the Income Tax Act (Canada) and corresponding provincial legislation. The Dividend will be taxable and non-residents of Canada will be subject to Canadian withholding taxes. In order to comply with its statutory withholding obligations, Oremex Silver will, with respect to Shareholders of Record having a registered address outside of Canada on the Record Date, withhold and retain all interest, right and title to that number of Oremex Gold Shares required to meet the Company’s withholding obligations with respect to such shareholders (the “Withheld Shares”) and remit to the Canada Revenue Agency, in cash, the equivalent of the fair market value of the Withheld Shares. The fair market value of the Oremex Gold Shares distributed under the Dividend shall be, subject to certain exceptions, equal to the volume weighted average trading price of the common shares in the capital of Oremex Gold on the Exchange for a period of 5 consecutive trading days prior to the Dividend payment date. Shareholders of Record with questions regarding the tax treatment of the Dividend in their personal circumstances should consult with their own tax advisors or contact their local office of the Canada Revenue Agency and, where applicable, the provincial taxation authorities.

It is expected that certificates evidencing the Oremex Gold Shares paid under the Dividend will be mailed to the Shareholders of Record on or shortly after the Dividend payment date.



About Oremex Silver Inc.

Oremex Silver Inc. is a Canadian company focusing on the exploration and development of silver projects along the highly productive mineralized belt in Mexico. The Company has a portfolio of silver projects including a mineral resource of 50.8 million ounces of silver at its Tejaman deposit. The Company's projects are located in mining-friendly jurisdictions and the Management Team has successful track record of mine building in Mexico.

For further information, please contact:

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Cautionary Note Regarding Forward-Looking Statements

Certain statements contained in this news release may constitute forward-looking information, (collectively "forward-looking information") within the meaning of Canadian securities laws. Forward-looking information may relate to this news release and other matters identified in Oremex' public filings, anticipated events or results and can be identified by terminology such as "may", "will", "could", "should", "expect", "plan", "anticipate", "believe", "intend", "estimate", "projects", "predict", "potential", "continue" or other similar expressions concerning matters that are not historical facts and include, but are not limited in any manner to, those with respect to capital and operating expenditures, economic conditions, availability of sufficient financing, receipt of approvals, satisfaction of closing conditions and any and all other timing, development, operational, financial, economic, legal, regulatory and/or political factors that may influence future events or conditions. Such forward-looking statements are based on a number of material factors and assumptions, including, but not limited in any manner, those disclosed in any other public filings of Oremex, and include the ultimate availability and final receipt of required approvals, sufficient working capital for development and operations, access to adequate services and supplies, availability of markets for products, commodity prices, foreign currency exchange rates, interest rates, access to capital markets and other sources of financing and associated cost of funds, availability of a qualified work force, availability of manufacturing equipment, no material changes to the tax and regulatory regime and the ultimate ability execute its business plan on economically favourable terms. While we consider these assumptions to be reasonable based on information currently available to us, they may prove to be incorrect. Actual results may vary from such forward-looking information for a variety of reasons, including but not limited to risks and uncertainties disclosed in other Oremex filings at www.sedar.com and other unforeseen events or circumstances. Other than as required by law, Oremex does not intend, and undertakes no obligation, to update any forward looking information to reflect, among other things, new information or future events.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.