ORINOCO GOLD ASX: OGX

ASX/Media Release –10 December 2018

Bulk Sampling campaign unlocked Eliseo Meta-Conglomerate Hosted Gold Target Potential

Field mapping and bulk sampling returned good results and unlock Eliseo meta-conglomerate potential for bulk tonnage open pit mining

Key Points:

- **Meta-conglomerates are responsible for the largest gold in soil and rock chip sample anomalies in the Faina greenstone belt and has potential to large bulk tonnage/medium grade targets (figure 1);**
- **Stratigraphically it is positioned in the basal portion of the second sedimentary cycle of the Faina Greenstone belt;**
- **The anomalies associated to the meta-conglomerates extends more than 15 km along the strike and defines 3 main targets: Eliseo, Sierra and South Conglomerate (figure 2);**
- **Results of the first 06 samples from Eliseo target returned encouraging (Gekko plant) 2,04 g/ton of Au average unlocking the potential for bulk open pit mining, defining another prolific target to be developed by Orinoco exploration team;**
- **An extensive bulk sampling program was designed to cover all targets during next year.**
- **Anglo were on site last week for 2 days undertaking further due diligence activities. Results of these activities will be released at a later date.**

Eliseo Target – Meta-conglomerate hosted gold type

Orinoco Gold Limited is pleased to announce the results from bulk samples taken in mineralized outcrops over the south portion of the Eliseo Target. This first results are part of a bulk sampling program 2018, remaining 10 bulk samples that will be executed next week.

The meta-conglomerate occurs topographically associated with an elongated regional hill that stands out in the regional geography (pictures **A** and **B**). Outcrops of the mineralized meta-conglomerate are easily assessible in the top of that hill range.

Orinoco Gold
14 Outram St
West Perth WA 6005
PO Box 109
West Perth WA 6872

Contact
P (08) 9482 0540
F (08) 9482 0505
info@orinocogold.com
www.orinocogold.com

ASX Code
OGX
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(Listed Options)

Issued Capital
1,148,988,253 Ordinary Shares
225,072,116 Listed Options
64,640,687 Unlisted Options
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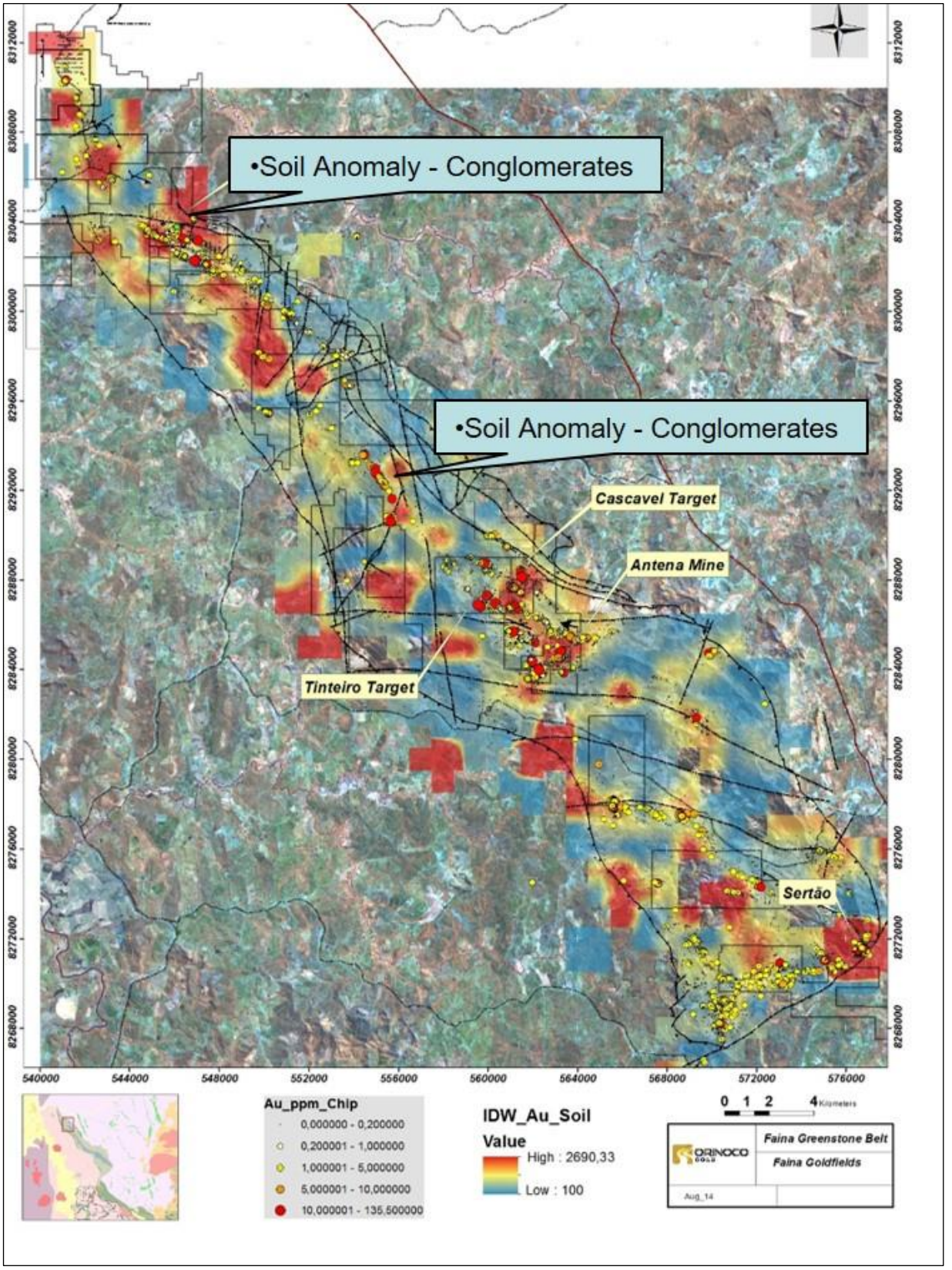


