



ISSUE OF SECURITIES

Orinoco Gold Limited (ASX: OGX) (“**Orinoco**” or “the **Company**”) wishes to advise that the Company has today issued and allotted the following securities as per the ASX release dated 6 April 2018.

Orinoco’s Managing Director, Jeremy Gray, commented, “Since Orinoco embarked on its 'Back to Basics' strategy some four months ago, it has done so on the mantra of performance, cutting costs and selectively growing the business through exploration. Our announced issue of Performance Rights to the Board and Management is the foundation of this turnaround and ensures our commitment to delivering month in month out to show the true potential of the Cascavel operations. We will publish Cascavel’s recent production results for Hammer Mills 1, 2 and 3 on Wednesday the 18th of April.”

- 60,000,000 Performance Rights to the Company’s Directors, as approved by Shareholders on 22 February 2018, on the terms and conditions set out in the Notice of Meeting dated 18 January 2018. The 60,000,000 Performance Rights will be allocated as follows:

Related Party	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights
Joseph Pinto	3,333,333	3,333,333	3,333,334
Terry Topping	1,666,666	1,666,666	1,666,668
Nick Revell	1,666,666	1,666,666	1,666,668
Helcio Guerra	1,666,666	1,666,666	1,666,668
Andrew Allan	1,666,666	1,666,666	1,666,668
Jeremy Gray	10,000,000	10,000,000	10,000,000

The Performance Rights for the Board have been divided into three classes (one third each), which will have the following milestones attached to them (**Milestones**):

- (i) Class A Performance Rights: one third vesting when the production of an amount equal to or greater than 1,000 ounces of gold is achieved for a period of two consecutive months from the Cascavel project for a total of an amount equal to or greater than 2,000 ounces of gold over the two-month period;
- (ii) Class B Performance Rights: one third vesting when the production of an amount equal to or greater than 1,500 ounces of gold is achieved for a period of two consecutive months from the Cascavel project for a total of an amount equal to or greater than 3,000 ounces of gold over the two-month period; and
- (iii) Class C Performance Rights: one third vesting when the production of an amount equal to or greater than 2,000 ounces of gold is achieved for a period of two consecutive months from the Cascavel project for a total of an amount equal to or greater than 4,000 ounces of gold over the two-month period.

As announced on 18 December 2017, all Performance Rights will have an escrow period from date of issue, with half of the shares issued on conversion of the Performance Rights being escrowed for six months and the

remaining half being escrowed for 12 months. If the Company becomes a takeover target by way of a corporate transaction before all or any of the Milestones have been achieved, then the holders of the Performance Rights will receive 100% of their allocated Performance Rights within 7 days of the announced transaction.

The Performance Rights are part of the Company's 'Back to Basics' strategy of delivering on production at Cascavel that has been elusive under previous management teams. The key factor regarding the Performance Rights is that, if the Milestones are not achieved, the Performance Rights do not vest. If the Milestones are achieved, this is for the benefit of all stakeholders. The decision to issue Performance Rights to the Company's Board and management was taken by the Company at a time when the share price was ~2 cents per share and the outlook for the group was uncertain.

Other than a reduced salary payable to the Company's Managing Director (as previously announced in the Notice of Meeting dated 17 January 2018), the Board has agreed to forgo all director fees. This benefits the Company by allowing it to spend a greater proportion of its cash reserves on its operations than it would if alternative cash forms of payment were given to the Company's Directors. Orinoco is currently in the process of reducing its overall monthly cash cost of running the business by 30% while still maintaining its Milestones.

- 58,000,000 Performance Rights to members of the Company's management and employees pursuant to the terms of the Company's Performance Rights Plan (**PRP**), as approved by Shareholders on 30 May 2016. These Performance Rights will not be issued to any of the board members and are being allotted to the Company's key Brazilian and Australian management team and employees.

The Board wants all its key management focused on the same targets of production but has given an extra Milestone of 5,000 ounces per month to its Brazilian team also that will be rewarded if this higher Milestone is achieved over four consecutive months. Our 'Back to Basics' strategy is focused on 1) reducing costs, 2) delivering on Milestones, and 3) realising the full value potential of the Company's non-Cascavel exploration tenements. The recent, successful capital raise puts the group in a strong financial position during the ramp up of Cascavel and will enable the Company to commit \$5 million to the Milestones described above and \$3 million for drilling Antena (ongoing), Sertao, Tintiero, Cascavel/Cuca this year with ongoing pit sampling at Eliseo and soon to be completed rock chip sampling of cobalt mineralisation at Tintiero. Investors should be aware that Cascavel does not have a JORC Resource that can give management the confidence of hitting those Milestones. However, drilling at Cascavel and Cuca will commence shortly both along strike and underground to help our mining team better understand the structure of this narrow vein high grade mineralisation.

