

ORO VERDE LIMITED
ACN 083 646 477

ENTITLEMENT ISSUE PROSPECTUS

For a non-renounceable entitlement issue of 1 Share for every 1 Share held by those Shareholders registered at the Record Date at an issue price of \$0.008 per Share to raise up to \$1,552,088 (based on the number of Shares on issue as at the date of this Prospectus) (**Offer**).

The Offer is partially underwritten by Dr Wolf Martinick and Inkjar Pty Limited, an entity associated with Dr Brad Farrell (together the **Underwriters**) to the extent of \$308,000. Refer to Section 8.4 for details regarding the terms of the Underwriting Agreement.

IMPORTANT NOTICE

This document is important and should be read in its entirety. If after reading this Prospectus you have any questions about the securities being offered under this Prospectus or any other matter, then you should consult your stockbroker, accountant or other professional adviser.

The Shares offered by this Prospectus should be considered as speculative.

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1. CORPORATE DIRECTORY

Directors

Dr Wolf Martinick
Chairman, Managing Director

Dr Brad Farrell
Executive Director

Mr Ross O'Dea
Non-Executive Director

Mr David Ward
Non-Executive Director

Company Secretary

Mr Brett Dickson

Share Registry*

Security Transfer Registrars Pty Ltd
770 Canning Highway
Applecross WA 6153

Telephone: +61 8 9315 2333
Facsimile: +61 8 9315 2233

Auditor*

Hewitt, Turner & Gelevitis
Suite 4, 1st Floor
63 Shepperton Road
Victoria Park WA 6100

Registered Office

Level 1
30 Richardson Street
West Perth WA 6005

Telephone: + 61 8 9481 2555
Facsimile: +61 8 9485 1290

Website: www.oro Verde.com.au

Solicitors

Steinepreis Paganin
Lawyers and Consultants
Level 4, The Read Buildings
16 Milligan Street
Perth WA 6000

Underwriters

Inkjar Pty Limited
30 Sudbury Way
City Beach WA 6015

Dr Wolf Martinick
60 Jutland Parade
Dalkeith WA 6009

*This entity is included for information purposes only. It has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus.

2. TIMETABLE

Action	Date
Announcement of Entitlement Issue	17 April 2014
Lodgement of Prospectus with the ASIC	23 April 2014
Lodgement of Prospectus & Appendix 3B with ASX	23 April 2014
Notice sent to Optionholders	23 April 2014
Notice sent to Shareholders	28 April 2014
Ex date	29 April 2014
Record Date for determining Entitlements	1 May 2014
Prospectus and personalised application forms sent out to Shareholders & Company announces this has been completed	6 May 2014
Last date to extend the Closing Date	13 May 2014
Closing Date*	16 May 2014
Shares quoted on a deferred settlement basis	19 May 2014
ASX notified of under subscriptions	21 May 2014
Issue date/Shares entered into Shareholders' security holdings	23 May 2014

*The Directors may extend the Closing Date by giving at least 3 Business Days notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

3. IMPORTANT NOTES

This Prospectus is dated 23 April 2014 and was lodged with the ASIC on that date. The ASIC and its officers take no responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Shares may be issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

No person is authorised to give information or to make any representation in connection with this Prospectus, which is not contained in the Prospectus. Any information or representation not so contained may not be relied on as having been authorised by the Company in connection with this Prospectus.

It is important that investors read this Prospectus in its entirety and seek professional advice where necessary. The Shares the subject of this Prospectus should be considered highly speculative.

Applications for Shares offered pursuant to this Prospectus can only be submitted on an original Entitlement and Acceptance Form or Shortfall Application Form.

This Prospectus is a transaction specific prospectus for an offer of continuously quoted securities (as defined in the Corporations Act) and has been prepared in accordance with section 713 of the Corporations Act. It does not contain the same level of disclosure as an initial public offering prospectus. In making representations in this Prospectus regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and certain matters may reasonably be expected to be known to investors and professional advisers whom potential investors may consult.

Risk factors

Potential investors should be aware that subscribing for Shares in the Company involves a number of risks. The key risk factors of which investors should be aware are set out in Section 7 of this Prospectus. These risks together with other general risks applicable to all investments in listed securities not specifically referred to, may affect the value of the Shares in the future. Accordingly, an investment in the Company should be considered highly speculative. Investors should consider consulting their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

4. DETAILS OF THE OFFER

4.1 The Offer

The Offer is being made as a non-renounceable entitlement issue of 1 Share for every 1 Share held by Shareholders registered at the Record Date at an issue price of \$0.008 per Share. Fractional entitlements will be rounded up to the nearest whole number.

Based on the capital structure of the Company as at the date of this Prospectus, a maximum of 194,011,012 Shares will be issued pursuant to this Offer to raise up to \$1,552,088.

As at the date of this Prospectus the Company has 32,114,459 Options on issue all of which may be exercised prior to the Record Date in order to participate in the Offer. Please refer to Section 5.3 of this Prospectus for information on the exercise price and expiry date of the Options on issue.

All of the Shares offered under this Prospectus will rank equally with the Shares on issue at the date of this Prospectus. Please refer to Section 6 for further information regarding the rights and liabilities attaching to the Shares.

The purpose of the Offer and the intended use of funds raised are set out in Section 5.1 of this Prospectus.

4.2 Minimum subscription

The minimum subscription in respect of the Offer is \$308,000. No Shares will be issued until the minimum subscription has been received. If the minimum subscription is not achieved within 4 months after the date of issue of this Prospectus, the Company will either repay the application monies to the Applicants or issue a supplementary prospectus or replacement prospectus and allow Applicants one month to withdraw their Application and be repaid their application monies.

4.3 Acceptance

Your acceptance of the Offer must be made on the Entitlement and Acceptance Form accompanying this Prospectus. Your acceptance must not exceed your Entitlement as shown on that form. If it does, your acceptance will be deemed to be for the maximum Entitlement.

You may participate in the Offer as follows:

- (a) if you wish to accept your **full** Entitlement:
 - (i) complete the Entitlement and Acceptance Form; and
 - (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form; or
- (b) if you only wish to accept **part** of your Entitlement:
 - (i) fill in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form; and

- (ii) attach your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the appropriate application monies (at \$0.008 per Share); or
- (c) if you do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you wish to apply for more than your Entitlement you may apply for Shortfall Shares under the Shortfall Offer. Please refer to section 4.9 for further details.

The Offer is non-renounceable. Accordingly, a Shareholder may not sell or transfer all or part of their Entitlement.

4.4 Payment by cheque/bank draft

All cheques must be drawn on an Australian bank or bank draft made payable in Australian currency to "Oro Verde Limited – Entitlement Issue Account" and crossed "Not Negotiable".

