

STRONG GOLD ANOMALIES IN SOILS AT TOPACIO

HIGHLIGHTS

- ❖ Strong gold anomalies exceeding 1,000ppb (or 1 g/t) generated from soil geochemistry at Topacio
- ❖ An expanded gold target zone has been identified around the Topacio resource area
- ❖ The Rebeca Zone to the east of the Topacio resource developing as a potential drill target with gold-in-soil anomalies up to 209ppb and coincident arsenic and antimony anomalies
- ❖ Further analysis of results together with geophysical data to follow

Oro Verde Limited (ASX: OVL) (“Oro Verde” or “the Company”) is pleased to announce that it has outlined new gold (Au) anomalies from the recently completed soil sampling program across the Topacio Gold Project, located in southeastern Nicaragua (Figure 1).

The soil geochemistry program is part of the Stage 1 exploration program of the Farm-In Agreement between Newcrest International Pty Ltd, a wholly owned subsidiary of **Newcrest Mining Limited (ASX: NCM)** (“Newcrest”) and Oro Verde, executed at the end of November 2015¹.

Individual assay results reached >1,000ppb Au (or >1 g/t Au), indicating that some sample results exceeded the upper limit of detection of the analysis method used (see Table A). Sample locations were relatively wide spaced on a 400m x 400m grid designed to provide broad coverage across the entire concession but, importantly, 14 samples returned assay results with more than 10x background gold levels and highlight a number of potential new target zones outside the known Topacio gold resource area.

Oro Verde’s Managing Director, Mr. Trevor Woolfe, commented *“The soil sampling and multi-element geochemistry program has provided us with a valuable tool in the assessment of the Topacio Gold Project. Gold results received highlight the potential for expansion of the existing gold resource, with some results exceeding 1g/t Au and a number of new anomalous areas defined. Planning is advanced to prioritise follow up on these new targets.”*

¹ Refer to ASX announcement dated 30 November 2015 “Newcrest Signs A\$11M Farm-in Agreement with Oro Verde”