	Class A Performance Rights	Class B Performance Rights	Class C Performance Rights	Class D Performance Rights
Management /Employees	16,000,000	16,000,000	16,000,000	10,000,000

The Performance Rights for Management and Employees (excluding any Board member) will have the following Milestones attached to them:

- Class A Performance Rights: when the production of an amount equal to or greater than 1,000 ounces of gold is achieved for a period of two consecutive months from the Cascavel project for a total of an amount equal to or greater than 2,000 ounces of gold over the two-month period;
- Class B Performance Rights: when the production of an amount equal to or greater than 1,500 ounces of gold is achieved for a period of two consecutive months from the Cascavel project for a total of an amount equal to or greater than 3,000 ounces of gold over the two-month period;
- Class C Performance Rights: when the production of an amount equal to or greater than 2,000 ounces of gold is achieved for a period of two consecutive months from the Cascavel project for a total of an amount equal to or greater than 4,000 ounces of gold over the two-month period; and
- Class D Performance Rights: when the production of an amount equal to or greater than 5,000 ounces of gold is achieved for a period of four consecutive months from the Cascavel project for a total of an amount equal to or greater than 20,000 ounces of gold over the four-month period.

Again, the key factor regarding the Performance Rights is that, if the Milestones are not achieved, the Performance Rights do not vest. If the Milestones are achieved, this is for the benefit of all stakeholders. In addition, these Performance Rights will not vest if, at the time that the Milestones are achieved, the management/employees are no longer in the employ of the group.

Similarly, as for the Board, all Performance Rights issued to management and employees will have an escrow period from date of issue, with half of the shares issued on conversion of the Performance Rights being escrowed for six months and the remaining half being escrowed for 12 months. If the Company becomes a takeover target by way of a corporate transaction before all or any of the Milestones have been achieved, then the holders of the Performance Rights will receive 100% of their allocated Performance Rights within 7 days of the announced transaction.

Management and employees have also agreed to reduce the cash portion of their remuneration, again benefiting the Company by allowing it to spend a greater proportion of its cash reserves on its operations than management and employee salaries. The issue of Performance Rights enables the Company to incentivise and retain experienced management and employees

- 14,500,000 new unquoted options exercisable at 3 cents on or before 4 April 2021 to third party service providers and advisors partly in lieu of cash fees for ongoing services. These options will be escrowed until 30 September 2018. The decision to issue these options was also taken by the Company at a time when the share price was substantially lower than it currently is and the outlook for the group was uncertain;
- 219 new fully paid ordinary shares in respect of a recent exercise of options; and
- 1,444,877 new fully paid ordinary shares to the sellers under an Option and Investment Agreement executed by the Company's subsidiary, Orinoco Brasil Mineração Ltda, granting it an option to acquire certain key mining rights in Brazil. As part consideration for the grant of the option, the Company has agreed to issue, subject to compliance with the ASX Listing Rules, a number of Shares to be determined by US\$50,000 divided by AUD\$0.045 per Share. The number of Shares was determined using the exchange rate of AUD1 to USD0.7690.

Attached is an Appendix 3B relating to the issue of the securities.

-ENDS-

For further information, please contact:

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Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Orinoco Gold Limited

ABN

71 149 219 974

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|--|
| 1 | +Class of +securities issued or to be issued | (a) Class A Performance Rights - Directors
(b) Class B Performance Rights - Directors
(c) Class C Performance Rights - Directors
(d) Class A Performance Rights - Management
(e) Class B Performance Rights - Management
(f) Class C Performance Rights - Management
(g) Class D Performance Rights - Management
(h) Unlisted Options
(i) Fully Paid Ordinary Shares
(j) Fully Paid Ordinary Shares |
|---|--|--|

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	<ul style="list-style-type: none">(a) 19,999,997(b) 19,999,997(c) 20,000,006(d) 16,000,000(e) 16,000,000(f) 16,000,000(g) 10,000,000(h) 14,500,000(i) 219(j) 1,444,877
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	<ul style="list-style-type: none">(a) Class A Performance Rights - Directors, convertible into one (1) fully paid ordinary share on satisfaction of the milestone specified in paragraph (a)(i) of Schedule 2 - Terms and Conditions of Performance Rights to the Notice of General Meeting dated 18 January 2018(b) Class B Performance Rights - Directors, convertible into one (1) fully paid ordinary share on satisfaction of the milestone specified in paragraph (a)(ii) of Schedule 2 - Terms and Conditions of Performance Rights to the Notice of General Meeting dated 18 January 2018(c) Class C Performance Rights - Directors, convertible into one (1) fully paid ordinary share on satisfaction of the milestone specified in paragraph (a)(iii) of Schedule 2 - Terms and Conditions of Performance Rights to the Notice of General Meeting dated 18 January 2018(d) Class A Performance Rights - Management, convertible into one (1) fully paid ordinary share on satisfaction of the milestone specified in paragraph (a)(i) of Schedule 2 - Terms and Conditions of Performance Rights to the Notice of General Meeting dated 18 January 2018

+ See chapter 19 for defined terms.