Your completed Entitlement and Acceptance Form and cheque must reach the Company's share registry no later than 5:00 pm WST on the Closing Date.

4.5 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the Entitlement and Acceptance Form. You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. Please note that should you choose to pay by BPAY®:

- (a) you do not need to submit the Entitlement and Acceptance Form but are taken to have made the declarations on that Entitlement and Acceptance Form; and
- (b) if you do not pay for your Entitlement in full, you are deemed to have taken up your Entitlement in respect of such whole number of Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY® payment is received by the share registry by no later than 4.00pm (WST) on the Closing Date. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment and you should therefore take this into consideration when making payment. Any application monies received for more than your final allocation of Shares (only where the amount is \$1.00 or greater) will be refunded. No interest will be paid on any application monies received or refunded.

4.6 Underwriting

The Offer is partially underwritten by the Underwriters for up to \$308,000. Refer to Section 8.4 of this Prospectus for details of the terms of the underwriting.

The Underwriters are related parties of the Company. Dr Wolf Martinick is a related party by virtue of being a Director of the Company and Inkjar Pty Limited is an entity associated with Dr Brad Farrell, who is also a Director. The Company has been advised that the Underwriters have sufficient cash reserves to undertake the underwriting in accordance with the Underwriting Agreement.

4.7 Effect on control of the Company

The Offer is partially underwritten by the Underwriters for the amount of \$308,000. The Company has entered into an underwriting agreement with the Underwriters under which the Underwriters have agreed to partially underwrite the Offer on a commission free basis. A summary of the material terms of the Underwriting Agreement is set out in Section 8.4 of this Prospectus.

The Directors of the Company consider, having regard to all available options, that entering into the Underwriting Agreement with the Underwriters provides the Company with the highest degree of certainty in the time available, that the Offer will be successful.

The Underwriters have advised that they do not intend to take up their Entitlements under the Offer. However, Suparell Pty Ltd (**Suparell**), an entity associated with Dr Brad Farrell, will take up its Entitlement.

The Underwriters are presently Shareholders and the extent to which Shares are issued pursuant to the underwriting will increase each Underwriter's voting power in the Company. The Underwriters are related parties of the Company for the purpose of the Corporations Act. The respective Underwriters' present relevant interest and changes under several scenarios are set out in the table below.

Event	Shares held by Wolf Martinick and his associates	Voting power of Wolf Martinick and his associates	Shares held by Brad Farrell and his associates	Voting power of Brad Farrell and his associates
Date of Prospectus	23,000,180	11.86%	20,701,281	10.67%
Completion of Entitlement Issue				
• 77.68% subscribed ¹	40,500,180	10.57%	42,101,280	10.99%
• 75% subscribed	40,500,180	10.71%	42,101,280	11.14%
• 50% subscribed	40,500,180	12.29%	42,101,280	12.78%
• 0.21 % subscribed (being Suparell's Entitlement).	40,500,180	14.82%	42,101,280	15.41%

Notes

1. The maximum subscription will be approximately 77.68% as Dr Wolf Martinick and Dr Brad Farrell and their respective associates (other than Suparell Pty Ltd) have advised that they do not intend to take up their Entitlements totalling approximately 22.32% of the Shares offered under the Offer as they will participate to the extent of their underwriting. The increase in the voting power held occurs as a result of their respective underwriting commitment.

The number of Shares held by the Underwriters and their voting power in the table above shows the potential effect of the underwriting of the Offer. However, it is unlikely that no Shareholders (other than Suparell, who has indicated its intention to take up its Entitlement) will take up any Entitlements under the Offer. The underwriting obligation and therefore voting power of the Underwriters will reduce by a corresponding amount for the amount of Entitlements under the Offer taken up by the other Shareholders.

4.8 Potential Dilution

Shareholders should note that if they do not participate in the Offer, their holdings are likely to be diluted by approximately 50% (as compared to their holdings and number of Shares on issue as at the date of the Prospectus). Examples of how the dilution may impact Shareholders is set out in the table below:

Holder	Holding as at Record date	% at Record Date	Entitlements under the Offer	Holdings if Offer not taken Up	% post Offer
Shareholder 1	10,000,000	5.15%	10,000,000	10,000,000	2.58%
Shareholder 2	5,000,000	2.58%	5,000,000	5,000,000	1.29%
Shareholder 3	1,500,000	0.77%	1,500,000	1,500,000	0.39%
Shareholder 4	400,000	0.21%	400,000	400,000	0.10%
Shareholder 5	50,000	0.03%	50,000	50,000	0.01%

Notes:

1. The dilutionary effect shown in the table is the maximum percentage on the assumption that those Entitlements not accepted are placed under the Shortfall Offer. In the event all Entitlements are not accepted and some or all of the resulting Shortfall was not subsequently placed, the dilution effect for each Shareholder not accepting their Entitlement would be a lesser percentage.

4.9 Shortfall Offer

Any Entitlement not taken up pursuant to the Offer will form the Shortfall Offer.

The Shortfall Offer is a separate offer made pursuant to this Prospectus and will remain open for up to three months following the Closing Date. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.008, being the price at which Shares have been offered under the Offer.

(a) Eligible Shareholders

Eligible Shareholders may, in addition to their Entitlement, apply under the Shortfall Offer, regardless of the size of their present holding.

Eligible Shareholders who wish to apply for Shortfall Shares above their Entitlement can complete the appropriate boxes on the Entitlement and Acceptance Form accompanying this Prospectus and return it together with a cheque for the value of those Shortfall Shares (at \$0.008 per Shortfall Share) to the Share Registry or make a BPAY® payment in excess of the total value of your Entitlement.

(b) Other Investors

Other investors identified by the Directors can apply for Shortfall Shares by completing the Shortfall Application Form attached to this Prospectus and returning it together with a cheque for the value of those Shortfall Shares (at \$0.008 per Shortfall Share) to the Share Registry.

Allocation of the Shortfall Shares is at the absolute discretion of the Directors and, at the date of this Prospectus, the Directors intend to allocate such Shortfall Shares first to Shareholders, followed by new investors. Accordingly, there is no guarantee that Eligible Shareholders will receive the Shortfall Shares applied for.

Shortfall Shares will only be issued if the Offer is undersubscribed and will only be issued to the extent necessary to make up any shortfall in subscriptions. The Directors reserve the right to reject any application for Shortfall Shares or to issue a lesser number of Shortfall Shares than applied for or not proceed with the issuing of the Shortfall Shares or part thereof. If the number of Shares issued is less than the number applied for in an Entitlement and Acceptance Form or Shortfall Application Form, surplus application monies will be refunded in full as soon as practicable after the closing date for the Shortfall Offer.