Figure 1: Soil Sampling grid (gold) and rock-chip sample map showing the meta-conglomerate related anomalies.

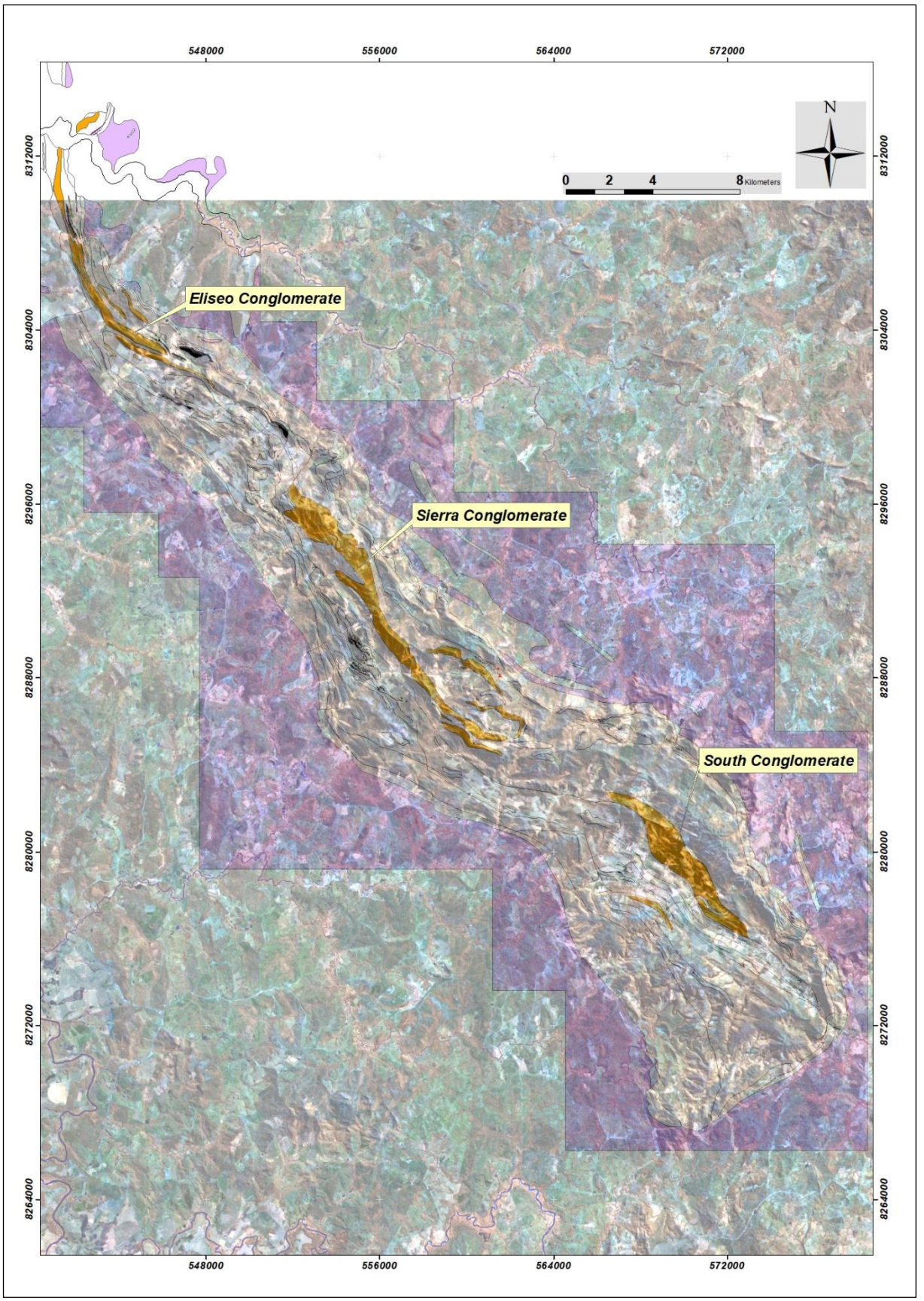
