28 January 2014

RESULTS CONFIRM PRESENCE OF LARGE SULPHIDE MINERALISED PORPHYRY SYSTEM AT TIMON

HIGHLIGHTS

- **First pass RC drilling program (5 holes for 2,344m) completed on Timon ridge.**
- **Drilling confirms the presence of a large sulphide mineralised porphyry system with low copper concentrations.**
- **Results sufficiently encouraging to continue the assessment of the large Timon ridge mineralised porphyry system.**

Dr Wolf Martinick, Chairman/Managing Director, commenting on the results below:

"***We have now received most of the results of our first phase drilling at Timon, and they confirm the existence of a large sulphidic, porphyry system that is associated with low grade copper mineralisation. Whilst copper concentrations are low, they are also sufficiently encouraging with other observations (hole mineralogy, drilling on a limited IP grid) to suggest further IP and drilling is warranted once the Company has a better understanding of the geology of the target. With this in mind all available data is currently being reviewed both in-house and independently.***"

Oro Verde Limited (ASX:OVL) ("Oro Verde" or "the Company") is pleased to announce to Shareholders that assay results from all holes of its first pass Reverse Circulation (RC) drilling program on the Timon Project, located 75km southeast of the city of Copiapo in Region 3 of Chile have been received.

Attached Figure 2, and its Table 1 below, sets out the targeted drilling program on the IP anomaly. *Checklist of Assessment and Reporting Criteria as per JORC Code (2012) Table 1 for Timon,* also attached as Table 2 summarises exploration methodology of the drilling program.

Oro Verde Limited (ABN 84 083 646 477)
Level 1, 30 Richardson Street, West Perth, WA 6005
PO Box 493, West Perth, WA 6872
Telephone: **+ 61 8 9481 2555**
www.oroverde.com.au

The RC drilling program (5 holes for 2,344m) targeted varying geophysical characteristics of the large (1km wide by 3.5km long), open at 800m depth, Induced Polarisation ("IP') geophysical anomaly, on Timon ridge which is coincident with a Cu stream sediment anomaly (refer Figure 2 attached). The Timon ridge target (Figure 1) has a moderate to strongly leached, prominent gossanous iron oxide cap, termed a "lithocap", that usually defines and overlies the shallow oxide parts of porphyry copper sulphide systems, typically above the main Cu-(Au/Mo) zone.

Figure 1. Timon ridge gossanous iron oxide lithocap, looking north over the area of IP coverage with a coincident stream sediment Cu anomaly to Cerro Timon, a distance of approximately 5km.

Strong alteration (argillisation, pervasive silicification), with extensive disseminated pyrite and trace copper sulphide mineralisation, in part in classic quartz stockwork, has been noted over large drill widths (200m to 300m) in both the tuffs and andesites and in particular diorite porphyry intruding the tuffs and andesites. No significant zone of secondary Cu enrichment was noted in the holes drilled. Visual logging of the drill holes has however noted significant and important mineralogical differences in the primary zone with pyrite and copper sulphide minerals, principally chalcopyrite, between and within holes. Notwithstanding this, minor copper mineralised intercepts are only present in the 5 holes drilled to date, with the peak copper value recorded in hole RCT-05, 4m of 0.100% Cu over the interval 156 to 160m. Full results will be released when all check analytical work is received from laboratories.

In summary, the present status of Timon is still work in progress. Drilling has been carried out on a very skeletal IP grid with east-west lines in places 1.4km apart, targeting various geophysical responses. This drilling has proved the geological and geophysical model of the presence of a large, dominantly pyrite mineralised, porphyry system intruding tuffs and andesites on Timon ridge, albeit on present results of the 5 holes

drilled, of low Cu grade. Whilst these concentrations are somewhat disappointing, they are also sufficiently encouraging taking into account the skeletal nature of the drilled IP grid and observed mineralogy. This suggests further infill IP geophysics and drilling is warranted once the Company has a better understanding of the geology of the target. Consequently, the Company is undertaking further in-house and external independent evaluations of all drill results in relation to the geophysical, geochemical and surface sampling data gathered to date.

For enquiries contact:

Dr Wolf Martinick	Brett Dickson
Chairman / Managing Director	Company Secretary
+61 417942466	+61 8 9481 2555

Note: The information contained in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Dr Brad Farrell, BSc Hons Eco Geol, MSc, PhD who is a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional Geologist of that body, a Member of the Mineral Industry Consultants Association and the Consultants Society of the Australian Institute of Mining and Metallurgy. Dr Farrell 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" (the JORC Code). Dr Farrell consents to the inclusion in the report of the foregoing matters based on his information in the form and context in which it appears. He is the Technical Director and a substantial shareholder of Oro Verde Limited.

