



ASX Announcement

18 March 2020

## FUNDING SECURED & DRILLING COMMENCES FOR RESOURCE EXPANSION AT MAKUUTU PROJECT

### Key Highlights:

- Oro Verde is pleased to announce it has closed its A\$1.15million placement to sophisticated investors at A\$0.08 per share and funds have been received by the Company
- Expansion drilling program of up to 3,000m is underway at Makuutu Rare Earths Project
- Drilling program will target:
  - Potential upgrade of current JORC Inferred resources to JORC Indicated status
  - Increase the size of the current Mineral Resource
  - Obtain bulk samples for advanced-stage metallurgical testwork
- Maiden Mineral Resource Estimate (ASX: 10 March 2020) for Makuutu is:
  - 47.3 Mt @ 910 ppm TREO, at a cut-off grade of 500 ppm TREO-Ce<sub>2</sub>O<sub>3</sub>
- Encouragingly, the mineral resource grade is at the upper end of the Exploration Target range

The maiden Mineral Resource covers only a portion of the 26km-long Exploration Target\*, which remains at:

**270 - 530 million tonnes grading 400 – 1,000 ppm TREO**

*\*This Exploration Target (ASX: 4 September 2019) is conceptual in nature but is based on reasonable grounds and assumptions. There has been insufficient exploration to estimate a Mineral Resource over the full extent of the Exploration Target and it is uncertain if further exploration will result in the estimation of further Mineral Resources.*

**Oro Verde Limited** (ASX: OVL) (“Oro Verde” or “the Company”) is pleased to report that the Company’s second phase of drilling has commenced on its 20%-owned Makuutu Rare Earth Elements (REE) project, located in Uganda, East Africa.

Oro Verde has entered into an earn-in agreement to acquire up to a 60% interest in the Makuutu Rare Earth project. To date, the company has acquired an initial 20% interest in the Makuutu project with the next milestones being a 31% interest and then a 46% interest, based upon further expenditures.

### **ORO VERDE LIMITED (ASX code: OVL)**

*An emerging resource company focused on defining and developing a world-class Rare Earths project in Uganda, East Africa*

#### **KEY PROJECTS**

Uganda  
Makuutu Rare Earths Project  
Nicaragua  
San Isidro Gold Project

#### **BOARD OF DIRECTORS**

*Executive*  
Marc Steffens  
Brett Dickson  
*Non-Executive*  
Tony Rovira - Chairman

#### **MANAGEMENT - UGANDA**

Tim Harrison – Makuutu PM

#### **MANAGEMENT - NICARAGUA**

Jacques Levy - Legal Rep.

#### **REGISTERED OFFICE**

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#### **WEBSITE**

[www.oroverde.com.au](http://www.oroverde.com.au)

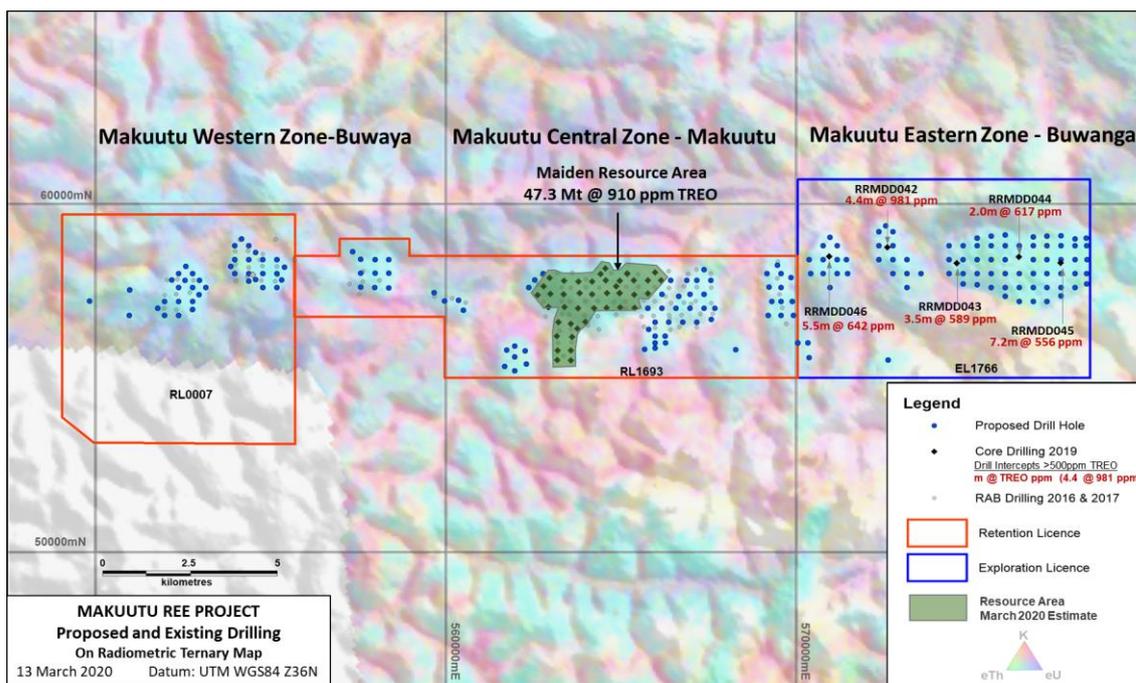
Commenting on project advancement, Oro Verde Executive Director Dr Marc Steffens said: “Our work is generating outstanding results and with the results we expect from this ongoing advanced exploration, resource expansion and project development activities, we look forward to demonstrating the potential we see for the Makuutu Rare Earths Project.”

