ASX Announcement 21 June 2017

DRILLING CONFIRMS REBECA EPITHERMAL SYSTEM

HIGHLIGHTS

- **Initial drilling at Rebeca confirms presence of an epithermal system**
- **Gold results up to 5.16g/t received from Phase 1 Rebeca Vein drill program**
- **Multi-element geochemistry being reviewed for vectors toward a possible feeder zone**
- **Phase 2 drilling of high grade gold targets near Topacio gold resource underway**

Oro Verde Limited (ASX: OVL) ("Oro Verde" or "the Company") is pleased to announce that results up to 5.16g/t gold (Au) (over 1.5m downhole width) have been received from the Phase 1 drilling completed recently on the Rebeca Vein at the Topacio Gold Project, located in southeastern Nicaragua (Figure 4). As reported previously[1], Phase 2 drilling of high grade gold targets around the Topacio resource is now underway.

The Rebeca Vein drill program was the first ever on that target and totalled 1,767.2 metres of diamond core from seven drill holes (Table 2). Surface quartz vein textures, geological mapping and geochemical characteristics along the Rebeca Vein suggested the presence of a buried epithermal vein system. The program focused on key locations along the 3km long vein to test these features (Figure 1).

The Rebeca Vein, as mapped on the surface, was intersected in drill hole MTD-17-004. Additionally, unexpected quartz veining and quartz breccias were intersected in the upper levels of drill holes MTD-17-001, -003A and -005 indicating the presence of another, previously unknown, vein subparallel to the Rebeca Vein. Best intercepts from the program included:

- MTD-17-004 1.8m at 1.05 g/t Au (from 127.7m down hole)
- MTD-17-005 3.4m at 3.07 g/t Au (from 5.45m down hole)
  - including 1.5m at 5.16 g/t Au (from 5.45m down hole)

With all logging and multi-element geochemical data now received, this initial Rebeca drill program will be reviewed to better understand the geological controls on the epithermal system and geochemical vectors toward a possible feeder zone.

Oro Verde's Managing Director, Mr. Trevor Woolfe, commented ***"With our initial drilling program on the Rebeca Vein completed, we are now reviewing the data to better understand the distribution and controls on mineralisation. Meanwhile, drilling of high grade gold targets around the Topacio resource is progressing well."***

[1] *Refer to ASX announcement dated 5 June 2017 "Drilling of High Grade Targets Commences at Topacio Gold Project"*

Table 1 Rebeca Drilling: Significant gold intervals (>0.5g/t Au)

Drill hole Number	From (m)	To (m)	Intercept Length (m)	Au (g/t)
MTD-17-001	22.65	23.40	0.75	0.52
	25.60	26.85	1.25	0.89
MTD-17-002	-	-	NA	NA
MTD-17-003A	14.05	14.35	0.30	0.55
MTD-17-004	127.70	129.50	1.80	1.05
MTD-17-005	5.45	8.85	3.40	3.07
	12.00	13.30	1.30	0.98
	111.90	113.00	1.10	1.28
MTD-17-006	-	-	NA	NA
MTD-17-007	-	-	NA	NA

Note: 0.5 g/t Au cutoff, maximum 1m internal dilution, NA = no values above cutoff grade, Intercept Length is downhole length.

