

18 January 2012

COMMENCEMENT OF DRILLING AT CHUMINGA

- **A first phase 10 hole / 1,950m drilling program is underway at the advanced Chuminga Copper-Gold Project in Chile**
- **Drilling to confirm grade, width, depth and bulk tonnage potential of previously identified conceptual target**
- **First results expected in early February 2012**

Oro Verde Limited(ASX ; OVL) (formerly Ezenet Limited) (“the Company or OVL”) is pleased to announce that drilling commenced on Saturday 14th January at the advanced Chuminga copper-gold project in Northern Chile, following the recent completion of road access and drill pads (refer photo-plates at the end of this announcement).

The 10 hole / 1,950 metres, first phase drilling program, is designed to test portion of the conceptual target of 50-60 million tonnes of 1.0 to 1.1% Cu and 0.30 to 0.40g/t Au¹ identified at Chuminga by major international mining houses AUR Resources (now Teck) and Rio Tinto Zinc (RTZ). The potential target is indicated from both surface exploration (trenching) and underground exploration by three tunnels on a well mineralised copper-gold stockwork breccia body which has a width of 60 to 100m and a strike extent of 800 to 1,200m (refer Note below).

The first phase drilling program will test an approximate 300m strike of the overall mineralised breccia target on 3 sections in the environs of the recent and historical surface trenching and exploratory tunnels transecting the mineralised body in order to establish the true nature of the target. In particular, to collect information on the grade, true width and depth potential of the mineralisation to determine the bulk tonnage potential of the copper-gold breccia mineralization at this location.

Upon completion of the first phase drilling program in February 2012, the Company expects to have developed a geological understanding of the copper-gold breccia mineralisation target. The objective of the next stage of exploration work will be to establish a JORC compliant resource at Chuminga on this portion of the target body by further infill drilling.

Dr Wolf Martinick, Chairman and Managing Director of Oro Verde Limited, commented on the commencement of drilling at Chuminga;

***“The commencement of drilling at Chuminga is a significant and important step in the growth and development of Oro Verde Limited as a mineral resources company, focused on the development of high quality copper and gold projects in Chile.*”**

We expect the first phase drilling program to confirm the potential of the mineralisation at Chuminga and to provide an exploration data base to proceed to develop a significant JORC compliant copper-gold resource.



We would like to thank our Chilean partners, the Errazuriz Hochschild Mining Group for their support and assistance in providing technical advice and drilling rig facilities at short notice to enable us to commence our first phase drilling program.

The Company will be stepping up its Chilean exploration activities in January 2012, when it expects to commence drilling at the Vega Gold Project located in Chile's highly prospective El Indio Gold Belt. "

