ASX Announcement **1 August 2017**

DRILLING OF NEW ZONES EXTENDS GOLD MINERALISATION

HIGHLIGHTS

- **Gold mineralisation intersected in new drilled areas outside Topacio resource**
- **Up to 7.43 g/t gold reported from first three holes in Phase 2 drill program**
- **First drill holes at Su Majestad and Topacio East Extension veins extend known gold mineralisation along strike from Topacio resource, as well as below recent trenching results**
- **Remainder of Phase 2 drilling results are pending**

Oro Verde Limited (ASX: OVL) ("Oro Verde" or "the Company") is pleased to announce that assay results up to 7.43g/t gold (Au) have been received from the first three holes of the Phase 2 drilling completed recently at the Topacio Gold Project, located in southeastern Nicaragua (Figure 4). Assay results from the remaining three drill holes in the Phase 2 program are expected over the coming weeks.

This second phase of drilling in 2017 was designed to test for gold mineralisation in veins that lie outside, but near, the historical 340,000oz Topacio gold resource (Figure 1) and to confirm the continuity of gold mineralisation at depth below recent trench results[1].

Drilling at the Dispute Vein (MTD-17-010) intersected a 9.25m mineralised interval averaging 2.21 g/t Au, including 1.52m at 7.43 g/t Au (Table 1), approximately 30m below surface. Drilling was also undertaken for the first time into the Su Majestad (MTD-17-008) and Topacio East Extension (MTD-17-009) Veins, located to the ENE from the existing Topacio gold resource (Figure 2) – both holes were successful in intersecting gold mineralisation. Best intercepts from the first three holes of the program include:

- MTD-17-008 3.0m at 1.84 g/t Au (from 53.15m down hole)
- MTD-17-009 1.55m at 1.28 g/t Au (from 32.1m down hole)
- MTD-17-010 9.25m at 2.21 g/t Au (from 32.3m down hole)
  - including 1.52m at 7.43 g/t Au (from 36.6m down hole)

Oro Verde's Managing Director, Mr. Trevor Woolfe, commented ***"I am very pleased that drilling below our recent trenches has confirmed depth continuity of the veins and associated gold mineralisation in the Dispute Vein, as well as two previously undrilled veins to the east of the Topacio gold resource. We expect results from the remainder of the Phase 2 program to reflect the high gold grades recently announced from surface trenching."***

[1] *Refer to ASX announcement dated 20 July 2017 "High Grade Trench Results at Topacio"*

Phase 2 Drilling

The Phase 2 program consisted of 402.16 metres of diamond drilling (Table 2), testing below high grade surface gold results on four key targets – the Su Majestad Vein, Topacio East Extension Vein, Dispute/Dos Amigos Veins and the Mico West Vein (Figures 1 and 2). The holes were relatively shallow to assess the continuity of the high grade veins approximately 30-50 metres below surface.

Surface trenches above the proposed drill hole locations were excavated and channel sampled, to confirm orientation of the steep dip of the veins and their width. The assay results were announced to the market on 20 July 2017[1].

MTD-17-008

This hole was drilled on the **Su Majestad Vein,** in an area where rock chip sampling returned numerous results in the 1.5 to 10 g/t Au range (Figure 2) and surface trench data in this position returned 2.75m at 1.45 g/t Au (TSM1701)[1]. Hole MTD-17-008 successfully confirmed continuity of the Su Majestad Vein to at least 40m vertical depth below this trench and a similar result of 3.00m at 1.84 g/t Au (Table 1) was returned from the drill hole.

Further drilling of the Su Majestad Vein is warranted to better understand the grade distribution, particularly areas further west, where the Su Majestad Vein intersects with the Topacio Vein. In this structural intersection (Figure 2), numerous rock chip samples above 10 g/t Au have been encountered.

