

HIGH GOLD GRADES HIGHLIGHT MULTIPLE TARGETS AT TOPACIO

HIGHLIGHTS

- ❖ High grade gold results received from previously unsampled areas of Topacio
- ❖ Highest grade rock chip sampling results include:
 - Lone Star vein 50.5 g/t Au (sample #48897)
 - Canada vein 42.8 g/t Au (sample #48875)
 - Toronto vein 38.7 g/t Au (sample #48879)
 - Pispireta vein 32.2 g/t Au (sample #48846)
- ❖ Highlights the presence of additional vein targets outside the Topacio resource area
- ❖ Currently completing infill soil sampling at the Rebeca Zone to refine drill targets - assays pending

Oro Verde Limited (ASX: OVL) (“Oro Verde” or “the Company”) is pleased to announce that very high grade gold (Au) results have been received from recent rock chip sampling of epithermal vein targets at the Topacio Gold Project, located in southeastern Nicaragua (Figure 1).

While current field activities are concentrating on infill soil sampling at the Rebeca Zone to refine targets for drilling, where the objective is a potential buried low sulphidation epithermal system, these rock chip results **highlight the existence of numerous additional targets** outside the existing Topacio gold resource.

Maximum gold and associated silver (Ag) grades from these results are as follows (refer full Table 1):

- | | | | |
|-----------------|--------------------------|----------------|---------------------------|
| ● Brazil | 9.95 g/t Au; 11.7 g/t Ag | ● Pelos de Oro | 4.02 g/t Au; 5.6 g/t Ag |
| ● Canada | 42.8 g/t Au; >200 g/t Ag | ● Pispireta | 32.2 g/t Au; 18.2 g/t Ag |
| ● Dispute | 21.4 g/t Au; 15.1 g/t Ag | ● Su Majestad | 16.9 g/t Au; 145.9 g/t Ag |
| ● Dos Amigos | 9.07 g/t Au; 39.2 g/t Ag | ● Tamara | 5.42 g/t Au; 11.3 g/t Ag |
| ● Lone Star | 50.5 g/t Au; 70.1 g/t Ag | ● Topacio | 12.5 g/t Au; 15.0 g/t Ag |
| ● Mico | 21.4 g/t Au; 39.1 g/t Ag | ● Toronto | 38.7 g/t Au; 52.3 g/t Ag |
| ● Mico SE Split | 7.15 g/t Au; 19.0 g/t Ag | | |

Oro Verde’s Managing Director, Mr. Trevor Woolfe, commented *“While our current field activities are focused on infill soil sampling to define drill targets in the Rebeca Zone, I am extremely encouraged by these latest results that include some very high gold grades from areas of previously limited access. These results highlight the presence of additional quality gold targets associated with exposed quartz veins at Topacio. Our current activities bring Oro Verde closer to finalising and prioritising targets for drilling.”*