ENDS

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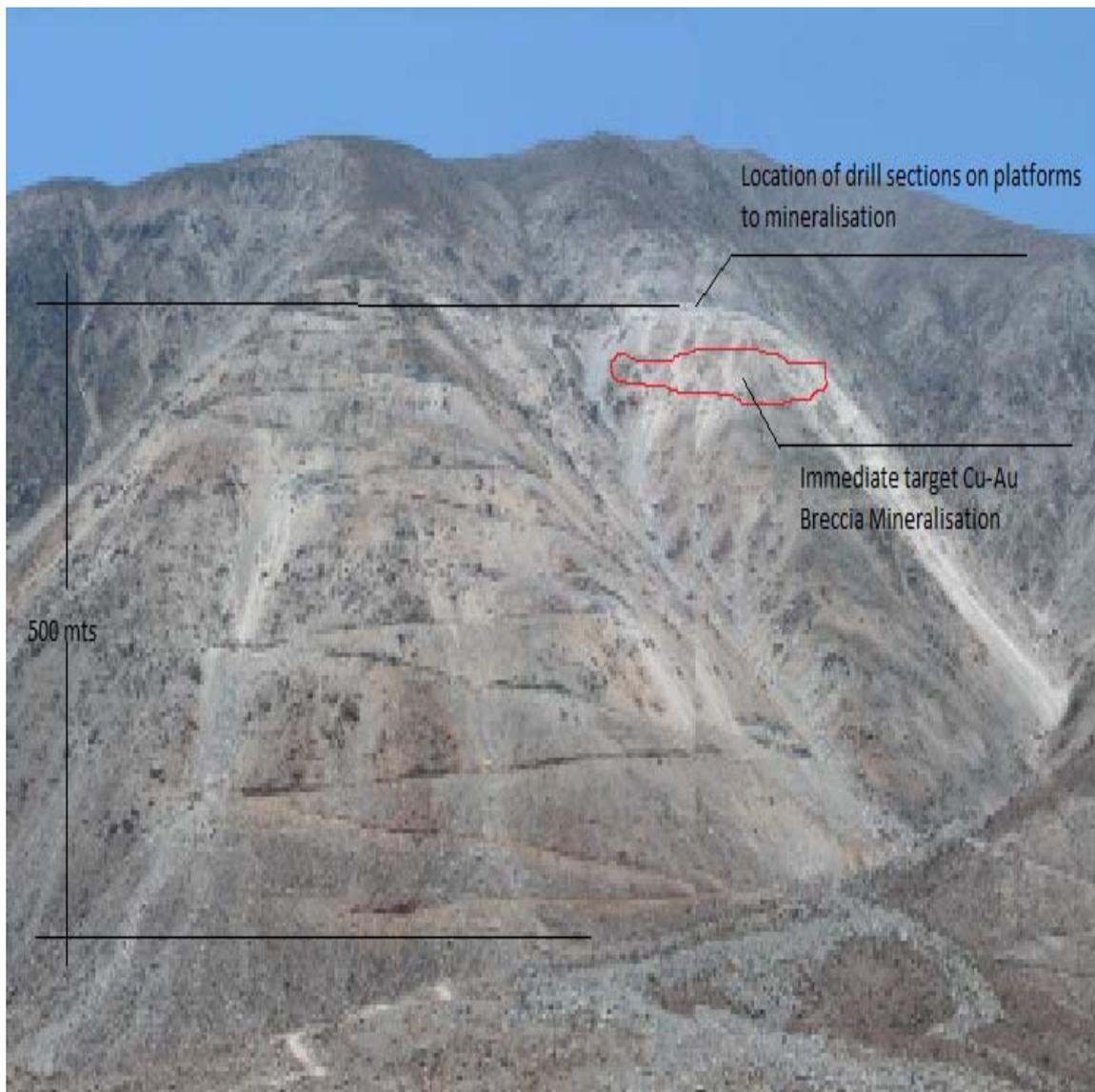
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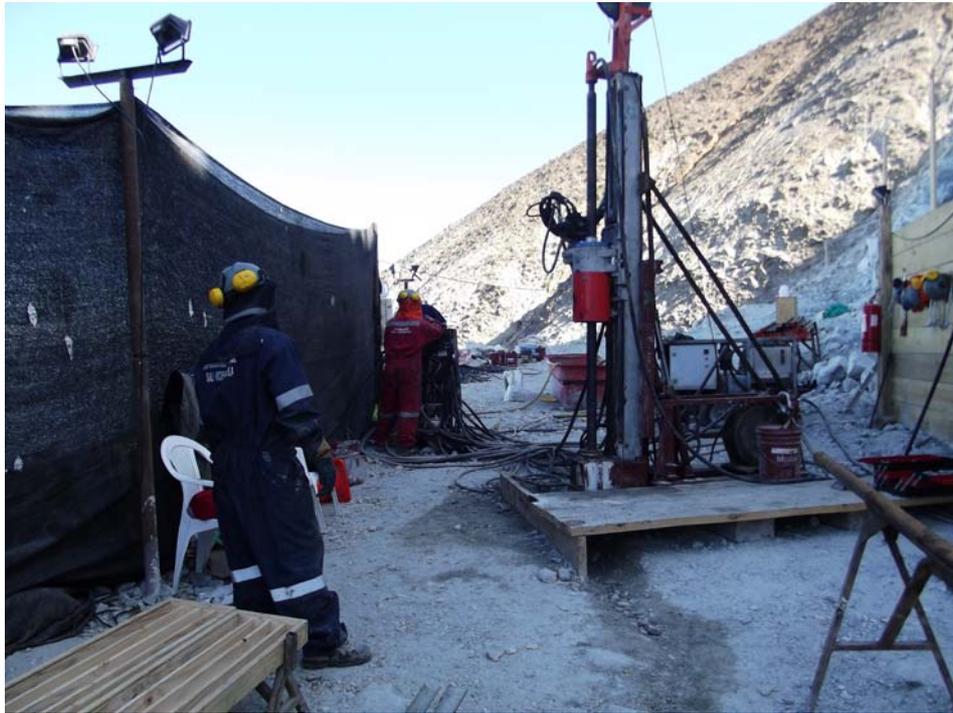
Note