MTD-17-009

The **Topacio East Extension Vein** has demonstrated evidence of high grade gold in underground artisanal workings, surface ore piles, as well as surface rock chips (Figure 2). The TTNE1701 trench was located in the vicinity of these high grade results and returned 1.8m at 0.71 g/t Au[1]. MTD-17-009 was located below this trench and returned a best result of 1.55m at 1.28 g/t Au, which again, correlates well with the trench result.

This area requires further follow up along strike, particularly to the southwest, where the vein intersects with the Su Majestad Vein. As described above, this intersection has produced numerous >10 g/t Au surface rock chip samples.

MTD-17-010

The western portion of the **Dispute Vein** is along strike from identified resources and has not previously been drilled. This area represented a prime target where, if the drilling was successful, additional resources could readily be identified. The drill hole was successful and intersected a healthy 9.25m zone of multiple veining with an average grade of 2.21 g/t Au, with a highlight of **1.52m at 7.43 g/t Au** from 36.6m down hole depth. This opens up the remainder of the Dispute Vein to the west for additional drill testing.

Outstanding results from three remaining holes - **MTD-17-011, 012 and 013** - are expected over the coming weeks and will be reported once received.

Oro Verde is operating the second year of the Farm-In Agreement with Newcrest International Pty Ltd, a wholly owned subsidiary of **Newcrest Mining Limited (ASX: NCM)** ("Newcrest"), that was executed at the end of November 2015[2], to explore for multi-million ounce gold deposits on the Topacio Gold Project. The Phase 2 drilling is being funded by Oro Verde, under agreement with Newcrest, which has the option to reimburse and include the Phase 2 expenditure in its second year expenditure under the Farm-In Agreement.

[2] *Refer to ASX announcement dated 30 November 2015 "Newcrest Signs A$11M Farm-in Agreement with Oro Verde"*

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

Drill hole Number	Vein		From (m)	To (m)	Intercept Length (m)	Au (g/t)
MTD-17-008	Su Majestad		36.6	37.55	0.95	1.61
			42.6	43.2	0.60	1.70
			53.15	56.15	3.00	1.84
MTD-17-009	Topacio East Extension		32.1	33.65	1.55	1.28
MTD-17-010	Dispute		32.3	41.55	9.25	2.21
		including	36.6	38.12	1.52	7.43

Note: 0.5 g/t Au cutoff, maximum 1.2m internal dilution, intercept Length is downhole length, insufficient information to estimate true width accurately

As with the Phase 1 Drill Program at Rebeca, drill core was logged and sampled by Oro Verde personnel on site. Drill core samples were 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 Topacio Area: Drill hole details

Diamond Hole	Vein	Easting (m)	Northing (m)	RL (mASL)	Azimuth (deg)	Dip (deg)	Total Depth (m)
MTD-17-008	Su Majestad	781,016	1,338,782	203.9	197	-45	66.90
MTD-17-009	Topacio East Extension	781,146	1,339,074	166.2	323	-45	53.15
MTD-17-010	Dispute	779,534	1,338,486	242.7	145	-45	50.32
MTD-17-011	Dos Amigos / Dispute	779,304	1,338,261	239.2	330	-45	89.97
MTD-17-012	Mico West	778,874	1,338,812	198.5	148	-45	65.57
MTD-17-013	Mico West	778,823	1,338,782	215.8	148	-45	76.25

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.

[3] *Refer to ASX announcement dated 27 February 2015 "Oro Verde Proceeds to Acquire Topacio Gold Project"*

