



Operations Update – Brazil Site Visit Completed

Key points:

- Executive Director Matthew O’Kane completes Brazil visit – detailed technical review advanced
- Stopping of Mestre level 7 mineralisation has commenced – processing of higher-grade ROM material now underway
- Exploration Joint Venture progressing with AngloGold Ashanti with work now commencing on the establishment of the Brazilian JV entity

Orinoco Gold Limited (ASX: OGX) (“Orinoco” or “the Company”) is pleased to provide an update to shareholders following a recently completed visit to the Company’s Brazilian gold operations by Executive Director Matthew O’Kane.

Brazil Site Visit Review

During the period of February 25th to March 4th, Mr. O’Kane travelled to Brazil to review the Company’s gold operations and to meet with key stakeholders, shareholders and suppliers of the Company. The visit included time spent in Sao Paulo, Goiania, Goias township and at the Company’s Cascavel Gold Mine in the Faina Goldfields, all located within the State of Goias.



Figure 1: Cascavel Processing Plant

After several positive discussions with key local stakeholders and staff, a tour of the Company's operations at Cascavel was undertaken. Mr O'Kane was joined by Mr. Angelo Scopel, a Brazilian National Geologist, to assist with translation and to provide independent reporting back to the Board. During the visit to site Mr. Scopel spent considerable time with Orinoco's geological team to gain a better understanding of the Cascavel deposit, prior to going on a tour of the underground operations. In addition, Geologist Samuel Machado explained to Mr. O'Kane a sampling technique that has been developed to estimate mining dilution that will be incurred in the mining of the mineralised veins in the deposit at Cascavel. To date, this technique has assisted mine and processing staff greatly in being able to predict the head grade of the run of mine ("ROM") material being produced by mining operations.



Figures 2 & 3 [L-R]: Mr O'Kane (centre) with Geologist's Samuel Machado and Angelo Scopel at Cascavel and heading down to the working on level 6 and 7

After reviewing the geological models of the Cascavel deposit, Mr O'Kane joined Chief Operating Officer Richard Crew for a tour of the underground operations at Cascavel. After a tour of the initial levels of mining, which were exploiting the Cascavel vein, the tour proceeded further down into the mine to level 7, where the development mining and slot raises were nearing completion to allow stoping of the higher-grade Mestre vein. Production was underway during the tour of level 7, with ROM material being loaded into the skip for transport to surface for processing.

After completing the review of the underground operations, the tour moved to the processing plant. Independent Metallurgist Mr. Rob Riggir, who has recently been placed in charge of processing operations at site, took Mr O'Kane and Mr Scopel through a tour of the processing plant and the gold room. During the week of the visit the plant had been processing approximately 100 tonnes of ROM a day, at an average head grade of approximately 4 g/t gold. This material had been produced from the final development and slot raises from level 7 Mestre. Recoveries from the plant had been averaging near to 80%, thus each day of processing of this volume of ore was delivering approximately 300 grams of gold in concentrate to the gold room. Post Mr. O'Kane departure from Brazil, and prior to his arrival, there had been periods of processing low grade stockpiles during times of interruption to underground operations due to equipment availability. The resulting average grade of material processed through the plant was as reported in the announcement of March 18th, 2019 by the Company regarding the gold sale on March 15th.

Funding Update

The Company can report that it recently executed an agreement with MEF I, L.P. (Magna) to draw down A\$250,000.00 under its existing funding facility. This funding tranche provides management with the requisite flexibility to continue progressing its operational and corporate objectives. The facility is convertible into shares upon the approval of shareholders and will otherwise be repaid.

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