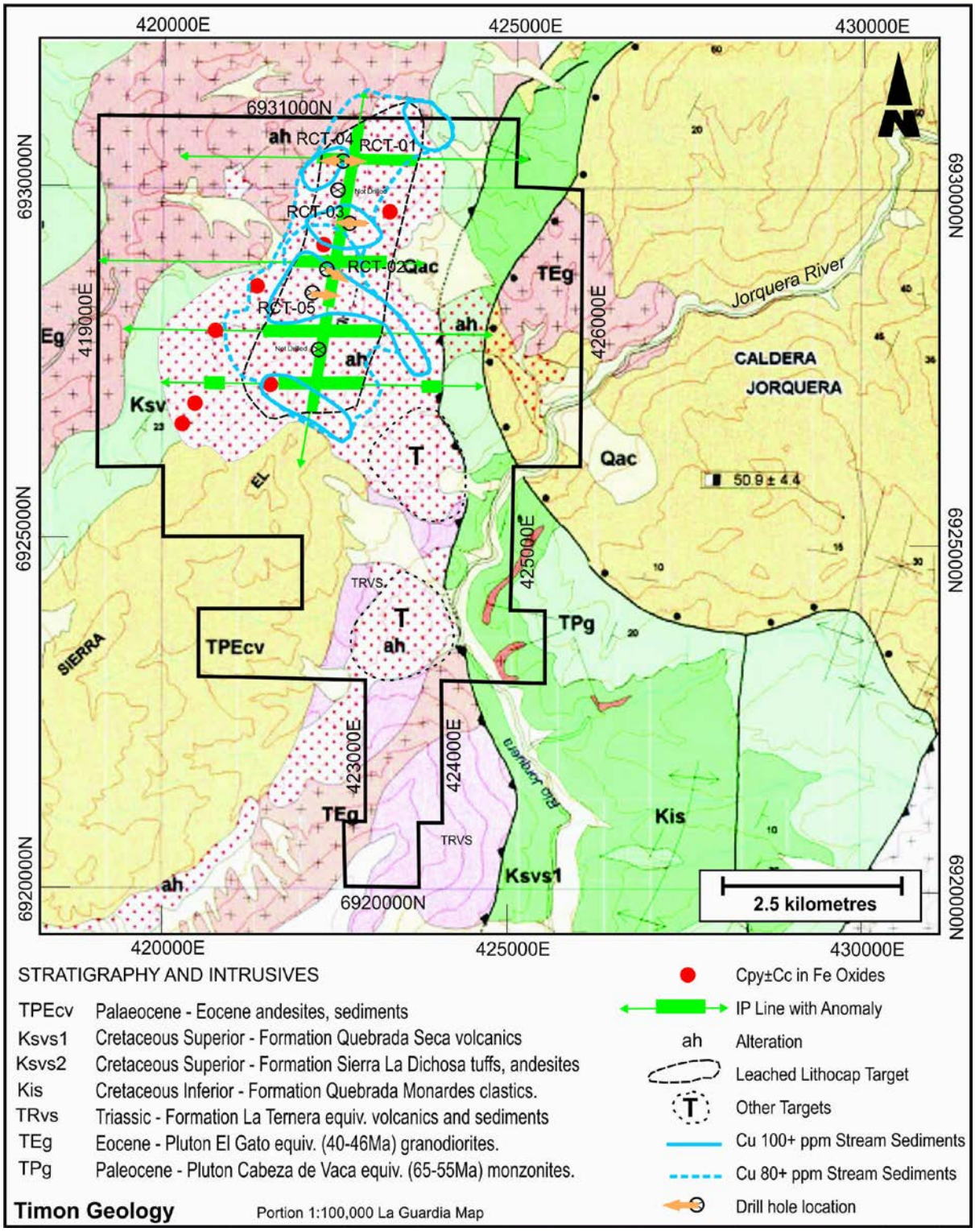

Figure 2 Timon Geology, IP Anomaly, Copper Stream Sediment Anomalies and Drill Holes.

Table 1. Timon RC Drilling Program							
RC Hole	WGS E Collar	WGS N Collar	Google Elevn Elvn m	Azimuth deg	Declination deg	Depth M	Comments
RCT-01	422300	6929994	3,110	90	-60	432	
RCT-02	422227	6928554	3,087	110	-70	500	
RCT-03	422500	6929031	3,120	270	-80	500	
RCT-04	422294	6929994	3,110	270	-70	412	Same pad as RCT-01
RCT-05	421954	6927989	3,119	90	-60	500	
TOTAL m						2,344	

TABLE 2
Checklist of Assessment and Reporting Criteria as per JORC Code (2012) Table 1 for Timon Project

The following information is provided to comply with the JORC Code (2012) Table1 requirements for exploration work on the Timon Project, Chile. In depths explanations of reporting criteria are available at htpp://www.jorc.org/docs/jorc_code2012.pdf.