Figure 1 Major Nicaraguan gold deposits and the Topacio Gold Project

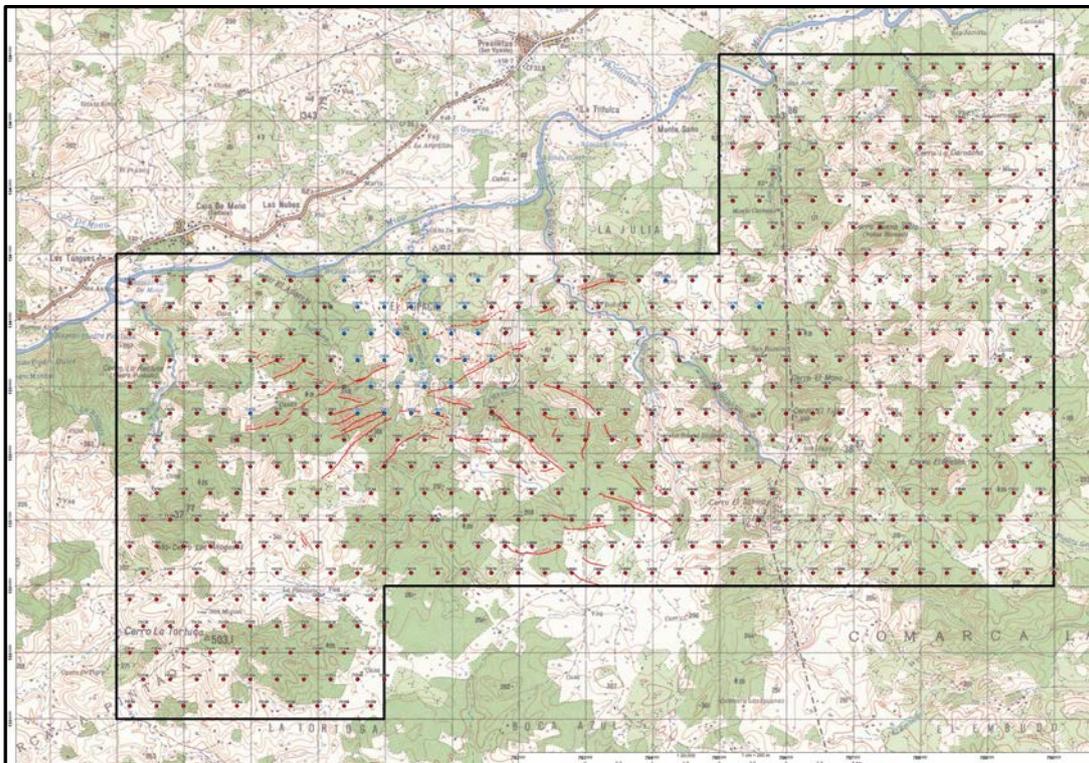


Figure 2 Topacio Project – Soil sampling grid

The key objective of the Stage 1 exploration program, which commenced in January 2016, is to identify highly prospective vein, alteration, geochemical, geophysical and structural targets for drilling scheduled to commence in the second half of 2016. The Stage 1 program includes:

- ✓ Detailed geological mapping and sampling
- ✓ Concession-wide 400m x 400m grid soil sampling program
- ✓ Airborne geophysics – magnetics and radiometrics

SOIL SAMPLING PROGRAM

The extensive soil sampling program was carried out by Oro Verde’s local geologists and reviewed in conjunction with the Newcrest technical team. A total of 567 soil locations were sampled on a 400m x 400m offset grid (Figure 2), and sent for multi-element analysis along with an additional 79 samples (field duplicates and standards), as well as laboratory standards, duplicates, repeats and blanks completing the QA/QC process. The team worked diligently to collect all except three of the planned samples, due to access difficulties.

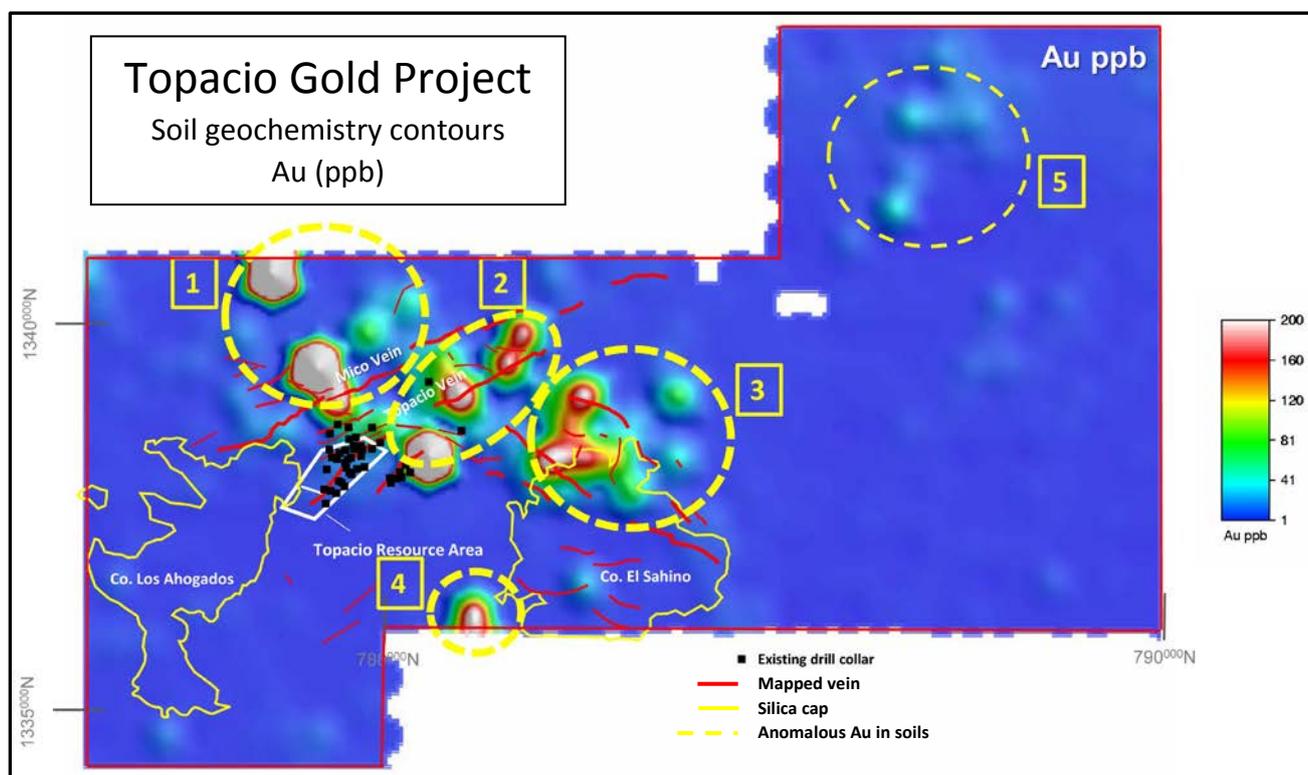


Figure 3 Topacio Project – Soil geochemistry contours (Au ppb) and anomalous areas

