



ASX Announcement

8 February 2018

## DRILLING OF HIGH GRADE GOLD TARGETS COMMENCES AT TOPACIO

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### HIGHLIGHTS

- ❖ **Third phase of diamond core drilling of high grade gold targets has commenced at the Topacio Gold Project.**
  - ❖ **Drilling targets are high-priority, high-grade gold zones defined by previous surface trenching and geological mapping.**
  - ❖ **Drilling will test gold-bearing quartz veins to confirm gold grades, orientations and horizontal and vertical continuity.**
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**Oro Verde Limited (ASX: OVL)** (“Oro Verde” or “the Company”) is pleased to announce commencement of the Company’s third phase of diamond-core drilling at the Topacio Gold Project in south-eastern Nicaragua (Figures 1 & 2).

The objective of the program is to test a number of high gold grade targets defined by previous exploration, of which the latest work, completed in December 2017, principally involved Phase 3 surface trenching and sampling in conjunction with geologic mapping across major high-grade, gold-bearing quartz veins.

Drilling will be undertaken on the following 6 major gold-rich quartz veins and is expected to take six to eight weeks to complete:

- Mico West
- Mico Central
- Topacio
- Dos Amigos
- Dispute
- Lone Star

Oro Verde’s CEO, Mr. Doug Bright, commented ***“Following recent receipt of very encouraging high grade gold surface trench sampling results, the Company is pleased to start this next exciting phase of our exploration. All of our sampling results to date confirm the high gold grade potential of these target veins. They lie immediately adjacent to and are part of a large gold-bearing vein system whose high grades have already been demonstrated by our exploration and historical mining.”***

### **BACKGROUND – RECENT WORK**

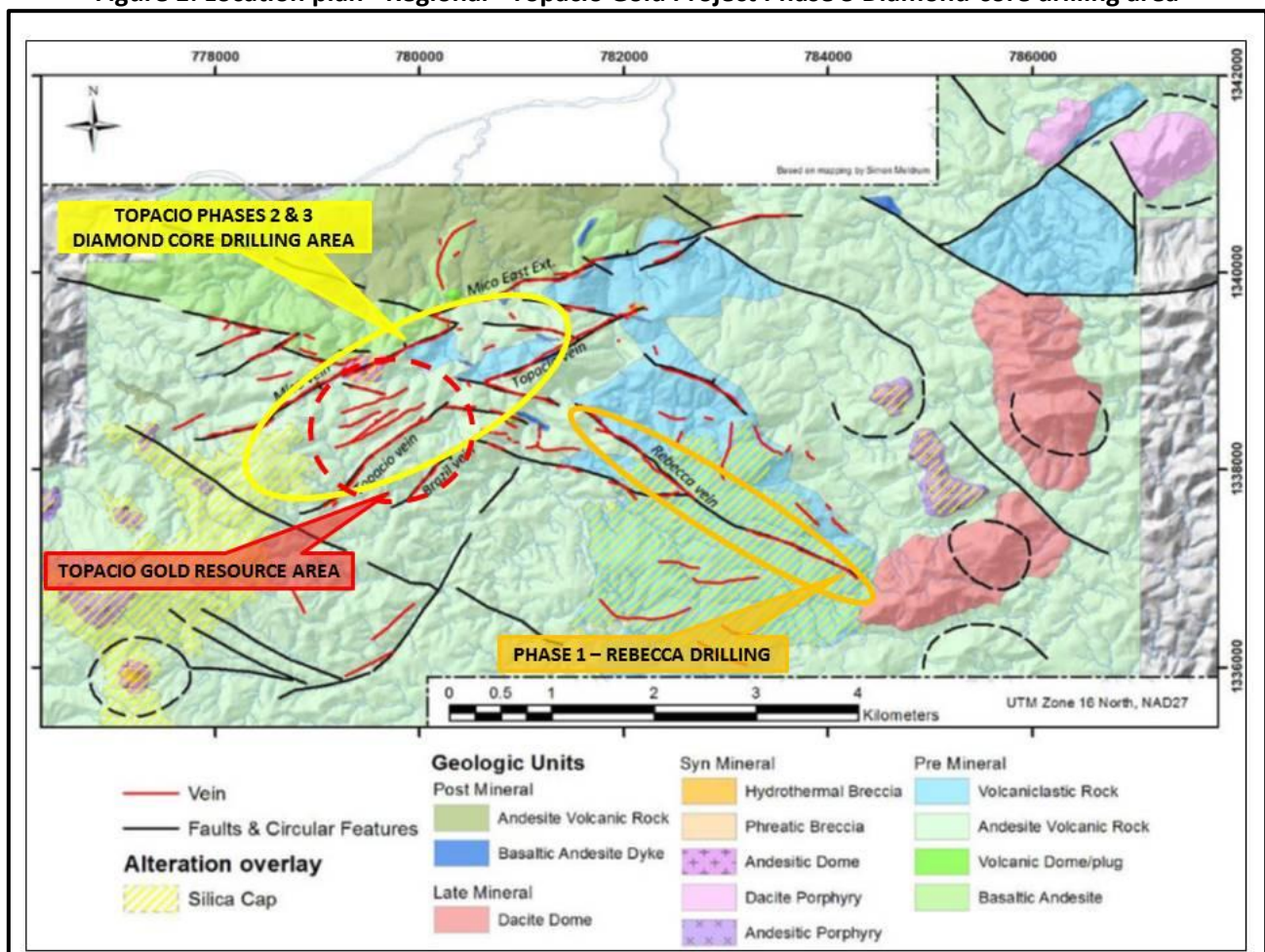
Following very encouraging high gold results from the 2017 Phase 2 trenching and the follow-up Phase 2 diamond core drilling (ASX 20<sup>th</sup> July, 1<sup>st</sup> and 14<sup>th</sup> August, 2017), Oro Verde announced on 28<sup>th</sup> September, 2017, the commencement of a third phase of surface trenching and channel sampling in an accelerated and expanded program to test a greater number of the multiple vein targets identified by previous mapping and sampling as carrying significant gold grades.

