

ASX Announcement  
3 February 2015

## HIGH GRADE GOLD POTENTIAL CONFIRMED AT TOPACIO PROJECT IN NICARAGUA

---

### HIGHLIGHTS

- ❖ **Initial Topacio rock chip sample results confirm high grade gold potential in epithermal vein system:**
  - **Topacio vein** - up to 12.3 g/t gold (with >100g/t silver)
  - **Dos Amigos vein** - up to 13.1 g/t gold
  - **Mico vein** - up to 3.7 g/t gold (with 36.7g/t silver)
- ❖ **Finalising due diligence on Topacio over the coming month**
- ❖ **New Country Manager–Nicaragua appointed, currently on Topacio site visit**
- ❖ **San Isidro Gold Project – surface sampling to follow environmental approvals**

**Oro Verde Limited (ASX: OVL)** (“Oro Verde” or “the Company”) is pleased to announce that initial rock chip sampling results from the Topacio Gold Project have confirmed the high grade potential of the mineralised gold (Au) vein system. Samples returned assays as high as 13.1 grams per tonne (g/t) Au and often associated with high grade silver (Ag) results, above 100 g/t Ag in some cases.

On 11 November 2014, Oro Verde announced the signing of an Option to Purchase Agreement over the high grade Topacio Gold Project, located in southeastern Nicaragua (Figure 1). The project boasts a historical NI 43-101 (Canadian standard, similar to JORC) compliant Inferred Resource of:

**2,716,176 tonnes at 3.9 g/t gold, containing 340,345 ounces of gold,** at a 1.5 g/t gold cut-off<sup>1</sup>.

National Instrument 43-101 (“NI 43-101”) is a national instrument for the *Standards of Disclosure for Mineral Projects* within Canada and as such this estimate is a foreign estimate and is not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the foreign estimate as mineral resources in accordance with the JORC code and it is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as mineral resources in accordance with the JORC code.

During a recent site inspection, as part of the due diligence process conducted by the Company’s CEO and local personnel, preliminary rock chip sampling was undertaken to confirm the presence and tenor of the gold mineralisation in exposed veins from various parts of the property. Due diligence reviews are continuing, with a definitive decision regarding the acceptance of the Option to Purchase Agreement required before the end of February 2015.

Oro Verde’s CEO, Mr Trevor Woolfe stated, *“The high grade gold results returned by the initial reconnaissance sampling reinforce our view that significant high grades are achievable from the existing resource area. Additionally, we are encouraged that high surface grades could provide an opportunity for early gold production and that other under-explored veins on the property have the potential to add significantly to the current 340,000 ounce gold inventory.”*

<sup>1</sup> Refer to ASX announcement dated 11 November 2014 “Acquisition of High Grade Gold Project”



While the initial sampling exercise is part of the Company’s due diligence exercise and was not planned to be systematic, nor comprehensive, the high grade gold results provide strong support for the potential of the project, not only in the area of the existing resource but also in under-explored portions of this large mineralised epithermal system (Figure 2).



Figure 1 Major Nicaraguan gold deposits and the location of the Topacio Gold Project

