

6 November 2013

UPDATE ON DRILLING PROGRESS ON TIMON PROJECT, CHILE

Oro Verde Limited (ASX:OVL) (“Oro Verde” or “the Company”) is pleased to announce to Shareholders an update on the progress of its first pass Reverse Circulation (“RC”) drilling program on the Timon Project, located 75km southeast of the city of Copiapo in Region 3 of Chile, refer Figure 1.

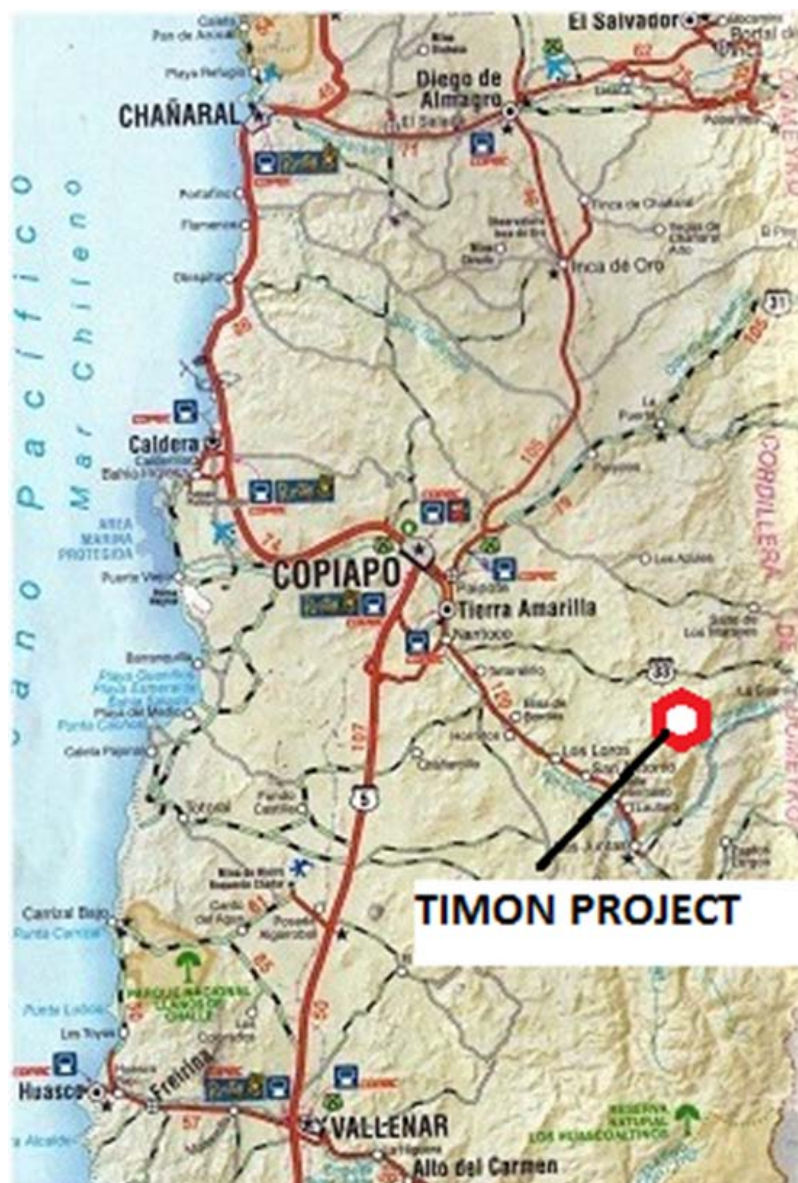


Figure 1. Location Timon Project.



The drill target area of interest is the central, 1 to 2km wide by 3.5km long, portion of the north-south trending Sierra El Timon ridge at 3,200m elevation. The target has a moderate to strongly leached gossanous iron oxide cap, termed a “lithocap”, that usually defines and overlays the shallow oxide parts of porphyry copper sulphide systems, typically above the main Cu-(Au/-Mo) zone.



Figure 2. Timon ridge gossanous iron oxide lithocap, looking north over the area of IP coverage to Cerro Timon, a distance of approximately 5 kilometres.

The lithocap is underlain by a strong Induced Polarisation (“IP”) chargeability anomaly that is at least 1km wide and 3.5km long. Depending on topography, the chargeability anomaly commences from 50 to 150m depth and appears to extend to depths of more than 800m, the limit of the IP survey. A stream sediment copper anomaly is coincident with the ridge, specifically over the area of the central IP anomaly, refer Figure 3.

The Company’s geophysical consultant considers the IP anomalies observed on Timon ridge over the lithocap to be consistent with expected anomalies in this geologic belt over a leached lithocap, underlying a copper or copper-gold porphyry system at depth with the probable chargeable source being primary sulphide mineralisation (typically pyrite-chalcopyrite).

Figure 3 and the table below sets out the targeted drilling program on the IP anomaly. Two holes have been completed to date (RC1 and RC4) and RC3 is current at 356m.

