

## QUARTERLY REPORT FOR THE PERIOD ENDING 31 MARCH 2015

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### HIGHLIGHTS

- ❖ **Oro Verde proceeds with option to purchase the high grade Topacio Gold Project in Nicaragua following a positive due diligence review for the 340,000oz gold resource**
- ❖ **Rock chip sample results confirm high grade gold potential in the Topacio resource area:**
  - **Topacio vein - up to 12.3 g/t gold and >100g/t silver**
  - **Dos Amigos vein - up to 13.1 g/t gold**
- ❖ **Strong gold and silver results in the broader epithermal vein system further to the east indicate potential for resource expansion**
  - **Su Majestad vein - up to 14.1 g/t gold and 58g/t silver**
  - **Topacio NE vein - up to 6.6 g/t gold and >100 g/t silver**
- ❖ **Silica textures in the south of the project area reflect a possible sinter zone, often associated with underlying mineralised epithermal systems.**
- ❖ **Mr Trevor Woolfe appointed as Managing Director**

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**Oro Verde Limited (ASX: OVL)** (“Oro Verde” or “the Company”) is pleased to provide its quarterly report for the period ending 31 March 2015.

### **TOPACIO GOLD PROJECT**

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

As a result of the positive due diligence report, the Board of Oro Verde agreed to proceed with the Option to Purchase Agreement, under conditions detailed in the release dated 27 February 2015<sup>2</sup>.

Initial high grade gold (Au) and silver (Ag) results from rock chip sampling provide strong support for the potential of the project, not only in the area of the existing resource but also in under-explored portions of this large mineralised epithermal vein system.

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

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





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

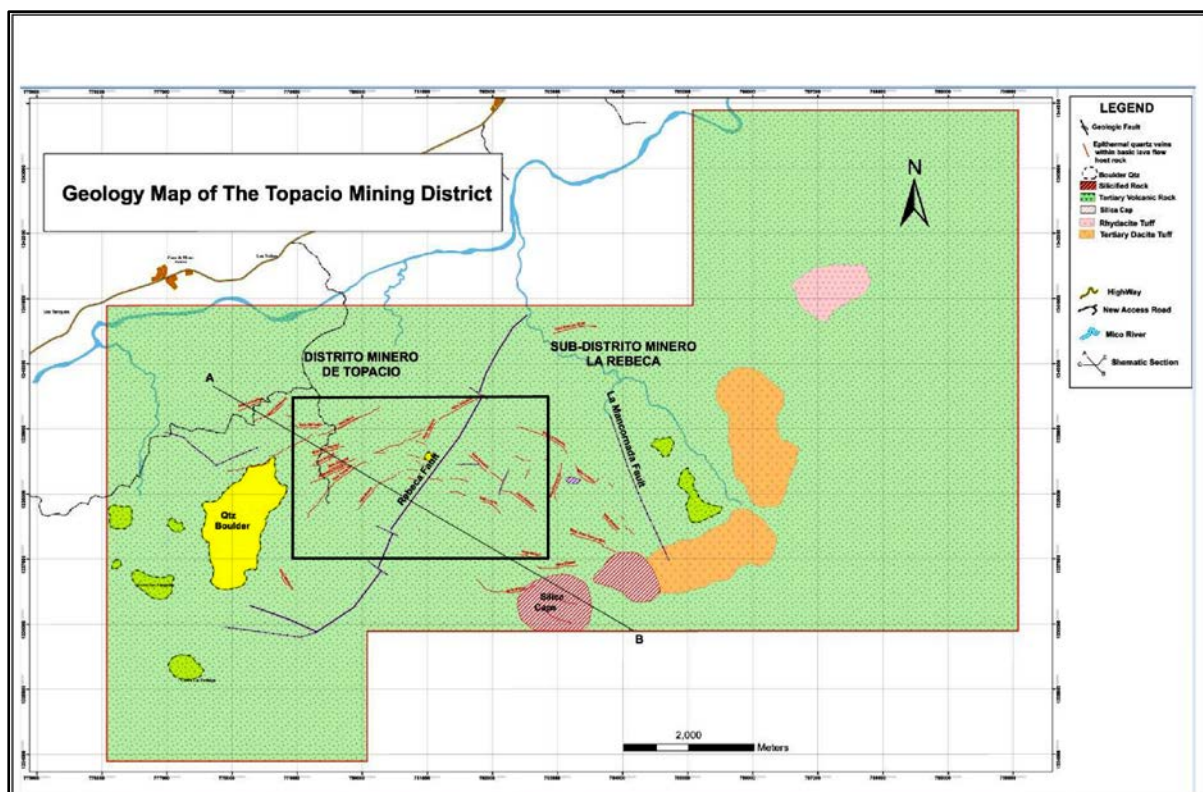


Figure 2 Topacio – Mining concession (red outline)

