



Oro Verde takes Nicaraguan option

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FATE is a fickle mistress. If things had gone to plan last year ASX-listed junior Oro Verde would have raised \$A1.5 million and snapped up Argentina Mining's Cerro Blanco, Amiches, and San Francisco projects. However, it was not to be and the company was able to find its "new golden frontier" in under-explored Nicaragua.

Last year chairman Dr Wolf Martinick and technical director Dr Brad Farrell tipped in some \$300,000 of their own money to raise just \$557,000, one third of what was needed for the Argentinean assault.

Shareholders might have been bitter over the failure of drilling at the former flagship Timon copper project to define the expected copper porphyry system in Chile despite the presence of a large induced polarisation anomaly and associated chalcopyrite and chalcocite mineralisation.



Trevor Woolfe.

With the Argentinean initiative in tatters, Oro Verde regrouped and marched north to Nicaragua, a nation probably best remembered for the Sandanista uprising, the Iran-Contra affair, and the follies of American imperialism.

"You would have heard a lot about Nicaragua in the 1970s and 1980s on the news, but not much since then since they pretty much have everything under control and they are moving in a pretty positive direction," Oro Verde managing director Trevor Woolfe said.

"On my first visit in 2012 one thing that hit me was that it was a country of untapped potential, which Oro Verda is very happy to take advantage of."

Woolfe told the RIU Explorers' Conference in Fremantle yesterday that Nicaragua had "turned itself around", had enjoyed a stable democracy for more than 20 years, and had become recognised as one of the safest countries in Central America to do business.

Last August the company struck terms with Nicaragua-focused gold and copper explorer Goldcap Resources, set up by Tony Rovira and Brett Dixon, to target the San Isidro project located immediately adjacent to and along mineralised strike from a 2.4 million ounce gold resource in the nation that has a history of mining stretching back to the era of the Spanish Conquistadors in the 1500s.

Having established itself in the country, Oro Verde was able to secure an option over the advanced high grade Topacio gold project where there is a historical NI 43-101 compliant inferred gold resource of 2,716,176 tonnes at 3.9 grams per tonne for 340,345 ounces offering a potential early production play.

Having completed due diligence, including rock chips that returned assays as high as 13.1gpt, often associated with high grade silver results, above 100gpt in some cases, Oro Verde has confirmed the high grade potential of the mineralised gold vein system and elected to exercise its option.

It will pay the vendor, Minera San Cristobal, \$US1.5 million in cash plus either a royalty or a \$US1/oz resource payment, and will require the company to commit to a \$US2 million work program. The option cost \$US240,000 to secure.

The Sandinista revolution in the 1970s and 1980s meant Nicaragua, which covers an area twice the size of Tasmania, missed out on the '80s and '90s gold booms, and so while there's 34 Moz in Nicaragua and surrounding nations there has been very little modern exploration.

The nation was once one of the world's top 10 gold exporters in the 1950s with a gold endowment of 14 Moz produced to date.

There has been a resurgence of interest since 2009 and Canada's B2 Gold and UK-based Condor Gold have helped gold production surge fivefold.

"Topacio is a very important project," Woolfe explained.

"It is fantastic for us to get on the ground in the country with a project that has more than 340,000oz in resources at almost 4gpt gold."

With a gold resource already in existence, Woolfe hopes exploration can add to that, and that Oro Verde can then get it into production by using one of the mobile plants that are popular in the nation.

The government is encouraging that in a bid to minimise mercury use by the country's many artisanal miners.

The Topacio resource is within 11 steeply dipping epithermal veins, and there is plenty of reason to expect further mineralisation can be identified.

San Isidro has taken a bit of a back seat, but remains an interesting early stage project in the same sorts of geology.

It sits near the La India mine, and it is expected that the southwest/northeast trending veins that are known near the working mine will continue on into the San Isidro concession.

"Most of our time will be spent on Topacio but we will kick this one along, and just see if we can find some gold-bearing quartz veins, but there has been very little work done to date," Woolfe said.

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