4.10 Commissions payable

The Company reserves the right to pay a commission of 6% (exclusive of goods and services tax) of amounts subscribed through any licensed securities dealers or Australian financial services licensee in respect of any valid applications lodged and accepted by the Company and bearing the stamp of the licensed securities dealer or Australian financial services licensee in respect of the Shortfall Offer. Payments will be subject to the receipt of a proper tax invoice from the licensed securities dealer or Australian financial services licensee.

4.11 ASX listing

Application for Official Quotation of the Shares offered pursuant to this Prospectus will be made in accordance with the timetable set out at the commencement of this Prospectus. If ASX does not grant Official Quotation of the Shares offered pursuant to this Prospectus before the expiration of 3 months after the date of issue of the Prospectus, (or such period as varied by the ASIC), the Company will not issue any Shares and will repay all application monies for the Shares within the time prescribed under the Corporations Act, without interest.

The fact that ASX may grant Official Quotation to the Shares is not to be taken in any way as an indication of the merits of the Company or the Shares now offered for subscription.

4.12 Issue of Shares

Shares issued pursuant to the Offer will be issued in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus.

Shares issued pursuant to the Shortfall Offer will be issued on a progressive basis. Where the number of Shares issued is less than the number applied for, or where no issue is made surplus application monies will be refunded without any interest to the Applicant as soon as practicable after the closing date of the Shortfall Offer.

Pending the issue of the Shares or payment of refunds pursuant to this Prospectus, all application monies will be held by the Company in trust for the Applicants in a separate bank account as required by the Corporations Act. The Company, however, will be entitled to retain all interest that accrues on the bank account and each Applicant waives the right to claim interest.

Holding statements for Shares issued under the Offer will be mailed in accordance with the ASX Listing Rules and timetable set out at the commencement of this Prospectus and for Shortfall Shares issued under the Shortfall Offer as soon as practicable after their issue.

4.13 Overseas shareholders

This Offer does not, and is not intended to, constitute an offer in any place or jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer or to issue this Prospectus.

It is not practicable for the Company to comply with the securities laws of overseas jurisdictions having regard to the number of overseas Shareholders, the number and value of Shares these Shareholders would be offered and the cost of complying with regulatory requirements in each relevant jurisdiction. Accordingly, the Offer is not being extended and Shares will not be issued to Shareholders with a registered address which is outside Australia or New Zealand.

The Offer is being made in New Zealand pursuant to the Securities Act (Overseas Companies) Exemption Notice 2013.

Shareholders resident in Australia or New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up an Entitlement under the Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

4.14 Taxation Implications

The Directors do not consider that it is appropriate to give Applicants advice regarding the taxation consequences of applying for Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation consequences. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Applicants. Potential Applicants should, therefore, consult their own professional tax adviser in connection with taxation implications of the Shares offered pursuant to this Prospectus.

4.15 Enquiries

Any questions concerning the Offer should be directed to Brett Dickson, Company Secretary, on + 61 8 9481 2555.

5. PURPOSE AND EFFECT OF THE OFFER

5.1 Purpose of the Offer

The purpose of the Offer is to raise up to \$1,552,088.

The funds raised from the Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Minimum Subscription (\$)	Full Subscription (\$)	%
1.	Exploration of Chilean projects	273,000	273,000	17.59
2.	Acquisition payments for Argentinean projects	-	200,000	12.89
3.	Exploration of Argentinean projects	-	500,000	32.21
4.	Expenses of the Offer ¹	35,000	40,000	2.58
5.	Working capital	-	539,088	34.73
	Total	308,000	1,552,088	100

Notes:

1. Refer to Section 8.8 of this Prospectus for further details relating to the estimated expenses of the Offer.

In the event the Company raises:

- (a) more than the minimum subscription of \$308,000 but less than \$800,000, the funds raised in addition to the minimum subscription will be applied towards general working capital; or
- (b) more than \$800,000 but less than the full subscription, the funds raised in addition to the minimum subscription will be applied first towards acquisition costs of the Argentine projects and then towards exploration expenses of the Argentine projects. Other funds will then be allocated to working capital.

The above table is a statement of current intentions as of the date of this Prospectus. As with any budget, intervening events (including results of exploration) and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

5.2 Effect of the Offer

The principal effect of the Offer, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, will be to:

- (a) increase the cash reserves by \$1,512,088 (after deducting the estimated expenses of the Offer) immediately after completion of the Offer; and
- (b) increase the number of Shares on issue from 194,011,012 as at the date of this Prospectus to 388,022,024 Shares.

5.3 Effect on capital structure

The effect of the Offer on the capital structure of the Company, assuming all Entitlements are accepted and no Options are exercised prior to the Record Date, is set out below.

Shares

	Number
Shares currently on issue	194,011,012
Shares offered pursuant to the Offer	194,011,012
Total Shares on issue after completion of the Offer	388,022,024

Options

	Number
Currently on issue: unquoted Options exercisable at \$0.27 on or before 31 December 2014 ²	19,750,000
Currently on issue: unquoted Options exercisable at \$0.20 on or before 10 January 2016 ²	2,500,000
Currently on issue: unquoted Options exercisable at \$0.27 on or before 31 December 2014	4,614,459
Currently on issue: unquoted Options exercisable at \$0.04 on or before 31 March 2016	5,250,000
Total Options on issue after completion of the Offer	32,114,459

The capital structure on a fully diluted basis as at the date of this Prospectus would be 226,125,471 Shares and on completion of the Offer (assuming all Entitlements are accepted and no Options are exercised prior to the Record Date) would be 420,136,483 Shares.

No Shares or Options on issue are subject to escrow restrictions, either voluntary or ASX imposed.

5.4 Pro-forma consolidated statement of financial position

The unaudited consolidated statement of financial position as at 31 March 2014 and the unaudited pro-forma consolidated statement of financial position as at 31 March 2014 shown below have been prepared on the basis of the accounting policies normally adopted by the Company and reflect the changes to its financial position.

The pro-forma consolidated statement of financial position has been prepared assuming all Entitlements are accepted, no Options are exercised prior to the Record Date and including expenses of the Offer.

