



ASX Announcement

5 June 2017

DRILLING OF HIGH GRADE TARGETS COMMENCES AT TOPACIO GOLD PROJECT

HIGHLIGHTS

- ❖ Second phase of diamond drilling at Topacio Gold Project has commenced
- ❖ Oro Verde testing extensions to the known Topacio gold resource
- ❖ Drilling will target four high grade gold veins
- ❖ Assay results from Rebeca drilling are pending

Oro Verde Limited (ASX: OVL) (“Oro Verde” or “the Company”) is pleased to announce that Phase 2 of the current diamond drilling program at the Topacio Gold Project, located in southeastern Nicaragua (Figure 3), has now commenced.

This second phase of drilling will explore high grade gold (Au) vein targets generated by Oro Verde through its surface mapping and sampling campaigns. The selected targets are located within 500m of the 340,000oz Topacio gold resource (Figure 1) and are also coincident with gold-in-soil geochemical anomalies defined during the 2016 concession-wide soil sampling program¹.

The program will initially consist of six diamond core holes for a total of approximately 450m. High grade gold (multi gram per tonne) targets will be tested in the Phase 2 drill program including² (Figure 2):

- Su Majestad Vein - rock chip samples up to 16.9 g/t Au
- Topacio East Extension - artisanal workings with samples up to 52.4 g/t Au
- Dispute Vein - 1m channel sample of 92.9 g/t Au
- West Mico Vein - rock chip samples up to 21.5 g/t Au

The Phase 2 drilling will be funded by Oro Verde, under agreement with Newcrest, who has the option to reimburse and include the Phase 2 expenditure in its second year expenditure requirement under the Farm-In Agreement.

Oro Verde’s Managing Director, Mr. Trevor Woolfe, commented ***“We are looking forward to testing the three dimensional nature of high grade epithermal gold veins in the vicinity of the Topacio resource that are just too compelling to not drill while the rig is on site. Previous trenching and rock chip sampling confirmed the high grade nature of the veins at surface. The proposed holes will test the continuity of these mineralised veins at depth and unlock further value in the Topacio Gold Project.”***

¹ Refer to ASX announcement dated 16 August 2016 “Strong Gold Anomalies in Soils at Topacio”

² Refer to ASX announcement dated 9 November 2015 “Expanded Gold Resource Potential at Topacio”

Phase 2 Drilling

The Phase 2 diamond core holes will test below high grade surface gold results on four key targets – the Su Majestad Vein, Topacio (Vein) East Extension, Dispute Vein and the Mico West Vein (Figures 1 and 2). These particular areas have not previously been drilled and, as such, the proposed holes will be relatively shallow to assess the continuity of the high grade veins approximately 30-50 metres below surface.

Additional surface trenches above the proposed hole locations have been excavated and channel sampled, prior to the drilling, to confirm orientation of the steep dip of the veins and their width. Samples have been sent to the lab and results are pending.

Oro Verde is operating the second year of the Farm-In Agreement with Newcrest International Pty Ltd, a wholly owned subsidiary of **Newcrest Mining Limited (ASX: NCM)** (“Newcrest”), that was executed at the end of November 2015³, to explore for multi-million ounce gold deposits on the Topacio Gold Project.

Table 1 Topacio Zone: Proposed drill hole details

Diamond Hole	Easting (m)	Northing (m)	Azimuth (deg)	Dip (deg)	Depth (m)	Target
SM-1	781,018	1,338,780	197	-45	75	Su Majestad Vein
TE-1	781,145	1,339,073	323	-45	75	Topacio East Extension
DP-1	779,581	1,338,430	145	-45	75	Dispute Vein
DP-2	779,543	1,338,400	145	-45	75	Dispute Vein
MW-2	778,904	1,338,770	148	-45	75	Mico West Vein
MW-3	778,857	1,338,740	148	-45	75	Mico West Vein
			TOTAL		450	

Co-ordinate system UTM Zone 16 and datum NAD27 Central



³ Refer to ASX announcement dated 30 November 2015 “Newcrest Signs A\$11M Farm-in Agreement with Oro Verde”

