Oro Verde Signs Binding Agreement

On 19 March 2014 Oro Verde Limited (ASX: OVL) (“Oro Verde” or “the Company”) announced that it had entered into a non-binding Memorandum of Understanding (“MoU”) to acquire a suite of highly prospective copper, gold and silver projects in the Andean Cordillera of San Juan Province, on the Chilean border of Argentina.

The Company is now pleased to report it has executed a binding Heads of Agreement (“HoA”) with Argentina Mining Limited (ASX: AVK) to acquire those projects.

The HoA envisages that Oro Verde Limited will acquire 100% of the outstanding shares in AVK’s wholly owned Argentine subsidiary Entropy Resources SA which holds options to acquire the projects listed below.

Key Points:

- Projects located in mining friendly San Juan Province, Argentina
- Close to major gold producers and projects in development
- Consistent with company strategy of acquiring quality Chilean and nearby projects where value can be added quickly
- Low entry price of $200,000

Oro Verde’s Executive Chairman, Dr Wolf Martinick, stated “We are very pleased to have executed the HoA. The terms provide for a low cost entry price into a very prospective part of Argentina which also has synergies with our office and projects in Chile.”

Cerro Blanco– Cu-Au-Mo Project

The Cerro Blanco Project contains the advanced porphyry Copper Hill target where previous drilling has intersected broad zones of sulphide mineralisation and hydrothermal alteration, characteristic of many large Andean porphyry copper deposits. The mineralisation includes both disseminated and veined chalcopyrite and other copper sulphide minerals hosted by intensely-altered diorite porphyry and dacitic breccias.

In addition to Copper Hill, a number of other copper and gold prospects within the project remain to be followed up.
Amiches- AU-Ag-Cu Project

The Amiches Project is located about 190km north of Cerro Blanco in the central San Juan Province near other epithermal gold-copper projects, and within the Argentine extensions of the highly-prospective El Indio Belt. This belt contains the famous El Indio, Tambo and Pascua-Lama gold deposits and is one of the world’s richest mineral provinces. The name is taken from the famous El Indio mine, situated just 50km northwest of Amiches.

Surface sampling undertaken in February 2013 returned a number of highly encouraging results including:

- 1m at 18.9g/t Au + 389.5 g/t Ag
- 2m at 12.4g/t Au + >200g/t Ag
- 2m at 3.9g/t Au + 95g/t Ag
- 2m at 2.8g/t Au + 49g/t Ag
- 2m at 2.8g/t Au + 56g/t Ag
- 2m at 2.7g/t Au + 56g/t Ag

San Francisco

The San Francisco Project is located 140km north of the Cerro Blanco Project. Previous exploration, including drilling, has established a number of porphyry and epithermal gold-silver targets.

Drilling at the Las Lenas Prospect in 2013 returned promising results including:

- 5m at 2.1g/t Au and 34.9g/t Ag, including 2m at 5.1g/t Au and 79g/t Ag.

Follow-up drilling on this prospect will be considered a high priority.

Next Steps

Oro Verde has until to 13 May 2014 to complete Due Diligence. Upon satisfactory due diligence Oro Verde Limited will pay AVK $100,000 and a further $100,000 on 8 July 2014.

*** ENDS ***

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The information in this report that relates to Exploration Results, was prepared and first disclosed under the JORC Code 2004. It has not been updated since to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, and 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 2004 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. 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.