



Formal Execution of Cascavel Funding Construction Startup Imminent

Key Points:

- **Formal documentation for US\$8M Cascavel finance facility executed, with drawdown for construction to commence next week.**
- **Global gravity gold specialists, Gekko Systems, appointed to construct 15tph gravity gold plant.**
- **Mining team engaged for the sinking of the main incline shaft set to mobilise to site on 11 May 2015.**
- **Plant commissioning targeted for December 2015, with first gold production from Cascavel by year end.**

Orinoco Gold Limited (ASX: OGX) is pleased to announce that it has executed the final documentation required to complete the US\$8 million finance facility which underpins development of its flagship high-grade **Cascavel Gold Project** in Brazil.

The key milestone – which follows the receipt of shareholder approval at an Extraordinary General Meeting of shareholders held yesterday (6 May 2015) – clears the way for Orinoco to draw-down against the facility and commence construction activities on site.

The financing agreements have been executed with Cartesian Royalty Holdings (CRH), an associate of Chancery Asset Management. CRH is sponsored by Cartesian Capital Group, a US\$2b private equity group.

The finance facility encompasses an innovative gold sharing arrangement over the Cascavel Gold Project, as detailed in the Company's ASX Announcement dated 16 February 2015.

With this finance facility now formally in place, Orinoco has appointed gravity gold specialists, Gekko Systems, to construct the 15 tonne per hour gravity gold circuit for the Cascavel Mine. Gekko Systems manufactures quality, proven plant and equipment for gold operations all around the world.

Orinoco's Managing Director, Mr Mark Papendieck, said "The Company is delighted to be working with Gekko Systems for the construction of the Cascavel plant having achieved financing for the project after executing the final documentation for the US\$8 million gold streaming arrangement".

"Gekko are recognised experts in constructing gravity gold plants, and we take a great deal of confidence that, by having them on board, we will be able to maximise the recovery of gravity gold at Cascavel," he said.

With much of the equipment for the plant being manufactured in Brazil, Orinoco and Gekko are targeting commissioning of the gravity circuit by December 2015, putting the Company firmly on track to deliver first gold production from Cascavel before the end of the year.

The mining team engaged for the sinking and development of the main incline shaft, which will provide access to the high-grade ore zones at Cascavel, is scheduled to mobilise to site on 11 May 2015.

"The sinking of the main incline shaft at Cascavel represents a watershed event for Orinoco, providing the Company with an opportunity for early cash-flow as well as providing us with the necessary infrastructure to fully evaluate the high-grade Cascavel gold system and its potential to support a long term gold mining operation," Mr Papendieck said.

"I would also like to take this opportunity to thank Chancery Asset Management and the Cartesian Capital Group for their support through this innovative gold streaming arrangement," he added. "This is an ideal, fit-for-purpose and non-dilutive funding solution which will allow us to bring this exceptional high-grade gold asset into production, unlocking significant value for our shareholders."

Update on placement of shortfall from Entitlements Issue

As announced on 1 May 2015, the Entitlements Issue to eligible shareholders to raise up to A\$2.7 million closed with a total of 16,198,085 shares being subscribed for by existing shareholders, resulting in a shortfall of 22,053,700 shares.

The placement of all shortfall shares is now very close to being finalised, and the Company will make an announcement in due course once this process has been completed.

-ENDS-

For further information, please contact:

Mark Papendieck
Managing Director
Orinoco Gold Limited
08 9463 3241
info@orinocogold.com

Nicholas Read
Managing Director
Read Corporate
08 9388 1474

Competent Person's Statement: The information in this presentation that relates to Exploration Results is based on information compiled by Dr Klaus Petersen who is a member of the Australasian Institute of Mining and Metallurgy and CREA. Dr Klaus Petersen 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. Dr Klaus Petersen and Dr. Marcelo Juliano de Carvalho consent to the inclusion in this report 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 coal and base metal 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, resolve logistical issues associated with mining and enter into any necessary off take arrangements with reputable third parties. 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.

It is common practice for a company to comment on and discuss its exploration in terms of target size and type. Any information relating to the exploration target should not be misunderstood or misconstrued as an estimate of Mineral Resources or Ore Reserves. Hence the terms Resource(s) or Reserve(s) have not been used in this context. The potential quantity and grade is conceptual in nature, since there has been insufficient exploration to define a Mineral Resource. It is uncertain if further exploration will result in the determination of a Mineral Resource.