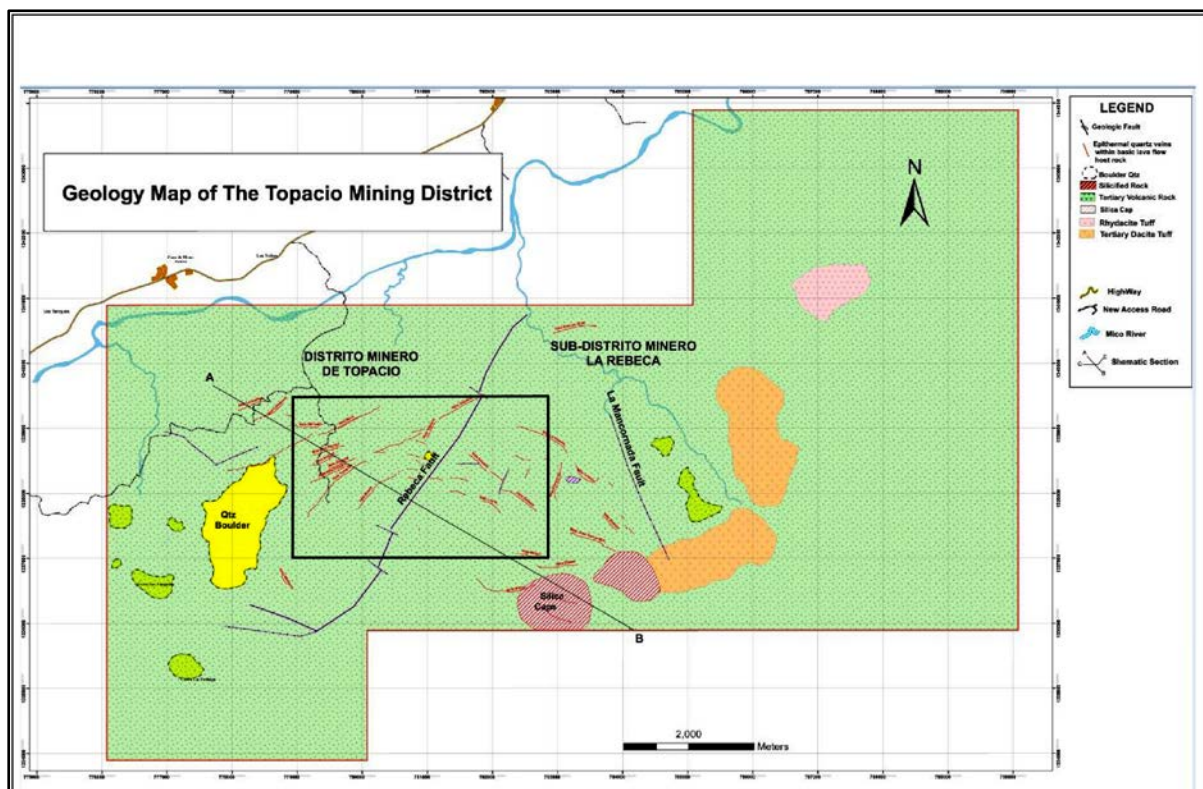


Figure 2 Topacio – Mining concession (red shape) with area of sampling (black rectangle)

## ROCK CHIP SAMPLES

An initial reconnaissance visit to the Topacio Gold Project was undertaken by Oro Verde in early December 2014, accompanied by a senior geologist from the vendor group. The visit focused on two main areas of access enclosed within the black rectangle of Figure 2. The westernmost of the two areas covered a series of veins that make up a large part of the existing resource – namely the Mico, Dos Amigos, Topacio and Brasil veins (“vetas”) (Figure 3). The easternmost area visited centred on the under-explored Isabella-Rebeca line of veins that is known to extend for over 1.2 kilometres (Figure 3).

Samples were submitted to the ACME Laboratory in Managua for initial sample preparation and then sent to the sister (ACME) laboratory in Vancouver for analysis of gold by Fire Assay and multi-element (33 elements) analysis by aqua regia digest and ICP.

All nine quartz vein samples collected from the **Mico-Dos Amigos-Topacio veins** returned high grade **gold results in the range 3.29 to 13.1 g/t Au** (Table 1) and display epithermal textures (Figure 4). Artisanal miners, who typically only mine very high grade areas, are currently extracting gold from a number of locations in this part of the concession.

Three of the samples (TR008-010) were collected from ore piles at the entrance to ~20m deep shafts along the Topacio vein. These three samples returned gold grades of 5.51 g/t (Figure 5), 5.78 g/t and 12.3 g/t gold, respectively, thus supporting the continuation of gold grades at depth. Importantly, all three of these samples returned silver grades above 100 g/t Ag (upper limit of detection of this analysis method) (Table 1).

Two surface samples collected from the Brasil vein, some 500m to the southeast of the Topacio workings, also returned anomalous gold results around 1-1.5 g/t Au (Figure 3 and Table 1).