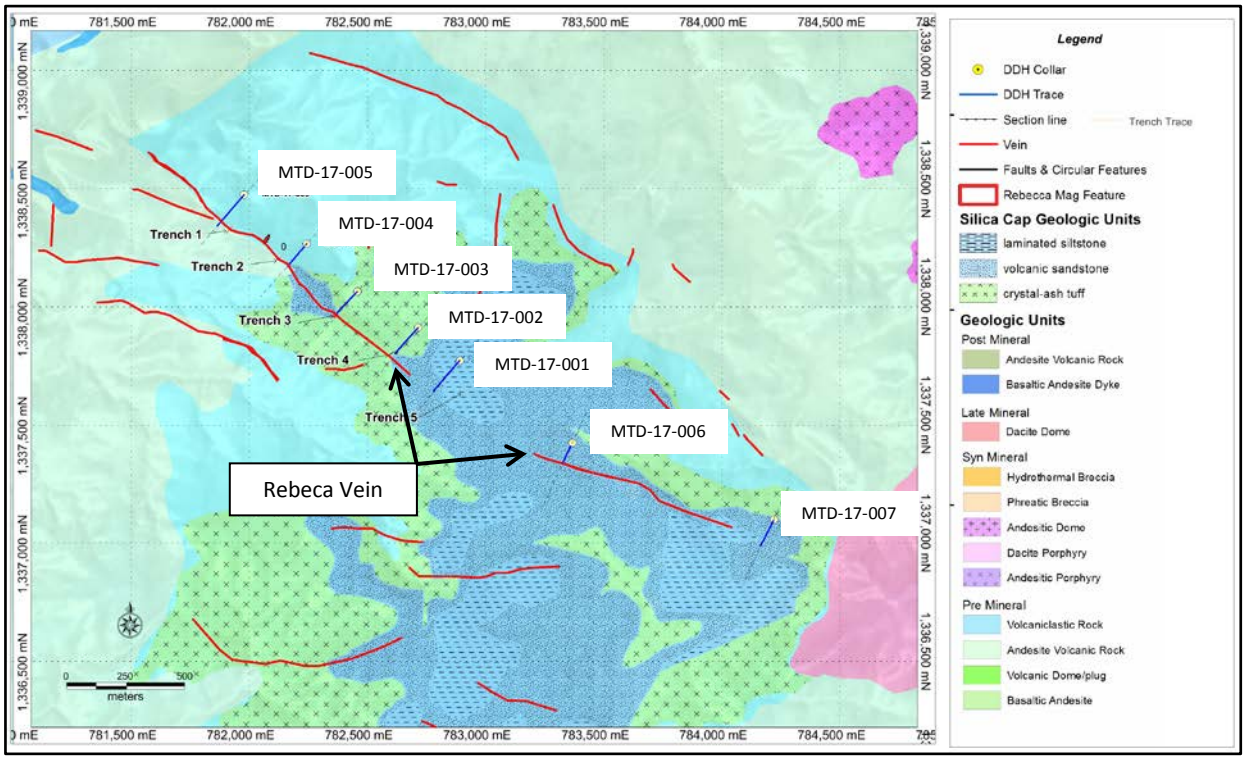

Figure 1 Rebeca Vein: Drill hole locations and geology

The Rebeca Vein drilling intersected a volcanic suite of rocks predominantly of andesitic to basaltic composition. The geology consists of intercalated lavas and volcaniclastic units, whilst in the southeast of the Rebeca target zone (Figure 1), drill holes MTD-17-006 and MTD-17-007 intersected horizontal silica cap zones consisting of intercalated siliceous volcanic sediments and volcaniclastics overlaying the lava/volcaniclastic pile. Agglomerates, breccias and tuffaceous units make up much of the volcaniclastic rocks, with interstitial pores of the agglomerates and block and ash tuffs infilled by calcite and/or quartz vein matrix.

The vein system at depth was not as extensive as modelled. A review of the logging and multi-element analytical data will be undertaken to better understand the geological controls and geochemical vectors toward a possible feeder zone, along with the distribution of favourable lithologies to host broader high grade mineralisation.

SUMMARY OF REBECA DRILLING

MTD-17-001

Hole drilled to test for the interpreted extension of the Rebeca Vein below the edge of a silica-clay cap zone. No significant veins were encountered in this hole. Highest gold results (Table 1) are at 22.65m and 25.6m down hole, associated with quartz breccia within a saprolitic volcaniclastic unit.

MTD-17-002

Hole drilled to test for Rebeca Vein beneath a silica-clay blanket associated with anomalous antimony (Sb)-arsenic (As)-gold (Au) in soils. The Rebeca Vein was not intersected. The highest gold result achieved was 1.5m at 0.21 g/t Au from 128.7m down hole.

MTD-17-003A

Hole was targeting the Rebeca Vein below a high order gold-in-soil anomaly. The Rebeca Vein was not intersected. A narrow (0.2m) banded quartz vein was intersected higher up in the hole and returned anomalous Sb (31ppm) however the gold result was low (73ppb). The highest gold value returned was 0.3m at 0.55 g/t Au (Table 1) from saprolitic clays in the near surface weathered zone. [Note: Original hole MTD-17-003 encountered drilling difficulties and was re-drilled as MTD-17-003A]

MTD-17-004

Hole targeted the Rebeca Vein below a high order gold-in-soil anomaly. The Rebeca Vein was intersected at 127.7m down hole depth (Figure 2). The vein was split into two separate banded chalcedonic veins of 0.4m (at 3.48 g/t Au) and 0.9m (at 0.53 g/t Au) thickness, separated by a 0.5m interval of weathered basaltic andesite. The bulked **1.8m interval averaged 1.05 g/t Au** (Table 1).

MTD-17-005

Hole targeted a Au-As-Sb in-soil anomaly at the NW end of the Rebeca Vein (Figure 1) where it is interpreted to split into two veins. The Rebeca Vein was not intersected in this hole. A previously unknown secondary vein/breccia zone was intersected in the upper part of the hole reflected by an interval of **3.4m at 3.07 g/t Au** from 5.45m down hole (Figure 3), including 1.5m at 5.16 g/t Au (from 5.45m).