The pro-forma consolidated statement of financial position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company as noted below. The historical and pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

	UNAUDITED 31/03/2014	PROFORMA 31/03/2014
CURRENT ASSETS		
Cash and cash equivalents	231,254	1,743,342
Receivables	10,217	10,217
Other	8,104	8,104
TOTAL CURRENT ASSETS	249,575	1,761,663
NON-CURRENT ASSETS		
Exploration and evaluation expenditure	193,552	193,552
Available-for-sale financial assets	27,293	27,293
Plant and equipment	5,033	5,033
TOTAL NON-CURRENT ASSETS	225,878	225,878
TOTAL ASSETS	475,453	1,987,541
CURRENT LIABILITIES		
Accounts payable	260,481	260,481
Provisions	37,909	37,909
TOTAL CURRENT LIABILITIES	298,390	298,390
TOTAL LIABILITIES	298,390	298,390
NET ASSETS (LIABILITIES)	177,063	1,689,151
EQUITY		
Share capital	17,700,271	19,212,359
Options Reserve	4,260,139	4,260,139
Retained loss	(21,783,347)	(21,783,347)
TOTAL EQUITY	177,063	1,689,151

5.5 Details of substantial holders

Based on publicly available information as at 23 April 2014, those persons which (together with their associates) have a relevant interest in 5% or more of the Shares on issue are set out below:

Shareholder	Shares	%
Wolf Gerhard Martinick	23,000,180	11.86%
Brad Farrell	20,701,281	10.67%
John Kopcheff	19,958,444	10.29%

In the event all Entitlements are accepted there will be no change to the substantial holders on completion of the Offer.

6. RIGHTS AND LIABILITIES ATTACHING TO SHARES

The following is a summary of the more significant rights and liabilities attaching to Shares being offered pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

6.1 General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with section 249D of the Corporations Act and the Constitution of the Company.

6.2 Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at general meetings of shareholders or classes of shareholders:

- (a) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (b) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (c) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each fully paid Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have such number of votes as bears the same proportion to the total of such Shares registered in the Shareholder's name as the amount paid (not credited) bears to the total amounts paid and payable (excluding amounts credited).

6.3 Dividend rights

Subject to the rights of any preference Shareholders and to the rights of the holders of any shares created or raised under any special arrangement as to dividend, the Directors may from time to time declare a dividend to be paid to the Shareholders entitled to the dividend which shall be payable on all Shares according to the proportion that the amount paid (not credited) is of the total amounts paid and payable (excluding amounts credited) in respect of such Shares.

The Directors may from time to time pay to the Shareholders any interim dividends as they may determine. No dividend shall carry interest as against the Company. The Directors may set aside out of the profits of the Company any amounts that they may determine as reserves, to be applied at the discretion of the Directors, for any purpose for which the profits of the Company may be properly applied.

Subject to the ASX Listing Rules and the Corporations Act, the Company may, by resolution of the Directors, implement a dividend reinvestment plan on such terms and conditions as the Directors think fit and which provides for any dividend which the Directors may declare from time to time payable on Shares which are participating Shares in the dividend reinvestment plan, less any amount which the Company shall either pursuant to the Constitution or any law

be entitled or obliged to retain, be applied by the Company to the payment of the subscription price of Shares.

6.4 Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to be carried out as between the Shareholders or different classes of Shareholders.

The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any shares or other securities in respect of which there is any liability.

6.5 Shareholder liability

As the Shares issued will be fully paid shares, they will not be subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

6.6 Transfer of shares

Generally, shares in the Company are freely transferable, subject to formal requirements, the registration of the transfer not resulting in a contravention of or failure to observe the provisions of a law of Australia and the transfer not being in breach of the Corporations Act and the ASX Listing Rules.

6.7 Future increase in capital

The issue of any new Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the ASX Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing share or class of shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

6.8 Variation of rights

Under section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

6.9 Alteration of constitution

In accordance with the Corporations Act, the Constitution can only be amended by a special resolution passed by at least three quarters of Shareholders present and voting at the general meeting. In addition, at least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

7. RISK FACTORS

7.1 Introduction

The Shares offered under this Prospectus are considered highly speculative. An investment in the Company is not risk free and the Directors strongly recommend potential investors to consider the risk factors described below, together with information contained elsewhere in this Prospectus and to consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

There are specific risks which relate directly to the Company's business. In addition, there are other general risks, many of which are largely beyond the control of the Company and the Directors. The risks identified in this section, or other risk factors, may have a material impact on the financial performance of the Company and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

7.2 Company specific

(a) Potential for significant dilution

Upon implementation of the Offer, assuming the Offer is fully subscribed and no Options are exercised prior to the Record Date the number of Shares in the Company will increase from 194,011,012 currently on issue to 388,022,024. This means that each Share will represent a significantly lower proportion of the ownership of the Company.

It is not possible to predict what the value of the Company or a Share will be following the completion of the Offer being implemented and the Directors do not make any representation as to such matters.

The last trading price of Shares on ASX prior to the prospectus being lodged of \$0.009 is not a reliable indicator as to the potential trading price of Shares after implementation of the Offer.

(b) Licence applications and renewal risk

The Mining Concessions are located in Chile and Argentina. The licences are subject to applications for renewal or grant (as the case may be). The renewal or grant of the terms of each licence is usually at the discretion of the relevant government authority. Additionally, licences are subject to a number of specific legislative conditions. The inability to meet these conditions could affect the standing of a licence or restrict its ability to be renewed.

If a licence is not renewed or granted, the Company may suffer significant damage through the loss of opportunity to develop and discover mineral resources on that licence.

(c) **Contractual risk – Green Mining Limitada**

The Company's wholly owned Chilean operating subsidiary, Green Mining Limitada (incorporated in Chile), is party to:

- (i) a purchase option agreement with Legal Mining Company Alma Uno Primera of the Commune of Taltal, Legal Mining Company Alma Dos Primera of the Commune of Taltal, Legal Mining Company Alma Tres and Legal Mining Company Alma Cuatro Primera of the Commune of Taltal pursuant to which it may acquire a 100% interest in the Alma Project; and
- (ii) a purchase option agreement with Mr Elias Hawas Isa pursuant to which it may acquire a 100% interest in the Timon Project.

Where the Company, Green Mining Limitada or the relevant vendor fail to comply with the terms of these agreements, it may then be necessary for the Company to seek a legal remedy. Legal action can be costly and there can be no guarantee that a legal remedy will be ultimately granted on the appropriate terms. The Company has no current reason to believe that it and the relevant vendors will not meet and satisfy their obligations under these agreements.

As these agreements are governed by Chilean law, the risk factors set out in paragraph 7.2(f) below would apply.

(d) **Contractual risk – Argentine Assets**

On 1 April 2014 the Company entered into a binding heads of agreement with Argentina Mining Limited (ASX:AVK) pursuant to which it may, subject to successful due diligence and shareholder approvals, if necessary, among other conditions, acquire a 100% interest in Entrophy Resources SA, which holds options to acquire the Cerro Blanco, San Francisco and Amiches Projects.

If the Company does not raise at least \$800,000 under the Offer and thereby does not have sufficient funding available to both complete the acquisition and undertake an adequate exploration program, the Company will need to seek alternative funding if it wishes to proceed with the acquisition.