This Phase 3 surface trenching program was completed in December, 2017, amounting to 40 trenches for a total of 860.3 linear metres of trenching and 750 channel samples to confirm the grade, dip and widths of the veins and to assist with finalising drill-hole orientations of the Phase 3 diamond core drilling program, the subject of this announcement.

The Phase 3 program tested 15 distinct zones or subdivisions of major gold bearing veins in the central Topacio district. Large quartz veins have been intersected in 38 of the 40 trenches, which were excavated perpendicular to the strike of the veins to depths sufficient to expose *in situ* bedrock. All trenches were mapped and sampled by Oro Verde personnel. A majority of the veins have produced significant gold results, with some of the better results being (ASX: 7 February 2018)

- 5.25m at 11.75 g/t Au (Su Majestad Vein)
- 4.45m at 11.6 g/t Au (Toronto Vein)
- 2.0m at 14.15 g/t Au (Topacio East Vein)
- 20.5m at 4.83 g/t Au (Mico Central Vein)
- 3.6m at 7.18 g/t Au (Su Majestad Vein)

Figure 1: Location plan - Regional - Topacio Gold Project Phase 3 Diamond-core drilling area



### TOPACIO PROJECT BACKGROUND

Oro Verde holds an Option to Purchase Agreement over the historically-reported high grade Topacio Gold Project, located in south-eastern Nicaragua (Figure 4). Details can be found in the ASX announcement dated 27 February 2015<sup>1</sup>. The project contains a historical NI 43-101 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> Refer to ASX announcement dated 27 February 2015 "Oro Verde Proceeds to Acquire Topacio Gold Project"

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 in accordance with the JORC code (Australia). A defined Competent Person has not yet undertaken sufficient work to classify this foreign estimate as a mineral resource in accordance with the Australian JORC code and, at this stage, it cannot be stated with certainty that, following evaluation and/or further exploration work, the foreign estimate will be able to be reported as a mineral resource in accordance with the JORC code.

**Figure 2: Location plan - National - Major Nicaraguan gold deposits & the Topacio Gold Project**

*(Refer accompanying text relating to The Topacio Gold Resource and NI-43-101 estimate)*



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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. The Company has an Option to Purchase Agreement to acquire 100% of the Topacio Gold Project in Nicaragua that contains a NI 43-101 compliant Inferred Mineral Resource of 340,000 ounces of gold. Oro Verde also holds 100% of the early stage San Isidro Gold Project, also in Nicaragua, located adjacent to the reported 2.3 million ounce La India gold project.

**COMPETENT PERSON STATEMENTS**

The information in this report that relates to previous Exploration Results for the Topacio project, was prepared and first disclosed under the JORC Code 2012, and has been properly cross-referenced in the text to the date of original announcement to ASX. Oro Verde confirms that it is not aware of any new information or data that materially affects the information included in the original announcements.

The information in this document that relates to Historical Mineral Resources is extracted from the report entitled “Acquisition of High Grade Gold Project” created on 11 November 2014 and available to view on www.asx.com. The Company confirms that it is not in possession of any new information or data that materially impacts on the reliability of the estimates 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.