



ASX/Media Release – 28 May 2018

## Impact of Nationwide Brazilian Transport Strike

- **Orinoco reviews status of diesel supplies and impact on Cascavel operations**
- **Movement of employees and operational consumables impacted by lack of Diesel.**

Orinoco Gold Limited (**OGX** or **Company**) wishes to advise that it is aware of a nationwide truck strike in Brazil (an external factor that is not within the Company's control).

The state of Goias where the Cascavel mine is situated is currently without a supply of diesel oil, and this also applies to all other states.

In light of the nationwide trucking strike which is now into its 7th day, the Company took the decision on the 24th May 2018, to switch off all milling and processing facilities. We had hoped to resume operations this week but the strike appears to have worsened over the weekend. Should fuel not be available by the end of this week, as our diesel supplies are depleted, mining will be suspended. All underground dewatering pumping will continue from the main grid electrical supply. Cascavel draws around 90% of its power from 4 diesel driven generators and 10% from the grid. Priority has been given to keeping the underground mine working and ensuring that the pumping facilities are kept working. Countrywide road blockages have also prevented operating supplies reaching the mine

Production results for the month of May will be released to the market in early June after the gold concentrates have been smelted.

Our drilling contractors "Servitec Foraco" have informed us that they currently have enough diesel to complete the ongoing drilling program at Antena. Hole ANT008 has been completed and we look forward to announcing those results upon receipt of assays from our external laboratory.

Ongoing pit sampling results for cobalt at Tintiero are expected to be received in early June 2018.

It must be noted that it is not only Cascavel that is suffering from these strikes as the country is coming to a standstill and that most junior, mid-tier and major mining companies, as well other industries are all suffering in the wake of this transport strike.

Most of the international flights from Brazil have been suspended owing to lack of fuel and supplies, imports and exports are all being seriously affected.

The Company will keep our shareholders updated as information comes to hand.

Chief operating officer Richard Crew said – "This unexpected strike has come at a crucial time as Cascavel is ramping up production, Hammer mill 4 will be delayed for a short period whilst this temporary setback is resolved nationally. I am based at Cascavel and will update the Board of directors on a daily basis. The Brazilian government are currently negotiating with the truckers and unions and I await a successful outcome over the coming days."

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### ASX Code

**OGX**  
(Ordinary Shares)  
**OGXOC & OGXOD**  
(Listed Options)

### Issued Capital

1,029,394,098 Ordinary Shares  
223,693,227 Listed Options  
53,927,846 Unlisted Options  
118,000,000 Performance Rights

The effect that this strike has on the CRH agreements under the force majeure clause is under review and will be determined and advised to CRH as required.

**-ENDS-**

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**Competent Person Statement:**

*The information in this announcement that relates to Exploration Results and geology is based on information compiled by Thiago Vaz Andrade who is a member of the Australasian Institute of Mining and Metallurgy. Thiago Vaz Andrade is an employee of Orinoco Gold Limited and has sufficient experience, which is relevant to the style of mineralization under consideration and to the activity that they are 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 Thiago Vaz Andrade consents to the inclusion in this announcement of the matters based on the information in the form and context in which it appears.*

**Forward-Looking Statements:**

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