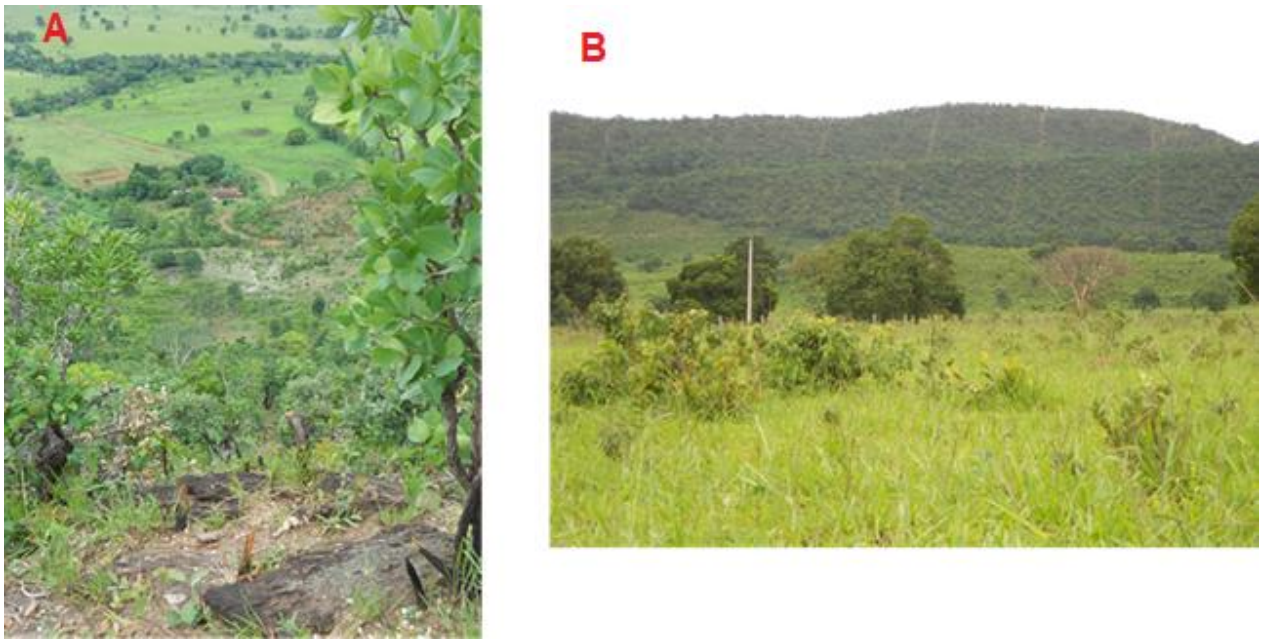
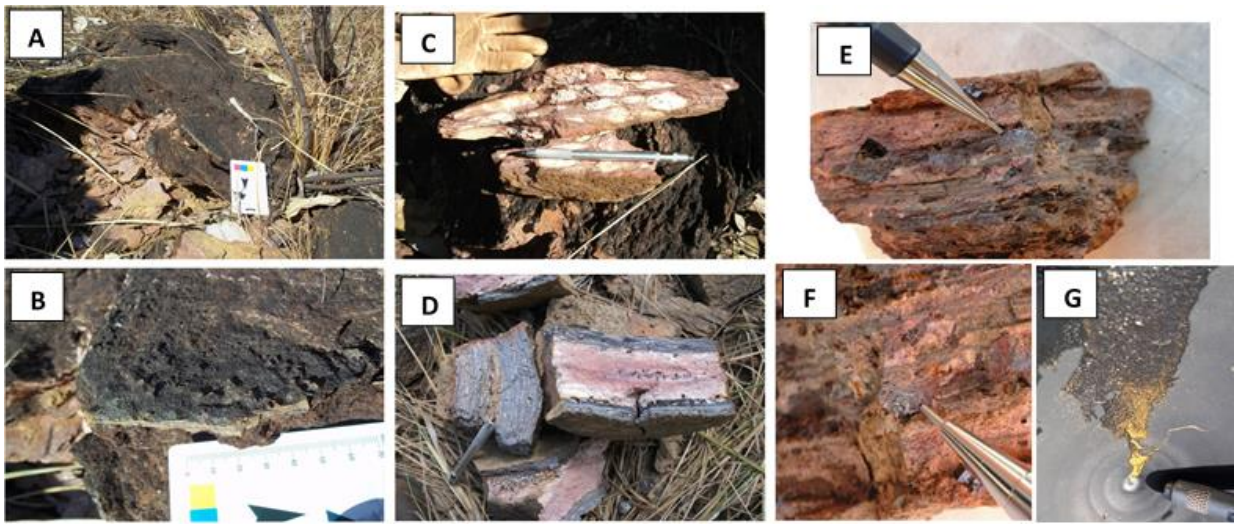


Figure 2: Regional geological map highlighting the meta-conglomerate packages.