Anomalous Gold Targets

The soil sampling program identified at least three zones of strong gold anomalism outside of the known Topacio gold resource area (Figure 3). These three zones are characterised by multiple results in each zone that are significantly higher than background gold levels. Table A provides a list of all gold assays from this soil program above 10ppb Au, with their relevant sample numbers and co-ordinates.

Zone 1 – Northwest Anomaly

Zone 2 – Northeast Topacio Extension

Zone 3 – Rebeca Zone

1. Northwest Anomaly

The Northwest gold-in-soil anomaly is characterised by a **cluster of anomalous gold results** on the northwestern side of the central Mico vein (Figure 3). Maximum values within this zone included a result that reached >1,000ppb Au - the upper limit of detection (sample 73902) - as well as sample 73938 that recorded 893ppb Au, between the central Mico and Chicago veins, and a sample near the Mico vein that assayed 329ppb Au (73951). Previous reconnaissance mapping and rock chip sampling by Oro Verde in this area during 2015 identified a zone of cross cutting veins with elevated gold results. This zone includes the Chicago, Gallina and Celedonio veins.

2. Northeast Topacio Extension

While previous drilling has focused around the exposed veins at Topacio (including the Dos Amigos, Dispute and Brasil veins), the along strike extension of this area has received little attention from drilling (Figure 3). The soil sampling has highlighted **four key anomalies within this 2.5km long northeasterly trending zone**. At the southwestern end of the anomaly, a sample from the northeastern end of the Brasil vein reached >1,000ppb Au (74903) - the upper limit of detection. In the centre of this zone, a sample located close to the Topacio NE extension vein returned 274ppb Au (74862) and in the northeast of this zone, two adjacent samples returned 202 and 197ppb Au (74834 and 74821, respectively), in the vicinity of the intersection of the Topacio NE extension vein with a cross cutting vein. The key to these anomalies is likely to be where cross cutting NW-SE trending structures intersect with the more prominent NE-SW trending veins.

3. Rebeca Zone

To the east-southeast of the Topacio resource area, lies the third significant anomalous gold zone, identified here as the Rebeca Zone. It is a broad area containing a number of veins (including Rebeca, Isabella, Andres, La Palmita and Chocorron) predominantly striking NW-SE and flanking what is interpreted to be an overlying silica cap of El Sahino (Figure 3). Veins from the Rebeca Zone have typically recorded lower average rock chip gold grades than the veins further west-northwest, however have been interpreted to represent a higher level within the epithermal system. This is supported by the presence of the El Sahino silica cap lying to the south. It is interesting to note that the gold-in-soil anomalies of the Rebeca Zone appear to abut the silica cap, and the gold geochemistry in the cap is consistently at background levels – this is not uncommon in epithermal systems and may indicate a buried mineralised system. Anomalous gold values from the soil sampling in the **Rebeca zone include 248 and 209ppb Au** (74908 and 74867, respectively).

The prospectivity of the Rebeca Zone as a possible drill target is enhanced by the coincidence of strong arsenic (As) (up to 791ppm) and antimony (Sb) (up to 77ppm) anomalism, as shown in Figure 4. These elements can be representative of “upflow” or “outflow” zones from a buried source in an epithermal system. Previous mapping has also determined that the textures of quartz veins in the Rebeca Zone are indicative of the upper levels of an epithermal system.