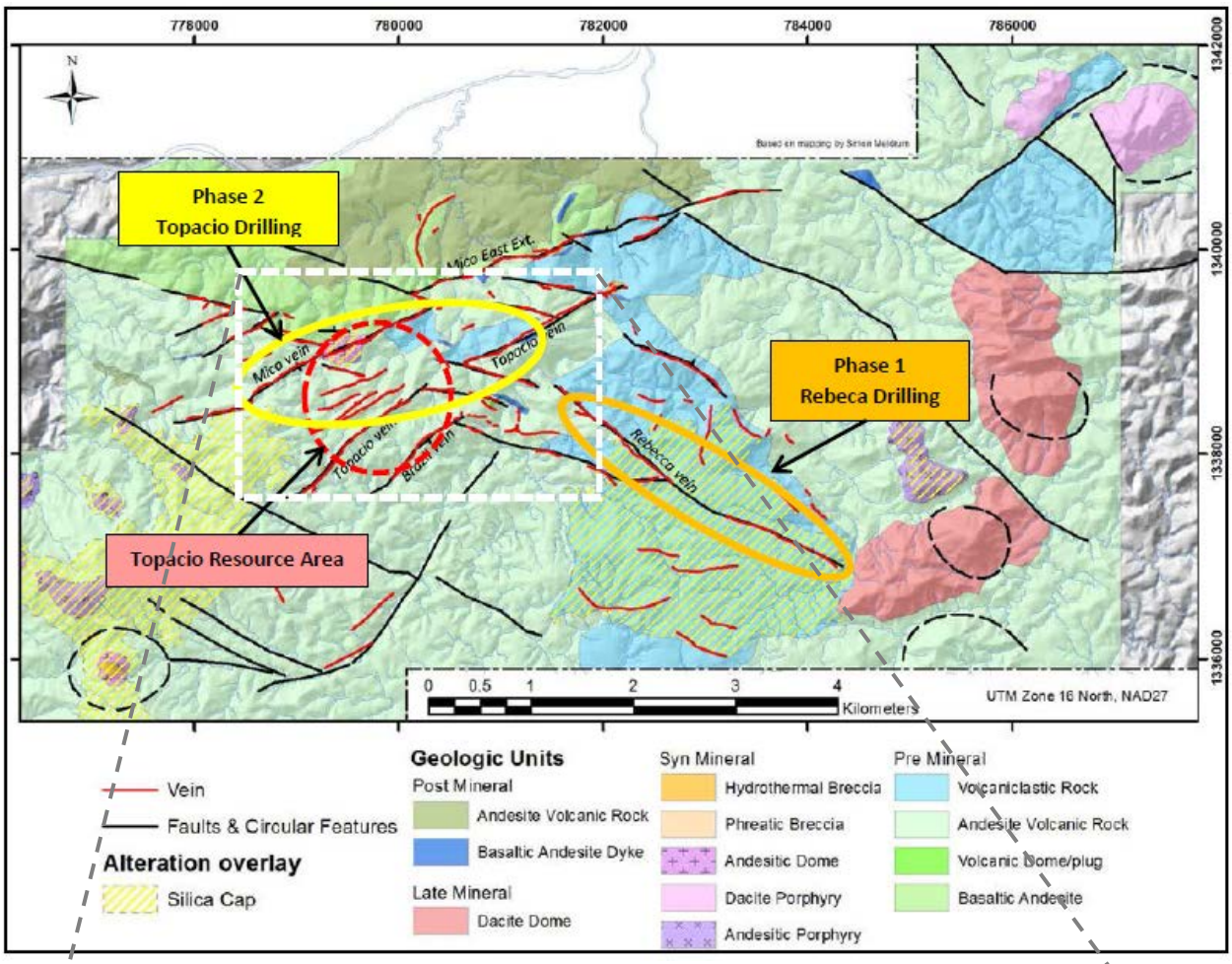

Figure 1 Topacio Gold Project: Oro Verde 2017 drill areas

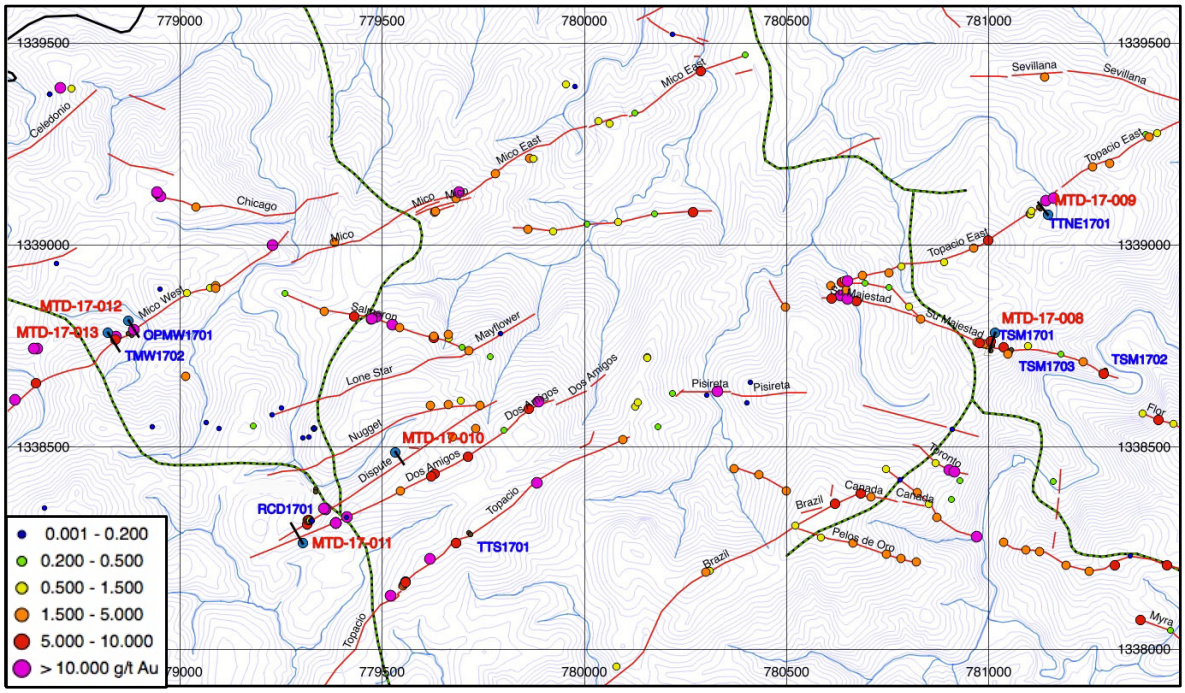

Figure 2 OVL drill holes (red titles), Topacio trench locations (blue titles) and previous rock chip results

