

25 October 2013

COMMENCEMENT OF DRILLING ON TIMON PROJECT, CHILE

Oro Verde Limited (ASX:OVL) ("Oro Verde" or "the Company") is pleased to announce to Shareholders the commencement of a first pass 1,800m Reverse Circulation ("RC") drilling program on the Timon Project, located 75km southeast of the city of Copiapo in Region 3 of Chile, refer Figure 1.

The drill target area of interest is the central, 1 to 2km wide by 3.5km long, portion of the north-south trending Sierra El Timon ridge at 3,200m elevation. The target has a moderate to strongly leached gossanous iron oxide cap, termed a "lithocap", that usually defines and overlays the shallow oxide parts of porphyry copper sulphide systems, typically above the main Cu-(Au/-Mo) zone.

Since the Project's acquisition in early June 2013, Oro Verde has fast tracked exploration activities, specifically geochemical and geophysical programs over the target. Geophysical surveys [Induced Polarisation (IP) and magnetics] have returned very favourable results. A prominent area of demagnetisation, a typical magnetic response over a porphyry system, is coincident with the lithocap, whilst the IP data outlines a strong chargeability anomaly that is at least 1km wide and 3.5km long. Depending on topography, the chargeability anomaly commences from 50 to 150m depth and appears to extend to depths of more than 800m, the limit of the IP survey. The Company's geophysical consultant considers the IP anomalies observed on Timon ridge over the lithocap to be consistent with expected anomalies in this geologic belt over a leached lithocap underlying a copper or copper-gold porphyry system at depth with the probable chargeable source being primary sulphide mineralisation (typically pyrite-chalcopyrite).

A stream sediment sampling program over the project area has also defined a copper anomaly over the ridge, specifically over the area of the central IP anomaly, refer Figure 2. Historic, mineragraphic results of iron oxide lithocap samples, taken over 4km of ridge strike also supports the probable presence of a copper mineralised porphyry system at depth. Seven of 12 iron oxide lithocap samples revealed trace to scarce fine grained copper sulphide minerals, chalcopyrite and chalcocite within the iron oxide matrix. Four of these samples lie within the copper anomaly and to a lesser extent the IP anomaly, refer Figure 2.

Timon ridge is now considered to be a substantial porphyry copper target with the possibility of a significant chalcocite enrichment blanket over primary sulphides at depth. Track access and pads are still being prepared to allow testing of aspects of the IP anomaly underlying the lithocap by first pass RC drilling, refer Figure 3. However, this work has advanced to the extent that drilling has been able to commence on 24 October 2013. The drilling program is outlined on Figure 2.

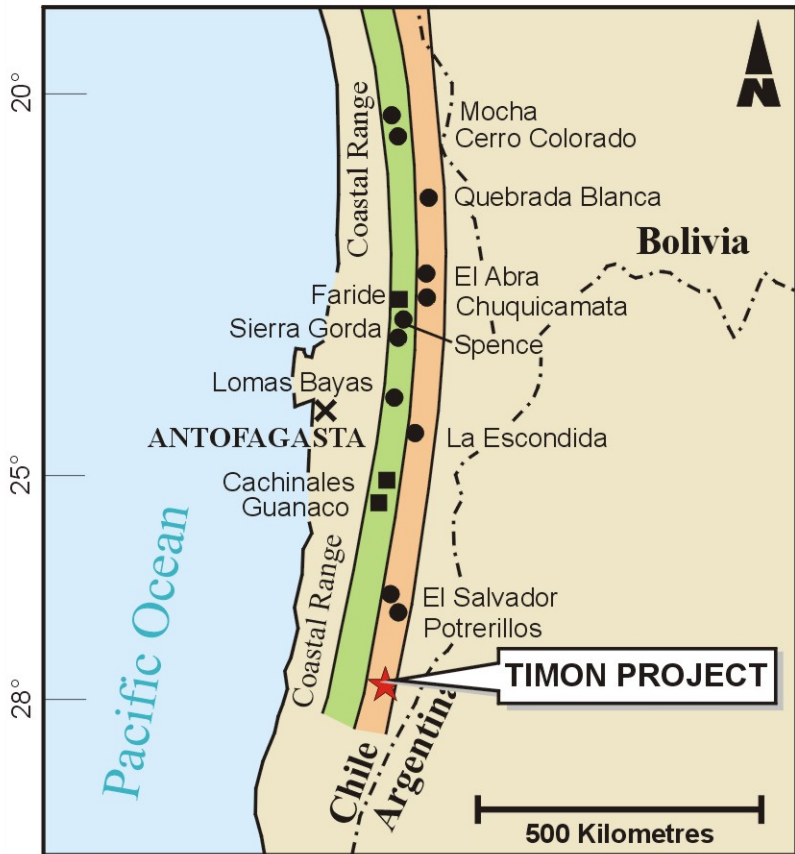
Oro Verde will keep Shareholders informed of drilling progress and results as they occur. For enquiries contact:

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Note: The information contained in this report that relates to Exploration Results and Exploration Targets is based on information compiled by Dr Brad Farrell, BSc Hons Eco Geol, MSc, PhD, a consultant to the company. Dr Farrell 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. This qualifies Dr Farrell as a Competent Person as defined in the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Dr Farrell consents to the inclusion in the report of the foregoing matters based on his information in the form and context in which it appears. Dr Farrell is a Fellow of the Australasian Institute of Mining and Metallurgy, a Chartered Professional Geologist of that body and a Member of the Mineral Industry Consultants Association (the Consultants Society of the Australian Institute of Mining and Metallurgy).