Separately, where the Company, Argentina Mining Limited, Entrophy Resources SA or the relevant vendor fail to comply with the terms of that agreement, it may be necessary for any injured party to seek legal action.

Legal action can be costly and there can be no guarantee that a legal remedy sought by the Company will be ultimately granted on the appropriate terms. The Company has no current reason to believe that it and the relevant vendors will not meet and satisfy their obligations under these agreements.

It is contemplated that the agreement will be governed by Argentine law and accordingly, the risk factor set out in paragraph 7.2(f) below would apply.

(e) **Seismic risk**

Chile and Argentina lie adjacent to the convergent boundary between the Nazca and South American tectonic plates. As such they are subject to frequent seismic activity and is home to numerous active volcanoes.

The Projects are potentially at risk from future seismic and volcanic events.

(f) **Sovereign risks - Chile and Argentina**

While Chile is considered to be one of South America's most politically stable and prosperous nations, it may nevertheless be subject to social and economic uncertainty. Argentina may also be subject to such social and economic uncertainty. Civil and political unrest and outbreaks of hostilities in Chile and Argentina could affect the Company's access to its projects and subsequent exploration and development.

Adverse changes in government policies or legislation in Chile and Argentina affecting foreign ownership of mineral interests, taxation, profit repatriation, royalties, land access, labour relations, and mining and exploration activities may affect the operations of the Company.

(g) **Commodity price volatility and exchange rate risks**

If the Company achieves success leading to mineral production, the revenue it will derive through the sale of commodities exposes the potential income of the Company to commodity price and exchange rate risks. Commodity prices fluctuate and are affected by many factors beyond the control of the Company. Such factors include supply and demand fluctuations for precious and base metals, technological advancements, forward selling activities and other macro-economic factors.

Furthermore, international prices of various commodities are denominated in United States dollars, whereas the income and expenditure of the Company are and will be taken into account in Australian, US, Chilean and Argentine currencies, exposing the Company to the fluctuations and volatility of the rate of exchange between the United States dollar, the Australian dollar, the Chilean peso and the Argentine peso as determined in international markets.

(h) **Estimates of Copper and Gold Mineralisation**

The copper and gold mineralisation estimates for the Projects are estimates only and no assurance can be given that an identified copper or gold mineralisation will ever qualify to be commercially mineable ore bodies that can be economically exploited or that any particular yield of copper or gold from copper or gold reserves will in fact be realised. The Company's estimates comply with the JORC Code. However, copper and gold mineralisation estimates are expressions of judgment based on knowledge, experience and industry practice.

The estimating of copper and gold mineralisation is a subjective process and the accuracy of estimates is a function of the quantity and quality

of available data and the assumptions used and judgments made in interpreting engineering and geological information. There is significant uncertainty in any mineralisation estimate and the actual deposits encountered and the economic viability of mining a deposit may differ materially from the Company's estimates. The exploration of copper and gold is speculative in nature and is frequently unsuccessful.

Market price fluctuations for copper and gold, increased production costs or reduced yields, or other factors may render the copper and gold deposits of the Company uneconomical or unprofitable to develop at a particular site or sites.

(i) **Mine Development**

The Company's ability to commence production is dependent upon the successful outcome of exploration activities on the Projects and the receipt of regulatory operations to commence mining. There is no guarantee that any prospecting right in which the Company has an interest will be commercially feasible. If the Company is unable to develop new copper or gold resources, it will not be able to meet its planned production levels. Reduced production or non commencement of production could have a material adverse effect on future cash flows, results of operations and the financial condition of the Company.

Feasibility studies are used to determine the economic viability of a deposit. Many factors are involved in the determination of the economic viability of a deposit, including the achievement of satisfactory copper and gold reserve estimates, the level of estimated copper and gold yields, capital and operating cost estimates and the estimate of future copper and gold prices. Capital and operating cost estimates are based upon many factors, including anticipated tonnage and yields to be mined and processed, the configuration of the ore body, ground and mining conditions and anticipated environmental and regulatory compliance costs. Each of these factors involves uncertainties and as a result, the Company cannot give any assurance that its development or exploration projects will become operating mines. If a mine is developed, actual operating results may differ from those anticipated in a feasibility study.

7.3 Industry specific

(a) **Exploration**

The Mineral Concessions of the Company are at various stages of exploration, and potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of these licences, or any other licences that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, changing

government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its licences and obtaining all required approvals for its activities. In the event that the exploration program proves to be unsuccessful this could lead to a diminution in the value of the Mining Concessions, a reduction in the cash reserves of the Company and possible relinquishment of the Mining Concessions.

The exploration costs of the Company are based on certain assumptions with respect to the method and timing of exploration. By their nature, these estimates and assumptions are subject to significant uncertainties and, accordingly, the actual costs may materially differ from these estimates and assumptions. Accordingly, no assurance can be given that the cost estimates and the underlying assumptions will be realised in practice, which may materially and adversely affect the Company's viability.

(b) **Environmental**

The Projects are subject to rules and regulations regarding environmental matters including obtaining the approval of an environmental impact study or assessment depending on location and impacts. As with all mineral projects, the Projects are expected to have an impact on the environment, particularly if advanced exploration or mine development proceeds. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

Development of the Projects will be dependent on the Company satisfying environmental guidelines and, where required, being approved by government authorities. Failure to obtain such approvals will prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws or regulations would materially increase the Company's costs of doing business or affect its operations in any area.

(c) **Legislative and Government Policy Risk**

Changes in government regulations and policies may adversely affect the financial performance of the Company. The Company's capacity to explore and mine, in particular the Company's ability to explore and mine any reserves, may be affected by changes in government policy, which are beyond the control of the Company.

(d) **Environmental, Health and Safety Matters**

The Company's exploration and future mining (if any) operations will be subject to extensive Chilean and Argentinean health and safety and environmental laws and regulations which could impose significant costs and burdens on the Company (the extent of which cannot be predicted). These laws and regulations provide for penalties and other liabilities for violation of such standards and establish, in certain circumstances, obligations to rehabilitate current and former facilities (although usually historic disturbances do not become the responsibility

of new owners unless they were not indentified during baseline studies) and locations where operations are or were conducted. Permission to operate could be withdrawn temporarily where there is evidence of serious breaches of health and safety and environmental laws and regulations and even permanently in the case of extreme breaches.

Mining operations have inherent risks and liabilities associated with safety and damage to the environment and the disposal of waste products occurring as a result of copper and gold exploration and production. The occurrence of any such safety or environmental incident could delay production or increase production costs. The Company's proposed operations have been designed to comply with known or reasonably predictable conditions, however, it is not possible to predict all prevailing conditions that may affect the Company's operations at all times in the future. Events, such as unpredictable rainfall may impact on the Company's ongoing compliance with environmental legislation, regulations and licences. Significant liabilities could be imposed on the Company for damages, clean up costs or penalties in the event of certain discharges into the environment, environmental damage caused by previous operations or non-compliance with environmental laws or regulations.