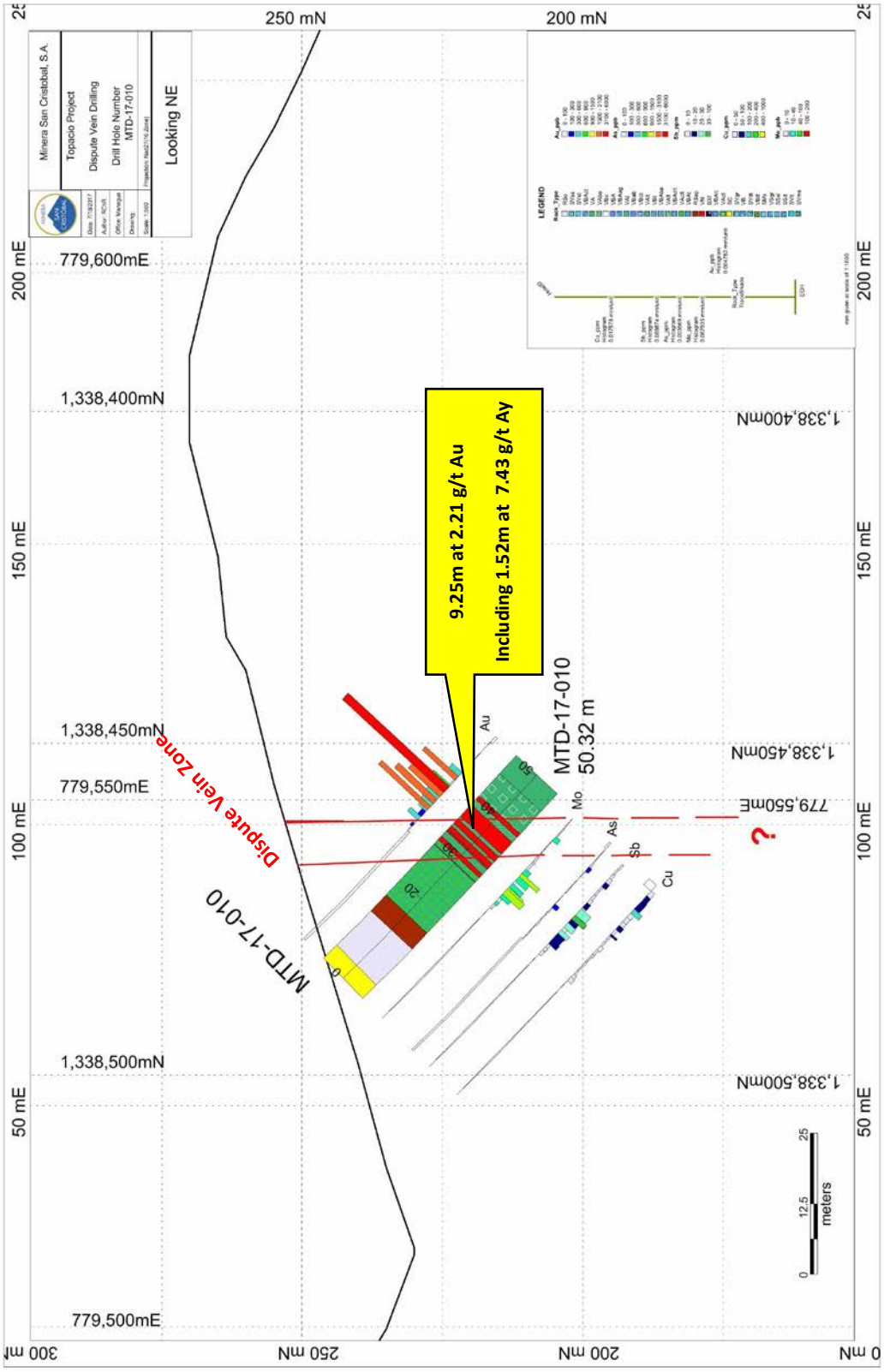

Figure 3 Dispute Vein: Cross section MTD-17-010 (looking NE)