Figure 1 Major Nicaraguan gold deposits and the Topacio Gold Project

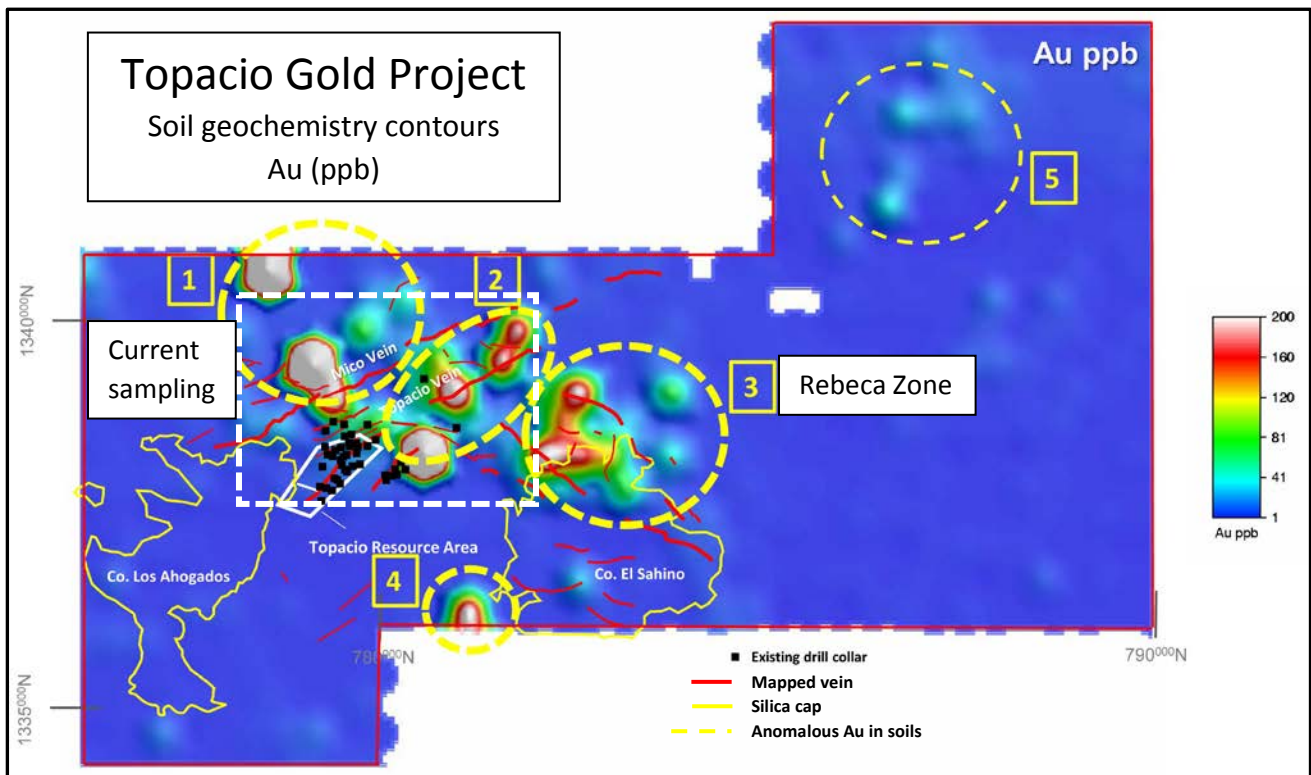


Figure 2 Topacio Project – Priority target areas from soil geochemistry and latest sampled area

TOPACIO ROCK CHIP SAMPLING

Exploration activities at Topacio during 2016 have included a concession-wide 400m x 400m soil sampling grid, as well as detailed vein mapping and associated rock chip sampling. These programs form part of the Stage 1 exploration program of the Farm-In Agreement between Newcrest International Pty Ltd, a wholly owned subsidiary of **Newcrest Mining Limited (ASX: NCM)** (“Newcrest”) and Oro Verde, executed at the end of November 2015¹.

¹ Refer to ASX announcement dated 30 November 2015 “Newcrest Signs A\$11M Farm-in Agreement with Oro Verde”

The soil geochemistry results were released on the ASX in August² and demonstrated that at least three priority zones have been identified with anomalous gold geochemistry. These three zones (Figure 2) were identified as the:

1. Northwest Anomaly;
2. Northeast Topacio Extension; and
3. Rebeca Zone

While the Rebeca Zone is currently the focus of an infill soil sampling program to refine and prioritise targets for drilling³, recent vein texture mapping and rock chip sampling was undertaken along the complex vein systems corresponding to the Northwest Anomaly and the Northeast Topacio Extension gold-in-soils anomalies, as well as the Topacio Resource Area (Figure 2).

High gold grades (Table 1) have been received from at least 13 different veins in this sampling campaign (Figures 3 and 4) and highlight the presence of multiple vein targets that may be considered for follow up drilling.

