

ASX Announcement  
27 February 2015

## ORO VERDE PROCEEDS TO ACQUIRE TOPACIO GOLD PROJECT

### HIGHLIGHTS

- ❖ Positive due diligence review for the high grade Topacio Gold Project
- ❖ Project contains a historical NI 43-101 compliant inferred gold resource totaling 340,000 ounces<sup>1</sup>
- ❖ Oro Verde confirms that it will proceed with Option to Purchase Agreement
- ❖ Drilling to commence following confirmation of environmental approvals

Oro Verde Limited (ASX: OVL) ("Oro Verde" or "the Company") is pleased to announce that the due diligence review on the Topacio Gold Project, located in southeastern Nicaragua, has been completed with positive results.

The project boasts a historical NI 43-101 (Canadian standard, similar to JORC) compliant Inferred Resource of:

**2,716,176 tonnes at 3.9 g/t gold, containing 340,345 ounces of gold,** at a 1.5 g/t gold cut-off<sup>1</sup>.

National Instrument 43-101 ("NI 43-101") is a national instrument for the *Standards of Disclosure for Mineral Projects* within Canada and as such this estimate is a foreign estimate and is not reported in accordance with the JORC Code. A competent person has not done sufficient work to classify the foreign estimate as mineral resources in accordance with the JORC code and it is uncertain that following evaluation and/or further exploration work that the foreign estimate will be able to be reported as mineral resources in accordance with the JORC code.

Oro Verde's Managing Director, Mr Trevor Woolfe, commented, "*We are extremely pleased with the positive outcome of our technical and legal due diligence on Topacio and have advised the vendor of our decision to proceed with the Option. Furthermore, I look forward to building on the 340,000 ounce gold resource and realising the full potential of this advanced, high grade gold project.*"

### **THE AGREEMENT**

On 11 November 2014, the Company announced<sup>1</sup> that it had entered into an option to purchase 100% of the highly prospective Topacio Gold Project in Nicaragua. The option agreement allowed for a four month period to complete a legal and technical due diligence review.

As a result of the satisfactory due diligence report, the Board of Oro Verde has agreed to proceed with the Option to Purchase Agreement and has advised the vendor of this decision.

Under the terms of the Option, the Company has now committed to the following:

- a. The Company will commit to a minimum exploration expenditure of US\$2,000,000 over 3 years;

<sup>1</sup> Refer to ASX announcement dated 11 November 2014 "Acquisition of High Grade Gold Project"

- b. There will be US\$40,000 payable to the vendor each six months during the Agreement period (for a total of US\$240,000);
- c. The Company may exercise its Option to Purchase by making a payment of US\$1,500,000, plus at the Vendor's election, either a 2% NSR royalty or a payout of US\$1/oz gold for JORC or NI43-101 compliant resources (measured and indicated);
- d. Should Oro Verde commence mining operations before exercising the Option to Purchase, the Vendor will receive a 3% NSR until the Option is exercised; and
- e. Oro Verde may withdraw from the Agreement at any time.



**Figure 1 Major Nicaraguan gold deposits and the location of the Topacio Gold Project**

As part of the due diligence process the Company carried out rock chip sampling from the Topacio Gold Project which confirmed the high grade potential of the mineralised gold (Au) vein system. Samples returned assays as high as 13.1 grams per tonne (g/t) Au and often associated with high grade silver (Ag) results, above 100 g/t Ag in some cases<sup>2</sup>.

#### **INITIAL WORK PROGRAM**

1. With the completion of the due diligence, the Company's Nicaraguan team will utilise all available technical data to formalise a work program, building on the technical information from our due diligence exercise;
2. Initial priority will be given to ensuring all necessary permits and access have been granted; and
3. A drilling program will be formulated for mid 2015, with commencement subject to all necessary permits being confirmed.

<sup>2</sup> Refer to ASX announcement dated 3 February 2015 "High grade gold potential confirmed at Topacio project in Nicaragua"

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**About Oro Verde Limited:** Oro Verde Ltd is a mineral exploration company focused on identifying and developing significant gold projects in Central America, particularly Nicaragua. Oro Verde has now finalised an Option to Purchase Agreement on the Topacio Gold Project in Nicaragua that currently contains a NI43-101 compliant Inferred Mineral Resource of 340,000 ounces of gold. Oro Verde also holds 100% of the early stage San Isidro Gold Project located adjacent to the 2.4 million ounce La India gold project.



Nicaragua – the Centre of the Americas...

**COMPETENT PERSON STATEMENTS**

The information in this document that relates to Mineral Resources is extracted from the report entitled “Acquisition of High Grade Gold Project” created on 11 November 2014 and information in this document that relates to assay results at Topacio is extracted from the report titled “High Grade Gold confirmed at Topacio project in Nicaragua”; both are available to view on [www.asx.com](http://www.asx.com). The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcement and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person’s findings are presented have not been materially modified from the original market announcement.

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