



ASX/Media Release – 29 May 2017

## Confirmation of CEO Appointment

### Chief Operating Officer Craig Dawson appointed Chief Executive Officer effective 1 June 2017

Orinoco Gold (ASX: OGX) (Orinoco or the Company) is pleased to advise that as announced on 15 May, **Craig Dawson**, who joined the Company in March as Chief Operating Officer, has been appointed as Chief Executive Officer effective from 1 June 2017.

Since joining the Company, Mr Dawson has already made a significant contribution in overseeing the restart of mining operations at the Cascavel Gold Mine and working to implement a number of other important operational and strategic changes.

Mr Dawson is a highly experienced mining executive with more than 30 years' experience with a proven track record in developing and operating small to large-scale mining operations. He has held both senior operational positions with successful mid-tier and global mining companies (including LionOre/Norilsk and Sandfire) and executive corporate roles.

A summary of terms of Mr Dawson's employment as CEO is summarised in the schedule attached to this announcement.

For further information, please contact:

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## Summary of terms of Mr Craig Dawson's employment as Chief Executive Officer (CEO)

### (a) Duration of agreement

Mr Dawson's appointment as CEO is effective from 1 June 2017. The term of his employment will continue until terminated in accordance with the agreement.

### (b) Remuneration and expenses

- a. **Fixed Remuneration** – Mr Dawson's base remuneration is \$300,000 per annum, plus statutory superannuation contributions
- b. **Short term and long term incentives** – The Company will pay Mr Dawson a Short Term Bonus of 50% of the Annual Salary on the date that the Company, following recommencement of operations at Cascavel, delivers first gold in satisfaction of the gold stream repayments entered into with the Gold Stream funding partner. Mr Dawson will be eligible for participation in the Company's Employee Incentive Schemes including the Short-Term Incentive Plan ("STIP") and Long-Term Incentive Plan ("LTIP). Any participation is subject to the discretion of the Remuneration Committee.

Under the Employee Share and Option Plan, the Company will issue to Mr Dawson the following unlisted options upon commencement of employment:

- 1,500,000 options with a 3-year expiry and at an exercise price equal to 150% of the VWAP\*; and
- 1,500,000 options with a 3-year expiry and at an exercise price equal to 175% of the VWAP\*.

\*The Volume Weighted Average Price (VWAP) calculation will be based on upon the market price on the 5 days prior to the initial commencement date as Chief Operating Officer (COO).

- c. **Expenses** – Mr Dawson will be entitled to claim from the Company reimbursement of reasonable out-of-pocket expenses properly incurred in the performance of his duties and responsibilities.
- d. **Review** – The Company may review Mr Dawson's performance periodically and may, following a review, elect at its discretion to increase his remuneration or vary his benefits (if any).

### (c) Termination of employment

- a. **Termination by either party** – Mr Dawson's employment may be terminated at any time by the Company giving him 6 months' written notice of termination (or payment in lieu of such notice). The Company may terminate Mr Dawson's employment immediately in certain circumstances including serious misconduct and material breach of the agreement. The Company may also terminate Mr Dawson's employment if he is incapacitated for an extended period.

**b. Material Diminution** - In the event that Mr Dawson's role or position is subject to any Material Diminution (other than by reason of the employment being terminated under various conditions) Mr Dawson will be entitled to a payment equivalent to receive twelve (12) months' salary if he chooses to terminate his employment with the Company.

**(d) Non-competition and non-solicitation**

Mr Dawson must not, during his employment, except with the written consent of the Company, engage in (directly or indirectly) any undertaking or business of a similar nature to, or in competing with the business of the Company.