MTD-17-006

Located at the Jose Hernandez (SE) section of the Rebeca Vein, this hole targeted a Sb-As in-soil anomaly adjacent to a magnetic geophysical feature. The upper 51.75m of the hole intersected layered volcaniclastic sediments, interbedded sandstones and siltstones. A number of the layers were silicified creating various silica cap (silcrete) layers. Deeper in the hole the geology was dominated by interbedded basaltic to andesitic volcaniclastics (agglomerates, breccias, lapillistones - with intergranular pores generally flooded with calcite) and locally massive magnetic fine grained andesites. The silica caps between 24-30m down hole depth were low in Au (maximum 31ppb) but anomalous in As (up to 846ppm) and Sb (up to 38.2ppm). Another silica cap at 47.7-50.4m was also low in gold (maximum 11ppb) but anomalous in tungsten (W>200ppm), silver (Ag up to 15.9 g/t) and Sb (up to 26.2ppm). The Rebeca Vein was not intersected in this hole.

MTD-17-007

Located at the far SE end of the Rebeca Vein (Jose Hernandez), in the vicinity of a possible dacitic intrusive body and a molybdenum (Mo)-Au-bismuth (Bi)-in-soil anomaly. The Rebeca Vein was not intersected in this hole. The upper 81m of the hole were again dominated by volcaniclastic sediments, gravels, sandstones and siltstones. A silica cap was encountered at 17.4-21.15m and characterised by only very weak anomalism in Sb (up to 14ppm), tin (Sn up to 3.6ppm) and Ag (up to 0.5 g/t). Directly below the silica cap, zinc (178ppm), Ag (0.6 g/t) and W (16.2ppm) were anomalous. The remainder of the hole was dominated by massive to altered, and sometimes pyritic, volcanics and volcaniclastics (breccias, tuffs, agglomerates) and mudstones.

The Phase 1 drilling at Rebeca was part of the second year of the Farm-In Agreement between Newcrest International Pty Ltd, a wholly owned subsidiary of **Newcrest Mining Limited (ASX: NCM)** ("Newcrest"), and Oro Verde that was executed at the end of November 2015[2], to explore for multi-million ounce gold deposits on the Topacio Gold Project. Newcrest is now considering its position based on the drill results received from the priority Rebeca Vein target.

Drill core was logged and sampled by Oro Verde personnel on site. A total of 808 core samples and 105 QA/QC samples were collected from the Rebeca drill program and sent to the Inspectorate Laboratory in Managua for sample preparation. Pulps were then sent internally by the laboratory to its parent Bureau Veritas Laboratory in Vancouver for analysis. All samples were analysed for gold by fire assay/ICP-ES (FA330-Au) and 45 elements by four acid digest ICP-MS (MA200).

Table 2 Rebeca Vein: Drill hole details

Diamond Hole	Easting (m)	Northing (m)	RL (mASL)	Azimuth (deg)	Dip (deg)	Total Depth (m)
MTD-17-001	782,890	1,337,773	236.5	218	-45	254.10
MTD-17-002	782,714	1,337,912	230.7	218	-53	320.05
MTD-17-003A	782,458	1,338,066	230.7	222	-45	256.00
MTD-17-004	782,243	1,338,266	196.0	220	-45	182.80
MTD-17-005	781,978	1,338,474	180.8	219	-45	243.80
MTD-17-006	783,367	1,337,425	213.9	203	-45	260.55
MTD-17-007	784,220	1,337,100	189.4	203	-45	249.90

Co-ordinate system UTM Zone 16 and datum NAD27 Central

TOPACIO PROJECT BACKGROUND

Oro Verde holds an Option to Purchase Agreement over the high grade Topacio Gold Project, located in southeastern Nicaragua (Figure 4). Details can be found in the announcement to the ASX dated 27 February 2015[3]. 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.

