



PLACEMENT AND SHARE PURCHASE PLAN TO RAISE \$1.65M

ORO VERDE LIMITED (ASX code: OVL)

*An emerging resource
company focused on
defining a world-class
Rare Earths project*

KEY PROJECTS –

Uganda

Makuutu Rare Earths Project

Nicaragua

San Isidro Gold Project

BOARD OF DIRECTORS

Executive

Marc Steffens

Brett Dickson

Non-Executive

Tony Rovira

MANAGEMENT - UGANDA

Tim Harrison – Makuutu PM

MANAGEMENT - NICARAGUA

Jacques Levy - Legal Rep.

REGISTERED OFFICE

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WEBSITE

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Key Highlights:

- Placement and SPP to advance the Makuutu ionic clay hosted Rare Earth Project
- Funds to be used for an immediate follow-up drilling program and advanced metallurgy and process design work as part of the wider scoping study which is currently underway
- Maiden JORC mineral resource estimate expected to be released in 1st Quarter 2020

The Directors of Oro Verde Limited (ASX: OVL) (**Oro Verde** or the **Company**) are pleased to announce that it has received commitments to raise \$1.15 million by way of a share placement at \$0.008 (“Placement”). The Company will also offer a share purchase plan (“SPP”) to raise up to \$0.5 million from eligible shareholders at the same price as the Placement. Together, the Placement and the SPP is intended to raise up to approximately \$1.65 million.

Proceeds of the Placement and SPP will be used to fund the Company's expenditure commitments at the Makuutu Rare Earth Elements project, for working capital and to pay costs of the capital raising.

Progress at Makuutu

On 14 February 2020 the Company announced that due to positive drilling and metallurgical results that a Scoping Study on the Makuutu Rare Earths Project had commenced and that a maiden JORC mineral resource estimate was expected to be released in the first quarter of 2020.

In addition, the Company is well advanced in meeting its first expenditure milestone of US\$650,000 whereupon its effective ownership in the project will increase from 20% to 31%. This milestone is expected to be reached no later than mid-March 2020.

Placement

The Company has received binding commitments from professional and sophisticated investors to raise gross proceeds of A\$1.15 million by way of a share placement. Canaccord Genuity (Australia) Limited and Sixty Two Capital Pty Ltd acted as Joint Lead Managers to the Placement.

Under the Placement, a total of 143.75 million shares will be issued at a price of \$0.008, which represents an 11.9% discount to the 5-day VWAP of the Company's shares traded on the 5 days leading up to this announcement. Shares issued under the Placement will be issued utilising the Company's existing placement capacity pursuant to Listing Rules 7.1A and are expected to be issued on Friday, 6th March 2020.

Share Purchase Plan

The Company will offer eligible shareholders the opportunity to participate in the SPP by subscribing for up to \$30,000 worth of fully paid ordinary shares in the Company (**Shares**) at an issue price of \$0.008 per Share without having to pay brokerage or other transaction costs. This represents an 11.1% discount to the last traded closing price of the Company's Shares on the ASX on 25 February 2020 and a 11.9% discount to the volume weighted average price for the last 5 days on which sales in the shares were recorded prior to this announcement.

The Company is seeking to raise up to \$500,000 under the SPP through the issue up to 62,500,000 Shares. However, should total demand exceed this amount, the Directors reserve the right to accept oversubscriptions (subject to compliance with the ASX Listing Rules), or to scale -back or refuse applications in their absolute discretion.

Participation in the SPP is optional and is open to all shareholders who were registered as a holder of Shares as at 7.00pm (AEDT) on 28 February 2020 (**Record Date**) and whose registered address is in Australia or New Zealand.

Indicative SPP Timetable

Event	Date
SPP Record Date	7.00pm (AEDT) on 28 February 2020
Announce SPP (including closing date) and Appendix 3B on ASX	2 March 2020
Cleansing Notice and SPP Offer Booklet lodged with ASX	2 March 2020
Opening date for SPP	9.00am (WST) 5 March 2020
Closing date for SPP	5.00pm (WST) on 26 March 2020
Announce results of SPP	30 March 2020
Expected date of issue for SPP shares	2 April 2020

The timetable above is indicative only and subject to change. The Company reserves the right to change the timetable at any time or cancel the SPP at any time before the issue date, subject to applicable regulatory requirements.

Full details of the SPP will be set out in a letter to shareholders, the SPP Terms and Conditions and a SPP Application Form for Eligible Shareholders (**Plan Documents**). A copy of the Plan Documents will also be lodged with the ASX.

If you have any enquiries in relation to the SPP, please call the Company Secretary on +61 8 9481 2555.

***** ENDS *****

Authorised for release by Brett Dickson, Company Secretary.

For enquiries contact: Brett Dickson
 Company Secretary
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