



ASX/Media Release – 27 March 2019

Fully Underwritten Renounceable Pro-Rata Entitlement Offer to raise \$5.4m

Key points:

- Orinoco offers a renounceable entitlement issue of nineteen (19) shares for every ten (10) shares held by eligible shareholders to raise up to \$5,410,739 at a price of \$0.002 per share
- Entitlement offer is fully underwritten
- AngloGold Ashanti to take up their Entitlement and further sub-underwrite up to a maximum holding of 19.90% (approximately A\$1.4m)
- Shareholders may apply for additional new shares in excess of their entitlement

Orinoco Gold Limited (ASX: OGX) (**Orinoco** or the **Company**) is pleased to announce a fully underwritten renounceable entitlement offer of nineteen (19) fully paid ordinary shares (**Shares**) for every ten (10) Shares held by Eligible Shareholders (defined below), at an issue price of \$0.002 per Share (**Entitlement Offer**). The Entitlement Offer is fully underwritten by Empire Capital Partners. AngloGold Ashanti Holdings Plc (**AngloGold**) have agreed to sub-underwrite up to a total investment of A\$1.4m (including their Entitlement) and up to a maximum shareholding of 19.9% upon completion of the Entitlement Offer and the underwriting.

The Offer is being made to all shareholders of the Company named on its register of members at 5.00pm (WST) on 2 April 2019, whose registered address is in Australia, New Zealand, Singapore, Isle of Man, United Kingdom or Hong Kong (**Eligible Shareholders**).

Any entitlement not taken up pursuant to the Entitlement Offer will form the shortfall offer (**Shortfall Offer**). The Shortfall Offer is a separate offer made pursuant to the prospectus and may remain open for up to three months following the closing date of the Entitlement Offer. The issue price for each Share to be issued under the Shortfall Offer shall be \$0.002, being the price at which Shares will be offered under the Offer (**Shortfall Shares**).

Commenting on the rights issue and the plans moving forward, Interim Managing Director Matthew O’Kane noted “This announcement today is the culmination of a number of months work, which commenced with us gaining the support of Cartesian to defer the quarterly payments to them for up to three quarters, which then allowed us to structure this rights issue. The support of AngloGold for the raise is very welcome, and the Board, myself and management are heartened to see them not only elect to exercise their rights, but to further potentially increase their shareholding to a maximum of 19.9%. We look forward to getting the issue closed and moving forward with all shareholders and our key stakeholders to deliver value in the future for all involved with Orinoco.”

Orinoco Gold

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ASX Code

OGX
(Ordinary Shares)
OGXOD
(Listed Options)

Issued Capital

1,423,878,620 Ordinary Shares
225,072,116 Listed Options
64,640,687 Unlisted Options
76,800,000 Performance Rights
1,030,867 Tranche A
Convertible Notes

Purpose of the Offer

The Company has recently been pursuing the following strategic objectives:

- a) Reinvigoration of Board and management
- b) Re-engagement with largest shareholder AngloGold
- c) The advancement and review of mining operations at the Company's Cascavel mine including but not limited to security and increased gold recovery
- d) The execution of an exploration joint venture with AngloGold on the Company's exploration tenements in the Faina Goldfields in the state of Goias in Brazil.

The reason for the Entitlement Offer is to provide funding to:

- i) Allow the Company to support the ongoing review and execution of mining operations at Cascavel
- ii) Allow the company to continue to move ahead on the documentation and execution of the joint venture on exploration with AngloGold
- iii) Provide general working capital

Renounceable Entitlement Offer

Under the Entitlement Offer, eligible shareholders will be able to subscribe for 19 Shares for every 10 Shares held on the record date of 5pm (AWST) on Tuesday, 2 April 2019, at the price of A\$0.002 per Share to raise approximately A\$5.4m before costs. Eligible shareholders will be allotted their entitlement (**Entitlement**), which can be traded on the ASX. If Eligible Shareholders choose not to take up all or part of their Entitlement, they may also sell their Entitlement on the ASX, with trading to commence on Monday, 1 April 2019, and conclude on Tuesday, 9 April 2019. Any Entitlement not taken up under the Entitlement Offer, and Entitlements that would have been issued to ineligible shareholders had they been entitled to participate in the Entitlement Offer, will be offered for sale through the Shortfall Offer.

A prospectus containing information in respect of the Entitlement Offer (**Prospectus**) will be sent to Eligible Shareholders by Friday, 5 April 2019 and will be made available on the Company's website www.orinocogold.com. The contents of Orinoco's website do not form part of the offer document for the Entitlement Offer.

Eligible Shareholders should read the Prospectus in full in deciding whether to subscribe for Shares or sell their Entitlement. Any Eligible Shareholder who wishes to acquire Shares under the Entitlement Offer will need to complete, or otherwise apply in accordance with, the personalised entitlement and acceptance form that will accompany the Prospectus.

The Company notes that its securities will remain in suspension until the Prospectus has been lodged with the ASIC and on the ASX which is expected to be 27 March 2019, thus trading is expected to resume on Thursday, 28 March 2019.

Indicative Timetable

Event	Date
Announcement of Offer	Wednesday, 27 March 2019
Lodgement of Prospectus with the ASIC	Wednesday, 27 March 2019
Lodgement of Prospectus & Appendix 3B with ASX	Wednesday, 27 March 2019
Notice sent to Optionholders	Wednesday, 27 March 2019
Notice sent to Shareholders	Friday, 29 March 2019
Ex date	Monday, 1 April 2019
Rights start trading	Monday, 1 April 2019
Record Date for determining Entitlements (5:00pm WST)	Tuesday, 2 April 2019
Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders	Friday, 5 April 2019
Rights Trading Ends	Tuesday, 9 April 2019
Securities quoted on a deferred settlement basis	Wednesday, 10 April 2019
Last day to extend the Closing Date*	Thursday, 11 April 2019
Closing Date (5:00pm WST)	Tuesday, 16 April 2019
ASX notified of under subscriptions	Tuesday, 23 April 2019
Issue date. Deferred settlement trading ends.	Friday, 26 April 2019

*The Directors may extend the Closing Date by giving at least 3 Business Days notice to ASX prior to the Closing Date. As such the date the Shares are expected to commence trading on ASX may vary.

-ENDS-

For further information, please contact:

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