The disposal of mining and process waste and mine water discharge are under constant legislative scrutiny and regulation. There is a risk that environmental laws and regulations become more onerous making the Company's operations more expensive.

Approvals are required for land clearing and for ground disturbing activities. Delays in obtaining such approvals can result in the delay to anticipated exploration programmes or mining activities.

Approvals are required for rehabilitation or mine closure plan that establishes the Company's obligation to rehabilitate the land after copper and gold have been mined from the site. Rehabilitation by the Company of its exploration and mining sites takes place both during and after the active life of exploration and mining activities.

7.4 General risks

(a) **Economic**

General economic conditions, movements in interest and inflation rates and currency exchange rates may have an adverse effect on the Company's exploration, development and production activities, as well as on its ability to fund those activities.

(b) **Market conditions**

Share market conditions may affect the value of the Company's quoted securities regardless of the Company's operating performance. Share market conditions are affected by many factors such as:

- (i) general economic outlook;
- (ii) introduction of tax reform or other new legislation;
- (iii) interest rates and inflation rates;
- (iv) changes in investor sentiment toward particular market sectors;
- (v) the demand for, and supply of, capital; and

- (vi) terrorism or other hostilities.

The market price of securities can fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource exploration stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company or any return on an investment in the Company.

(c) **Additional requirements for capital**

The funds raised under the Offer are considered sufficient to meet the exploration and evaluation objectives of the Company on the projects in Chile, however if approximately \$800,000 is not raised under the Offer, the Company may not have sufficient funds to meet the exploration and evaluation objectives of the Company on the projects in Argentina. If sufficient funds are not raised under the Offer to fund exploration or if exploration costs exceed the Company's estimates, additional funding may be required or the acquisition of the projects in Argentina may not proceed. The Company may also, in the future, require additional funding to effectively implement its business and operations plans and to take advantage of opportunities for acquisitions, joint ventures or other business opportunities.

The Company may seek to raise further funds through equity or debt financing, joint ventures, production sharing arrangements or other means. Failure to obtain sufficient financing for the Company's activities and future projects may result in delay and indefinite postponement of exploration, development or production on the Company's properties or even loss of a property interest. There can be no assurance that additional finance will be available when needed or, if available, the terms of the financing might not be favourable to the Company and might involve substantial dilution to Shareholders.

(d) **Regulatory Risk**

The Company's proposed mining operations and exploration and development activities are subject to extensive laws and regulations relating to numerous matters, including various resource licence consent conditions pertaining to environmental compliance and rehabilitation, taxation, social and labour relations, health and worker safety, waste disposal, water use, protection of the environment, successful land claims and heritage matters, protection of endangered and protected species and other matters. The Company regularly requires permits from regulatory authorities to authorise the Company's operations. These permits relate to exploration, development, production and rehabilitation activities.

Obtaining necessary permits can be a time consuming process and there is a risk that the Company may not obtain these permits on acceptable terms, in a timely manner or at all. The costs and delays associated with obtaining necessary permits and complying with these permits and applicable laws and regulations could materially delay or restrict the Company from proceeding with the development of a project or the operation or further development of a mine. Any failure to comply with applicable laws and regulations or permits, even if inadvertent, could result in material fines, penalties or other liabilities. In extreme cases, failure could result in suspension of the Company's activities or forfeiture of the Mining Concessions.

(e) **Potential Acquisitions**

As part of its business strategy, the Company intends to make acquisitions of, or significant investments in, complementary companies or projects. Any such future transactions would be accompanied by the risks commonly encountered in making such acquisitions, including further capital raisings if necessary.

(f) **Taxation**

The acquisition and disposal of Shares will have tax consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in the Company are urged to obtain independent financial advice about the consequences of acquiring Shares from a taxation viewpoint and generally.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisors accept no liability and responsibility with respect to the taxation consequences of subscribing for Shares under this Prospectus.

(g) **Reliance on key personnel**

The responsibility of overseeing the day-to-day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

7.5 **Speculative investment**

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors, and others not specifically referred to above, may in the future materially affect the financial performance of the Company and the value of the Shares offered under this Prospectus

Therefore, the Shares to be issued pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Shares.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Shares pursuant to this Prospectus.

8. ADDITIONAL INFORMATION

8.1 Litigation

As at the date of this Prospectus, the Company is not involved in any legal proceedings and the Directors are not aware of any legal proceedings pending or threatened against the Company.

8.2 Continuous disclosure obligations

The Company is a “disclosing entity” (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company’s securities.

This Prospectus is a “transaction specific prospectus”. In general terms a “transaction specific prospectus” is only required to contain information in relation to the effect of the issue of securities on a company and the rights attaching to the securities. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the 3 months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:

- (i) the annual financial report most recently lodged by the Company with the ASIC;
- (ii) any half-year financial report lodged by the Company with the ASIC after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC; and
- (iii) any continuous disclosure documents given by the Company to ASX in accordance with the ASX Listing Rules as referred to in section 674(1) of the Corporations Act after the lodgement of the annual financial report referred to in (i) and before the lodgement of this Prospectus with the ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

Details of documents lodged by the Company with ASX since the date of lodgement of the Company's latest annual financial report and before the lodgement of this Prospectus with the ASIC are set out in the table below.

Date	Description of Announcement
23/04/2014	Change of Directors Interest
17/04/2014	Non-Renounceable Issue
16/04/2014	AVK: Due Diligence Period Extended For Oro Verde
16/04/2014	Due Diligence Period Extended
15/04/2014	Change of Director's Interest Notice
11/04/2014	Quarterly Report For Period Ended 31 March 2014
01/04/2014	AVK: Binding Heads of Agreement To Sell Argentine Assets
01/04/2014	Investor Presentation
01/04/2014	Oro Verde Signs Binding Agreement
19/03/2014	Investor Presentation
19/03/2014	Oro Verde Acquires Option Over Projects
19/03/2014	AVK: Oro Verde Acquires Option Over Argentina Projects
28/02/2014	Half Year Accounts
03/02/2014	Appendix 3B
31/01/2014	Quarterly Activities and Cash Flow Report
28/01/2014	Timon Drilling Update
15/01/2014	Restricted securities to be released from escrow
06/01/2014	Change in substantial holding
31/12/2013	Appendix 3B and s708 Notice
23/12/2013	Share Placement
20/12/2013	Trading Halt
04/12/2013	Becoming a substantial holder

Date	Description of Announcement
18/11/2013	Drilling Confirms Mineralised Porphyry
14/11/2013	Results of Meeting
06/11/2013	Investor Presentation
05/11/2013	Timon Drilling Update
30/10/2013	Quarterly Activities and Cashflow Report
25/10/2013	Timon Drilling Commences
15/10/2013	Appendix 3B
14/10/2013	Notice of Annual General Meeting/Proxy Form
27/09/2013	Annual Report to Shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours.