Picture 1: A - view from the top of the hill to SW and meta-conglomerate outcrop. B - Elongated Eliseo regional hill, lines observed are for survey, view to NE.

Those meta-conglomerates have distinct features that are important on the control of the gold mineralization as described in the ASX announcement (oct 2017). They are interpreted as intra-basin meta-conglomerates.



A shows "in situ" meta-conglomerate and **B** a detail of "in situ" BIF pebble; the matrix is fine grained and most part of the pebbles are formed by quartz, also occurs ferruginous quartzites and particularly banded iron formation (**C**). Gold is closely associated with the banded iron formation pebbles, although it also occurs in the matrix (**D**). Inside the BIF pebbles, well-formed late pyrite crystals are observed in the ferruginous beds (**E** and **F**). Visible gold is constantly observed, and this pan concentrate was recovered from 10kg samples with BIF pebbles (**G**).

Those features mean that the higher the content of BIF pebbles, the higher the gold grade. In fact, when pebbles are sampled separately the grades are high (up to 49 g/ton in chip samples) and the amount of the gold recovered by milling a 10kg samples and panning it, shows that (pictures above). That makes

those targets geologically difficult to drill, given the uneven distribution of the gold inside the pebbles, in a small scale. So, the best way to determine average grade for these targets is bulk sampling.

This Bulk sampling program was than designed to cover the Eliseo target along the strike in mineralized zone hosted in meta-conglomerate. A total of 16 small pits were programmed to be executed during 2018 (figure 3), 06 sampled up to date (figure 4). Samples are collected with a backhoe and have an average weight of 15 tons each. They are then trucked to the Cascavel Process Plant where they are processed.

Results (table 1) are very encouraging. An average grade of 2,04 g/ton of gold was obtained from these first six samples, in a total of a bit more than 89 tons. Some delays were experienced with the use of the Gekko processing plant due to the nature of the Eliseo ore and the limited ability of the Gekko plant to handle multiple element ore types.

Table 1: Samples processed data.

Ore Type (Bulk Sample)	Total dry ore processed (ton)	Concentrate weight (g)	Au_g/t - Lab data	Au_g/t – Plant Recovered
Eliseo - BS02	10	328.9	0.39	**3.52**
Eliseo - BS03	13.17	221.34	0.1	**0.79**
Eliseo - BS05	14.84	365.22	2	**2.13**
Eliseo - BS07	15.36	267.21	0.1	**1.12**
Eliseo - BS04	18.39	306	0.18	**1.84**
Eliseo - BS09	17.45	136	10.4	**2.87**
	89.21	**1624.67**	**2.48**	**2.04**