## ROCK CHIP SAMPLING

**Phase 1** sampling<sup>3</sup> by the Company at Topacio focused on two areas enclosed within the black rectangle of Figure 2. The westernmost of the two areas covered a series of veins that make up a large part of the existing resource – namely the Mico, Dos Amigos, Topacio and Brasil veins (“vetas”) (sample numbers TR001-012) (Figure 3). The other area visited in Phase 1 centred on the under-explored Isabella-Rebeca line of veins that is known to extend for over 1.2 kilometres (TR013-020) (Figure 3).

All nine quartz vein samples collected from the **Mico-Dos Amigos-Topacio veins** returned high grade **gold results in the range 3.29 to 13.1 g/t Au** (Table 1) and display epithermal textures. Three of these samples (TR008-010) were collected from ore piles at the entrance to ~20m deep shafts along the Topacio vein and returned gold grades of 5.51 g/t, 5.78 g/t and 12.3 g/t Au, respectively, thus supporting the continuation of gold grades at depth. Importantly, all three of these samples returned silver grades above 100 g/t Ag (upper limit of detection of this analysis method) (Table 1).

Two surface samples collected from the Brasil vein, some 500m to the southeast of the Topacio workings, also returned anomalous gold results around 1-1.5 g/t Au (Figure 3 and Table 1).

The **Isabella-Rebeca** line of quartz veins is located 2 kilometres east of the Topacio group veins, and in contrast to the NE-SW strike of the latter veins, the Isabella-Rebeca veins strike NW-SE (Figure 3). The major focus of previous exploration has been on the Topacio group veins, which leaves the Isabella-Rebeca veins comparatively under-explored. Encouraging, **gold grades up to 2.54 g/t Au** (samples TR013-020 - Table 1) were returned from exposed epithermal quartz veins. The sampling only covered around 400m of the >1.2km of strike, supporting the potential for discovery of significant additional gold mineralisation in other parts of the expansive 9,300 hectare concession.