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. 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.*	A total of 5 Reverse Circulation (RC) holes for 2,344m drilled. Drill holes were angled and vertical at various azimuths to intersect IP geophysical targets with differing chargeability and resistivity responses. Sampling was undertaken by collecting bulk 1m samples of cuttings (~40kg) which were riffle split and weighed. Two quarter splits (~20kgs total) was further split to required samples (~1kg & ~ 4kg) with weightings and bulk residue retained. The remaining two quarter splits were discarded. The individual 1kg, 1m riffle splits taken were used to produce 4m composite samples (~4kg) for initial analysis. Recourse to separate 1m (~4kg) samples for final analyses. Bulk sample residues retained in annotated ordered bag sequence at site. Sampling protocols and QAQC are as per industry best practice procedures
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Drill hole locations on prepared pads were picked up by handheld GPS. Logging of drill samples included lithology, weathering, alteration, mineralisation.
	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 (e.g. '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 (e.g. submarine nodules) may warrant disclosure of detailed information	Both 4m composite samples and single 1m samples ~ 4kg in weight were sent to AcmeLabs, Santiago for analyses following drying, weighing, preparation (whole sample crushed 100% to 10# then split to a 500 gm sample which was pulverised 85% under 200#). The pulps were analysed by combination ICP-ES/MS after a Four Acid ("Total") Digestion for multi-element suite (Code G7TX for 40 elements including Ag, Cu, Co, Mo, Pb, Zn, etc) and Fire Assay for Au by 30 gram fire assay with AAS finish (Code 360Au1).
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. 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).*	Drilling technique RC with face sampling hammer with hole diameter of 85mm. Hole depths range from 412m to 500m.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	RC sample % recoveries via actual to theoretical weight were logged and recorded in the database. Overall recoveries were good >95% and there were no significant recovery problems.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	One meter sample intervals were run from the rig-mounted cyclone to a riffle splitter bank. Initial first splits weighed for total weight. Further splitting and weighing, refer "Sampling Techniques " above to obtain required samples for analysis.
	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.	There is no observable relationship between recovery and grade, and therefore no sample bias.

TABLE 2
Checklist of Assessment and Reporting Criteria as per JORC Code (2012) Table 1 for Timon Project

Criteria	JORC Code explanation	Commentary
Logging	*Whether core and chip samples have been geologically and geo-technically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Detailed geological logs were carried out on all 1m intervals in drill holes and this data was stored in the database. RC chip tray 1m logs produced for each hole for reference work.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	Logging of chips qualitative; recorded lithology, alteration mineralogy, mineralisation, weathering, colour and other sample features.
	The total length and percentage of the relevant intersections logged	All 1m intervals of holes were logged in full.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Not applicable.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	Refer "Sampling Techniques " above for RC cuttings. Most of the samples were dry. Some of the samples were collected moist, and these were noted in the drill logs and database.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation followed industry best practice. Refer "Sampling Techniques " above.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	QC involved 1 in 20 duplicates of field samples to be analysed, the review of laboratory supplied certified reference material, in house controls, blanks, splits and lab duplicates. These QC results are reported by the laboratory with final assay results. Anomalous samples were checked against logging and field observations. Selected samples (highs & lows) were reanalysed by both AcmeLabs and independently by ALS in Santiago to confirm original results.
	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.	Field duplicates (1 in 20) were taken of both 1m and 4m composite samples.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered more than adequate to ensure that there are no particle size effects.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Refer "Sampling Techniques " above. The four acid digest involves hydrofluoric, nitric, perchloric and hydrochloric acids and is considered a "complete" digest for most material types, except certain chromite minerals.
	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.	No geophysical or portable analysis tools were used to determine assay values stored in the database.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Internal laboratory control procedures involve duplicate assaying of randomly selected assay pulps as well as internal laboratory standards. All of these data are reported to the Company and analysed for consistency and any discrepancies.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Hole relogging on receival of assays to verify significant drill intersections.
	The use of twinned holes.	No holes were twinned in the current program.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data was collected using a standard set of Excel templates on laptop computers in the field. These data are transferred to data verification and loading into the database.
	Discuss any adjustment to assay data.	No adjustments or calibrations have been made to any assay data.