[2] *Refer to ASX announcement dated 30 November 2015 "Newcrest Signs A$11M Farm-in Agreement with Oro Verde"*
[3] *Refer to ASX announcement dated 27 February 2015 "Oro Verde Proceeds to Acquire Topacio Gold Project"*

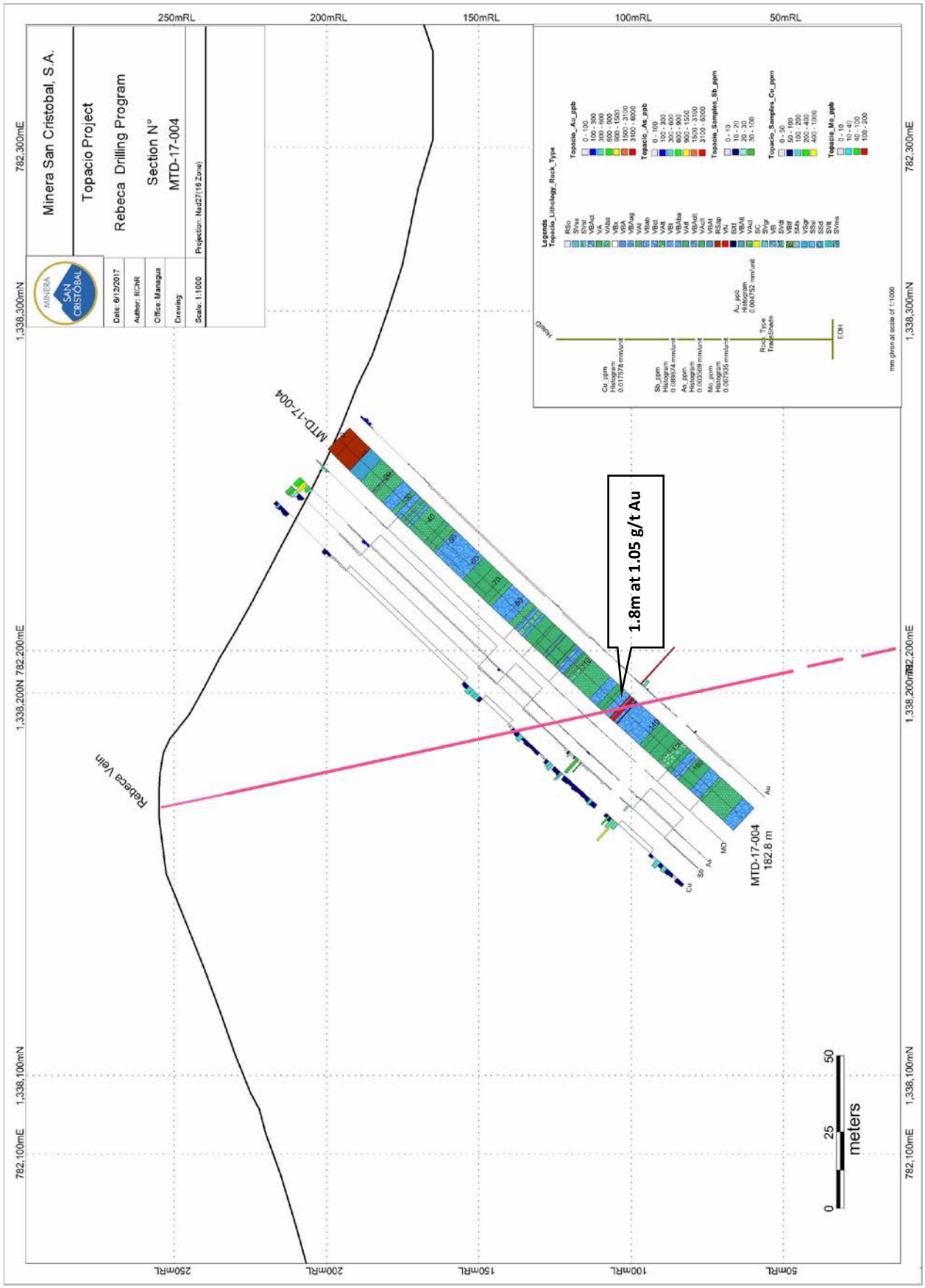

Figure 2 Rebeca Vein: Cross section MTD-17-004 (looking NW to 310°)