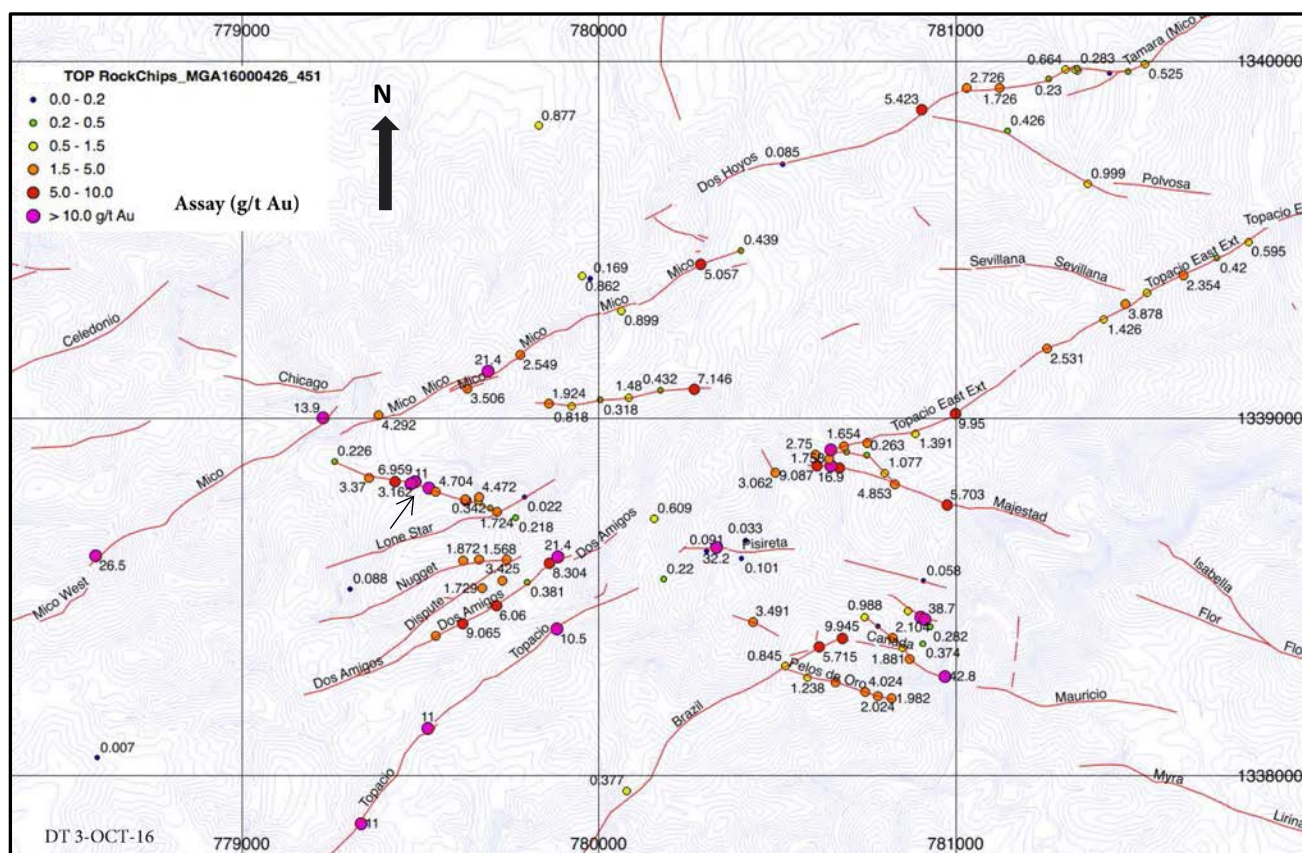


Figure 3 Topacio Project – latest rock chip sampling results (gold) [Refer Figure 2]

Additional rock chip sampling has also been undertaken in the Rebeca Zone during the current infill soil sampling program. The Rebeca Zone is thought to represent the upper levels of a buried low sulphidation epithermal system and, as has been shown in previous rock chip sampling, can be expected to return lower gold grades. Results are expected over coming weeks.

² Refer to ASX announcement dated 16 August 2016 “Strong Gold Anomalies in Soils at Topacio”

³ Refer to ASX announcement dated 4 October 2016 “Infill Soil Sampling Underway at Topacio”

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

SAMPLE NUMBER	NORTHING (mN)	EASTING (mE)	VEIN	VEIN WIDTH* - at surface (m)	Au (g/t)	Ag (g/t)
48771	1,339,817	779,832	Unnamed	0.6	0.88	0.1
48772	1,339,396	779,955	Unnamed	0.5	0.86	2.6
48773	1,339,391	779,978	Unnamed	1.2	0.17	<0.1
48774	1,339,429	780,288	Mico	0.7	5.06	6.3
48775	1,339,011	781,000	Topacio	1.0	9.95	3.6
48776	1,338,594	779,863	Dispute	0.8	8.30	5.2
48777	1,338,306	780,523	Brazil	1.0	0.85	3.4
48778	1,338,359	780,620	Brazil	1.0	5.72	3.4
48779	1,338,385	780,683	Brazil/Canada	0.8	9.95	11.7
48780	1,337,958	780,081	Brazil	0.4	0.38	1.7
48781	1,337,957	780,080	Brazil	0.7	0.78	3.6
48782	1,334,828	767,269	Brazil	0.7	2.85	2.8
48783	1,337,865	779,334	Topacio	1.0	11.00	40.9
48784	1,338,131	779,522	Topacio	1.1	11.00	4.9
48785	1,338,410	779,883	Topacio	1.9	10.50	13.2
48786	1,338,549	780,183	Topacio	0.5	0.22	<0.1
48787	1,338,719	780,157	Dispute (?)	0.4	0.61	7.8
48788	1,338,615	778,592	Mico west	2.5	26.50	9.2
48789	1,338,049	778,596	Silica Boulders	1.0	0.01	<0.1
48790	1,338,391	779,545	Dos Amigos	1.3	1.72	0.5
48791	1,338,426	779,621	Dos Amigos	1.5	9.07	39.2
48792	1,338,475	779,714	Dos Amigos	1.9	6.06	4.1
48793	1,338,541	779,801	Dispute (?)	1.2	0.38	1.4
48794	1,338,803	779,526	Lone Star	1.7	11.20	23.4
48795	1,338,999	779,229	Mico	1.5	13.90	35.3
48796	1,339,007	779,384	Mico	1.0	4.29	7.6
48797	1,339,082	779,633	Mico	1.0	3.51	34.4
48798	1,339,130	779,691	Mico	1.5	21.40	39.1
48799	1,339,176	779,780	Mico	0.6	2.55	1.8
48800	1,339,300	780,064	Mico	0.8	0.90	1.5
48820	1,339,469	780,399	Mico (?)	2.0	0.44	1.5
48821	1,339,711	780,516	Dos Hoyos	1.0	0.09	0.3
48822	1,339,863	780,907	Tamara	2.5	5.42	11.3
48823	1,339,923	781,033	Tamara	1.0	2.73	2.0
48824	1,339,923	781,125	Tamara	1.0	1.73	0.7
48825	1,339,948	781,261	Tamara (?)	0.7	0.23	0.3
48826	1,339,275	781,417	Topacio	0.6	1.43	15.2
48827	1,339,493	781,821	Topacio	0.4	0.60	0.4
48828	1,339,447	781,733	Topacio	0.6	0.42	0.3
48829	1,339,398	781,639	Topacio	0.4	2.35	0.8