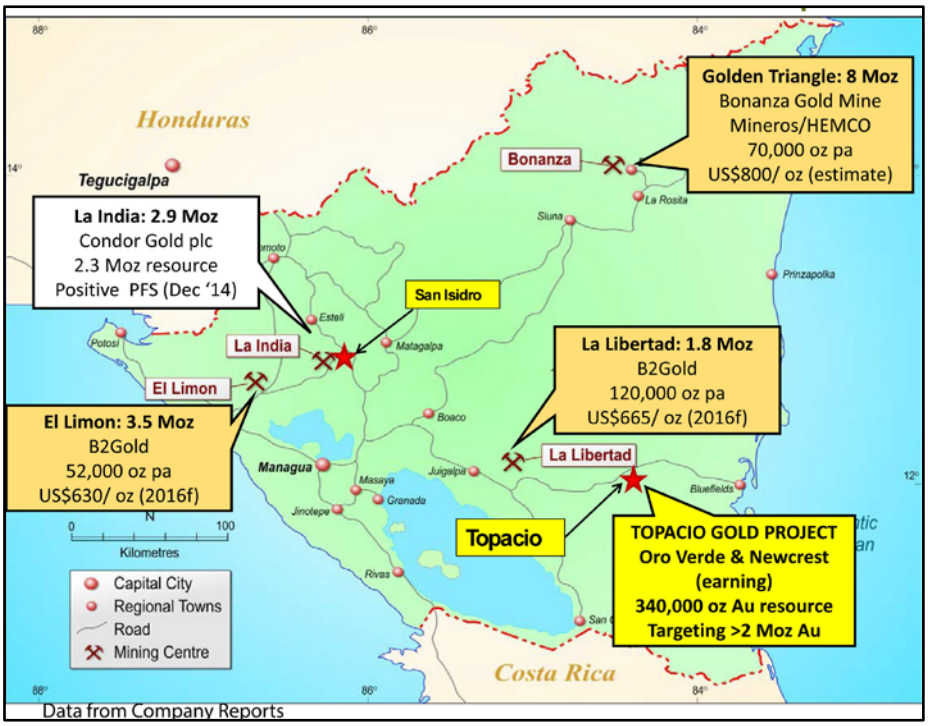

Figure 4 Major Nicaraguan gold deposits and the Topacio Gold Project

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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 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 with a core saw, 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 generally ranging up to 1.5m (minimum this set of holes 0.2m and maximum 1.55m). • Given the range of sample lengths stated above, the Individual sample volume was generally in the range 1.0 to 5.0kg (minimum 0.5kg, maximum 5.7kg). • 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. • Drill 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. MTD-17-008 utilised HTW diameter rods and standard tube sample recovery. MTD-17-009 commenced with HTW then from 21.15m HQ (triple tube) was used as a means to improve core recovery within the potentially mineralised zones. MTD-17-010 used HTW to 7.62m then HQ (triple tube) until end of hole.
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 Topacio drill campaign. • Care was taken, particularly in areas of broken and weathered ground to reduce the drill advance and improve the chances of better sample recovery. HQ triple tube was used from hole MTD-17-009 to improve core recovery in broken ground. • The mineralisation in the Topacio resource area is known 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. Reduced recovery is not expected to have had 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.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• 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 has been taken and stored in a photo library. Their hole numbers and depths have been recorded. • 100% of the Topacio drill campaign was logged.
Sub-sampling techniques and	• *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*	• 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

Criteria	JORC Code explanation	Commentary
sample preparation	*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.*	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 selected by the senior company representative and analysed separately from 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 14 samples). The laboratory also conducted course duplicate checks at a rate of 1.2% for a check on repeatability. 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 1.0 to 5.0kg (minimum 0.5kg, maximum 5.7kg) 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.*	• Bureau Veritas Laboratories (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 Bureau Veritas 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 selected by the senior company representative and analysed separately from the original sample at a rate of 5% for 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 14 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 at least two company technical personnel. • None of the holes in the current report are twin holes. • 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 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 Brunton 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

Criteria	JORC Code explanation	Commentary
		GPS elevation measurements of drill collars was 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 generally ranging up to 1.5m (minimum this set of holes 0.2m and maximum 1.55m). • Drill holes in the Topacio program were only sampled in areas interpreted to contain significant alteration, veining, unusual lithologies or potential mineralisation. • For MTD-17-008 and 009, the results and drill hole spacing are not currently appropriate for resource estimation. MTD-17-010 was drilled in an area along strike from previous drilling and could be 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 Topacio program are assumed to have a sub-vertical (70-90 degree) dip. The azimuth of the holes was set perpendicular to the strike of the expected vein target and the dip of the drill holes was set as flat as possible (45 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 expected to be 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 Bureau Veritas 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 Rebeca and Topacio drill programs. 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 GIS specialist and other technical personnel, and errors corrected where appropriate.

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 with any known impediments to obtaining a licence to operate in the area.*	• 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 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	• *Acknowledgment and appraisal of exploration by other parties.*	• Previous exploration of the Topacio Gold Project has consisted of mapping, stream sampling, rock chip sampling,

Criteria	JORC Code explanation	Commentary
other parties		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 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 a 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.
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 Topacio program are assumed to have a sub-vertical (70-90 degree) 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 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*	• 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.

Criteria	JORC Code explanation	Commentary
	sectional views.	
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 awaiting further results from the drill program and will review all data from the drill program to determine what follow up programs are required. • As reported on 20 July 2017, OVL has now completed a Phase 2 drill program around the Topacio gold resource to test extensions of that complex. Trenching results were also announced in that release. • Subsequent exploration activities will be subject to results achieved in the current programs.