The announcements are also available through the Company's website www.oerverde.com.au.

8.3 Market price of shares

The Company is a disclosing entity for the purposes of the Corporations Act and its Shares are enhanced disclosure securities quoted on ASX.

The highest, lowest and last market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with the ASIC and the respective dates of those sales were:

Highest	\$0.04	18 November 2013
Lowest	\$0.007	28 February 2014
Last	\$0.009	22 April 2014

8.4 Material contracts

The following are summaries of the significant terms of the material agreements which relate to the business of the Company.

Underwriting Agreement

By an agreement between the Underwriters (being the Company's Chairman, Dr Wolf Martinick, and Inkjar Pty Limited, an entity associated with Dr Brad Farrell, a Director of the Company) and the Company dated 11 April 2014 (**Underwriting Agreement**), the Underwriters have agreed to partially underwrite the Offer for up to \$308,000 worth of Shortfall Shares (**Underwritten Amount**).

The Underwriters will underwrite the Underwritten Amount in the following proportions:

- (c) Dr Wolf Martinick: 5/11, up to \$140,000; and
- (d) Inkjar: 6/11, up to \$168,000,

(**Relevant Proportions**).

The Underwriters' obligations in respect of the Offer shall be in their Relevant Proportions. The Directors intend to issue Shortfall Shares to the Underwriters in priority to other investors.

The Company will not pay the Underwriters an underwriting fee.

The Underwriters may only terminate their obligations under the Underwriting Agreement if the Offer does not proceed. Once the Company has issued Shares pursuant to his Offer, the Underwriters are unable to terminate their obligations.

8.5 Interests of Directors

Other than as set out in this Prospectus, no Director or proposed Director holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (a) the formation or promotion of the Company;
- (b) any property acquired or proposed to be acquired by the Company in connection with:
 - (i) its formation or promotion; or
 - (ii) the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to a Director or proposed Director:

- (d) as an inducement to become, or to qualify as, a Director; or
- (e) for services provided in connection with:
 - (i) the formation or promotion of the Company; or
 - (ii) the Offer.

Security holdings

The relevant interest of each of the Directors in the securities of the Company as at the date of this Prospectus, together with their respective Entitlement, is set out in the table below.

Director	Shares	Options	Entitlement	\$
Dr Wolf Martinick ²	23,000,180 ²	7,500,000	23,000,180 ¹	184,001
Mr Ross O'Dea	299,476	500,000	299,476	2,396
Dr Brad Farrell ²	20,701,281	7,500,000	20,701,281 ¹	165,610
Mr David Ward	2,518,917	150,000	2,518,917	20,151

Notes

- As set out elsewhere in this Prospectus, Suparell Pty Ltd, an entity associated with Dr Farrell, will take up its Entitlement, but otherwise Dr Martinick and Dr Farrell and their associated entities do not intend to take up their Entitlement.
- As set out elsewhere in this Prospectus, Dr Martinick will partially underwrite the Offer to the extent of \$140,000 and Inkjar Pty Limited, an entity associated with Dr Farrell, will partially underwrite the Offer to the extent of \$168,000.

3. Mr O'Dea and Mr Ward intend to take up their full Entitlement.

The Board recommends all Shareholders take up their Entitlement.

Remuneration

The remuneration of an executive Director is decided by the Board, without the affected executive Director participating in that decision-making process. The total maximum remuneration of non-executive Directors is initially set by the Constitution and subsequent variation is by ordinary resolution of Shareholders in general meeting in accordance with the Constitution, the Corporations Act and the ASX Listing Rules, as applicable. The determination of non-executive Directors' remuneration within that maximum will be made by the Board having regard to the inputs and value to the Company of the respective contributions by each non-executive Director. The current amount has been set at an amount not to exceed \$400,000 per annum.

A Director may be paid fees or other amounts (i.e. non-cash performance incentives such as Options, subject to any necessary Shareholder approval) as the other Directors determine where a Director performs special duties or otherwise performs services outside the scope of the ordinary duties of a Director. In addition, Directors are also entitled to be paid reasonable travelling, hotel and other expenses incurred by them respectively in or about the performance of their duties as Directors.

The following table shows the total (and proposed) annual remuneration paid to both executive and non-executive directors.

Director	2011/2012¹	2012/2013	2013/2014
Dr Wolf Martinick	\$1,008,821	\$231,757	\$229,425
Mr Ross O'Dea	\$98,591	\$57,357	\$54,625
Dr Brad Farrell	\$1,130,406	\$290,721	\$54,625
Mr David Ward	\$98,591	\$57,357	\$54,625

Notes

1. Includes the following amounts proposed to be paid to the Directors as share based payments for the grant of Options exercisable at \$0.27 each on or before 31 December 2014:
 - Dr Martinick - \$830,925;
 - Dr Farrell - \$830,925;
 - Mr O'Dea - \$55,395; and
 - Mr Ward - \$55,395.

8.6 Interests of experts and advisers

Other than as set out below or elsewhere in this Prospectus, no:

- (a) person named in this Prospectus as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus;
- (b) promoter of the Company; or

- (c) underwriter (but not a sub-underwriter) to the issue or a financial services licensee named in this Prospectus as a financial services licensee involved in the issue,

holds, or has held within the 2 years preceding lodgement of this Prospectus with the ASIC, any interest in:

- (d) the formation or promotion of the Company;
- (e) any property acquired or proposed to be acquired by the Company in connection with:
- (i) its formation or promotion; or
 - (ii) the Offer; or
- (f) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given to any of these persons for services provided in connection with:

- (g) the formation or promotion of the Company; or
- (h) the Offer.

Steinepreis Paganin has acted as the solicitors to the Company in relation to the Offer. The Company estimates it will pay Steinepreis Paganin \$15,000 (excluding GST and disbursements) for these services. During the 24 months preceding lodgement of this Prospectus with the ASIC, Steinepreis Paganin has been paid fees totalling \$42,115 (excluding GST and disbursements) for legal services provided to the Company.

8.7 Consents

Each of the parties referred to in this Section:

- (a) does not make, or purport to make, any statement in this Prospectus other than those referred to in this Section;
- (b) to the maximum extent permitted by law, expressly disclaim and take no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section;

Dr Wolf Martinick has given his written consent to being named as underwriter to the Offer in this Prospectus, in the form and context in which he is named.