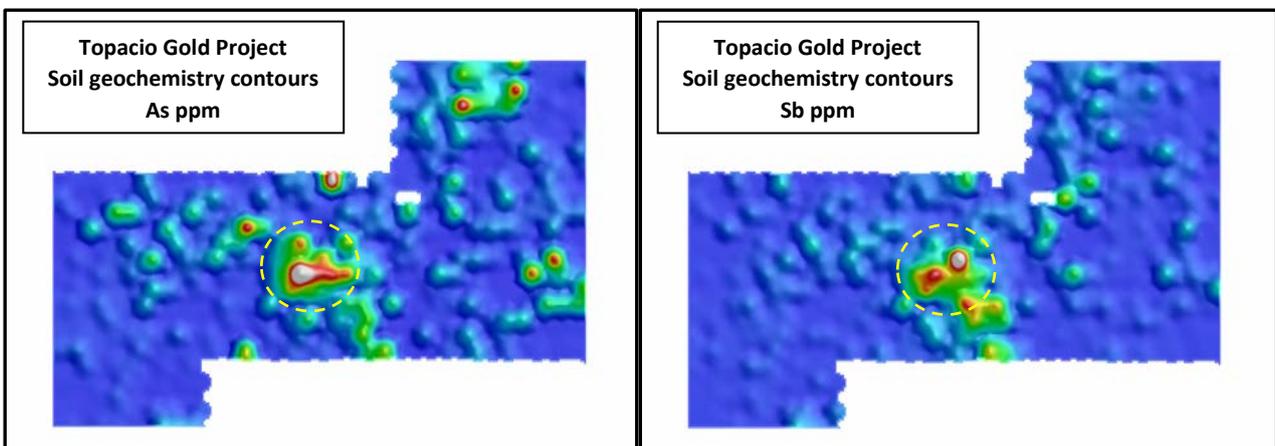


Figure 4 Schematic soil geochemistry contours – As (ppm) and Sb (ppm) – Rebeca Zone

At least two more zones display anomalous gold results, however are characterised by either multiple lower level anomalous results or by isolated very high gold results.

Zone 4 – Southern Anomaly

Zone 5 – Buena Vista Zone

4. Southern Anomaly

A single, highly anomalous gold result was obtained from the soil sampling near the southern tenement boundary, on the western flank of the El Sahino silica cap (Figure 3). The analysis of sample 74978 returned 226ppb Au, whilst surrounding samples were at background levels of 4ppb. The significance of this result will require additional ground follow up, to understand the relationship with the nearby silica cap.

5. Buena Vista Zone

The Buena Vista target was identified by Oro Verde during reconnaissance mapping and sampling in 2015, when rock chip samples displaying stockwork vein textures returned grades up to 3.35g/t Au and 50g/t silver (Ag). While further detailed mapping is required to understand this zone, the soil sampling has provided encouragement with multiple low level (21-41ppb Au) gold results (Figure 3). Background gold levels in this area of the concession are generally less than 10ppb Au.

Next Stage

Planning is well advanced to incorporate these soil results with recent field mapping and pending geophysical results, with a view to firming up and prioritising targets for drilling as soon as practicable.

TOPACIO PROJECT BACKGROUND

Oro Verde holds an Option to Purchase Agreement over the high grade Topacio Gold Project, located in southeastern Nicaragua (Figure 1). Details can be found in the announcement to the ASX dated 27 February 2015². The project contains 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

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 (Australia). 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.

For enquiries contact:

Mr Trevor Woolfe
Managing Director
+61 411 127 837

Mr Brett Dickson
Company Secretary
+61 8 9481 2555



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 holds an Option to Purchase Agreement to acquire 100% of the Topacio Gold Project in Nicaragua that contains a NI43-101 compliant Inferred Mineral Resource of 340,000 ounces of gold. A US\$7.9 million 5 year farm-in agreement was signed on November 25, 2015 with a subsidiary of global gold major - Newcrest Mining Limited (ASX: NCM) – to jointly explore for multi-million ounce gold deposits at Topacio. Oro Verde also holds 100% of the early stage San Isidro Gold Project, also in Nicaragua, located adjacent to the 2.3 million ounce La India gold project.*

² Refer to ASX announcement dated 27 February 2015 “Oro Verde Proceeds to Acquire Topacio Gold Project”

Table A Topacio soil geochemistry – Au (ppb) [only Au results >10 ppb]