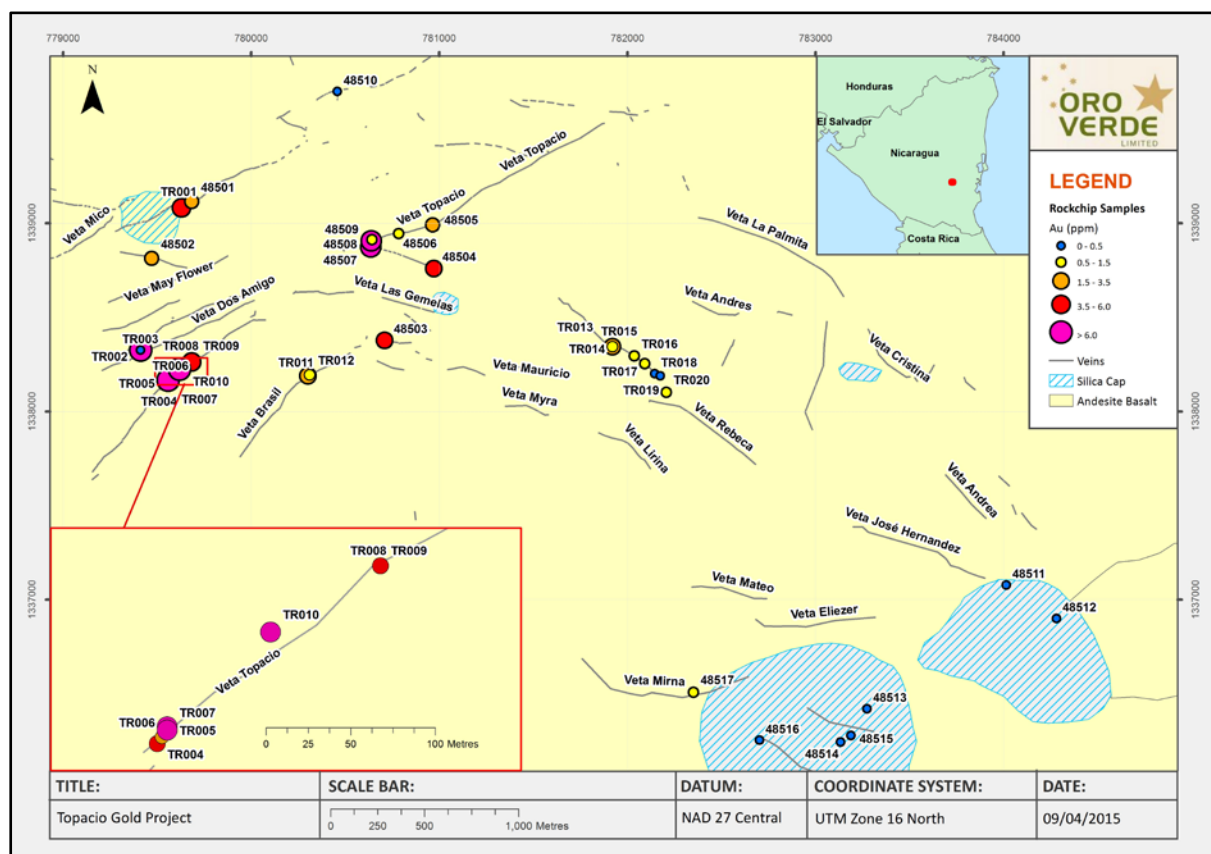


Figure 3 Topacio Gold Project – OVL rock chip sampling results

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

**Phase 2** rock chip sampling<sup>4</sup> focused on assessment of the potential for both expansion of the existing gold resource, and for new targets over the broader tenement area.

Strong gold and silver results from outcropping quartz veins to the northeast of the main resource area confirm the continuation of the mineralised system and indicate potential for resource expansion in this area. The first ten samples (48501-48510) from this second phase were collected from an area to the north (Mico and Lone Star veins) and northeast (Topacio NE, Su Majestad and Canada veins) - of the existing gold resource (Figure 3).

Two samples (48501-02) were collected from the **Mico and Lone Star** veins, returning assays of **3.01 and 3.24 g/t Au**, consistent with first phase results<sup>3</sup> from the Mico-Topacio resource area. Seven samples (48503-09) were collected from the **Su Majestad - Topacio NE - Canada** epithermal veins and returned highly encouraging gold results, ranging from **2.01 to 14.1 g/t Au**. One sample (48508) also returned >100g/t silver (Table 1). Vein widths in the area are in the 1–3 metre range and display classic epithermal textures such as colloform banding and chalcedonic quartz, with local hydrothermal brecciation.

### **Silica Cap**

Previous explorers identified an area near the southern border of the tenement as having a “silica cap” (Figures 2 and 3), but it has subsequently undergone very little systematic exploration. The Company’s geologists identified the zone as consisting of strongly silicified to completely silica replaced flat-lying volcanoclastic rocks. Low temperature, laminated cherts are also prominent, and locally display brecciation. The area may represent a sinter zone.

*A sinter zone is a silica rich surface deposit, typically developed above a low sulphidation epithermal system. While sinter zones themselves are often barren of economic mineralisation, the underlying epithermal system often consists of vein or stockwork style mineralisation and can be enriched in gold and silver, with lesser base metal development.*

Consistent with this thesis, the six rock chip samples reported from the possible sinter zone (48511-16) were relatively unmineralised, ranging from below detection (<0.005ppm Au) to 0.16 g/t Au<sup>4</sup>. However in contrast, a sample collected from the Mirna vein (48517), on the west side of the silica cap zone, returned an encouraging 0.59 g/t Au (Figure 3 and Table 1) along with anomalous silver, copper, antimony, arsenic, barium and vanadium - elements indicative of a low sulphidation epithermal system.

Additional exploration activities are being planned to systematically review this silica cap (or sinter?) zone and surrounding veins, to test for the possibility of a buried epithermal Au-Ag system.

### **WORK PROGRAM**

1. The Company’s Nicaraguan team is currently finalising a work program that will focus on:
  - a. Expansion of the existing gold resource, and
  - b. Identification of new targets within the broader project area
2. Initial priority is being given to ensuring all necessary permits and access have been granted
3. A drilling program will be formulated for later in 2015, with commencement subject to all necessary permits being confirmed
4. Reconnaissance exploration – mapping and geochemistry – to identify new zones of mineralisation and targets.