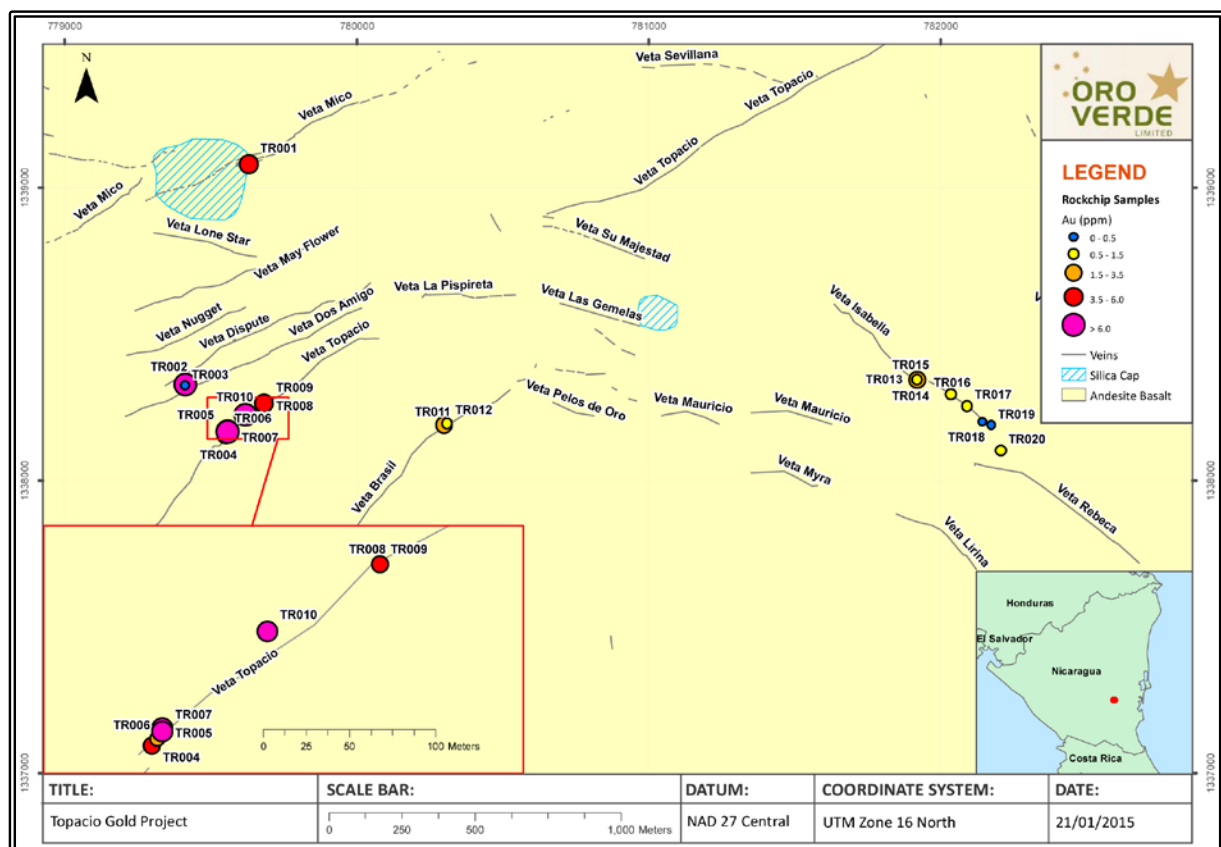


Figure 3 Topacio Gold Project – Oro Verde rock chip sampling results

The **Isabella-Rebeca** line of quartz veins is located in rolling farmlands around 2 kilometres east of the Topacio group veins, and in contrast to the NE-SW strike of the latter veins, the Isabella-Rebeca veins strike NW-SE (Figure 3). The major focus of previous exploration has been on the Topacio group veins, which leaves the Isabella-Rebeca veins comparatively under-explored.

Oro Verde's initial rock chip sampling returned anomalous **gold grades up to 2.54 g/t Au** (samples TR013-020 - Table 1) from exposed epithermal quartz veins. The sampling covered around 400m of the >1.2km of strike, indicating the potential for discovery of significant additional gold mineralisation in other parts of the vast epithermal vein system within the 9,300 hectare concession.