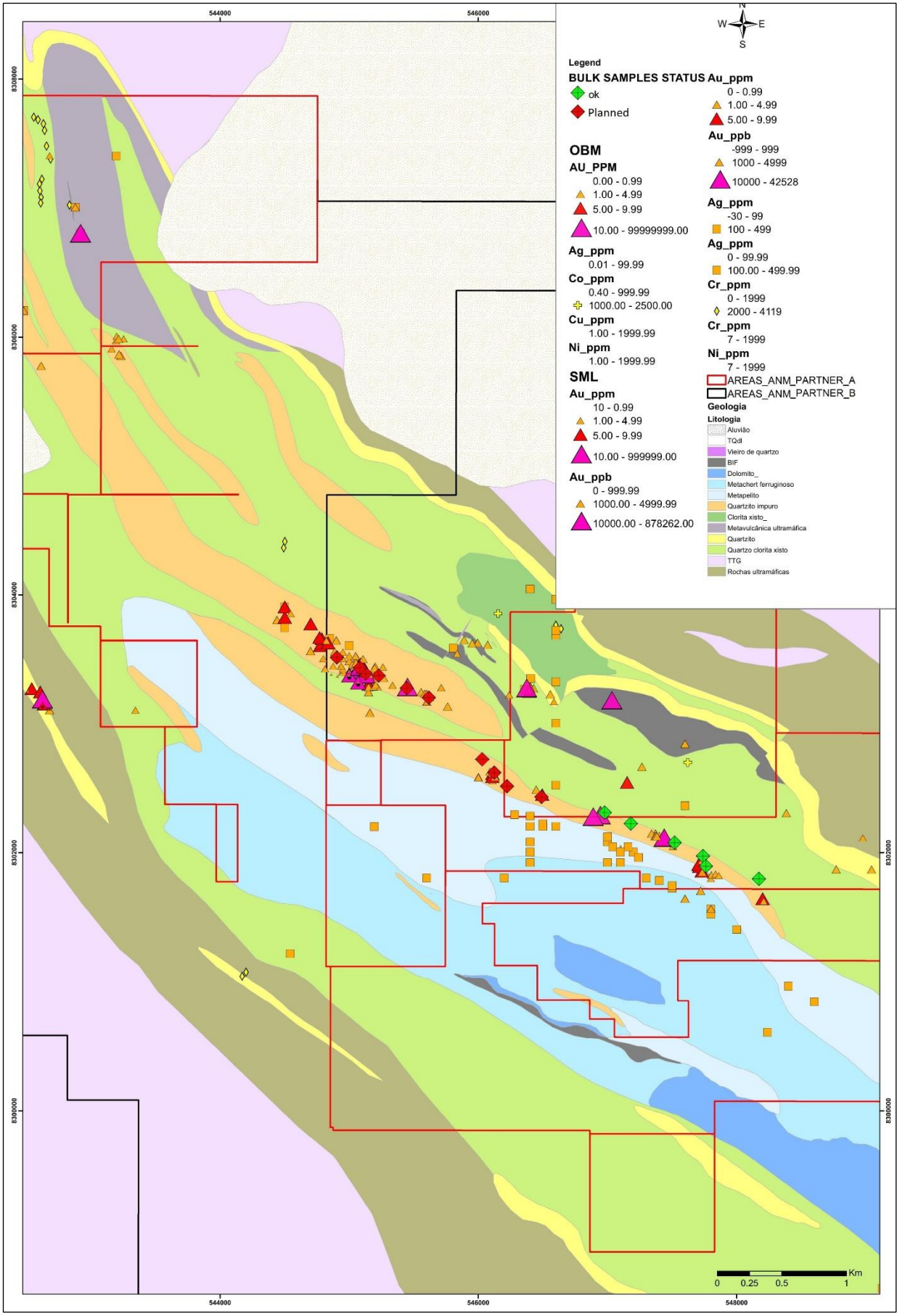


Figure 3: Regional geological map with all results to date.