Sample Number	Easting (m)	Northing (m)	Au (ppb) FA 130	Sample Number	Easting (m)	Northing (m)	Au (ppb) FA 130
73053	787,400	1,343,800	12	74816	780,201	1,339,800	19
73065	787,200	1,343,400	23	74817	780,600	1,339,800	14
73066	787,600	1,343,399	14	74821	781,821	1,339,819	197
73075	787,400	1,343,000	19	74831	780,400	1,339,400	36
73079	790,000	1,343,400	14	74832	780,800	1,339,400	113
73081	787,799	1,343,001	14	74834	781,600	1,339,400	202
73082	788,200	1,343,000	12	74840	783,601	1,339,398	14
73086	789,800	1,343,000	11	74852	787,601	1,339,397	11
73092	786,800	1,342,600	36	74853	788,001	1,339,402	11
73093	787,201	1,342,601	21	74861	780,604	1,339,003	70
73094	787,601	1,342,600	26	74862	781,000	1,339,000	274
73108	787,800	1,342,200	12	74866	782,200	1,338,999	75
73151	779,200	1,334,600	13	74867	782,600	1,339,000	209
73156	777,200	1,334,600	17	74870	783,800	1,339,000	72
73747	786,798	1,341,800	19	74889	780,399	1,338,600	36
73761	786,600	1,341,400	41	74891	781,202	1,338,599	36
73773	785,999	1,341,000	12	74892	781,606	1,338,628	22
73806	787,995	1,340,203	15	74893	782,000	1,338,599	12
73896	776,204	1,340,558	36	74894	782,400	1,338,600	149
73902	778,604	1,340,595	>1000	74896	782,800	1,338,600	31
73907	776,401	1,340,201	13	74897	783,200	1,338,600	35
73917	779,993	1,340,200	28	74902	780,200	1,338,200	11
73924	778,200	1,339,800	21	74903	780,600	1,338,200	>1000
73929	779,800	1,339,800	77	74907	781,800	1,338,200	33
73933	777,599	1,339,400	11	74908	782,198	1,338,199	248
73936	778,401	1,339,399	12	74909	782,599	1,338,200	180
73938	779,198	1,339,398	893	74911	783,001	1,338,203	126
73947	778,193	1,338,999	20	74912	783,400	1,338,197	13
73951	779,400	1,338,997	329	74913	783,802	1,338,201	44
73959	778,396	1,338,607	22	74922	781,999	1,337,801	34
73960	778,798	1,338,599	30	74923	782,397	1,337,801	40
73962	779,600	1,338,600	57	74924	782,800	1,337,799	19
73963	780,000	1,338,600	83	74926	783,202	1,337,798	75
73973	779,403	1,338,199	20	74927	783,601	1,337,799	11
73974	779,799	1,338,195	23	74942	783,799	1,337,403	11
73984	779,199	1,337,797	11	74943	784,200	1,337,399	12
73986	779,600	1,337,800	13	74967	782,602	1,336,598	33
73993	782,200	1,340,599	18	74978	781,200	1,336,197	226
74802	780,398	1,340,200	49				

Co-ordinate system UTM Zone 16 and datum NAD27 Central

Note: The majority of samples in this soil sampling program (490 samples or 86.4% of total samples collected) reported gold grades between 1ppb (the minimum detection level for the analytical method used) and 10 ppb Au. These values are not considered significant by the Company at this stage and hence are not reported individually here.

COMPETENT PERSON STATEMENTS

The information in this document that relates to Exploration Results is based on information compiled by Mr Trevor Woolfe BSc Hons (Geol), who is a Member of The Australasian Institute of Mining and Metallurgy and a Member of the Australian Institute of Geoscientists. Mr Woolfe is the Managing Director and a shareholder of the Company, and is employed through consultancy Shordean Pty Ltd. Mr Woolfe has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Woolfe consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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.

JORC Code, 2012 Edition – Table 1 (Completed by Oro Verde Limited)