- 1 The potential quantity and grade of the target is conceptual in nature as there has been insufficient exploration to define a Mineral Resource and it is uncertain if further exploration will result in the determination of a Mineral Resource.

The information contained in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Dr Brad Farrell, BSc Hons Eco Geol, MSc, PhD, a consultant to the company. Dr Farrell has sufficient experience which is relevant to the style of mineralization and type of deposit under consideration and to the activity which he is undertaking. This qualifies Dr Farrell as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Farrell consents to the inclusion in the report of the foregoing matters based on his information in the form and context in which it appears. Dr Farrell is a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional Geologist of that body and a Member of the Mineral Industry Consultants Association (the Consultants Society of the Australian Institute of Mining and Metallurgy).



Road constructed at Chuminga leading to drill platforms where a current first phase drilling program is being carried out to test a section of the target Cu-Au mineralised breccia.



Current drilling on Platform B on which three diamond drill holes will be drilled to test a section of the target Cu-Au mineralised breccia.

Summary Overview of Chuminga Project

- Oro Verde Limited (“OVL”) has a current 20% interest with a right to acquire a 100% interest in the advanced Chuminga Copper-Gold Project, in the Second Region of Chile, through an agreement with the owners of SCM Compania Minera Chuminga, a member company of a group of companies controlled by a branch of the well known Chilean mining family, Errazuriz Hochschild.
- Chuminga is a well mineralised hydrothermal copper-gold stock work breccia developed at a coastal location, approximately 120km south of Antofagasta. It lies on the western contact of a gabbro-diorite stock on a mountain side at 600m to 700m above sea level. Expectation based on prospecting to date by previous exploration companies is an exploration target of 50 to 60 million tonnes of 1.0 to 1.1% Cu; 0.30 to 0.40g/t Au; 0.9 to 1.0% Zn¹. The mineralized body is generally tabular, dipping 60⁰ to 70⁰ to the east, and from various reports has the following dimensions; a width of 60m to 150m and a 800m to 1,200m strike in a north-south direction.(Refer Note at end of above announcement).
- Sericite-chlorite-amphibole-magnetite-haematite-tourmaline alteration forms a halo around a central copper mineralized core. Mineralisation consists of a sulphide association dominated by chalcopyrite-chalcocite-incipient bornite with pyrrhotite-pyrite-sphalerite-magnetite which is present as disseminations and fracture fillings. These sulphides have been oxidized to both iron oxides (haematite-goethite-limonite) and copper oxides (atacamite-chrysocolla) which occurs in fracture fillings.
- The project has been prospected by historical and recent surface trenching on an outcrop area measuring 250m by 100m between 550m to 650m above sea level. The weighted average results of the three historical cross strike trenches being 1.21% Cu and 0.41g/t Au and the recent strike trenching being 190m @ 1.07% Cu and 0.20 g/t Au. Most of the recognized mineralized strike of the body is scree covered as rock debris is continually moving down a 40⁰ mountain slope. The historical trenching results led to prospecting of the mineralised breccia below the outcrop area by tunnels at 630m and 543m above sea level. These tunnels did not transect the full width of the mineralised breccia. Weighted average sampling results returned were 115m @ 0.90% Cu and 0.48 g/t Au for the upper level. Subsequent re-sampling has indicated an increase in weighted mean values for the body to 1.4% Cu, 0.40 g/t Au and 1% Zn.
- The current first phase 10 hole / 1,950 metres drilling program is testing an approximate strike of 300m of the mineralised breccia exploration target on 3 sections in the environs of the surface trenching and exploratory tunnels transecting the mineralised body with the aim of establishing the true nature of the conceptual target previously identified, in particular the true width, grade and depth potential of the mineralization leading to the determination of the bulk tonnage potential of the breccia mineralisation at this location.