**Table 1 Topacio Gold Project - Details of Oro Verde sampling and precious metal grades**

<b>SAMPLE NUMBER</b>	<b>NORTHING</b>	<b>EASTING</b>	<b>VEIN</b>	<b>SAMPLE TYPE</b>	<b>Au (g/t)</b>	<b>Ag (g/t)</b>
TR001	1,339,081	779,630	Mico	Rock chip – qtz vein	<b>3.68</b>	<b>36.7</b>
TR002	1,338,326	779,413	Dos Amigos	1m channel - qtz vein	<b>13.10</b>	<b>13.6</b>
TR003	1,338,325	779,412	Dos Amigos	1m channel in wallrock	0.18	0.4
TR004	1,338,157	779,552	Topacio	Rock chip – breccia vein	<b>4.84</b>	<b>12.6</b>
TR005	1,338,167	779,558	Topacio	1m channel across breccia vein	<b>6.93</b>	4.5
TR006	1,338,161	779,555	Topacio	0.6m channel – veined wallrock	<b>3.29</b>	1.5
TR007	1,338,165	779,558	Topacio	0.3m channel – qtz vein	<b>6.22</b>	3.0
TR008	1,338,262	779,684	Topacio	3 large samples from ore pile	<b>5.51</b>	<b>&gt;100.0</b>
TR009	1,338,262	779,684	Topacio	Single sample from ore pile	<b>5.78</b>	<b>&gt;100.0</b>
TR010	1,338,223	779,619	Topacio	5 small samples from ore pile	<b>12.30</b>	<b>&gt;100.0</b>
TR011	1,338,194	780,310	Brasil	Rock chips – qtz vein	0.97	2.2
TR012	1,338,189	780,301	Brasil	Rock chips – qtz vein	<b>1.50</b>	5.7
TR013	1,338,344	781,920	Rebeca NW	Rock chips – qtz vein	0.53	2.0
TR014	1,338,344	781,920	Rebeca NW	Rock chips – qtz vein	0.96	1.5
TR015	1,338,344	781,920	Rebeca NW	Rock chips – qtz vein	<b>2.54</b>	<b>14.1</b>
TR016	1,338,294	782,036	Rebeca	Rock chips – qtz vein	0.72	1.2
TR017	1,338,253	782,092	Rebeca	Rock chips – qtz vein	<b>1.22</b>	0.7
TR018	1,338,200	782,145	Rebeca	Rock chips – qtz vein	0.21	<0.3
TR019	1,338,189	782,174	Rebeca	Rock chips – qtz vein	0.05	<0.3
TR020	1,338,101	782,207	Rebeca	Rock chips – qtz vein (trench)	0.55	1.3

*Co-ordinate system UTM Zone 16 and datum NAD27 Central*



**Figure 4**  
TR005 – Epithermal quartz veining



**Figure 5**  
TR008 – Mn-rich breccia with quartz veining

### **SAN ISIDRO GOLD PROJECT (Nicaragua - 100% OVL)**

Oro Verde is the holder of a 2,520 hectare mining concession located adjacent to the 2.4 million ounce La India gold resource (Condor Gold plc) in northwestern Nicaragua (Figure 1). On 21 December 2014, Condor announced a positive PFS for its La India Gold Project.

As reported on 8 August 2014, the San Isidro Gold Project adjoins the eastern boundary of the La India Project. One of Condor’s deposits is the historical Cristalito gold mine on which a small, high grade gold deposit has been identified. Hosted within quartz veins and shear zones, this mineralised zone appears to trend northeasterly into the San Isidro property<sup>2</sup>.

Oro Verde is currently finalising its environmental and community requirements prior to a reconnaissance mapping and sampling program anticipated for the first half of 2015.

### **COUNTRY MANAGER – NICARAGUA**

As reported 22 January 2015, Oro Verde has successfully attracted a high calibre Nicaraguan mining industry expert to the role of Country Manager<sup>3</sup>. Mr David Turner commenced his role 26 January 2015 and has been briefed in the country’s capital Managua by the Company’s CEO and local lawyers on the progress of the Topacio Gold Project due diligence. Mr Turner will also be taking responsibility for advancing planned reconnaissance sampling and mapping at the Company’s San Isidro Gold Project and generating additional advanced project opportunities.

Mr Turner has held roles ranging from Chief Mine Geologist and Exploration Manager through to General Manager and Exploration Director, with companies including BHP Minerals, Kinross Gold, Yamana Gold and more recently overseeing exploration at the operations of HEMCO in the highly productive Golden Triangle (Bonanza) district in northeast Nicaragua.

Mr Turner brings an intimate understanding of the Nicaraguan mining and exploration system which, along with his fluency in the Spanish language, will be a distinct advantage to the strategy and objectives of Oro Verde.