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	<ul style="list-style-type: none"> Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information. 	<ul style="list-style-type: none"> Soil sampling is undertaken by utilising a hand held auger of approximately 1.2m total length with a sample collection length of 0.2m at a time. Each sample run is extracted from the hole and laid out and the different soil horizons identified by the geologist. Target horizon is the top of the C horizon, well below the transported surface material, testing the top levels of in situ weathered bedrock. Samples are not sieved at site due to moisture content. [Note: Prior to commencement of the program, four test pits to approximately 1.5m depth were dug in different parts of the concession for the geologists to observe the visual variability in different horizons of the soil profile and collect samples at different intervals vertically down each pit to test the geochemical variability of the different horizons.] In the soil sampling program, the Individual sample volume was generally in the range 1.5 to 2.5kg after coarse and organic material was removed. During the sample collection phase a spoonful of material was extracted from each sample in the grid and stored separately in plastic RC chip trays as a library sample and for possible follow up analysis by other multi-spectral methodologies. No additional analysis of these library samples has yet been undertaken. Sampling was undertaken on a systematic 400m x 400m offset grid pattern, located by GPS, across the concession to provide broad objective locational coverage to test the variability of the geochemistry of the underlying lithologies. Sample locations were amended at the geologist's discretion if the planned sample location was inaccessible. Sample locations were rehabilitated immediately after collection of the sample. Throughout the soil sampling campaign, samples were dried to 60 degrees C, and then sieved to produce 100gm of material passing through -80 mesh. A 30g charge was used for fire assay fusion analysis of Au Pt Pd by ICP-MS, while 0.25g was used for 4 acid digestion analysis of 45 elements by ICP-MS.
Drilling techniques	<ul style="list-style-type: none"> Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc). 	<ul style="list-style-type: none"> No drilling was undertaken in the current program
Drill sample recovery	<ul style="list-style-type: none"> Method of recording and assessing core and chip sample recoveries and results assessed. Measures taken to maximise sample recovery and ensure representative nature of the samples. Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material. 	<ul style="list-style-type: none"> No drilling was undertaken in the current program
Logging	<ul style="list-style-type: none"> Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining and metallurgical studies. Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. 	<ul style="list-style-type: none"> Soil samples were logged for their regolith features however will not be used in any Mineral Resource estimation or advanced studies. Logging is considered to be qualitative given the nature of soil sampling. Photographs of the samples and their locations have

Criteria	JORC Code explanation	Commentary
	<ul style="list-style-type: none"> The total length and percentage of the relevant intersections logged. 	<ul style="list-style-type: none"> been taken. Not relevant as no drilling in current program
Sub-sampling techniques and sample preparation	<ul style="list-style-type: none"> If core, whether cut or sawn and whether quarter, half or all core taken. If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. For all sample types, the nature, quality and appropriateness of the sample preparation technique. Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. Whether sample sizes are appropriate to the grain size of the material being sampled. 	<ul style="list-style-type: none"> No drilling was undertaken in the current program. Soil samples were generally humid and hence were subjected to drying to 60 degrees C at the sample preparation stage in the laboratory. Sample prep techniques used by the laboratory were considered appropriate for regional style soil samples. Field duplicates were submitted each 20th sample in the sequence. The laboratory also conducted internal repeats at variable intervals between each 10 to 20 samples (average was every 16 samples). Both field duplicates and laboratory repeats were within acceptable ranges. A number of samples were selected from the first batch of soil samples and inserted every 30th sample within subsequent batches to determine the consistency of analyses between batches. A sample size of 1.5 to 2.5kg was collected and considered appropriate and representative for the grain size and style of mineralisation being explored.
Quality of assay data and laboratory tests	<ul style="list-style-type: none"> The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total. For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc. Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established. 	<ul style="list-style-type: none"> ACME Laboratories (Bureau Veritas) (Managua and Vancouver) were used for all analysis work carried out on the soil samples. The laboratory techniques below are for all samples submitted to ACME and are considered appropriate for the style of mineralisation expected at the Topacio Gold Project: <ul style="list-style-type: none"> Dry at 60degC SS80 – dry at 60degC sieve 100g to -80 mesh SLBHP – sort label and box pulps for delivery to Vancouver FA130 - Fire assay fusion Au Pt Pd by ICP-MS (30g) MA200 – 4 Acid digestion ICP-MS analysis of 45 elements (0.25g) No other analytical tools used in the current program Field duplicates were submitted every 20 samples. Selected samples from the first batch of soil analyses were re-submitted with each subsequent batch to maintain control over the variability of analyses in different batches. 60g packets of two separate commercial standards (OREAS 45d and OREAS 45e) were purchased from ORE Pty Ltd (Melbourne) and inserted alternately in the sample string each 10 samples. The lab undertook duplicate analysis at a ratio averaging 1 in 16 samples. Where over range results were obtained, it was not deemed necessary to repeat the individual samples with alternative methodologies for more accurate readings. The lab undertook tests on in-house standards and blanks. Results were deemed to be within the expected accuracy levels. No external laboratory checks have yet been undertaken.
Verification of sampling and assaying	<ul style="list-style-type: none"> The verification of significant intersections by either independent or alternative company personnel. The use of twinned holes. Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols. Discuss any adjustment to assay data. 	<ul style="list-style-type: none"> Significant results have been reviewed by company technical personnel as well as senior geochemists and geologists from Newcrest Limited. Selected significant results may be subjected to follow up soil sampling on a closer spaced grid at a later date. No drilling was undertaken in the current program, hence twinned holes are not relevant. Descriptions of each sample location and each sample were recorded by the geologist and technician in the field. This data was transferred daily from field notebooks and GPS devices into an Excel database. Analytical data has been uploaded directly from laboratory files into a GIS system for verification of data and locations. No adjustments of assay data were undertaken.
Location of data points	<ul style="list-style-type: none"> Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation. Specification of the grid system used. Quality and adequacy of topographic control. 	<ul style="list-style-type: none"> Garmin Oregon 600 and Garmin eTrex Vista HCx hand-held GPS units were used to define the location of the samples. The GPS was left at the sample point for a minimum period of 2 minutes to obtain a steady reading. Sample locations are considered to be accurate to within 5m. Grid system used is UTM Zone 16 with datum NAD27 Central. A good topographical base has been produced using orthorectified aerial photos with 5m contours. Any variability in GPS elevation measurements during sampling can be projected onto the topographical base.
Data spacing and distribution	<ul style="list-style-type: none"> Data spacing for reporting of Exploration Results. Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied. Whether sample compositing has been applied. 	<ul style="list-style-type: none"> Data spacing (sample spacing) is at 400m x 400m on an offset grid and considered appropriate for an initial regional soil program. This sampling method not appropriate for resource estimation No sample compositing was undertaken nor appropriate
Orientation of data in relation to geological	<ul style="list-style-type: none"> Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type. If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have 	<ul style="list-style-type: none"> For this regional scale soil sampling program a regular 400m x 400m offset grid is considered to be unbiased and hence appropriate for an initial understanding of the structures across the entire concession. Only a small part of the concession has been explored in any significant detail in the past – within this