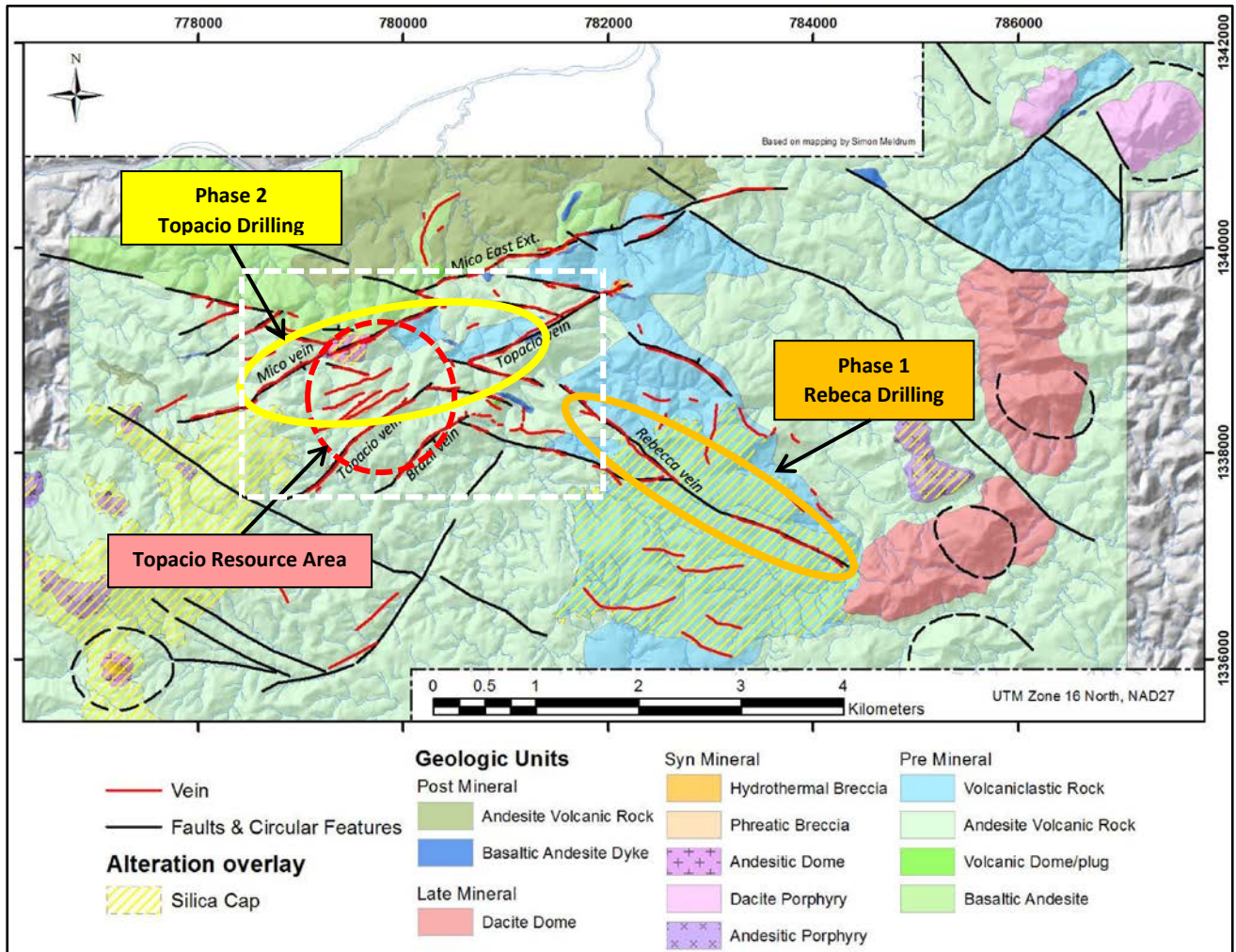


Figure 1 Topacio Gold Project: Oro Verde 2017 drill areas

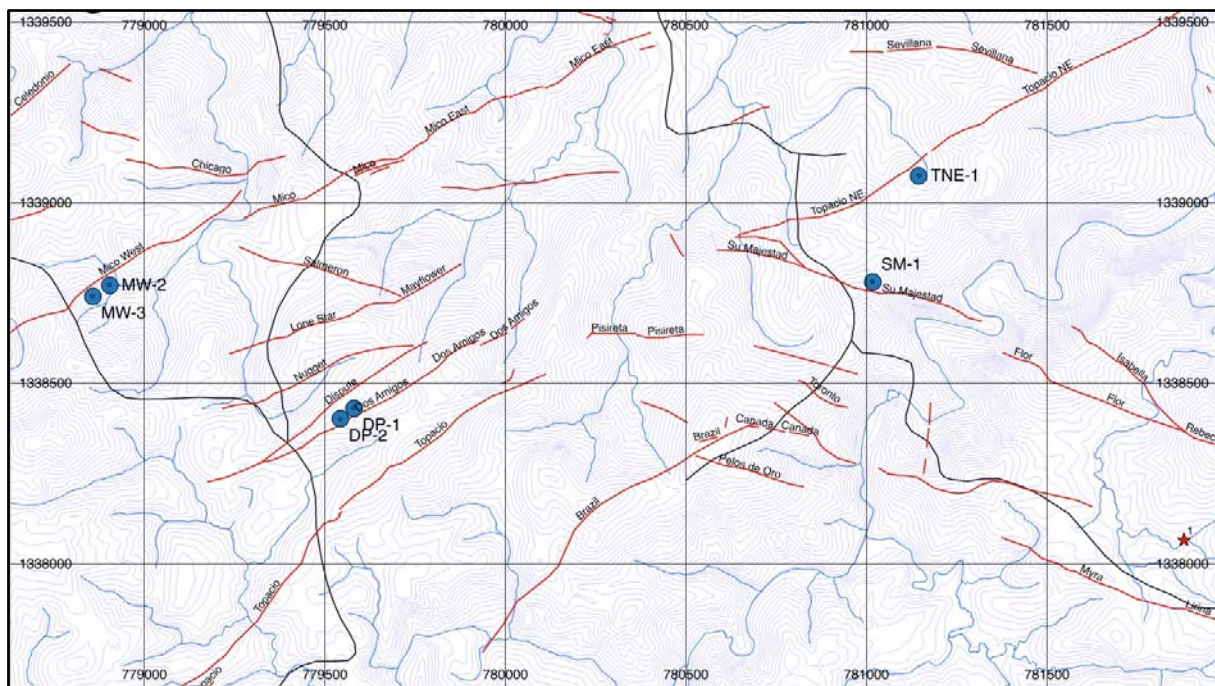


Figure 2 Topacio Drilling: Drill hole collar locations (see map outline in Fig 1)

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.



Figure 3 Major Nicaraguan gold deposits and the Topacio Gold Project

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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.

⁴ Refer to ASX announcement dated 27 February 2015 “Oro Verde Proceeds to Acquire Topacio 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.