SAMPLE NUMBER	NORTHING (mN)	EASTING (mE)	VEIN	VEIN WIDTH* - at surface (m)	Au (g/t)	Ag (g/t)
48830	1,339,349	781,537	Topacio	0.7	1.03	1.9
48831	1,339,318	781,476	Topacio	0.5	3.88	1.5
48832	1,339,193	781,257	Topacio	1.0	2.53	1.4
48833	1,338,957	780,889	Topacio	0.6	1.39	0.6
48834	1,338,847	780,803	Su Majestad (?)	0.4	1.08	2.1
48835	1,338,931	780,754	Topacio	0.6	1.51	5.6
48836	1,338,895	780,753	La Olorosa (?)	0.4	0.26	0.2
48837	1,338,816	780,831	Su Majestad	1.0	4.85	3.3
48838	1,338,757	780,977	Su Majestad	1.5	5.70	6.4
48839	1,338,544	780,911	Las Gemelas	0.3	0.06	<0.1
48840	1,338,460	780,869	Toronto	1.2	1.30	7.4
48841	1,338,443	780,902	Toronto	1.0	17.40	23.2
48842	1,338,358	780,853	Canada	0.7	0.54	4.2
48843	1,338,386	780,824	Canada (?)	0.6	2.10	3.2
48844	1,338,418	780,782	Canada (?)	0.8	0.11	0.2
48845	1,338,627	780,304	Pispireta	1.2	0.09	1.7
48846	1,338,638	780,330	Pispireta	0.8	32.20	18.2
48847	1,338,608	780,402	Pispireta	1.0	0.10	4.7
48848	1,338,659	780,412	Pispireta (?)	0.8	0.03	0.6
48849	1,338,431	780,432	Canada (?)	1.0	3.49	5.1
48850	1,338,261	780,665	Pelos de Oro	1.0	3.28	8.9
48871	1,338,234	780,748	Pelos de Oro	1.0	4.02	5.6
48872	1,338,275	780,586	Pelos de Oro	1.0	1.24	0.9
48873	1,338,223	780,783	Pelos de Oro	0.6	2.02	2.2
48874	1,338,215	780,821	Pelos de Oro	0.8	1.98	1.8
48875	1,338,277	780,970	Canada (?)	1.5	42.80	>200.0
48876	1,338,325	780,873	Canada	1.2	1.88	2.0
48877	1,338,370	780,909	Canada (?)	1.0	0.37	0.5
48878	1,338,416	780,930	Toronto (?)	1.0	0.28	3.7
48879	1,338,438	780,916	Toronto	1.2	38.70	52.3
48880	1,338,444	780,747	Canada (?)	0.8	0.99	15.5
48881	1,338,522	779,304	Nugget split (?)	0.6	0.09	2.0
48882	1,338,523	779,674	Dispute	1.0	1.73	0.8
48883	1,338,546	779,732	Dispute	0.5	3.43	1.8
48884	1,338,602	779,620	Nugget	0.7	1.87	11.7
48885	1,338,604	779,665	Nugget	1.0	1.57	0.8
48886	1,338,603	779,742	Nugget (?)	0.5	3.75	11.6
48887	1,338,612	779,887	Dispute	0.8	21.40	15.1
48888	1,338,780	779,793	Mayflower	0.4	0.02	0.5
48889	1,338,722	779,769	Mayflower (?)	0.6	0.22	0.7
48890	1,338,737	779,715	Mayflower	1.0	1.72	2.3