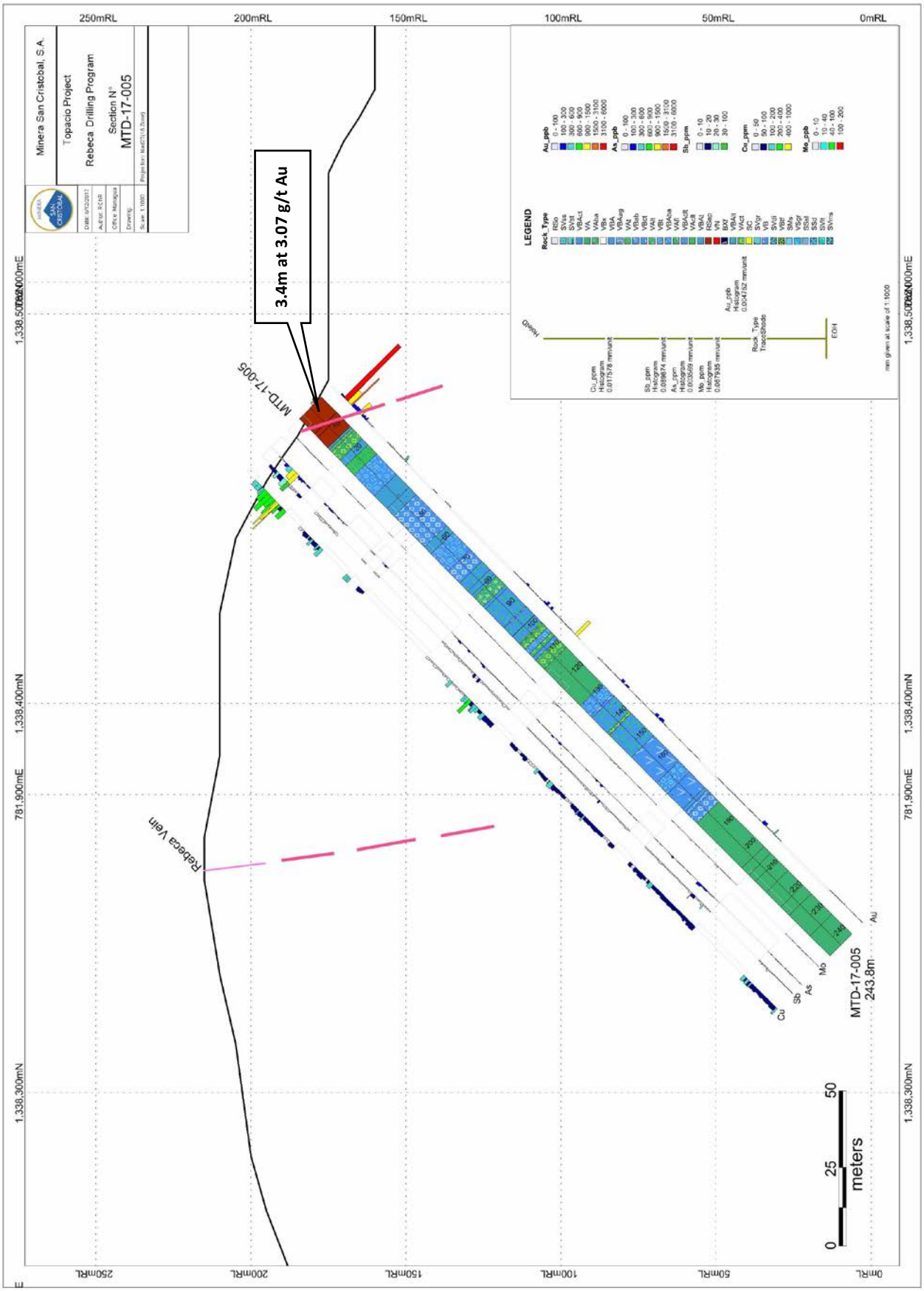

Figure 3 Rebeca Vein: Cross section MTD-17-005 (looking NW to 310°)

