Orko Silver Corp. Announces Agreement With Coeur D'Alene

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VANCOUVER, 02/19/13 - Orko Silver Corp. ("Orko") (TSX VENTURE: OK) (PINKSHEETS: OKOFF) (FRANKFURT: OG3) announces that First Majestic Silver Corp. ("First Majestic") has not exercised its right to match pursuant to the arrangement agreement executed by Orko and First Majestic on December 16, 2012 (the "First Majestic Agreement") and Orko is in the process of terminating the First Majestic Agreement and concurrently entering into an arrangement agreement with Coeur d'Alene Mines Corporation ("Coeur"), based on the terms of Coeur's superior proposal which was announced on February 13, 2013 (the "Coeur Agreement").

Orko and Coeur will also enter into a convertible loan agreement pursuant to which Coeur has agreed to lend Orko C$11.6 million in order to pay the termination fee to First Majestic. The loan is convertible at the option of Orko into common shares of Orko at a price per share of C$2.25 under certain circumstances. If converted, the hold period on the underlying shares would expire on June 21, 2013.

As a result, Orko has cancelled the meeting of Orko shareholders and optionholders that was scheduled for 10:00 a.m. (Vancouver time) on February 20, 2013 to consider the First Majestic Agreement. Orko will advise of a new date for a meeting of Orko shareholders to consider the Coeur Agreement once that date has been set.

Under the terms of the Coeur Agreement, Orko shareholders may elect to receive, in exchange for each common share of Orko (an "Orko Share"):

- 0.0815 common shares of Coeur ("Coeur Shares"), C$0.70 cash and 0.01118 warrants to purchase Coeur Shares ("Coeur Warrants");

- 0.1118 Coeur Shares and 0.01118 Coeur Warrants, subject to proration as to the number of Coeur Shares if the total number of Coeur Shares elected by Orko shareholders exceeds approximately 11.6 million; or

- C$2.60 in cash and 0.01118 Coeur Warrants, subject to proration as to the amount of cash if the total cash elected by Orko shareholders exceeds C$100 million.

If all Orko shareholders were to elect either the all cash (and Coeur Warrants) or the all share (and Coeur Warrants) alternative, each Orko shareholder would receive 0.0815 Coeur Shares, C$0.70 in cash, and 0.01118 Coeur Warrants, for each Orko Share. Each whole Coeur Warrant will be exercisable for one Coeur Share for a period of four years at an exercise price of US$30.00, all subject to adjustment in accordance with the terms of the Coeur Warrants.

Based on the closing price of Coeur Shares on the New York Stock Exchange on February 12, 2013 (and an estimated $0.08 of warrant value per Orko Share), the transaction implies a value of C$2.70 per Orko Share. The value implied by the transaction represents a premium of approximately 26% to the Orko share price as of February 12, 2013, and a premium of 71% to the unaffected Orko share price as of December 14, 2012.

Gary Cope, President & CEO of Orko, said: "The offer by Coeur represents a substantial increase in the consideration to Orko shareholders. The ability for shareholders to elect cash or share consideration, or a combination of the two, provides additional flexibility. Coeur has a demonstrated track record of developing, commissioning and operating large-scale precious metals assets as well as the financial resources necessary to bring Orko's La Preciosa project into production. The combination will provide Orko's shareholders with exposure to a more diversified operating portfolio while retaining upside related to La Preciosa."

Following the completion of the transaction, the current shareholders of Orko will hold approximately 11% of the issued and outstanding shares of Coeur, excluding the impact of the Coeur Warrants. The transaction will be carried out by way of a court-approved plan of arrangement and will require the approval of at least 66 2/3% of the votes cast by the shareholders of Orko at a special meeting expected to take place in April 2013 (the "Meeting"). In addition to shareholder and court approvals, the transaction is subject to applicable regulatory approvals and the satisfaction of certain other closing conditions customary in transactions of this nature.

The Coeur Agreement includes customary provisions, including non-solicitation, right to match and fiduciary-out provisions. In addition, Orko has agreed to pay a termination fee to Coeur of C$11.6 million upon the occurrence of certain events. Coeur and Orko have each agreed to reimburse the other for certain expenses upon the occurrence of certain other events.

The Orko Board of Directors has unanimously approved the Coeur Agreement and will provide a written recommendation to the shareholders of Orko to vote in favour of the Coeur Agreement, which will be included in the management information circular to be mailed to shareholders in connection with the Meeting. Each of the directors and officers of Orko, who hold in the aggregate approximately 7.75% of the issued and outstanding Orko Shares, have entered into lock-up agreements with respect to the transaction pursuant to which, among other things, they have agreed to vote in favour of the transaction at the Meeting.

Strategic Rationale for the Transaction

- Continued Participation in the La Preciosa Project. Orko shareholders, through their ownership of Coeur Shares and Coeur Warrants, will receive a significant premium to the current Orko share price and will also have the opportunity to continue to participate in any future value increases associated with the development and operation of the La Preciosa project, which ranks as one of the world's largest undeveloped primary silver projects.

- Access to the Capabilities of Coeur. With its 80-year operating track record and demonstrated success in developing, commissioning and operating large-scale projects, Coeur has the necessary financial strength, and development and operating experience to bring the La Preciosa project into production. Coeur has successfully built and now operates the San Bartolome mine in Bolivia, the Palmarejo mine in Mexico and the Kensington mine in Alaska.