SAMPLE NUMBER	NORTHING (mN)	EASTING (mE)	VEIN	VEIN WIDTH* - at surface (m)	Au (g/t)	Ag (g/t)
48891	1,338,747	779,698	Lone Star	0.4	0.34	4.1
48892	1,338,768	779,665	Lone Star	0.8	0.73	4.1
48893	1,338,778	779,665	Lone Star	0.4	4.47	20.1
48894	1,338,769	779,628	Lone Star	1.2	8.44	49.4
48895	1,338,773	779,628	Lone Star	1.2	4.37	26.0
48896	1,338,794	779,544	Lone Star	0.6	4.70	41.1
48897	1,338,821	779,486	Lone Star	0.8	50.50	70.1
48898	1,338,816	779,476	Lone Star	0.7	11.00	9.4
48899	1,338,824	779,431	Lone Star	0.9	3.16	33.1
48900	1,338,823	779,431	Lone Star	0.9	6.96	48.0
48901	1,338,834	779,358	Lone Star	0.6	3.37	1.6
48902	1,338,879	779,260	Lone Star	0.3	0.23	0.3
48903	1,339,974	781,308	Tamara 2	1.5	0.66	1.1
48904	1,339,972	781,341	Tamara 2	0.9	0.55	3.3
48905	1,339,976	781,335	Tamara 2	1.1	0.89	2.3
48906	1,339,977	781,342	Tamara 2	1.2	0.28	1.4
48907	1,339,966	781,433	Tamara (?)	1.5	0.14	3.2
48908	1,339,969	781,485	Tamara	0.7	0.33	0.8
48909	1,339,990	781,533	Tamara	0.8	0.53	1.7
48910	1,339,655	781,372	La Polvosa	0.6	1.00	7.3
48911	1,339,803	781,146	La Polvosa (?)	0.4	0.43	0.5
48912	1,338,860	780,674	Su Majestad	1.0	7.87	4.4
48913	1,338,866	780,651	Su Majestad	1.6	16.90	145.9
48914	1,338,887	780,647	La Olorosa (?)	2.2	1.76	25.0
48915	1,338,904	780,695	La Olorosa (?)	0.8	0.34	0.7
48916	1,338,923	780,687	Topacio	1.5	1.65	16.1
48917	1,338,911	780,651	Topacio	1.2	12.50	15.0
48918	1,338,899	780,609	Topacio	0.7	2.75	4.0
48919	1,338,867	780,612	Su Majestad	1.0	9.09	90.3
48920	1,338,846	780,497	Unknown	1.5	3.06	4.2
48921	1,339,080	780,269	Mico SE Split	0.4	7.15	19.0
48922	1,339,076	780,173	Mico SE Split	0.5	0.43	0.7
48923	1,339,057	780,085	Mico SE Split	0.4	1.48	3.1
48924	1,339,050	780,006	Mico SE Split	0.5	0.32	5.2
48925	1,339,033	779,924	Mico SE Split	0.8	0.82	11.1
48926	1,339,039	779,860	Mico SE Split	0.6	1.92	4.1

