

Eco Oro Shareholders Provide Update and Comment on Further Desperate Actions of the Board

Eco Oro Shareholders file Application with British Columbia Securities Commission to Cease Trade Recently Issued Options

TORONTO, ONTARIO – May 18, 2017 – Courtenay Wolfe and Harrington Global Opportunities Fund Ltd., concerned shareholders of Eco Oro Minerals Corp. (TSX: EOM) (**Eco Oro** or the **Company**), provide update to shareholders of Eco Oro in respect of the recent outrageous issuance of options by the Company, certain disclosure deficiencies and the status of the ongoing legal and regulatory proceedings in connection with the current proxy contest.

Options Issuance – Application Made to Cease Trade Options

According to the Company's Q1 MD&A, on May 8, 2017, the Company granted 1,980,000 options to officers and employees of the Company, as well as 1,650,000 options to the directors (including 300,000 issued to Ms. Stylianides). Of the total 3,630,000 options issued, 2,310,000 vested immediately. This action is completely at odds with the Company's past practices and public disclosures. For example, in its management information circular dated March 27, 2017, the Company states it has "historically established a practice of granting stock options ... on an annual basis after the Company's annual general meeting".

The only purpose of the options issuance appears to be entrenching the Board and circumventing the Ontario Securities Commission's April 23, 2017 order (described below). The directors know that they have lost the confidence of the current shareholders by virtue of the fact that a majority of shares (excluding the March 16, 2017 issuance of 10.6 million shares (the **New Shares**) to insiders) have been voted against them. In such circumstances, the current directors have no moral or legal right to issue shares or securities convertible into shares. This conduct raises significant concerns and engages the public interest mandate of the British Columbia Securities Commission. As a result, we have made an application pursuant to section 161 of the *Securities Act* (British Columbia) to permanently cease trade the options issued on May 8, 2017.

Serious Disclosure Concerns in Q1 MD&A

Notwithstanding the Company's earlier public statements that it had sufficient funds to meet its obligations and the fact that it had \$16.6 million of cash as at March 31, 2017, in its Q1 MD&A it stated that it "is uncertain as to whether it has sufficient funding to satisfy all of the costs of its budgeted activities over the remainder of 2017".

According to the Q1 MD&A, the Company also appears to have been in default under the Investment Agreements as a result of delays in obtaining various security-related documents. However, the Company has never disclosed this fact before, which we believe is in breach of securities laws. In addition, it was noted that the Company could be facing an event of default by May 24, 2017 under the contingent value rights certificates as a result of its extravagant spending in order to entrench the directors. We view these comments as threats to destroy shareholder value. The directors of the Company have been rejected by the shareholders and therefore must be particularly careful in this interim period to ensure that they take all necessary steps to protect the interests of the Company and its shareholders. If the directors fail to do so, we will pursue all available remedies to hold them personally responsible.

Court and Commission Proceedings

The OSC Order

On March 27, 2017, we commenced an application before the Ontario Securities Commission. The OSC proceeding was an appeal from the decision of the Toronto Stock Exchange approving the issuance of the New Shares on conversion of unsecured convertible notes (the **TSX Decision**) and a public interest application to set the New Share issuance aside.

On April 23, 2017, the OSC issued an order (the **OSC Order**) with reasons to follow. In its order, the OSC: set aside the TSX Decision; prevented the New Shares from being voted at any Eco Oro shareholders' meeting; required that the issuance of the New Shares be approved by disinterested shareholders no later than September 30, 2017, failing which, the issuance of the New Shares was to be reversed; and cease traded the New Shares.

Eco Oro has filed a notice of appeal to the Ontario Superior Court of Justice (Divisional Court) from the OSC Order. Steps are being taken to try to expedite the appeal.

Assuming the OSC Order is upheld, we are confident that we have the votes to win this proxy contest and reconstitute the Board of Eco Oro. More than 90% of shareholders (excluding Participating Shareholders) have voted against the Board.

The British Columbia Proceedings

On March 22, 2017, we filed a petition with the Supreme Court of British Columbia seeking to set aside the issuance of the New Shares on the basis of oppression. On April 24, 2017, two sets of reasons were released. The first dismissed the oppression petition, and the second adjourned the shareholders' meeting originally scheduled for April 25 to a date set by the Board before September 30, 2017. The adjournment was ordered on the court's own motion and without notice to any party. We have filed a notice of appeal to the British Columbia Court of Appeal from both decisions.

On May 8, 2017, the British Columbia Court of Appeal granted an expedited hearing in respect of the appeal of the adjournment decision for May 23, 2017.

Acting Jointly or in Concert Application

On May 11, 2017, the Company launched a lawsuit against numerous shareholders of the Company alleging that they have been acting jointly or in concert. In our view the lawsuit is frivolous and vexatious.

Since we began our efforts to reconstitute the Board, the directors and management of Eco Oro have repeatedly made these frivolous allegations in an attempt to intimidate shareholders and shut down public dissent. Their tactics have failed, and now having lost the vote, the Company is resorting to desperate measures by initiating this litigation.

Our Commitment

Our commitment to reconstitute the Board remains firm. The entrenched Board of Eco Oro continues to desperately hold onto power notwithstanding that, on two separate occasions, more than 90% of the non-Participating Shareholders have voted against management and the current Board of the Company.

Once again we wish to thank all shareholders who have steadfastly supported us in this protracted proxy fight.

CONTACT INFORMATION

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