For enquiries contact:

Mr Trevor Woolfe  
Chief Executive Officer  
+61 411 127 837

Mr Brett Dickson  
Company Secretary  
+61 8 9481 2555



<sup>2</sup> Refer to ASX announcement dated 8 August 2014 “Oro Verde Expands into Nicaragua”

<sup>3</sup> Refer to ASX announcement dated 22 January 2015 “Country Manager Appointed in Nicaragua”

**About Oro Verde Limited:** *Oro Verde Ltd is a mineral exploration company focused on identifying and developing significant gold projects in Central America, particularly Nicaragua. Oro Verde is currently undertaking due diligence to finalise an Option to Purchase Agreement on the Topacio Gold Project in Nicaragua that currently contains a NI43-101 compliant Inferred Mineral Resource of 340,000 ounces of gold. Oro Verde also holds 100% of the early stage San Isidro Gold Project located adjacent to the 2.4 million ounce La India gold project.*



**Nicaragua – the Centre of the Americas...**

**COMPETENT PERSON STATEMENTS**

The information in this document that relates to Exploration Results is based on information compiled by Mr Trevor Woolfe BSc Hons (Geol), who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Woolfe is the Chief Executive Officer and a shareholder of the Company, and is employed through consultancy Shordean Pty Ltd. Mr Woolfe 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 to qualify as a Competent Person as defined in the 2012 Edition of the ‘Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves’. Mr Woolfe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this document that relates to Mineral Resources is extracted from the report entitled “Acquisition of High Grade Gold Project” created on 11 November 2014 and available to view on [www.asx.com](http://www.asx.com). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

JORC Code, 2012 Edition – Table 1  
 Section 1 Sampling Techniques and Data  
 (Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
<b>Sampling techniques</b>	<ul style="list-style-type: none"> <li>Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</li> <li>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</li> <li>Aspects of the determination of mineralisation that are Material to the Public Report.</li> <li>In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.</li> </ul>	<ul style="list-style-type: none"> <li>Sampling is a combination of rough channels extracted by geology hammer and random chips and combinations of chips as defined in Table 1 of the report. Individual sample volume is generally in the range 0.5-2.0kg.</li> <li>Sampling was undertaken on a reconnaissance basis and as such was carried out on a quantitative basis rather than a qualitative basis. Some selectivity has been engaged to target the mineralised veins.</li> <li>Samples were crushed, pulverized and 30g submitted for analysis of gold by fire assay and AAS finish. Over range (&gt;10g/t Au) samples were re-submitted for analysis of 30g by fire assay and gravimetric finish. All samples were also submitted for 33 element multi-element aqua regia digestion and analysis by ICP-ES.</li> </ul>
<b>Drilling techniques</b>	<ul style="list-style-type: none"> <li>Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</li> </ul>	<ul style="list-style-type: none"> <li>No drilling was undertaken in the current program</li> </ul>
<b>Drill sample recovery</b>	<ul style="list-style-type: none"> <li>Method of recording and assessing core and chip sample recoveries and results assessed.</li> <li>Measures taken to maximise sample recovery and ensure representative nature of the samples.</li> <li>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling was undertaken in the current program</li> </ul>
<b>Logging</b>	<ul style="list-style-type: none"> <li>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</li> <li>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</li> <li>The total length and percentage of the relevant intersections logged.</li> </ul>	<ul style="list-style-type: none"> <li>Rock chip and channel samples were logged geologically however will not be used in any Mineral Resource estimation or advanced studies.</li> <li>Logging is considered to be qualitative given the nature of rock chip sampling. Photographs of the samples and their locations have been taken.</li> <li>Not relevant as no drilling in current program</li> </ul>
<b>Sub-sampling techniques and sample preparation</b>	<ul style="list-style-type: none"> <li>If core, whether cut or sawn and whether quarter, half or all core taken.</li> <li>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</li> <li>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</li> <li>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</li> <li>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</li> <li>Whether sample sizes are appropriate to the grain size of the material being sampled.</li> </ul>	<ul style="list-style-type: none"> <li>No drilling was undertaken in the current program</li> <li>A sample size of 0.5-2.0 kg was collected and considered appropriate and representative for the grain size and style of mineralisation</li> </ul>
<b>Quality of assay data and laboratory tests</b>	<ul style="list-style-type: none"> <li>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</li> <li>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</li> <li>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</li> </ul>	<ul style="list-style-type: none"> <li>ACME Laboratories (Managua and Vancouver) was used for all analysis work carried out on the current samples. The laboratory techniques below are for all samples submitted to ACME and are considered appropriate for the style of mineralisation defined at the Topacio Gold Project:           <ul style="list-style-type: none"> <li>PRP70-250 (Sample Preparation Code)</li> <li>FA430 - Lead collection Fire Assay Fusion – AAS Finish (for Au).</li> <li>FA530 - Lead collection Fire Assay 30g Fusion – Gravimetric Finish (for Au &gt;10g/t).</li> <li>AQ300 - Aqua Regia Digestion ICP-ES analysis (for 33 standard elements)</li> </ul> </li> <li>No other analytical tools used in the current program</li> <li>No field duplicates were submitted. The lab undertook duplicate analysis at a rate of 1 in 20. One over range gold sample was also re-tested. The lab undertook tests on in-house standards and blanks. Results were deemed to be within the expected accuracy levels.</li> </ul>
<b>Verification of sampling and assaying</b>	<ul style="list-style-type: none"> <li>The verification of significant intersections by either independent or alternative company personnel.</li> <li>The use of twinned holes.</li> <li>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</li> </ul>	<ul style="list-style-type: none"> <li>Independent personnel have not reviewed significant results</li> <li>No drilling was undertaken in the current program</li> <li>Data has been uploaded into a GIS system for verification of data and locations</li> </ul>