Co-ordinate system UTM Zone 16 and datum NAD27 Central

*True widths not known

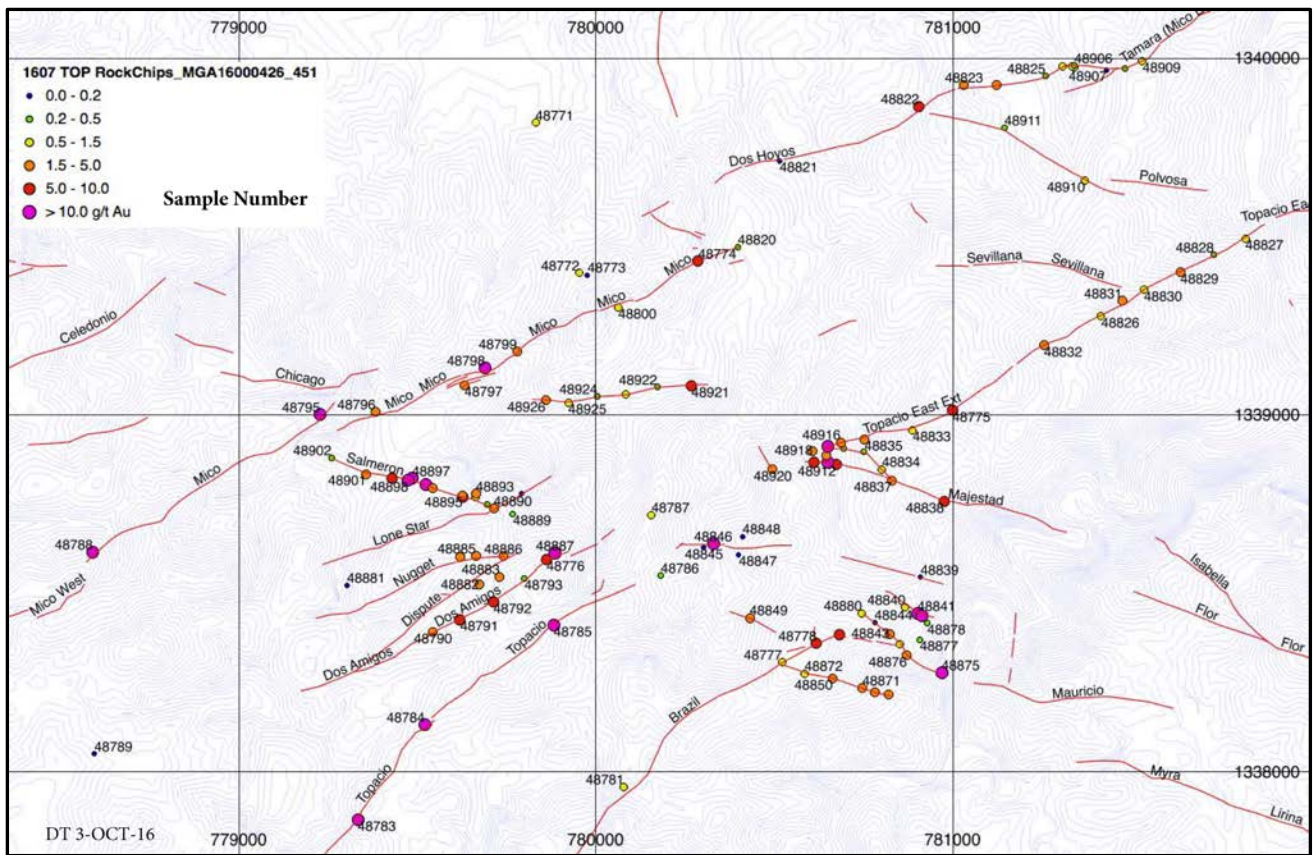


Figure 4 Topacio Project – latest rock chip sampling results (gold) and sample numbers [Refer Table 1]

TOPACIO PROJECT BACKGROUND

Oro Verde holds an Option to Purchase Agreement over the high grade Topacio Gold Project, located in southeastern Nicaragua (Figure 1). Details can be found in the announcement to the ASX dated 27 February 2015⁴. The project contains 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

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 (Australia). 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.

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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 holds an Option to Purchase Agreement to acquire 100% of the Topacio Gold Project in Nicaragua that contains a NI43-101 compliant Inferred Mineral Resource of 340,000 ounces of gold. A US\$7.9 million 5 year farm-in agreement was signed on November 25, 2015 with a subsidiary of global gold major - Newcrest Mining Limited (ASX: NCM) – to jointly explore for multi-million ounce gold deposits at Topacio. Oro Verde also holds 100% of the early stage San Isidro Gold Project, also in Nicaragua, located adjacent to the 2.3 million ounce La India gold project.*

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 Managing Director 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 Historical 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. The Company confirms that it is not in possession of any new information or data that materially impacts on the reliability of the estimates 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
Sampling techniques	<ul style="list-style-type: none"> 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. 	<ul style="list-style-type: none"> Sampling is a combination of rough channels extracted by geology hammer and random chips and combinations of chips. Individual sample volume is generally in the range 0.5-2.5kg. 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

⁴ Refer to ASX announcement dated 27 February 2015 “Oro Verde Proceeds to Acquire Topacio Gold Project”