Table 1 Timon RC Drilling Program 6/11/13							
RC Hole	WGS E Collar	WGS N Collar	Google Elevn m	Azimuth deg	Declination deg	Depth m	Comments
RC1	422298	692993	3,125	90	-60	432	Completed
RC2	422336	6929473	3,127	90	-60		
RC3	422496	6929025	3,128	270	-80	356	Current hole at 356m
RC4	422280	6928564	3,128	110	-70	500	Completed
RC5	421960	6927989	3,127	90	-60		
RC6	422169	6927280	3,128	0	-90		
Total m						1,288	

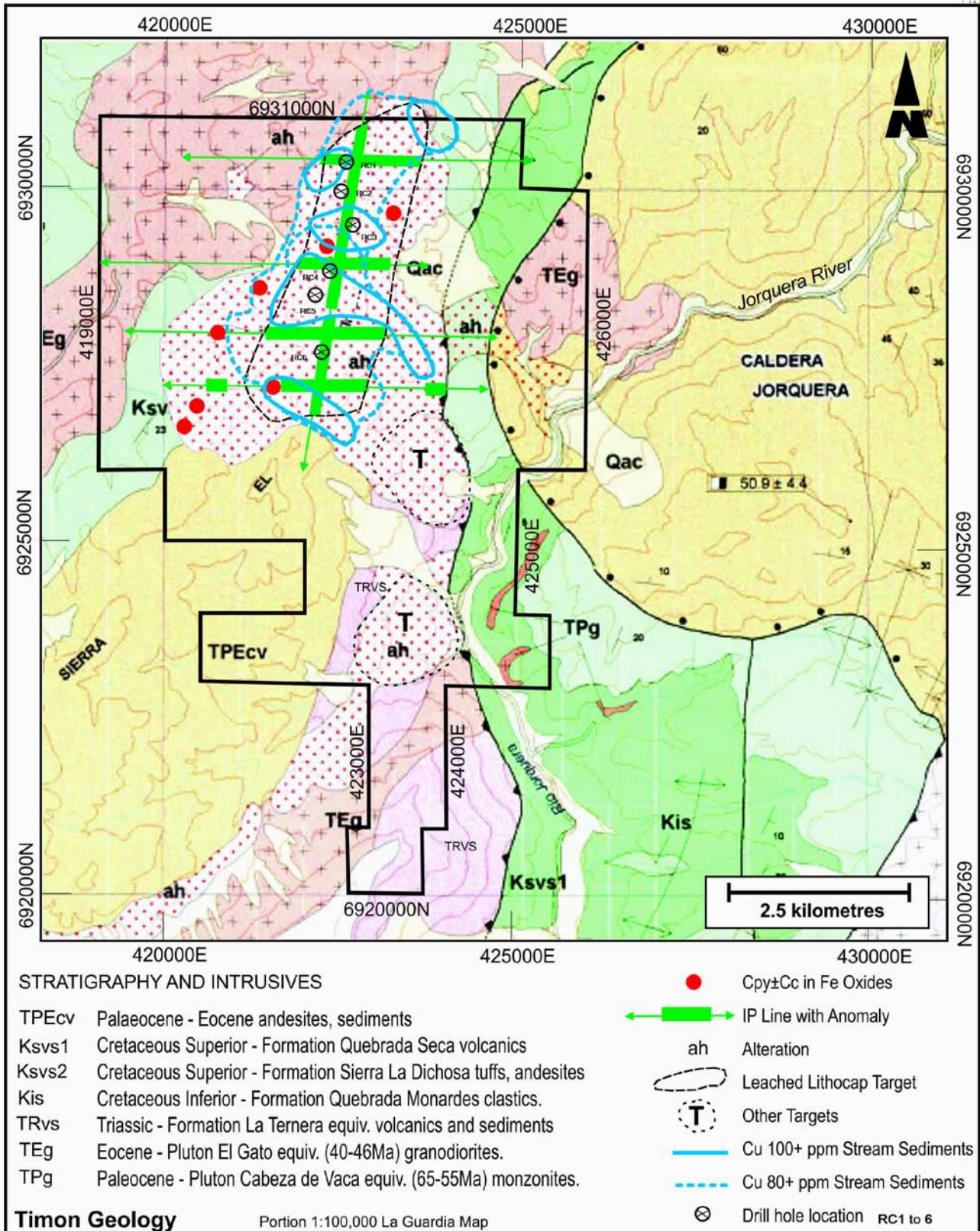


Figure 3 Timon Geology, IP Anomaly, Copper Stream Sediment Anomalies and Planned Drill Holes.

Strong alteration (argillisation, pervasive silicification) and pyritisation has been noted in the tuffs and intrusive diorite drilled to date. Pyrite to 8%, with in part chalcopyrite to 1% by volume, has been visually estimated in the holes drilled to date.

The current drill hole (RC3) has intersected a highly oxidised, altered tuff with jarosite probably reflecting local faulting until breaking out at 320m into argillised, silicified and pyritised tuffs (pyrite to 1% and chalcopyrite trace to 0.7% by volume) to current drilling depth at 356m reflecting somewhat the geology on the eastern drill pad environs, but without the presence yet of a highly altered intrusive (refer Figure 4).



Figure 4. Strongly leached, silicified and argillic altered porphyry with jarosite and iron oxides after pyrite intruding tuffs on the face of current drill pad 3.

Sampling of Hole RC 1 has been completed and despatched to AcmeLabs in Santiago for analyses. Results are expected earliest, in late November. Oro Verde will keep Shareholders informed of drilling progress and results as they occur.

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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 mineralisation 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).