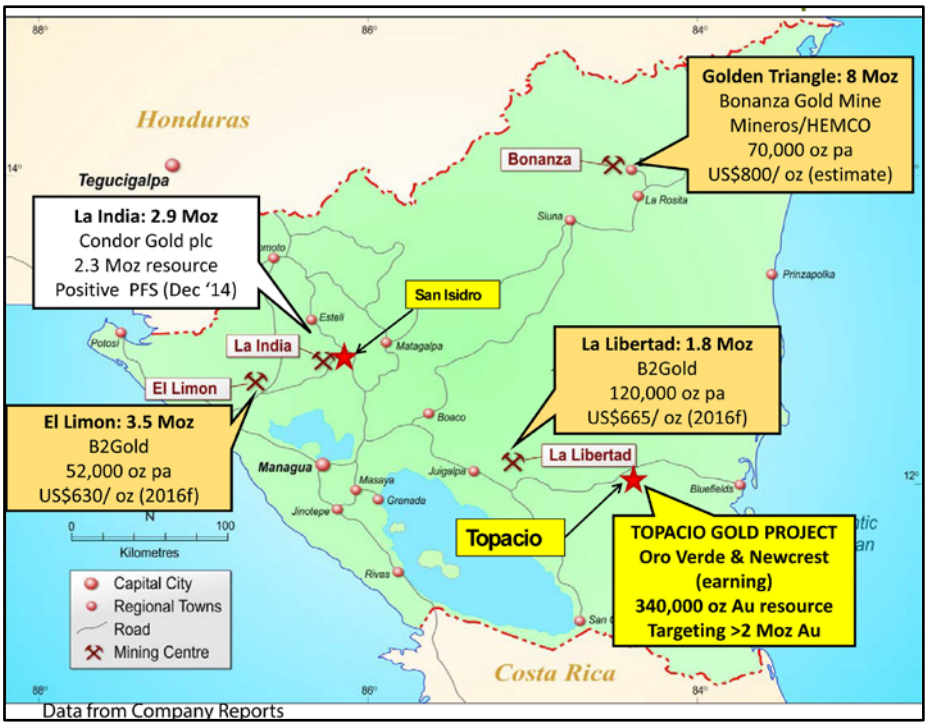

Figure 4 Major Nicaraguan gold deposits and the Topacio Gold Project

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.*

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	• *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.*	• Diamond drill core was utilised for sampling purposes. Core recovery was generally in the 90-100% range. General exceptions to this rule were (i) in the upper 5m to 20m of each hole where the rock was moderately to heavily weathered to clays and fractured; and (ii) deeper intervals where structures with alteration and/or fracturing were observed (in these cases the recovery could be as low as 50%). In heavily oxidised or weathered material where sample was reduced predominantly to clay or soft minerals, samples were split in two halves along the long axis of the core tray using a splitting tool. The half sample was then collected from the core tray into a sample bag with a spoon. Where the drill core was more competent, a continuous cutting guide line was marked by the geologist along the length of core. Individual core pieces were removed from the tray and cut in half parallel to the long axis of the core along the guide line. In both cases, one half of the sample material split was bagged for analysis and the other half remained in the core tray as a library sample. • When marking up core for sampling, areas of variable geology, possible mineralisation and geological boundaries were utilised to determine the appropriate sample interval. A minimum sample length for this program was 10cm and the maximum sample length was 1.5m. • Given the range of sample lengths stated above, the Individual sample volume was generally in the range 0.5 to 8.0kg (minimum 0.4kg, maximum 9.4kg). • Where prominent features, such as quartz veins, were observed to cut across the core sample, the cutting guide line was oriented such that roughly equal proportions of the feature were present in both the sample split as well as the library sample retained in the core tray. • Sampling of the first hole in the program MTD-17-001 was undertaken along the full length of the hole in order to understand the geochemical variability of a previously unknown geological sequence. Hole MTD-17-002 was cut along its entire length, however, to reduce the cost of analysis, in areas less likely to be mineralised, only every second sample was selected for analysis. Subsequent holes were only sampled in areas interpreted to contain significant alteration, veining, unusual lithologies or potential mineralisation. • Throughout the drilling campaign, samples were crushed, split and pulverised with 250g product through 200 mesh. A 30g charge was used for fire assay fusion analysis of Au by ICP-ES, while 0.25g was used for 4 acid digestion analysis of 45 elements by ICP-MS.
Drilling techniques	• *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).*	• The program utilised diamond drilling methods with a man-portable rig. Each drillhole was commenced using HTW diameter rods. When drilling with this diameter became problematic (variable for each hole but roughly in the 150-200m range) the size was reduced to NTW. Wider diameter HTW core provides larger volume sample and thus is marginally more representative than the NTW core. • Standard tube sample recovery was used.
Drill sample recovery	• *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.*	• Geotechnical aspects of the core in each hole were carefully inspected and recorded into a designated sheet in the electronic drill log. Percent recoveries for each core run (typically 1.5m) were collected, RQD (rock quality designation) data along with hardness and fracture density measurements for each core run were also collected. Collectively, these different data sets show that differing ground conditions and recovery rates should not have a significant effect on sample or grade bias for the Rebeca target. • Care was taken, particularly in areas of broken and weathered ground to reduce the drill advance and improve the chances of better sample recovery. • The mineralisation at Rebeca is expected to be contained within quartz veins and structural locations. These areas are often more susceptible to poorer recovery due to their fractured or weathered nature. This can have an effect on sample bias. As this was the first drill program conducted on the Rebeca target, it is difficult to quantify categorically whether there is any bias, however it is not expected to have been a significant effect.
Logging	• *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.*	• Core samples were logged to a standard where they could be used in any Mineral Resource estimation or advanced studies. • Logging is considered to be quantitative. Photographs of all core

