

MAKUUTU RARE EARTHS PROJECT

COMPLETION OF INITIAL DRILLING PROGRAM AND ENSUING WORK PROGRAM

ORO VERDE LIMITED (ASX code: OVL)

*An emerging resource
company focused on
defining a world-class
Rare Earths project*

KEY PROJECTS –

Uganda

Makuutu Rare Earths Project

Nicaragua

San Isidro Gold Project

BOARD OF DIRECTORS

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Key Highlights:

- **First drilling program at the Makuutu Rare Earth Elements (REE) Project has been completed on time and on budget**
- **The program has been designed to achieve a maiden JORC Resource definition and to collect samples for metallurgical testing**
- **48 core holes targeting the shallow mineralisation have been drilled for a total of 750 m**
- **Initial assay results from the first batch of samples are due imminently**
- **Preliminary metallurgical test-work has commenced**

Oro Verde Limited (ASX: OVL) (“Oro Verde” or “the Company”) is pleased to provide a market update on progress of activities relating to the Makuutu Rare Earth project.

The Makuutu project, located in Uganda, is significant in size, previously drilled by over 100 RAB holes and is understood to be potentially one of the largest ionic clay deposits outside of China with an exploration target of target of (ASX: 4 September 2019):

270 - 530 million tonnes grading 0.04 – 0.1% TREO*.

*This Exploration Target is conceptual in nature but is based on reasonable grounds and assumptions. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource

The Company has acquired a 20% interest in the project and may acquire up to a further 40% interest via an “earn-in” process through the expenditure of funds, bringing its total potential interest in the project to 60%.

The near-term milestone the Company is working towards is the completion of a scoping study in mid-2020. We are pleased that the company, through the hard work and focus of its staff and contractors, is on schedule relative to its project timelines.

Completion of Core Drilling Program

The Company has completed the initial 750 metre drilling program at the Makuutu project, with 48 holes in total being drilled. The program consisted of 41 core holes and 3 window sampler holes in tenement RL 1693 to aid in resource definition, and 4 core holes in tenement EL 1766 to test for rare earth mineralisation potential.

The locations of the holes drilled in this program are illustrated in Figure 1. The holes in tenement RL 1693 were generally drilled in a 400-metre spacing and between existing RAB drilling holes to allow for a greater spatial coverage and complimentary data; in a few areas holes were drilled closer to allow for geostatistical analysis and resulting insights to requirements for the following drill program. The holes in tenement EL 1766 were drilled in areas of radiometric anomalies where clay-hosted rare earth mineralisation is anticipated.