Inkjar Pty Limited has given its written consent to being named as underwriter to the Offer in this Prospectus, in the form and context in which it is named.

Steinepreis Paganin has given its written consent to being named as the solicitors to the Company in this Prospectus. Steinepreis Paganin has not withdrawn its consent prior to the lodgement of this Prospectus with the ASIC.

8.8 Expenses of the Offer

In the event that all Entitlements are accepted, the total expenses of the Offer are estimated to be approximately \$35,000 (excluding GST) if the minimum subscription is raised and \$40,000 (excluding GST) if the full subscription is raised, and are expected to be applied towards the items set out in the table below:

	Minimum Subscription	Full Subscription
	\$	\$
ASIC fees	2,225	2,225
ASX fees	2,503	6,122
Legal fees	15,000	15,000
Printing and distribution	10,000	10,000
Miscellaneous	5,272	6,653
Total	35,000	40,000

8.9 Electronic prospectus

If you have received this Prospectus as an electronic Prospectus, please ensure that you have received the entire Prospectus accompanied by the Application Forms. If you have not, please phone the Company on +61 8 9481 2555 and the Company will send you, for free, either a hard copy or a further electronic copy of the Prospectus, or both. Alternatively, you may obtain a copy of this Prospectus from the Company's website at www.oro Verde.com.au.

The Company reserves the right not to accept an Application Form from a person if it has reason to believe that when that person was given access to the electronic Application Form, it was not provided together with the electronic Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered.

8.10 Financial forecasts

The Directors have considered the matters set out in ASIC Regulatory Guide 170 and believe that they do not have a reasonable basis to forecast future earnings on the basis that the operations of the Company are inherently uncertain. Accordingly, any forecast or projection information would contain such a broad range of potential outcomes and possibilities that it is not possible to prepare a reliable best estimate forecast or projection.

8.11 Clearing House Electronic Sub-Register System (CHES) and Issuer Sponsorship

The Company will not be issuing share certificates. The Company is a participant in CHES, for those investors who have, or wish to have, a sponsoring stockbroker. Investors who do not wish to participate through CHES will be issuer sponsored by the Company. Because the sub-registers are electronic, ownership of securities can be transferred without having to rely upon paper documentation.

Electronic registers mean that the Company will not be issuing certificates to investors. Instead, investors will be provided with a statement (similar to a bank account statement) that sets out the number of Shares issued to them under this Prospectus. The notice will also advise holders of their Holder Identification Number or Security Holder Reference Number and explain, for future reference, the sale and purchase procedures under CHES and issuer sponsorship.

Further monthly statements will be provided to holders if there have been any changes in their security holding in the Company during the preceding month.

8.12 Privacy Act

If you complete an application for Shares, you will be providing personal information to the Company (directly or by the Company's share registry). The Company collects, holds and will use that information to assess your application, service your needs as a holder of equity securities in the Company, facilitate distribution payments and corporate communications to you as a Shareholder and carry out administration.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office, authorised securities brokers, print service providers, mail houses and the Company's share registry.

You can access, correct and update the personal information that we hold about you. Please contact the Company or its share registry if you wish to do so at the relevant contact numbers set out in this Prospectus.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if you do not provide the information required on the application for Shares, the Company may not be able to accept or process your application.

For personal use only

9. DIRECTORS' AUTHORISATION

This Prospectus is issued by the Company and its issue has been authorised by a resolution of the Directors.

In accordance with section 720 of the Corporations Act, each Director has consented to the lodgement of this Prospectus with the ASIC.

Dr Wolf Martinick
Chairman
For and on behalf of
Oro Verde Limited

For personal use only

10. GLOSSARY

\$ means the lawful currency of the Commonwealth of Australia.

Alma Project means the Alma copper and gold exploration project located in the coastal Cordillera copper belt of Northern Chile.

Amiches Project means the Amiches copper and gold exploration project located north of Cerro Blanco in the central San Juan Province in Argentina, within the Argentine extensions of the El Indio Belt.

Applicant means a Shareholder who applies for Shares pursuant to the Offer or a Shareholder or other party who applies for Shortfall Shares pursuant to the Shortfall Offer.

Application Form means an Entitlement and Acceptance Form or Shortfall Application Form as the context requires.

ASIC means the Australian Securities and Investments Commission.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by it as the context requires.

ASX Listing Rules means the listing rules of the ASX.

ASX Settlement Operating Rules means the settlement rules of the securities clearing house which operates CHESS.

Board means the board of Directors unless the context indicates otherwise.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day and any other day that ASX declares is not a business day.

Cerro Blanco Project means the Cerro Blanco copper, gold and molybdenum exploration project located in the Andean Cordillera of San Juan Province, on the Chilean border of Argentina.

Closing Date means the date specified in the timetable set out at the commencement of this Prospectus (unless extended).

Company means Oro Verde Limited (ACN 083 646 477).

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company as at the date of this Prospectus.

Entitlement means the entitlement of a Shareholder who is eligible to participate in the Offer.

Entitlement and Acceptance Form means the entitlement and acceptance form either attached to or accompanying this Prospectus.

Inkjar means Inkjar Pty Limited (ACN 009 213 950).

JORC Code means the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (2012 Edition) prepared by the Joint Ore Reserves Committee of the Australasian Institute of Mining and Metallurgy, Australian Institute of Geoscientists and Minerals Council of Australia.

Mining Concessions means the mining concessions which comprise the Alma Project, the Timon Project, the Cerro Blanco Project, the San Francisco Project and the Amiches Project.

Offer means the non-renounceable entitlement issue the subject of this Prospectus.

Official Quotation means official quotation on ASX.

Option means an option to acquire a Share.

Optionholder means a holder of an Option.

Projects means the Alma Project, the Timon Project, the Cerro Blanco Project, the San Francisco Project and the Amiches Project.

Prospectus means this prospectus.

Record Date means the date specified in the timetable set out at the commencement of this Prospectus.

San Francisco Project means the San Francisco porphyry and epithermal gold-silver exploration project located north of the Cerro Blanco Project in Argentina.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a holder of a Share.

Shortfall means the Shares not applied for under the Offer (if any).

Shortfall Application Form means the shortfall application form either attached to or accompanying this Prospectus.

Shortfall Offer means the offer of the Shortfall on the terms and conditions set out in Section 4.9 of this Prospectus.

Shortfall Shares means those Shares issued pursuant to the Shortfall.

Timon Project means the Timon copper and gold exploration project located in Northern Chile.

Underwriting Agreement means the underwriting agreement between the Underwriters and the Company dated 11 April 2014.

Underwriters means Dr Wolf Martinick and Inkjar.

WST means Western Standard Time as observed in Perth, Western Australia.