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<sup>4</sup> Refer to ASX announcement dated 22 April 2015 “Additional High Grade Results at Topacio Gold Project”

**Table 1 Topacio - Details of Oro Verde sampling and precious metal results >0.5 g/t Au**

SAMPLE NUMBER	NORTHING	EASTING	VEIN	SAMPLE TYPE	Au (g/t)	Ag (g/t)
TR001	1,339,081	779,630	Mico	Rock chip – qtz vein	<b>3.68</b>	<b>36.7</b>
TR002	1,338,326	779,413	Dos Amigos	1m channel - qtz vein	<b>13.10</b>	<b>13.6</b>
TR004	1,338,157	779,552	Topacio	Rock chip – breccia vein	<b>4.84</b>	<b>12.6</b>
TR005	1,338,167	779,558	Topacio	1m channel across breccia vein	<b>6.93</b>	4.5
TR006	1,338,161	779,555	Topacio	0.6m channel – veined wallrock	<b>3.29</b>	1.5
TR007	1,338,165	779,558	Topacio	0.3m channel – qtz vein	<b>6.22</b>	3.0
TR008	1,338,262	779,684	Topacio	3 large samples from ore pile	<b>5.51</b>	<b>&gt;100.0</b>
TR009	1,338,262	779,684	Topacio	Single sample from ore pile	<b>5.78</b>	<b>&gt;100.0</b>
TR010	1,338,223	779,619	Topacio	5 small samples from ore pile	<b>12.30</b>	<b>&gt;100.0</b>
TR011	1,338,194	780,310	Brasil	Rock chips – qtz vein	0.97	2.2
TR012	1,338,189	780,301	Brasil	Rock chips – qtz vein	<b>1.50</b>	5.7
TR013	1,338,344	781,920	Rebeca NW	Rock chips – qtz vein	0.53	2.0
TR014	1,338,344	781,920	Rebeca NW	Rock chips – qtz vein	0.96	1.5
TR015	1,338,344	781,920	Rebeca NW	Rock chips – qtz vein	<b>2.54</b>	<b>14.1</b>
TR016	1,338,294	782,036	Rebeca	Rock chips – qtz vein	0.72	1.2
TR017	1,338,253	782,092	Rebeca	Rock chips – qtz vein	<b>1.22</b>	0.7
TR020	1,338,101	782,207	Rebeca	Rock chips – qtz vein (trench)	0.55	1.3
48501	1,339,115	779,684	Mico	Rock chips – qtz vein	<b>3.01</b>	5.6
48502	1,338,813	779,471	Lone Star	Rock chips – qtz vein	<b>3.24</b>	3.2
48503	1,338,377	780,709	Canada	Rock chips – qtz vein	<b>3.91</b>	<b>11.0</b>
48504	1,338,759	780,971	Su Majestad	Rock chips – qtz vein	<b>4.19</b>	5.5
48505	1,338,991	780,964	Topacio NE	Rock chips – qtz vein	<b>2.01</b>	1.6
48506	1,338,945	780,784	Topacio NE	Rock chips – breccia sample	0.54	<b>12.2</b>
48507	1,338,874	780,635	Su Majestad	Rock chips – qtz vein	<b>14.10</b>	<b>58.4</b>
48508	1,338,906	780,638	Topacio NE	Rock chips – qtz vein	<b>6.55</b>	<b>&gt;100.0</b>
48509	1,338,912	780,642	Topacio NE	Rock chips – silicified breccia	0.90	8.5
48517	1,336,507	782,351	Mirna	Rock chips – tuff w breccia/veins	0.59	8.6

*Co-ordinate system UTM Zone 16 and datum NAD27 Central*

*Refer to ASX announcements for full Au/Ag results<sup>3,4</sup>*

## BACKGROUND

The 93 km<sup>2</sup> Topacio Gold Project concession contains a number of artisanal gold mine workings with the main gold showings of importance consisting of generally east-northeast striking and northwest steeply dipping, one to three metre wide epithermal quartz veins, six of which were mined in the period from 1900 to 1917, with an estimated 160,000 tonnes grading approximately 8 g/t gold and 80 g/t silver extracted.

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.

**SAN ISIDRO GOLD PROJECT (Nicaragua - 100% OVL)**

Oro Verde is the holder of a 2,520 hectare mining concession located adjacent to the 2.3 million ounce La India gold resource (Condor Gold plc) in northwestern Nicaragua (Figure 1). The San Isidro Gold Project adjoins the eastern boundary of the La India Project. One of Condor’s deposits is the historical Cristalito gold mine on which a small, high grade gold deposit has been identified. Hosted within quartz veins and shear zones, this mineralised zone appears to trend northeasterly into the San Isidro property.

The Company is currently awaiting approval for its environmental and community requirements prior to a reconnaissance mapping and sampling program anticipated for mid-2015.