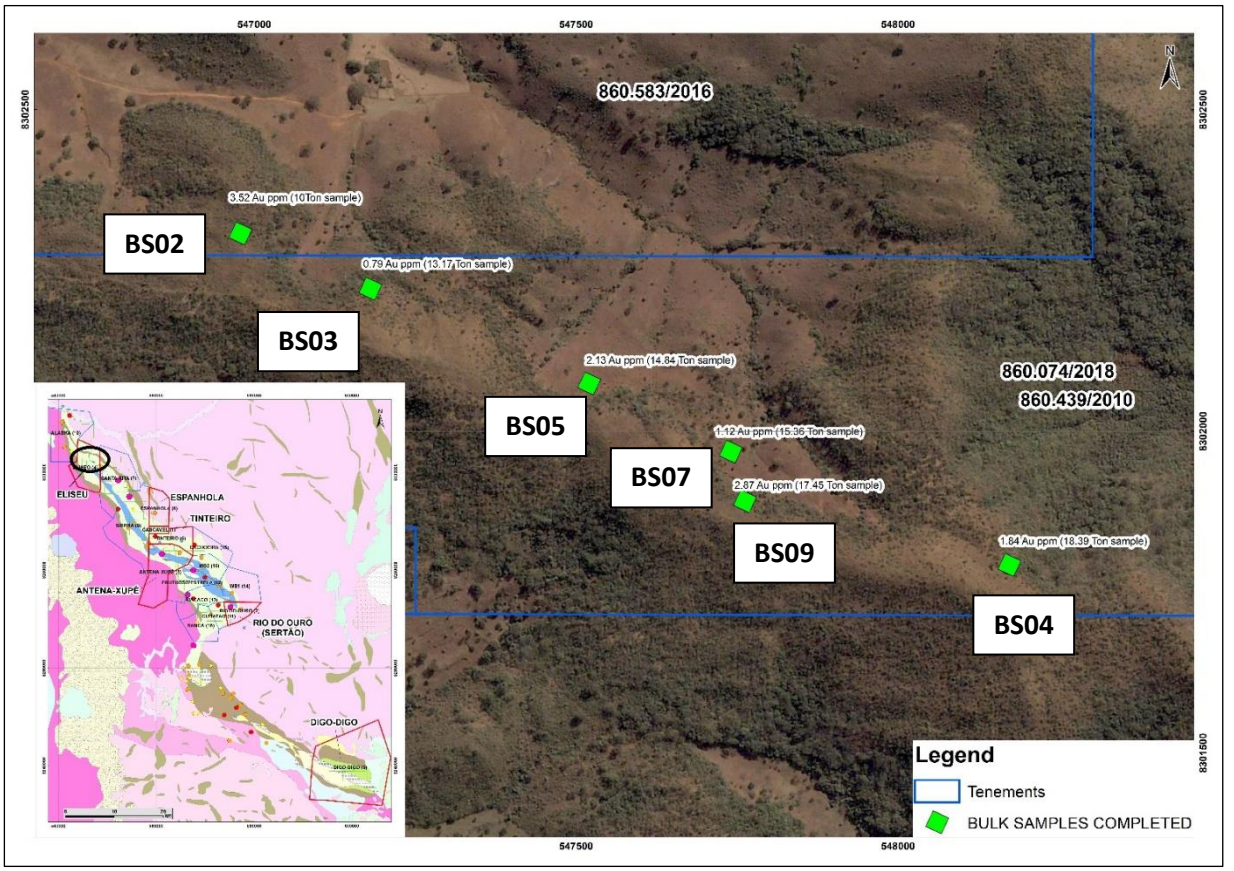


Figure 4: Detail of the bulk sampling/results to date, Eliseo Target.

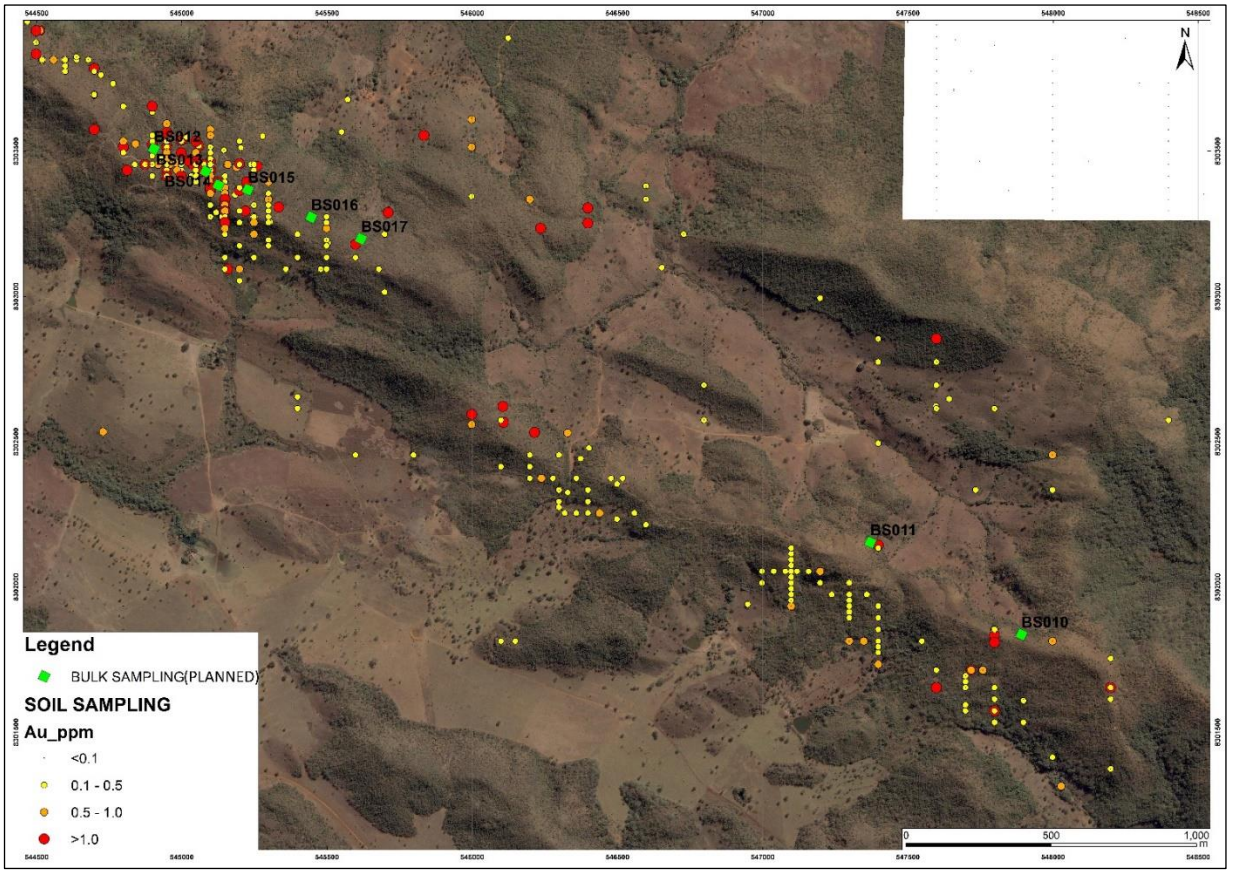


Figure 5: Detail of remaining bulk samples that will be sampled next week at Eliseo Target.