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. 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. 	<p>the mineralised veins.</p> <ul style="list-style-type: none"> Throughout our surface rock chip sampling campaigns, samples were crushed, pulverised and a 30g charge was used for fire assay fusion analysis of Au Pt Pd by ICP-MS, while 0.25g was used for 4 acid digestion analysis of 45 elements by ICP-MS. In some cases, over range gold (>1000ppb Au) samples were re-submitted for analysis of 30g by fire assay and gravimetric finish. Over range gold (>10g/t Au) samples were re-submitted for analysis of 30g by lead collection fire assay fusion with a gravimetric finish.
Drilling techniques	<ul style="list-style-type: none"> 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). 	<ul style="list-style-type: none"> No drilling was undertaken in the current program
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. 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. 	<ul style="list-style-type: none"> No drilling was undertaken in the current program
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> Rock chip and channel samples were logged geologically however will not be used in any Mineral Resource estimation or advanced studies. Logging is considered to be qualitative given the nature of rock chip sampling. Photographs of the samples and their locations have been taken. Not relevant as no drilling in current program
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. 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. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> No drilling was undertaken in the current program. No drilling was undertaken in the current program. Sample prep techniques used by the laboratory were considered appropriate for reconnaissance rock chip style samples. No field duplicates were submitted as the samples were reconnaissance rock chip samples. A sample size of 0.5-2.5 kg was collected and considered appropriate and representative for the grain size and style of mineralisation.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. 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. 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. 	<ul style="list-style-type: none"> Bureau Veritas Laboratories (Managua and Vancouver) were used for all analysis work carried out on the current samples. The laboratory techniques below are for all samples submitted to Bureau Veritas and are considered appropriate for the style of mineralisation defined at the Topacio Gold Project: <ul style="list-style-type: none"> PRP70-250 (Sample Preparation Code) FA130 – Fire Assay Fusion – Au, Pt, Pd by ICP-MS (30g) FA330 - Fire Assay Fusion – Au, Pt, Pd by ICP-ES (30g) (for Au>1000ppb) FA530 - Lead collection Fire Assay 30g Fusion – Gravimetric Finish (for Au >10g/t). MA200 – 4 acid digest (0.25g), ICP-MS analysis (for 45 elements) No other analytical tools used in the current program No field duplicates were submitted. The lab undertook duplicate analysis at a rate of 1 in 20. The lab undertook tests on in-house standards and blanks. Results were deemed to be within the expected accuracy levels.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Significant results have been reviewed by company technical personnel. No drilling was undertaken in the current program. Descriptions of each sample location and each sample were recorded by the geologist and technician in the field. This data was transferred daily from field notebooks and GPS devices into an Excel database. Analytical data has been uploaded directly from laboratory files into a GIS system for verification of data and locations. No adjustments of assay data are considered necessary.
Location of data points	<ul style="list-style-type: none"> 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. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Garmin Oregon 600 and Garmin eTrex Vista HCx hand-held GPS units were used to define the location of the samples. The GPS was left at the sample point for a minimum period of 2 minutes to obtain a steady reading. Sample locations are considered to be accurate to within 5m. Grid system used is UTM Zone 16 with datum NAD27 Central

Criteria	JORC Code explanation	Commentary
		<ul style="list-style-type: none"> A good topographical base has been produced using orthorectified aerial photos with 5m contours. Any variability in GPS elevation measurements during sampling can be projected onto the topographical base.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. 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. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Data spacing (sample spacing) is variable and appropriate for an initial reconnaissance program. This sampling method not appropriate for resource estimation No sample compositing is appropriate
Orientation of data in relation to geological structure	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. 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. 	<ul style="list-style-type: none"> Channel samples are planned to intersect the interpreted mineralised veins as near to perpendicular as possible. 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 a reconnaissance program
Sample security	<ul style="list-style-type: none"> The measures taken to ensure sample security. 	<ul style="list-style-type: none"> The chain of custody is managed by the senior Company representative who places plastic sample bags in polyweave sacks. Up to 10 plastic sample bags are placed in each sack and sealed with ziplock ties. Each sack is clearly labelled with: <ul style="list-style-type: none"> Company name Name of laboratory Sample number range Samples were delivered by senior Company personnel directly to the Bureau Veritas Laboratory in Managua. Detailed records are kept of all samples that are dispatched. The laboratory maintains its own secure sample custody when transporting prepared samples or pulps from the Managua sample preparation laboratory to the Vancouver analytical laboratory.
Audits or reviews	<ul style="list-style-type: none"> The results of any audits or reviews of sampling techniques and data. 	<ul style="list-style-type: none"> No audit of rock chip sampling techniques has been completed to date but will be reviewed as the Company progresses its activities.