**CORPORATE**

On 25 February, Mr Trevor Woolfe was appointed as Managing Director of Oro Verde Limited. Mr Woolfe held the position of Chief Executive Officer since last year’s AGM and is an experienced and highly regarded industry professional.

As at 31 March 2015, the Company had 359,531,737 shares on issue and \$307,000 cash on hand.

**Schedule of Mining Tenements Owned**

Common name	Location	Nature of Interest	Interest at beginning of quarter	Interest at end of quarter
<i>San Isidro – 1351</i>	<i>Nicaragua</i>	<i>Owned</i>	<i>100%</i>	<i>100%</i>
<i>Presillitas (Topacio)- 39</i>	<i>Nicaragua</i>	<i>Option</i>	<i>0%</i>	<i>0%</i>

For enquiries contact:

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 Company Secretary  
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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 secured an Option to Purchase Agreement over 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 2.3 million ounce La India gold project.



**Nicaragua – the Centre of the Americas**

**COMPETENT PERSON STATEMENTS**

The information in this document that relates to Exploration Results is extracted from the following reports: “High Grade Potential at Topacio Confirmed” created on 3 February 2015 and “Additional High Grade Results at Topacio” created on 22 April 2015; all completed under Mr Trevor Woolfe as Competent Person and 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 announcements and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcements 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 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](http://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.

# Appendix 5B

## Mining Exploration Entity Quarterly Report

Name of entity

Oro Verde Limited

ABN

84 083 646 477

Period ended ("current quarter")

31 March 2015

### Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter	Year to date (9 months)
		\$A'000	\$A'000
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for	(59)	(71)
	(a) exploration and evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) administration	(159)	(537)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	1	8
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other	-	-
	<b>Net Operating Cash Flows</b>	<b>(217)</b>	<b>(600)</b>
<b>Cash flows related to investing activities</b>			
1.8	Payment for purchases of:	(14)	(14)
	(a) prospects	-	-
	(b) equity investments	(1)	(2)
	(c) other fixed assets	-	-
1.9	Proceeds from sale of:	-	-
	(a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	<b>Net investing cash flows</b>	<b>(15)</b>	<b>(16)</b>
1.13	Total operating and investing cash flows (carried forward)	(232)	(616)



**Appendix 5B**  
**Mining Exploration Entity Quarterly Report**

1.13	Total operating and investing cash flows (brought forward)	(232)	(616)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	617
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other	-	(40)
	<b>Net financing cash flows</b>	-	577
	<b>Net increase (decrease) in cash held</b>	(232)	(39)
1.20	Cash at beginning of quarter/year to date	536	334
1.21	Exchange rate adjustments to item 1.20	3	12
1.22	<b>Cash at end of quarter</b>	307	307

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Curent quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	72
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 includes aggregate amounts paid to directors including salary, consulting fees, directors' fees and superannuation.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

N/A
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**Appendix 5B**  
**Mining Exploration Entity Quarterly Report**

**Financing facilities available**

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	NIL	NIL
3.2 Credit standby arrangements	NIL	NIL

**Estimated cash outflows for next quarter**

	\$A'000
4.1 Exploration and evaluation	100
4.2 Development	-
4.3 Production	-
4.4 Administration	150
<b>Total</b>	250

**Reconciliation of cash**

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current period \$A'000	Previous period \$A'000
5.1 Cash on hand and at bank	274	503
5.2 Deposits at call	33	33
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	307	536

**Changes in interests in mining tenements**

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements relinquished, reduced or lapsed	-	-	-
6.2	Interests in mining tenements acquired or increased	-	-	-

**Appendix 5B**  
**Mining Exploration Entity Quarterly Report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference +securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	359,531,737	359,531,737		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs				
7.5 <b>+Convertible debt securities</b> <i>(description)</i>				
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>			<i>Exercise price</i>	<i>Expiry date</i>
	2,500,000	-	\$0.20	10 January 2016
	1,000,000	-	\$0.04	31 March 2016
	73,000,000	-	\$0.01	30 September 2017
	73,000,000	-	\$0.05	30 September 2019
7.8 Issued during quarter	2,000,000	-	\$0.01	30 September 2017
	2,000,000	-	\$0.05	30 September 2019
7.9 Exercised during quarter				
7.10 Expired during quarter				
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>				

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 4).
- 2 This statement does give a true and fair view of the matters disclosed.



Sign here: ..... Date: 29 April 2015  
Company Secretary

Print name: Brett Dickson

## Notes

- 1 The report provides a basis for informing the market how the entity's activities have been financed for the past period and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 1022: Accounting for Extractive Industries* and *AASB 1026: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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