Orinoco's Geology Manager Thiago Vaz Andrade comment: "we are very excited about those results of our bulk sampling program for the meta-conglomerate hosted gold targets in the Faina Goldfields. We always considered this meta-conglomerate hosted mineralization as one of the most potential mineralized systems in our domains. The extension of the anomalies and aspect of occurrence combined with gold grades we are now getting certainly shows potential for high tonnage/low cost mineralization and can put our company quite a few steps up. In addition, bulk sample can certainly give us a quite precise idea on the grade of the system".

-ENDS-

For further information, please contact:

Jeremy Gray
Managing Director
Executive Chairman
Orinoco Gold Limited
08 9482 0540
info@orinocogold.com

Joseph Pinto
Non-
Orinoco Gold Limited
08 9482 0540
info@orinocogold.com

Competent Person Statement:
The information in this announcement that relates to Exploration Results 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 mineralisation 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. 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:
This Announcement includes "forward-looking statements" as that term within the meaning of securities laws of applicable jurisdictions. Forward-looking statements involve known and unknown risks, uncertainties and other factors that are in some cases beyond Orinoco Gold Limited's control. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this presentation, including, without limitation, those regarding Orinoco Gold Limited's future expectations. Readers can identify forward-looking statements by terminology such as "aim," "anticipate," "assume," "believe," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "plan," "potential," "predict," "project," "risk," "should," "will" or "would" and other similar expressions. Risks, uncertainties and other factors may cause Orinoco Gold Limited's actual results, performance, production or achievements to differ materially from those expressed or implied by the forward-looking statements (and from past results, performance or achievements). These factors include, but are not limited to, the failure to complete and commission the mine facilities, processing plant and related infrastructure in the time frame and within estimated costs currently planned; variations in global demand and price for gold materials; fluctuations in exchange rates between the U.S. Dollar, the Brazilian Real and the Australian dollar; the failure of Orinoco Gold Limited's suppliers, service providers and partners to fulfil their obligations under construction, supply and other agreements; unforeseen geological, physical or meteorological conditions, natural disasters or cyclones; changes in the regulatory environment, industrial disputes, labour shortages, political and other factors; the inability to obtain additional financing, if required, on commercially suitable terms; and global and regional economic conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The information concerning possible production in this announcement is not intended to be a forecast. They are internally generated goals set by the board of directors of Orinoco Gold Limited. The ability of the company to achieve any targets will be largely determined by the company's ability to secure adequate funding, implement mining plans and resolve logistical issues associated with mining. Although Orinoco Gold Limited believes that its expectations reflected in these forward-looking statements are reasonable, such statements involve risks and uncertainties and no assurance can be given that actual results will be consistent with these forward-looking statements.

JORC Code, 2012 Edition – Table 1 report template

Section 1 Sampling Techniques and Data

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	• 6 bulk samples were made at Eliseo target. • The bulk samples were collected from surface pits using a backhoe and a truck. • The samples are composed of soil and saprolite over the meta-conglomerates layer. • These pits have 15m² and 0.5m depth in average.	
Drilling techniques	• No drilling is reported in this document.	
Drill sample recovery	• No drilling is reported in this document. • Sample recovered using a backhoe. • Sample area visually inspected and all gravels excavated to basement. • No relationship appears to exist between sample recovery and grade.	
Logging	• The sample pits were lithologically logged and measurements were undertaken to determine volumes. • All pits were photographed.	
Sub-sampling techniques and sample preparation	• Not core. • Pit samples are disaggregated during excavation with a jackhammer. • The sample size is appropriate for the material being sampled. • For each pit, about 50 kg of the excavated material were separated in bags and sent to the internal lab for analysis. • The samples sent to the lab are dried at 110°C, crushed until 85% < 2 mm (10 mesh). 1 kg of the crushed material is separated and milled until 95% < 106 microns (140 mesh). • The bulk samples from the pits (14 tonnes average) were entirely processed in a gravimetric plant (with a VSI crusher). This processing included: Crushing in 3 stages; Classification 1.6mm in vibrating screen (2 decks); Primary concentration in pressurized JIG, with concentrate cleaner in 2 spinners and the concentration of JIG taillings in Knelson concentrator; Knelson's waste feed Sluice box + carpet; After the sluice box, the final tailing goes to the Thickener; Concentrate of Spinners and Knelson is pumped to Gold room; Concentration of the gold in a vibratory table; Finally fusion of concentrate and final Doré.	
Quality of assay data and laboratory tests	• The 50kg samples are sent to a cyanidation digestion: 1kg of the milled material (140 mesh) are digested during 24h in a solution with 2g of sodium cyanide,10 g of hydrated lime and 1 liter of water. After the digestion, the final solution is analysed in atomic absorption. The waste material of the entire lab process is added in the bulk sample of the same pit before the plant process. • The QAQC lab protocol inserts 1 physical blank, 1 chemical blank, 1 duplicate and 1 replicate per batch.	