### Drilling Program

The planned diamond core drilling program, which follows on from the core drilling program undertaken by the Company in Q4 2019, will comprise:

- 1) In-fill drilling within the area of maiden Mineral Resource (on tenement RL 1693) to assist in potential upgrading of resource to JORC Indicated status;
- 2) Resource extensional drilling to expand the current Mineral Resource area further to the east (on tenement RL 1693);
- 3) Exploration drilling on adjacent tenements (EL 1766 to the east and on RL 0007 to the west); and
- 4) Collect variability samples and composite bulk samples for advanced-stage metallurgical testing and mineralogical evaluation.

**Figure 1: Plan of Makuutu Rare Earths Project with Mineral Resource area, 2019 drill holes and proposed 2020 drill holes**



### Maiden Mineral Resource Estimate

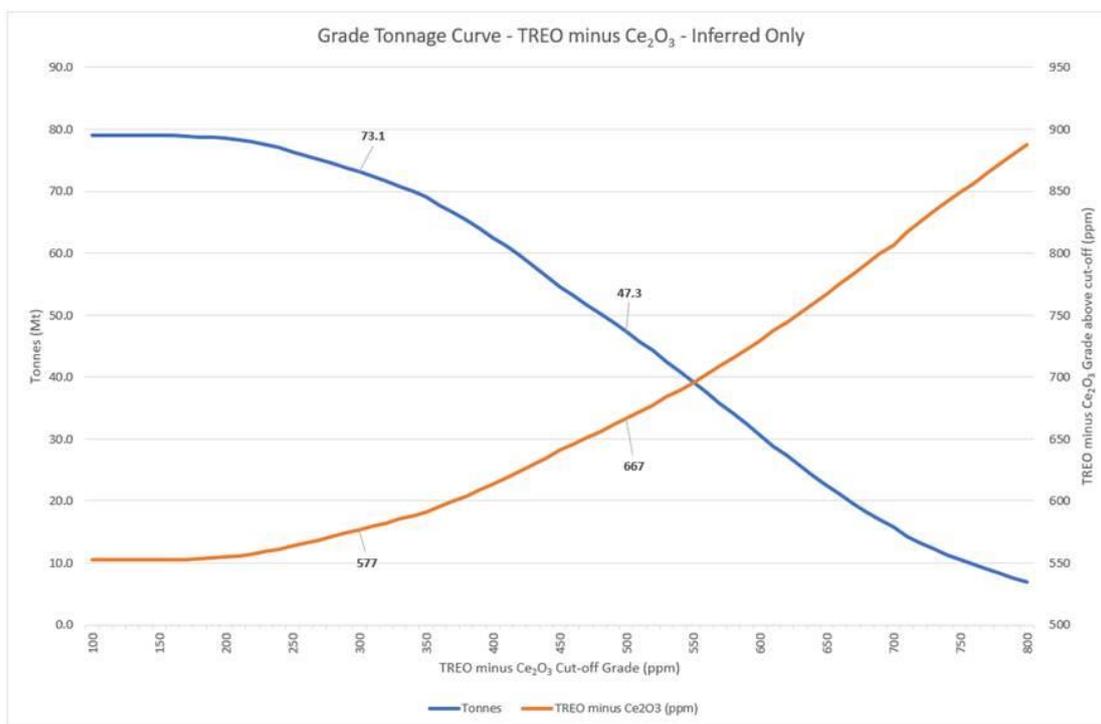
The Mineral Resource Estimate (MRE) for the Makuutu Rare Earths Project was prepared by independent specialist resource and mining consulting group, Cube Consulting Pty Ltd (“Cube”) (announced to ASX on 10 March 2020). A summary of the Mineral Resource Estimate derived is shown in Table 1.

**Table 1. Mineral Resource Estimate – Makuutu Central Zone (in RL 1693)**

Category	Estimation Domain	Tonnes (Mt)	TREO (ppm)	TREO no Ce <sub>2</sub> O <sub>3</sub> (ppm)
Inferred	Clay	47.3	910	670

The Mineral Resource has been compiled using a 500 ppm TREO minus Ce<sub>2</sub>O<sub>3</sub> marginal cut-off grade. This cut-off has been selected based on published information from more advanced projects with comparable mineralisation and conceptual processing method. The grade-tonnage relationship of the resource, for various cut-off grades, is illustrated in Figure 2.

**Figure 2: Grade-Tonnage Curve for the Maiden Makuutu Mineral Resource Estimate.**



\*\*\*\*\* ENDS \*\*\*\*\*

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### Competent Person Statements

*Information in this report that relates to previously reported Exploration Targets and Exploration Results has been cross-referenced in this report to the date that it was originally reported to ASX. Oro Verde Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.*

*The information in this report that relates to Mineral Resources for the Makuutu Rare Earths deposit was first released to the ASX on 10 March 2020 and is available to view on [www.asx.com.au](http://www.asx.com.au). Oro Verde Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the announcement continue to apply and have not materially changed.*