Criteria	JORC Code explanation	Commentary
structure	<i>introduced a sampling bias, this should be assessed and reported if material.</i>	<p>area, a number of different vein and structural orientations have been identified, again supporting the use of a regular offset grid on the remainder of the concession.</p> <ul style="list-style-type: none"> No drilling was undertaken in the current program. No sampling bias is considered to have been introduced in the program.
Sample security	<ul style="list-style-type: none"> <i>The measures taken to ensure sample security.</i> 	<ul style="list-style-type: none"> The chain of custody is managed by the senior Company representative who places plastic sample bags in polyweave sacks. Up to 10 calico sample bags are placed in each sack and sealed with ziplock ties. Each sack is clearly labelled with: <ul style="list-style-type: none"> Company name Name of laboratory Sample number range Samples were delivered by senior Company personnel directly to the ACME Laboratory in Managua. Detailed records are kept of all samples that are dispatched. The laboratory maintains its own secure sample custody when transporting prepared samples or pulps from the Managua sample preparation laboratory to the Vancouver analytical laboratory.
Audits or reviews	<ul style="list-style-type: none"> <i>The results of any audits or reviews of sampling techniques and data.</i> 	<ul style="list-style-type: none"> A sampling protocol was introduced by Newcrest technical staff prior to the commencement of the program. The protocol was then taught to each of the sampling personnel and managed by the geologist on each sampling team.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	<ul style="list-style-type: none"> <i>Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.</i> <i>The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.</i> 	<ul style="list-style-type: none"> The Topacio Gold Project is a Nicaraguan mining concession, known as Presillitas, held by Topacio S.A, and located approximately 200km east of Managua. Oro Verde Limited (OVL) holds an Option to Purchase Agreement over the concession through its 100% owned subsidiary Minera San Cristobal SA (MSC). In November 2015, OVL/MSC signed a farm-in agreement with Newcrest International Pty Ltd (Newcrest) (a subsidiary of Newcrest Mining Ltd of Australia) whereby Newcrest can earn up to 75% in the Topacio Gold Project through staged investments into the project. Newcrest and MSC will jointly explore the project, however MSC will continue to manage exploration activities on the project. Newcrest has the option to take over management of the project once it has reached 51% equity in the project, subject to expenditure milestones and other conditions. The concession is in good standing and no known impediments exist (see map elsewhere in this report for locations).
Exploration done by other parties	<ul style="list-style-type: none"> <i>Acknowledgment and appraisal of exploration by other parties.</i> 	<ul style="list-style-type: none"> Previous exploration of the Topacio Gold Project has consisted of mapping, stream sampling, rock chip sampling, soil sampling, trenching, diamond drilling and feasibility studies in 3 main periods: <ul style="list-style-type: none"> 1980s – CPRM (Brasil) 1990s – Triton Mining (Canada) 2010-2013 – FDG Mining/Tango Gold (Canada) <p>The latter group has produced resource estimates that are consistent with NI 43-101 (Canadian) standards.</p> CPRM activities were undertaken at a time when compliance with standards such as JORC (Australian) and NI 43-101 (Canadian) did not exist. The quality of the data is thus difficult to appraise. Core samples from that phase of drilling are not known to be in existence. Triton activities were undertaken during the mid 1990's when quality control and QA/QC procedures and reporting standards were in the process of significant improvements. Information and data provided in Triton reports appears to be of reasonable quality, however OVL has not undertaken any specific checks, as trenches have been rehabilitated and core samples are not known to be in existence. FDG /Tango activities were undertaken under NI 43-101 guidelines and standards and are considered to be of reasonable quality. Core from FDG drilling is being stored in a secure location near the project area and is in reasonable condition.
	<ul style="list-style-type: none"> <i>Deposit type, geological setting and style of mineralisation.</i> 	<ul style="list-style-type: none"> The Topacio Gold Project is a low sulphidation epithermal gold-silver vein type system (along with stockworks and brecciation) set in a sequence of tertiary volcanics – essentially of andesitic and basaltic composition. The project is located in the SE of Nicaragua in the province known as

