



ORO VERDE EXTENDS OPTION AGREEMENT AT TOPACIO

Oro Verde Limited (ASX: OVL) (“Oro Verde” or “the Company”) is pleased to announce that it has reached agreement for a six-month extension to the **Option to Purchase Agreement** to acquire 100% of the **Topacio Gold Project** in Nicaragua (“**the Option**”) (Figure 1).

The vendor of the Topacio Project, local Nicaraguan company Topacio S.A., has agreed to extend the term of the Option, with the new **Exercise Date** pushed out from 19 August 2018 to **19th February, 2019**.

This extension has a number of immediate benefits for the Company:

- It defers the US\$1.5 million Option Exercise Payment to February 2019;
- It allows Oro Verde time to conduct a more thorough technical assessment of the project.

Oro Verde’s Chairman, Dr. Wolf Martinick, commented *“This is an excellent result for the Company and is, I believe, recognition by the Board of Topacio S.A of Oro Verde’s good work over the past three years. I thank their Board for their generous consideration and for agreeing to extend the Option Exercise deadline, and also our team in Nicaragua, led by Country Manager David Turner and Administration Manager Jacques Levy, for steering this extension through.”*

TOPACIO PROJECT BACKGROUND

Oro Verde holds an Option to Purchase Agreement over the historically well-known and established high-grade Topacio Gold Project, located in south-eastern Nicaragua (Figure 1). Details can be found in the ASX announcement dated 27 February 2015¹. The project contains an **NI 43-101-compliant** Inferred Resource stated to be:

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 in accordance with the JORC code (Australia). A defined Competent Person has not yet undertaken sufficient work to classify this foreign estimate as a mineral resource in accordance with the Australian JORC code and, at this stage, it cannot be stated with certainty that, following evaluation and/or further exploration work, the foreign estimate will be able to be reported as a mineral resource in accordance with the JORC code.

The Option to Purchase Agreement

Under the original terms of the three-year Option, announced on **27 February 2015**¹, the Company committed to the following key conditions:

- a. A minimum exploration expenditure of US\$2,000,000 over 3 years *[This minimum expenditure has been exceeded]*;

¹ Refer to ASX announcement dated 27 February 2015 “Oro Verde Proceeds to Acquire Topacio Gold Project”

- b. Payments of US\$40,000 to the vendor each six months during the Option period (for a total of US\$240,000) **[These payments have all been completed];**
- c. The Company may exercise the Option by making a payment of US\$1,500,000 plus, at the Vendor's election, either a 2% NSR royalty or a payout of US\$1/oz gold for JORC or NI43-101 compliant resources (measured and indicated) **[Exercise deadline now extended a second time by a further six months];** and
- d. Oro Verde may withdraw from the Agreement at any time.

Under the latest extension agreement, there are no additional conditions other than:

1. The extension is to 19 February 2019;
2. The vendor consideration of US\$55,000 for the Extension only becomes due on 20 December 2018 and, if Oro Verde decides to withdraw from the Option agreement before that date (i.e. any time up to and including 19 December 2018), then no vendor payment is required;
3. The January surface tax payment only becomes due if Oro Verde does not withdraw prior to 31 December 2019;
4. No other payments are or will become due pursuant to the Option or Option Extension agreements.



Figure 1 Location of Topacio Project and other major Nicaraguan gold deposits

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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. 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 report that relates to previous Exploration Results for the Topacio project, was prepared and first disclosed under the JORC Code 2012 and has been properly and extensively cross-referenced in the text to the date of original announcement to ASX. Oro Verde confirms that it is not aware of any new information or data that materially affects the information included in the original announcements.