Criteria	JORC Code explanation	Commentary
	• *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	has been taken and stored in a photo library. Their hole numbers and depths have been recorded. • 100% of the Rebeca drill campaign was logged (1,767.2m of core).
Sub-sampling techniques and sample preparation	• *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.*	• In heavily oxidised or weathered material where sample was reduced predominantly to clay or soft minerals, samples were split in two halves along the long axis of the core tray using a splitting tool. The half sample was then collected from the core tray into a sample bag with a spoon. Where the drill core was more competent, a continuous cutting guide line was marked by the geologist along the length of core. Individual core pieces were removed from the tray and cut in half with a core saw, parallel to the long axis of the core along the guide line. In both cases, one half of the sample material split was bagged for analysis and the other half remained in the core tray as a library sample. • Throughout the drilling campaign, samples were crushed, split and pulverised with 250g product through 200 mesh. A 30g charge was used for fire assay fusion analysis of Au by ICP-ES, while 0.25g was used for 4 acid digestion analysis of 45 elements by ICP-MS. Sample prep techniques used by the laboratory were considered appropriate for this sample type. • Coarse core duplicate samples were collected and analysed at a rate of 5% and analysed in the same job as the original sample for a check on repeatability. The laboratory also conducted internal repeats at variable intervals between each 10 to 20 samples (average was every 16 samples). Both coarse core duplicates and laboratory repeats were within acceptable ranges. • Given the range of sample lengths stated above, the Individual sample volume was generally in the range 0.5 to 8.0kg (minimum 0.4kg, maximum 9.4kg) and considered appropriate and representative for the grain size and style of mineralisation being explored.
Quality of assay data and laboratory tests	• *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.*	• ACME Laboratories (Bureau Veritas) (Managua and Vancouver) were used for all analysis work carried out on the core 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: o PRP70-250 – Crush, split and pulverise 250g rock 200 mesh o SLBHP – sort label and box pulps for delivery to Vancouver o FA330-Au - Fire assay fusion Au by ICP-ES (30g) o MA200 – 4 Acid digestion ICP-MS analysis of 45 elements (0.25g) • No other analytical tools used in the current program • Coarse core duplicate samples were collected and analysed at a rate of 5% and analysed in the same job as the original sample as a check on repeatability. 60g packets of three separate commercial **standards** were inserted alternately in the sample string each 10 samples. 500g packets of certified blank material were inserted in the sample string each 40 samples. This blank material was used as a check for laboratory cleanliness in the preparation stage between samples. Quality control results were deemed to be within the expected accuracy levels. • The lab undertook **duplicate analysis** at a ratio averaging 1 in 16 samples. Where **over range results** were obtained, the samples were repeated 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	• *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.*	• Significant intersections have been reviewed by company and partner technical personnel. • Hole MTD-17-003 had a target depth of over 200m however encountered problems at 74.5m depth. The upper portion of the hole had insufficient casing to protect from the broken and weathered ground causing collapse of the hole around the drill string and bogging the drill string in the hole. While attempts were made to fish all the equipment out of the hole, it was decided that a replacement hole be drilled approx. 1m away from the original collar. Hole MTD-17-003A was thus a twin hole however hole MTD-17-003 was not sampled or assayed. • Geological and core quality logging was undertaken in a secure core facility in our local project base of Muelle de los Bueyes (Nicaragua), by the geologist and technician. This data was transferred daily from field log sheets 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. Verification of uploaded data is undertaken by a GIS

Criteria	JORC Code explanation	Commentary
		specialist. • No adjustments of assay data were undertaken.
Location of data points	• *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.*	• Garmin Oregon 600 hand-held GPS units were used to define the location of the drillhole collars. The GPS was left at the sample point for a minimum period of 2 minutes to obtain a location reading based on multiple reading averages. Sample locations are considered to be accurate to within 5m. Rig orientation (dip and azimuth) were set up by a geologist using compass and clinometer. • 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 of drill collars can be projected onto the topographical base.
Data spacing and distribution	• *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.*	• When marking up core for sampling, areas of variable geology possible mineralisation and geological boundaries were utilised to determine the appropriate sample interval. A minimum sample length for this program was 10cm and the maximum sample length was 1.5m. • Sampling of the first hole in the program MTD-17-001 was undertaken along the full length of the hole in order to understand the geochemical variability of a previously unknown geological sequence. Hole MTD-17-002 was cut along its entire length, however, to reduce the cost of analysis, in areas less likely to be mineralised, only every second sample was selected for analysis. Subsequent holes were only sampled in areas interpreted to contain significant alteration, veining, unusual lithologies or potential mineralisation. • The results and drill hole spacing are not currently appropriate for resource estimation • No sample compositing was undertaken. Throughout this report compositing has not been undertaken unless stated.
Orientation of data in relation to geological structure	• *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 introduced a sampling bias, this should be assessed and reported if material.*	• The vein targets in the Rebeca program are assumed to have a sub-vertical (70-90 degree) NNE dip. The azimuth of the holes was set perpendicular to the expected vein target and the dip of the drill holes was set as flat as possible (45-50 degrees) given the capabilities of the equipment being used, to maximise the angle between the drill and the vein where they intersect. • With the drill orientation stated above, no bias is expected, however the down hole intervals (or apparent widths) are not equal to the estimated true widths.