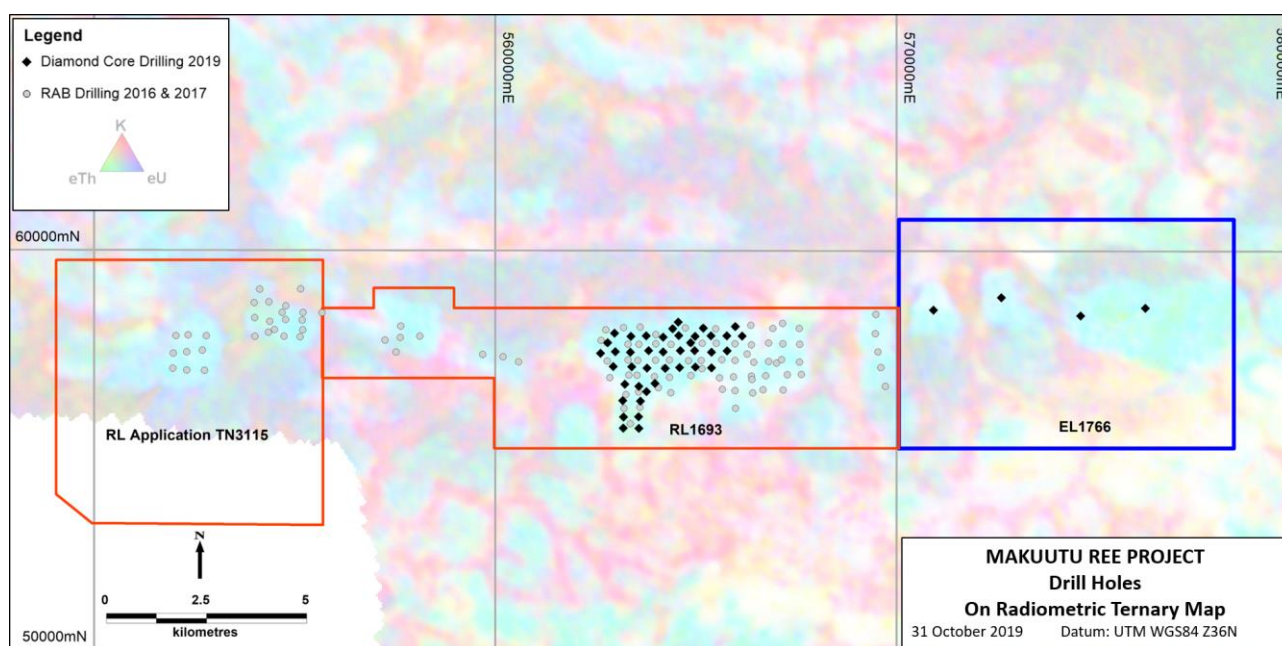


Figure 1. Makuutu REE Project Exploration Target Areas on Ternary Radiometric Base.

Grey markings indicate RAB drill holes (2016 & 2017) and black markings indicate 2019 core drill holes.

The final tranche of drilling core in Uganda will now be prepared and packaged for dispatch to laboratories in Australia for testing and analysis.

A key benefit to the project and a major factor underpinning Management's expectation that the drilling program could be completed on-schedule and with-in budget is that the site is close to major infrastructure and well serviced roads and is open and easy to work on.

Initial Tranche of Core Samples

The initial tranche of core samples has arrived in Australia and are currently undergoing chemical analysis at ALS Minerals. It was pleasing to note the easy transport of material from site to the laboratories in Australia, including standard quarantine clearances, took approximately 10 days. The company anticipates receiving first assay results shortly, after which it will undertake the necessary QAQC checks prior to advising the market of results. This is a key milestone for the company and shareholders in understanding the potential of the project.

A portion of the initial tranche of samples have been delivered to ALS Metallurgy, also in Perth, and head and mineralogical analyses have commenced. In due course, metallurgical testing will seek to establish appropriate metallurgical treatment techniques for the recovery of rare earths, after which a metallurgical variability – seeking to characterise metallurgical recovery of rare earths across the main Makuutu prospect – will be undertaken.

The importance of the metallurgy test work is two-fold. It enables the company to continue discussions with interested parties in rare earths, and also have a very preliminary understanding of the potential value of the rare earths hosted in the project. This is a critical step towards the completion of the scoping study.

Administration

Oro Verde has commenced work across a range of administrative matters:

1. Website redesign;
2. Professional company presentation and renaming of company to align with projects;
3. Building on the existing team of professionals;
4. Initiating a process of investor education on the importance of ionic clays and their strategic place as sources of rare-earth materials.

Work Schedule

The Company's technical team are working toward completing the immediate milestones listed in Table 1. The results from this combined program will be relied on in devising the approach and methodologies adopted for the ensuing work program to occur in Q1 2020.

Table 1. Outstanding 2019 Makuutu Project Milestones.

Item	Delivery Target
Assay results from Tranche 1 drilling samples	Early November 2019
Assay results from Tranche 2 drilling samples	Late November 2019
Metallurgical testing results	Mid December 2019

Each of these events are meaningful as the company continues to de-risk and methodically advance the development of the Makuutu project.

Commenting on the completion of the drilling program and ensuing work, Oro Verde Executive Director Marc Steffens said: *"The on-site team at Makuutu has worked diligently to complete this drilling program on schedule and collect quality data and core samples. Our focus now shifts to validating drilling results and working toward delivering a maiden JORC-compliant mineral resource, gaining further insights to the amenability of Makuutu project mineralisation to metallurgical treatments, and developing a high-level understanding of the Makuutu project metrics"*.

***** ENDS *****

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Competent Person Statement

Information in this report that relates to previously reported Exploration Targets and Exploration Results has been cross-referenced in this report to the date that it was originally reported to ASX. Oro Verde Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.