Section 2 Reporting of Exploration Results

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

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> 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. 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. 	<ul style="list-style-type: none"> The Topacio Gold Project is within a Nicaraguan mining concession, known as Presillitas, held by Topacio S.A, and located approximately 200km east of Managua. Oro Verde Limited (OVL) holds an Option to Purchase Agreement over the concession through its 100% owned subsidiary Minera San Cristobal SA (MSC). In November 2015, OVL/MSC signed a farm-in agreement with Newcrest International Pty Ltd (Newcrest) (a subsidiary of Newcrest Mining Ltd of Australia) whereby Newcrest can earn up to 75% in the Topacio Gold Project through staged investments into the project. Newcrest and MSC will jointly explore the project, however MSC will continue to manage exploration activities on the project. Newcrest has the option to take over management of the project once it has reached 51% equity in the project, subject to expenditure milestones and other conditions. The concession is in good standing and no known impediments exist (see map elsewhere in this report for locations).
Exploration done by other parties	<ul style="list-style-type: none"> Acknowledgment and appraisal of exploration by other parties. 	<ul style="list-style-type: none"> 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"> 1980s – CPRM (Brasil) 1990s – Triton Mining (Canada) 2010-2013 – FDG Mining/Tango Gold (Canada) The latter group has produced resource estimates that are consistent with NI 43-101 (Canadian) standards. CPRM activities were undertaken at a time when compliance with standards such as JORC (Australian) and NI 43-101 (Canadian) did not exist. The quality of the data is thus difficult to appraise. Core samples from that phase of drilling are not known to be in existence. Triton activities were undertaken during the mid 1990's when quality control and QA/QC procedures and reporting standards were in the process of significant improvements. Information and data provided in Triton reports appears to be of reasonable quality, however OVL has not undertaken any specific checks, as trenches have been rehabilitated and core

Criteria	JORC Code explanation	Commentary
		<p>samples are not known to be in existence.</p> <ul style="list-style-type: none"> • FDG /Tango activities were undertaken under NI 43-101 guidelines and standards and are considered to be of reasonable quality. Core from FDG drilling is being stored in a secure location near the project area and is in reasonable condition.
	<ul style="list-style-type: none"> • <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> • 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 RACCS (South Caribbean Coast Autonomous Region). • The main veins are NE striking and dipping steeply and variably to the NW and SE. 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.
Drill hole Information	<ul style="list-style-type: none"> • <i>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:</i> <ul style="list-style-type: none"> ○ easting and northing of the drill hole collar ○ elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar ○ dip and azimuth of the hole ○ down hole length and interception depth ○ hole length. • <i>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.</i> 	<ul style="list-style-type: none"> • No drilling was undertaken in the current program
Data aggregation methods	<ul style="list-style-type: none"> • <i>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.</i> • <i>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.</i> • <i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i> 	<ul style="list-style-type: none"> • No data aggregation methods have been applied
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> • <i>These relationships are particularly important in the reporting of Exploration Results.</i> • <i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i> • <i>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').</i> 	<ul style="list-style-type: none"> • This is not relevant to a reconnaissance rock chip sampling program • From limited surface vein exposures it is often difficult to determine the absolute dip of the veins. At Topacio we believe that the majority of veins are sub vertical. Where vertical, any channels collected across the veins would represent true width, but any variation in dip would reduce the true width.
Diagrams	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Appropriate maps relevant to the current sampling program are available in the body of this report.
Balanced reporting	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • Reporting of Oro Verde Limited results in this report is considered balanced. All samples have been reported for gold results. No other elements are considered significant, unless stated in the text of the report.
Other substantive exploration data	<ul style="list-style-type: none"> • <i>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.</i> 	<ul style="list-style-type: none"> • In addition to the current rock chip sampling program, other technical work completed by OVL on the Topacio project includes reconnaissance rock chip sampling, geological mapping, a 400m x 400m soil sampling program and airborne geophysics (magnetics and radiometrics). Where relevant in the context of the geochemical sampling program, these other programs are referred to in this report
Further work	<ul style="list-style-type: none"> • <i>The nature and scale of planned further work (eg tests for lateral extensions, depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i> 	<ul style="list-style-type: none"> • The Company is currently reviewing all available data on the project and formulating its ongoing work program in the context of results received from recent geological mapping, soil geochemistry and airborne geophysical results. The activities are designed to provide sufficient information to define and prioritise targets for drill testing. • Infill soil sampling is currently underway on the Rebeca Zone as recently reported to the ASX on 4 October 2016. • The data review may conclude that more detailed geological mapping/sampling and/or infill closer spaced soil geochemistry sampling is required to better define some targets. • Preliminary indications of areas undergoing further follow up are shown elsewhere in this report.