Sample security	• *The measures taken to ensure sample security.*	• Drill core was transported from the rig to the secure core logging facility on a daily basis by a company representative in sealed boxes. The sealed boxes were received at the core logging facility by the senior company representative and stored behind locked gates in the secure core logging facility. The sample chain of custody is managed by the senior company representative who places plastic sample bags in polyweave sacks. Up to 10 plastic sample bags are placed in each sack and sealed with ziplock ties. Each sack is clearly labelled with:
		  ◦ 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 and then received at the lab.
		• 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	• *The results of any audits or reviews of sampling techniques and data.*	• A core logging and sampling protocol was introduced by Newcrest technical staff prior to the commencement of the program. The protocol was then used by each of the Oro Verde sampling personnel and managed by the geologist on each sampling team. Drill logs and sampling data were reviewed by the joint venture partner.

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	• *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.* • *The security of the tenure held at the time of reporting along*	• 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).

Criteria	JORC Code explanation	Commentary
	with any known impediments to obtaining a licence to operate in the area.	• 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 are jointly exploring the project, however MSC manages 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 location map elsewhere in this report).
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• 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: 1980s – CPRM (Brasil) 1990s – Triton Mining (Canada) 2010-2013 – FDG Mining/Tango Gold (Canada) The latter group has produced resource estimates that are consistent with NI 43-101 (Canadian) standards. • 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. • Oro Verde commenced exploration activities in February 2015 with initial data compilation and review, update of permits to operate, geological mapping, reconnaissance rock chip sampling and new target generation. • With the introduction of Newcrest, Oro Verde's exploration activities in 2016 consisted of detailed vein and alteration mapping/sampling, soil sampling and airborne geophysical surveys. After definition of priority targets, this led to the current diamond drill program being initiated in March 2017.
	• *Deposit type, geological setting and style of mineralisation.*	• 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 RACCS (South Caribbean Coast Autonomous Region). • The main Topacio veins are NE striking and dipping steeply and variably to the NW and SE. Other veins in the broader concession, including the Rebeca vein, 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	• *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:* o *easting and northing of the drill hole collar* o *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* o *dip and azimuth of the hole* o *down hole length and interception depth* o *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.*	• A table of this information is located elsewhere in this report. • Note that due to the GPS units being used, there exists a possible error in northing/easting co-ordinates up to 3m. RLs have been calibrated against a detailed topographic digital elevation model (DEM) derived from orthorectified aerial photos and may also have an error up to 3m.
Data aggregation methods	• *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.*	• In the composite results reported, weighted averages were used for intervals with gold grades in excess of 0.5g/t Au and maximum internal dilution of 1m. No top cutting was applied. • There was no aggregation of short lengths of high grade results and long lengths of lower grade results in this report. • Metal equivalent values are not used in this report.

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *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').*	• The vein targets in the Rebeca program are assumed to have a sub-vertical (70-90 degree) NNE dip. The azimuth of the holes was set perpendicular to the expected vein target and the dip of the drill holes was set as flat as possible (45-50 degrees) given the capabilities of the equipment being used, to maximise the angle between the drill and the vein where they intersect. • The absolute orientation of some of the veins and features encountered and reported is not known with great certainty at this point. As a result, only down hole depths are reported.
Diagrams	• *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.*	• Appropriate maps relevant to the current sampling program are available in the body of this report. A table of key gold results is also included.
Balanced reporting	• *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.*	• Reporting of Oro Verde Limited results in this report is considered balanced. The prime objective is to observe the presence of gold results in the drilling. Peak gold values and significant intercepts for each hole have been reported; No other elements are considered significant, unless stated in the text of the report.
Other substantive exploration data	• *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.*	• In addition to the current drill program, other technical work completed by OVL on the Topacio project includes reconnaissance rock chip sampling, geological mapping, soil sampling and airborne geophysics (magnetics and radiometrics). Where relevant in the context of the drill program, these other programs are referred to in this report.
Further work	• *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.*	• The Company is currently reviewing all data from the Rebeca drill program to determine what follow up programs are required. • As reported on 5 June 2017, OVL has commenced a Phase 2 drill program around the Topacio gold resource to test extensions of that complex. Trenching in this area is also underway. • Subsequent exploration activities will be subject to results achieved in the current programs.