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Digo Digo Exploration and historical evaluation commences

- Orinoco Gold assesses the Digo Digo exploration concession for the potential to host significant Iron Oxide-Copper-Gold (IOCG) mineralisation and partners with the National University of Brazil (UNB) to enable students to commence post graduate (geological and geophysical) study.
- The Digo Digo exploration concession (OGX 100%) was acquired in 2014 and consists of a 1,999 hectare (19.99 square km) package within the southern greenstone belt. Digo Digo sits 58 kilometres south of Cascavel and 38 kilometres south of Sertao and is within a 15 minutes' drive from Goias.
- Exploration conducted by SML/Troy Resources and another group indicates the Digo Digo exploration concession hosts widespread mineralisation with separate historic drill intercepts of high grade gold, copper, and Zinc.



Figure 1 – UNB post graduate students work with Orinoco geologists within the Digo Digo exploration concession last week

- Orinoco Senior Geologist Guilherme Teixeira de Siqueria e Silva (pictured above on the right) will manage exploration activities on the Digo Digo concession while Thiago Vaz Andrade will continue to co-ordinate the current drilling program at Sertão where four holes have been completed so far.

The ongoing review of historic production and exploration data has resulted in the initiation of preliminary field exploration work at the Digo Digo exploration concession in the Goias (southern) greenstone belt. The tenement package was acquired in 2014 and to date has not previously been assessed in any detail by Orinoco Gold.

The area hosts numerous historic shallow Garimpero workings and is characterized by Au/Cu anomalies (historic Soil + Chip Sampling + drilling). The anomalies are characterized by the presence of breccias and gossans at the surface, associated with a felsic volcanoclastic sequence and intrusive bodies (tonalities).

Three main NW-SE trending target zones have previously been identified during the historic exploration by SML (Troy Resources NL 70%). These are the Viuva and Nena zones which contain gold and copper mineralization within a package of volcanoclastics with minor chlorite schist units. The third target, Paraiso – Paraiso NW, hosts a similar style of mineralization but the anomalies are found within a mafic schist package containing only minor volcanoclastic units.

Two previous exploration programs have been conducted across the Digo Digo prospect. The first was conducted by SML (Troy Resources NL 70%) from 2005 to 2007 and was primarily focused on gold mineralization and the second was conducted by another group from 2012 to 2014 as a joint venture with the previous tenement owners Mineração Goiás Velho (MGV).

SML (Troy Resources NL 70%) conducted soil and rock sampling of the Digo Digo exploration concession and completed in excess of 15,000m of RC and RAB drilling between 2005 and 2007 with an average drill hole depth of 41m with a primary focus on gold mineralisation. The validity of the assay results of the SML exploration results has been brought into question as SML's 2007 consolidated exploration report in Troy Resources 2007 Annual report stated the following:

“Problems with assay repeatability have been encountered for primary mineralisation (gold) in each of these areas. Standard aqua regia, fire assay and screen fire assay techniques had been used at a combination of the SML laboratory and commercial laboratories in Brazil and Australia and at the time the exploration activities were ceased in solution to this variability problem has not been identified.”

Troy Resources assumed direct management of all exploration activities from SML in November 2005. Troy Resources also stated similar observations in their Quarterly Report for the three months ending September 2006:

“RC drilling at the Viuva Prospect (Digo Digo) intersected strong chalcopyrite-pyrrhotite-pyrite mineralisation. Panning of the samples shows significant gold is associated with this mineralisation. Problems with the standard aqua regia assay technique used, highlights the need for further test work to establish actual gold grades in this drilling”.

In April 2006, one single diamond drill hole (GDD001), was completed to a depth of 41.4m to enable a petrological study of the ore zone. This drill hole intercepted 18.45m @ 1.68g/t from 20m including two distinct zones of higher grade mineralization; 0.65m @ 12.6g/t Au from 20m and 1.44m @ 6.15g/t from 23.6m, however GDD001 was not assayed in detail for other minerals. The remaining drill core is currently being examined.



Figure 2 – Orinoco Senior Geologist and UNB student inspect drill core from GDD001 containing visible gold

Exploration conducted by another group between 2012 and 2015 consisted of 14 diamond drill holes totaling 2500m and indicated anomalous intersections of Gold, Copper, Zinc and Iron amongst other minerals. The assay results of that drilling campaign will be used to accelerate modelling and designing future exploration targets in the Digo Digo exploration concession.

The Orinoco Gold exploration team is currently compiling all available up-to-date data and conducting field based confirmation of geological mapping as well as enabling a study by postgraduate students at the University of Brazil into the Digo Digo prospect. This study will be announced by Orinoco upon completion and will provide detailed geological and geophysical analysis and will be used to enhance continued exploration at Digo Digo. A minor rock chip sampling program is also underway to assist in developing assaying protocols for potential follow-up exploration.

Our Senior Geologist Guilherme Teixeira de Siqueria e Silva commented “We are excited to collaborate with the UNB to unlock the potential of this exciting IOCG target we call Digo Digo. Previous drilling has provided us with an extensive dataset to allow us to better choose our own deeper holes that we intend to start in September. I look forward to reporting progress on this work.”



Figure 3 – Rock sample sent for laboratory analysis and assay to assist in developing assaying protocols

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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.

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