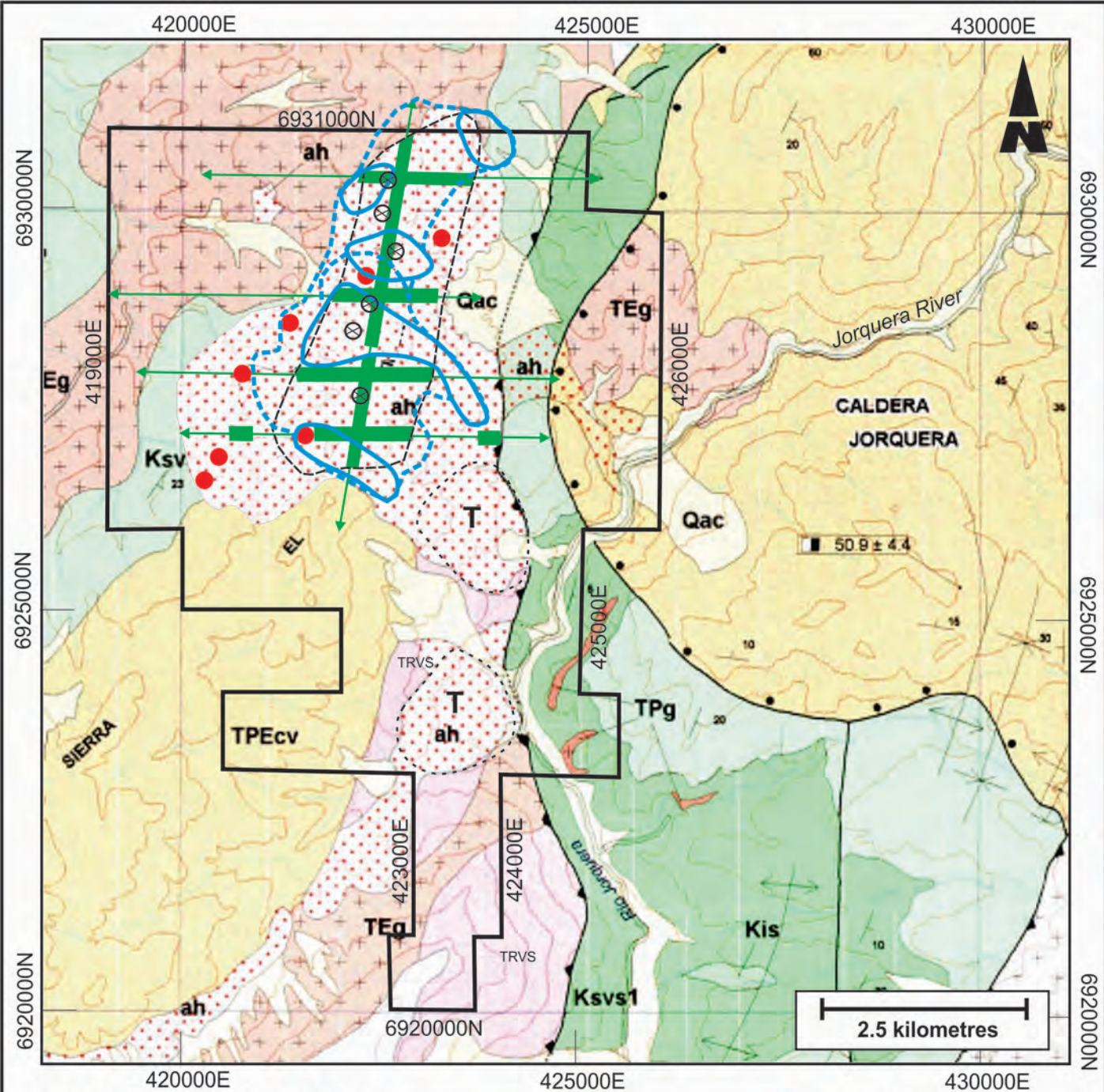


Late Eocene-Early Oligocene belt,
along the Domeyko Range.

Paleocene-Early Eocene belt,
along the Western Depression.

● porphyry copper deposit

■ epithermal deposit



STRATIGRAPHY AND INTRUSIVES

- TPEcv Palaeocene - Eocene andesites, sediments
- Ksvs1 Cretaceous Superior - Formation Quebrada Seca volcanics
- Ksvs2 Cretaceous Superior - Formation Sierra La Dichosa tuffs, andesites
- Kis Cretaceous Inferior - Formation Quebrada Monardes clastics.
- TRvs Triassic - Formation La Ternera equiv. volcanics and sediments
- TEg Eocene - Pluton El Gato equiv. (40-46Ma) granodiorites.
- TPg Paleocene - Pluton Cabeza de Vaca equiv. (65-55Ma) monzonites.

- Cpy±Cc in Fe Oxides
- ←→ IP Line with Anomaly
- ah Alteration
- T Leached Lithocap Target
- T Other Targets
- Cu 100+ ppm Stream Sediments
- Cu 80+ ppm Stream Sediments
- ⊗ Drill hole location



D8 engaged in track construction between pads, dozing in argillic altered porphyry. Red and yellow colours due to iron oxides and jarosite after pyrite.



Pad 3. Strongly leached, silicified and argillic altered porphyry with jarosite and iron oxides after pyrite on the face of drill pad 3.

Figure 3. Preparation of tracks and drill pads on Timon Ridge