Criteria	JORC Code explanation	Commentary
Verification of sampling and assaying	• All samples information is stored in Excel spreadsheets. • The electronic documentation (logs, assay data, collar and protocols) is stored in the server at the exploration office. • The physical documentation (logs and protocols) is stored at the exploration office.	
Location of data points	• Sample pits were located using a hand held GPS with a nominal accuracy of 5m. • The grid system used is UTM South American 1969 - Zone 22 S. • Topographic control uses Digital Terrain Model.	
Data spacing and distribution	• The sample pits spacing is not regular and was planned to test geological field information. • See figure 3 in the body of report.	
Orientation of data in relation to geological structure	• The sample pits are located along the top of the hill where the meta-conglomerate layer outcrops. • Insufficient data exists to determine whether sample bias is present.	
Sample security	• The samples where entirely processed by the gravimetric plant. • Security of processing and gold recovery were monitored by company personnel.	
Audits or reviews	• No audit or review has been undertaken regarding the results reported in this announcement.	

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	• The Faina Goldfield project is 70% owned by Orinoco do Brasil Mineração Ltda (OBM), which in turn is 100% owned by Orinoco Gold Ltd. The 30% partners are free carried during the exploration stage until a decision to mine. • The Sertão and Antena mining leases are owned 100% by Orinoco. • Eliseo target tenements are part of an agreement between Orinoco Gold and EDEM (Empresa de Desenvolvimento em Mineração). In this agreement, Orinoco have 3 years to explore them (starting in January 2018) and in January 2021 can acquire 85% until 100% of the rights.	
Exploration done by other parties	• Exploration for oxide gold deposits was well developed within the belt during the last 20 years, in different cycles and by different companies. A reasonable amount of surface exploration was carried out. Soil, stream sediments and chip sampling (for gold) are relatively widespread along and around both belts. Those surface surveys detected several gold and arsenic anomalies (about 64 anomalies are described). Some of those anomalies were tested with drilling, frequently with positive results. However, drilling was generally very shallow RAB drilling targeting at surface oxide deposits.	
Geology	• Gold mineralisation is widely distributed on the Faina Greenstone Belt, occurring on the ultramafics, felsic and mafic volcanics, on the clastic metasedimentary sequence and particularly at the chemical metasedimentary rocks. • Golden trends seem to be very continuous also along the strike, mostly associated with the main regional scale shear zones. • Mineralisation styles are varied on the belt. Most part of the gold mineralisation can be classified as Orogenic, mainly hosted in chemical and volcanoclastic sedimentary units. The following models can be considered, according to the available data: Shear Hosted (Orogenic) associated with carbonaceous/BIF hosts, mafic volcanic and volcanoclastic units. Paleo Placer/Conglomerate Hosted: associated with meta-conglomerates within the Proterozoic (Paleo?) transgressive clastic sequence. Au rich VHMS: hosted by younger Meso-Proterozoic intrusives in the volcanosedimentary rocks sequence in the Goiás Block, potentially in the Faina greenstone. The silver-tungsten-copper mineralisation at Cascavel has been interpreted as a carbonate replacement deposit due to the strong relationship to the impure limestone unit and crosscutting faults. Tinteiro Target shows features so far interpreted as potentially related to a late IOCG system. • Eliseo target is classified as a Paleo Placer conglomerate hosted gold, in the second sedimentary cycle in the greenstone belt sequence.	
Drill hole Information	• No drill hole is reported in this announcement. • The location of the sample pits is shown on maps within this report. The maps provides data on the location and relative elevations of the samples.	
Data aggregation methods	• No weighting, averaging, grade truncations or cut-off grades have been used. • No short or long length aggregation applicable. • No metal equivalent values were used.	
Relationship between mineralization widths and	• Results quoted are from surface pits and the true widths are not known.	

Criteria	JORC Code explanation	Commentary
intercept lengths		
Diagrams	• Diagrams relating to the results discussed in this announcement are attached to the current announcement.	
Balanced reporting	• This announcement is a comprehensive report of data currently available to the Company.	
Other substantive exploration data	• Orinoco had reviewed Troy's soil sampling data and the anomalies helped in programming the pits locations.	
Further work	• The company is currently programming 10 new bulk samples to be executed in the next 30 days. • A drilling campaign is being programmed.	