Criteria	JORC Code explanation	Commentary
		<p>RACCS (South Caribbean Coast Autonomous Region).</p> <ul style="list-style-type: none"> The main veins are NE striking and dipping steeply and variably to the NW and SE. Other veins in the broader concession strike NW and are also steeply dipping. Veins are generally up to 3m wide but in places may blow out to widths of more than 20m.
Drill hole Information	<ul style="list-style-type: none"> A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> easting and northing of the drill hole collar elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar dip and azimuth of the hole down hole length and interception depth hole length. If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case. 	<ul style="list-style-type: none"> No drilling was undertaken in the current program
Data aggregation methods	<ul style="list-style-type: none"> In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated. 	<ul style="list-style-type: none"> No data aggregation methods have been applied
Relationship between mineralisation widths and intercept lengths	<ul style="list-style-type: none"> These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg 'down hole length, true width not known'). 	<ul style="list-style-type: none"> This is not relevant to the current regional scale soil sampling program. As mentioned previously, the known gold bearing veins are generally <10m in thickness. The soil sampling grid is 400m x 400m. Consequently, the soil sampling program is designed to test the underlying multi element geochemistry of the broader host system rather than specific veins.
Diagrams	<ul style="list-style-type: none"> Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views. 	<ul style="list-style-type: none"> Appropriate maps relevant to the current sampling program are available in the body of this report.
Balanced reporting	<ul style="list-style-type: none"> Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results. 	<ul style="list-style-type: none"> Reporting of Oro Verde Limited results in this report is considered balanced. The prime objective is to observe the variability of gold results in the soil geochemistry. No other elements are considered significant, unless stated in the text of the report. The majority of samples in this soil sampling program (490 samples or 86.4% of total samples collected) reported gold grades between 1ppb (the minimum detection level for the analytical method used) and 10 ppb Au. These values are not considered significant by the Company at this stage and hence are not reported individually in this report.
Other substantive exploration data	<ul style="list-style-type: none"> Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances. 	<ul style="list-style-type: none"> In addition to the current soil geochemistry program, other technical work completed by OVL on the Topacio project includes reconnaissance rock chip sampling, geological mapping and airborne geophysics (magnetics and radiometrics). Where relevant in the context of the geochemical sampling program, these other programs are referred to in this report Note that results of the airborne geophysics completed over the past months are yet to be finalized and hence are not referred to in this report.
Further work	<ul style="list-style-type: none"> The nature and scale of planned further work (eg tests for lateral extensions, depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive. 	<ul style="list-style-type: none"> The Company is currently reviewing all available data on the project and formulating its ongoing work program in the context of results received from recent geological mapping, soil geochemistry and the pending airborne geophysical results. The activities are designed to provide sufficient information to define and prioritise targets for drill testing. The data review may conclude that more detailed geological mapping/sampling and/or infill closer spaced soil geochemistry sampling is required better define some targets. Preliminary indications of areas requiring further follow up are shown elsewhere in this report.