- Participation in a Company with Geographically Diverse Projects and Robust Growth Prospects. Orko shareholders will benefit from having an equity position in a company with greater geographic diversity. At present, Coeur has interests in mining properties located in Mexico, Bolivia, Alaska, Nevada, Australia and Argentina and operates mines in Alaska, Nevada, Mexico and Bolivia. The combination will improve the overall profile of the combined business by further diversifying Coeur's asset mix and by adding a world-class development asset to its portfolio. After closing the proposed transaction, the combined company will have an attractive portfolio of open-pit and underground operations and a robust growth profile.

- Availability of Capital, Strong Cash Flow, and Substantial Production Profile. Coeur has over US$500 million in available liquidity to support mine development and further growth initiatives. In addition, Coeur generates substantial cash flow from its existing portfolio of mines.

- Increased Market Capitalization and Liquidity of Coeur. Coeur is listed on both the New York Stock Exchange and Toronto Stock Exchange and has a market capitalization of more than US$2 billion. Coeur's shares are highly liquid with an average daily trading volume of 1.6 million shares, representing US$38 million on a daily basis over the last twelve months. It would take approximately seven days to trade the entire share consideration under the proposed transaction.

Additional Transaction Details

While Coeur will use commercially reasonable efforts to register the Coeur Shares issuable on exercise of the Coeur Warrants under applicable United States securities laws and have the Coeur Warrants listed and posted for trading on the Toronto Stock Exchange and New York Stock Exchange, the completion of such registration and listing will not be a condition of closing.

In addition, Coeur will use commercially reasonable efforts, subject to compliance with certain Coeur contractual obligations, to make any necessary amendments to permit Orko shareholders who are residents of Canada for purposes of the Income Tax Act (Canada) (other than such Orko shareholders who are exempt from tax thereunder), and who would otherwise receive Coeur Shares under the transaction, to receive instead shares of a Canadian-incorporated subsidiary of Coeur (the "Exchangeable Shares") that are exchangeable into Coeur Shares to allow such Orko shareholders to receive a tax-deferred roll-over under the Income Tax Act (Canada) to the extent that the non-share consideration received does not exceed the shareholder's cost base for Canadian tax purposes. While Coeur will use commercially reasonable efforts to register the Coeur Shares issuable on exchange of the Exchangeable Shares under applicable United States securities laws, the completion of such registration will not be a condition of closing of the transaction.

Full details of the Coeur Agreement will be included in a management information circular to be filed with the regulatory authorities and mailed to Orko shareholders in accordance with applicable securities laws. Orko expects to mail the management information circular in March 2013.

Advisors and Counsel

BMO Capital Markets and GMP Securities L.P. are acting as financial advisors to Orko. Stikeman Elliott LLP is acting as legal advisor to Orko. BMO Capital Markets and GMP Securities L.P. have each provided an opinion to the Board of Directors of Orko to the effect that, based upon and subject to the assumptions, limitations, and qualifications in such opinions, the consideration to be received pursuant to the Coeur Agreement is fair, from a financial point of view, to Orko shareholders.

ABOUT ORKO

Orko Silver Corp. is developing one of the world's largest undeveloped primary silver deposits, La Preciosa, located near the city of Durango, in the State of Durango, Mexico.

ABOUT COEUR

Coeur d'Alene Mines Corporation is the largest U.S.-based primary silver producer and a growing gold producer. Coeur has four precious metals mines in the Americas generating strong production, sales and cash flow in continued robust metals markets. Coeur produces from its wholly owned operations: the Palmarejo silver-gold mine in Mexico, the San Bartolome silver mine in Bolivia, the Rochester silver-gold mine in Nevada and the Kensington gold mine in Alaska. Coeur also owns a non-operating interest in a low-cost mine in Australia, and conducts ongoing exploration activities in Mexico, Argentina, Nevada, Alaska and Bolivia.

ON BEHALF OF THE BOARD OF ORKO SILVER CORP.

Gary Cope
President & CEO

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This News Release may contain forward-looking statements, including but not limited to comments regarding the completion of the transactions contemplated herein and the various steps thereto, including filing and mailing of shareholder documents and holding shareholder meetings, the value of Orko shares, the value or liquidity of First Majestic shares and Coeur Shares, future growth potential for Orko and its business, future mine development plans, the price of silver and other metals, the accuracy of mineral resource estimates, reasonable prospects of economic extraction of a mineral resource, timing and content of upcoming work programs, geological interpretations, receipt of property title, potential mineral recovery processes, etc. Forward-looking statements address future events and conditions and therefore involve inherent risks and uncertainties. Actual results may differ materially from those currently anticipated in such statements and Orko undertakes no obligation to update such statements, except as required by law. Orko's resource estimate is based on a geological model based on interpretations of multiple veins in wide spaced drill holes. There is risk that the interpreted continuity and orientation of the veins could change with additional drilling. The sample values in the drill core may not be representative of those portions of the deposit as precious metal deposits are subject to nugget effect and rapid changes to grade over relatively short distances. Sampling gaps in the modelled veins may allow higher grade samples to be projected into unsampled lower grade areas of the model. This could cause overestimation of tonnes and grade. The converse is also true. Density values of the blocks are based on a model that may not be accurate and may cause local biases in tonnage estimates.

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

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