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>Discuss any adjustment to assay data.</li> </ul>	<ul style="list-style-type: none"> <li>No adjustments of assay data are considered necessary.</li> </ul>
<b>Location of data points</b>	<ul style="list-style-type: none"> <li>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</li> <li>Specification of the grid system used.</li> <li>Quality and adequacy of topographic control.</li> </ul>	<ul style="list-style-type: none"> <li>A Garmin GPSMap60 Cx hand-held GPS was used to define the location of the samples. The GPS was left at the sample point for a period of &gt;2 minutes to obtain a steady reading. Sample locations are considered to be accurate to within 5m.</li> <li>Grid system used is UTM Zone 16 with datum NAD27 Central</li> <li>It will be necessary to undertake a detailed topographic control later in the program.</li> </ul>
<b>Data spacing and distribution</b>	<ul style="list-style-type: none"> <li>Data spacing for reporting of Exploration Results.</li> <li>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</li> <li>Whether sample compositing has been applied.</li> </ul>	<ul style="list-style-type: none"> <li>Data spacing (sample spacing) is variable and appropriate for an initial reconnaissance program.</li> <li>Sampling method not relevant for resource estimation</li> <li>No sample compositing is appropriate</li> </ul>
<b>Orientation of data in relation to geological structure</b>	<ul style="list-style-type: none"> <li>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</li> <li>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</li> </ul>	<ul style="list-style-type: none"> <li>Channel samples are planned to intersect the interpreted mineralised veins as near to a perpendicular angle as possible.</li> <li>The majority of the current sampling was from rock chips and in some cases were selective which may introduce a certain bias that can be expected from an initial reconnaissance program</li> </ul>
<b>Sample security</b>	<ul style="list-style-type: none"> <li>The measures taken to ensure sample security.</li> </ul>	<ul style="list-style-type: none"> <li>The chain of custody is managed by the senior Company representative who places plastic sample bags in polyweave sacks. Up to 10 calico sample bags are placed in each sack and sealed with ziplock ties. Each sack is clearly labelled with: <ul style="list-style-type: none"> <li>Company name</li> <li>Name of laboratory</li> <li>Sample range</li> </ul> </li> <li>Samples were delivered by senior Company personnel directly to the ACME Laboratory in Managua. Detailed records are kept of all samples that are dispatched.</li> </ul>
<b>Audits or reviews</b>	<ul style="list-style-type: none"> <li>The results of any audits or reviews of sampling techniques and data.</li> </ul>	<ul style="list-style-type: none"> <li>No audit of sampling techniques has been completed to date but will be implemented as the Company increases its activities in Nicaragua.</li> </ul>

## Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<b>Mineral tenement and land tenure status</b>	<ul style="list-style-type: none"> <li>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</li> <li>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</li> </ul>	<ul style="list-style-type: none"> <li>The Topacio Gold Project is a Nicaraguan mining concession, known as Presillitas, in the name of Topacio S.A. The Company has signed an Option to Purchase Agreement over the concession and is currently in the due diligence period prior to a decision on the agreement (as detailed elsewhere in this report)</li> <li>The concession is in good standing and no known impediments exist (see map elsewhere in this report for locations).</li> </ul>
<b>Exploration done by other parties</b>	<ul style="list-style-type: none"> <li>Acknowledgment and appraisal of exploration by other parties.</li> </ul>	<ul style="list-style-type: none"> <li>Previous exploration of the Topacio Gold Project has consisted of mapping, stream sampling, rock chip sampling, soil sampling, trenching, diamond drilling and feasibility studies in 3 main periods: <ul style="list-style-type: none"> <li>1980s – CPRM (Brasil)</li> <li>1990s – Triton Mining (Canada)</li> <li>2010-2013 – FDG Mining/Tango Gold (Canada)</li> </ul> The latter group has produced resource estimates that are consistent with NI 43-101 (Canadian) standards.</li> <li>The Company is still in the due diligence phase and as such is not in a position to appraise the quality of exploration by other parties.</li> </ul>
	<ul style="list-style-type: none"> <li>Deposit type, geological setting and style of mineralisation.</li> </ul>	<ul style="list-style-type: none"> <li>The Topacio Gold Project is a low sulphidation epithermal gold-(silver) vein type system (along with stockworks and brecciation) set in a sequence of tertiary volcanics – essentially of andesitic and basaltic composition. The project is located in the SE of Nicaragua in the province known as RAAS (Atlantic Autonomous Region-South).</li> <li>The main veins are NE striking and dipping steeply to the NW. Other veins in the broader concession strike NW and are also steeply dipping. Veins are generally up to 3m wide but in places may blow out to widths of more than 20m.</li> </ul>
<b>Drill hole Information</b>	<ul style="list-style-type: none"> <li>A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> <li>easting and northing of the drill hole collar</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>No drilling was undertaken in the current program</li> </ul>



Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> <li>o elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar</li> <li>o dip and azimuth of the hole</li> <li>o down hole length and interception depth</li> <li>o hole length.</li> </ul> <ul style="list-style-type: none"> <li>• If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.</li> </ul>	
<b>Data aggregation methods</b>	<ul style="list-style-type: none"> <li>• In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated.</li> <li>• Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.</li> <li>• The assumptions used for any reporting of metal equivalent values should be clearly stated.</li> </ul>	<ul style="list-style-type: none"> <li>• No data aggregation methods have been applied</li> </ul>
<b>Relationship between mineralisation widths and intercept lengths</b>	<ul style="list-style-type: none"> <li>• These relationships are particularly important in the reporting of Exploration Results.</li> <li>• If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</li> <li>• If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known').</li> </ul>	<ul style="list-style-type: none"> <li>• This is not relevant to a reconnaissance rock chip sampling program</li> </ul>
<b>Diagrams</b>	<ul style="list-style-type: none"> <li>• Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</li> </ul>	<ul style="list-style-type: none"> <li>• Appropriate maps relevant to the current sampling program are available in the body of this report.</li> </ul>
<b>Balanced reporting</b>	<ul style="list-style-type: none"> <li>• Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</li> </ul>	<ul style="list-style-type: none"> <li>• Reporting of results in this report is considered balanced. All samples have been reported for gold and silver results. No other elements are considered significant.</li> </ul>
<b>Other substantive exploration data</b>	<ul style="list-style-type: none"> <li>• Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</li> </ul>	<ul style="list-style-type: none"> <li>• No other significant exploration work has been done by the Company at this point.</li> </ul>
<b>Further work</b>	<ul style="list-style-type: none"> <li>• The nature and scale of planned further work (eg tests for lateral extensions, depth extensions or large-scale step-out drilling).</li> <li>• Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</li> </ul>	<ul style="list-style-type: none"> <li>• At this point the Company is assessing participation in the project via a due diligence review. It is not appropriate at this point to discuss further work or possible extensions.</li> </ul>