TABLE 2
Checklist of Assessment and Reporting Criteria as per JORC Code (2012) Table 1 for Timon Project

Criteria	JORC Code explanation	Commentary
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill hole locations have been established using a field GPS unit. Down hole surveying of all holes at 10m intervals from surface to end of hole using a wire-line non-magnetic gyroscope.
	Specification of the grid system used.	The grid system is WGS84, zone 19 for easting, northing and RL..
	Quality and adequacy of topographic control.	The topographic surface was generated from surveyed drill collar positions and also digital terrain model generated from detailed topographic map checked against a digital terrain model from topographic data as part of a detailed ground magnetic geophysical survey.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The drill hole spacing is variable, but targeted on IP survey lines.
	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.	Not applicable.
	Whether sample compositing has been applied.	Refer "Sampling Techniques " above. Sample compositing of 1m intervals over 4 metre intervals for entire holes. Selected composite intervals were assayed at 1 metre intervals as checks.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Holes were positioned so that drilling was essentially perpendicular to strike of the targeted geophysical anomaly. No bias is believed to have occurred.
	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.	No sampling bias is believed to have been introduced.
Sample security	*The measures taken to ensure sample security.*	Sample security is managed by the Company. After preparation in the field samples are packed into poly weave bags and despatched to the laboratory. These bags were delivered to a transport contractor who then delivered the samples to the assay laboratory. The assay laboratory audits the samples on arrival and reports any discrepancies back to the Company. No such discrepancies occurred.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	No review of the sampling techniques has been carried out. The database compiled is considered by the Company to be of sufficient quality to support the results reported. In addition, from time to time, the Company carries out its own internal data audits of drilling programs.

Section 2 Reporting of Exploration Results

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	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 drilling program was conducted within Exploitation Concessions held by Elias Hawas on land owned by the State of Chile. The Company holds an option to purchase these titles via staged annual payments over 4 years totalling US$10m with the vendor retaining a 2% NSR, refer ASX announcement 10 June 2013.
	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.	The tenements are all in good legal standing and no known impediments exist.

TABLE 2
Checklist of Assessment and Reporting Criteria as per JORC Code (2012) Table 1 for Timon Project

Criteria	JORC Code explanation	Commentary
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Previous exploration by Chilean subsidiaries of North Ltd & Billiton PLC in 1995 to 2000 identified anomalous geological features, geochemical values and magnetics associated with a lithocap. The current program has followed these leads up by detailed stream sediment sampling, and magnetic and IP geophysical surveys to define a major porphyry Cu target for drilling.
Geology	Deposit type, geological setting and style of mineralisation.	Eocene age porphyry copper mineralisation (pyrite-chalcopyrite) intruding a Cretaceous layered tuff-andesite sequence with attendant alteration (silicification, argillisation, etc). Porphyry emplacement probably associated with thrusting that gave rise to topographic ridge feature. Acid leaching under Tertiary weathering environment giving rise to current lithocap (surface colour anomaly of iron oxides, jarosite and clay alteration) .
Drill hole Information	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: • 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.	Refer to drill results Tables and the Notes attached to & in this announcement and previous ASX Timon drilling lodgements.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	All reported assay intervals are as reported based on 1m sample intervals composited over 4m intervals over selected drill intervals of interest based on logging.
	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.	Not applicable.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	"Bulk" porphyry copper target envisaged from geology and IP geophysics with simple pyrite-chalcopyrite assemblage and possible zoning, more pyrite in "classic outer core". No definite relationships between mineralisation widths and intercept lengths are currently known from this drilling to date.
Diagrams	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.	Refer to Figures where appropriate in the text.
Balanced reporting	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.	Interval assays reported are representative of mineralogy encountered and logged in holes.

TABLE 2
Checklist of Assessment and Reporting Criteria as per JORC Code (2012) Table 1 for Timon Project

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	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.	Not applicable at moment. Current drill data has to be integrated with geophysical data (IP and magnetics) and reviewed by geophysicist .
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive	Further follow-up RC drilling is being planned based on preceding review..

Competent Person Statement:

The information contained in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Dr Brad Farrell, BSc Hons Eco Geol, MSc, PhD who is a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional Geologist of that body, a Member of the Mineral Industry Consultants Association and the Consultants Society of the Australian Institute of Mining and Metallurgy. Dr Farrell 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*" (the JORC Code). Dr Farrell consents to the inclusion in the report of the foregoing matters based on his information in the form and context in which it appears. He is the Technical Director and a substantial shareholder of Oro Verde Limited.