- (e) Class B Performance Rights - Management, convertible into one (i) fully paid ordinary share on satisfaction of the milestone specified in paragraph (a)(ii) of Schedule 2 - Terms and Conditions of Performance Rights to the Notice of General Meeting dated 18 January 2018
- (f) Class C Performance Rights - Management, convertible into one (i) fully paid ordinary share on satisfaction of the milestone specified in paragraph (a)(iii) of Schedule 2 - Terms and Conditions of Performance Rights to the Notice of General Meeting dated 18 January 2018
- (g) Class D Performance Rights - Management, convertible into one (i) fully paid ordinary share on satisfaction of the following milestone - when the production of an amount equal to or greater than 5,000 ounces of gold is achieved for a period of four consecutive months from the Cascavel project for a total of an amount equal to or greater than 20,000 ounces of gold over the four-month period
- (h) Unlisted Options exercisable at \$0.03 each and expiring on 4 April 2021, escrowed until 30 September 2018
- (i) Fully Paid Ordinary Shares
- (j) Fully Paid Ordinary Shares

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	<p>(a) to (h) No, Shares issued on the conversion of performance rights or unlisted options will rank equally with fully paid ordinary shares</p> <p>(i) and (j) Yes</p>
<p>5 Issue price or consideration</p>	<p>(a) to (g), no issue price (h) \$0.03 per unlisted option (i) \$0.03 per share (j) \$0.045 per share</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>(a) to (c), issue of performance rights in lieu of Directors' cash fees (d) to (g), issue of performance rights to incentivise management, partly in lieu of cash remuneration (h), issue of unlisted options partly in lieu of cash fees for ongoing third-party services (i) conversion of listed options (OGXOD) (j) part consideration payable under an Option and Investment Agreement executed by the Company's subsidiary, Orinoco Brasil Mineração Ltda, granting it an option to acquire certain key mining rights in Brazil</p>

+ See chapter 19 for defined terms.

6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	Annual General Meeting held 31 May 2017.
6c	Number of +securities issued without security holder approval under rule 7.1	(h) 14,500,000
6d	Number of +securities issued with security holder approval under rule 7.1A	Not Applicable
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not Applicable
6f	Number of +securities issued under an exception in rule 7.2	(i) 219 (j) 1,444,877
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not Applicable
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not Applicable

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Refer to Annexure 1
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7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	13 April 2018
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8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td>1,029,392,129</td> <td>Fully Paid Ordinary Shares</td> </tr> <tr> <td>223,695,196</td> <td>\$0.11 OGXOD options exercisable on or before 31 January 2020</td> </tr> </tbody> </table>	Number	+Class	1,029,392,129	Fully Paid Ordinary Shares	223,695,196	\$0.11 OGXOD options exercisable on or before 31 January 2020
Number	+Class							
1,029,392,129	Fully Paid Ordinary Shares							
223,695,196	\$0.11 OGXOD options exercisable on or before 31 January 2020							

+ See chapter 19 for defined terms.

9	Number and ⁺ class of all ⁺ securities not quoted on ASX (including the ⁺ securities in section 2 if applicable)	Number	⁺ Class
		10,500,000	\$0.15 options exercisable on or before 30 April 2018
		300,000	\$0.25 options exercisable on or before 14 July 2019
		500,000	\$0.07 options exercisable on or before 30 April 2018
		250,000	\$0.07 options exercisable on or before 30 June 2018
		750,000	\$0.0750 options exercisable on or before 29 May 2020
		750,000	\$0.0875 options exercisable on or before 29 May 2020
		1,500,000	\$0.09150 options exercisable on or before 29 May 2020
		1,500,000	\$0.106746 options exercisable on or before 29 May 2020
		2,678,571	\$0.02 options exercisable on or before 30 November 2020
		1,449,275	\$0.02 options exercisable on or before 31 January 2021
		500,000	\$0.02 options exercisable on or before 30 April 2021
		250,000	\$0.02 options exercisable on or before 30 June 2021
		45,250,000	\$0.03 options exercisable on or before 2 January 2020
		14,500,000	\$0.03 options exercisable on or before on 4 April 2021, escrowed until 30 September 2018

⁺ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

- 10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) Not Applicable

Part 2 - Pro rata issue – DELETED AS NOT APPLICABLE

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of ⁺securities
(tick one)

(a) ⁺Securities described in Part 1

(b) All other ⁺securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 If the ⁺securities are ⁺equity securities, the names of the 20 largest holders of the additional ⁺securities, and the number and percentage of additional ⁺securities held by those holders

36 If the ⁺securities are ⁺equity securities, a distribution schedule of the additional ⁺securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 A copy of any trust deed for the additional ⁺securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

39 +Class of +securities for which quotation is sought

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

	Number	+Class
42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 13 April 2018
Company secretary

Print name: Sophie Raven

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	489,455,333
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<div style="margin-bottom: 10px;">358,347,441</div> <div style="margin-bottom: 10px;">256,248,801</div>
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	1,104,051,545

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	165,607,731
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p>Insert number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>47,516,371 Fully Paid Ordinary Shares (92,611,914 total Shares issued on 6 April 2018 less 45,095,543 Shares issued on 6 April 2018 under an exemption in rule 7.2).</p> <p>21,226,954 Listed Options issued on 6 April 2018</p> <p>40,000 Fully Paid Ordinary Shares – to be issued pursuant to the Cleansing Prospectus dated 17 January 2018</p> <p>10,000 Listed Options – to be issued pursuant to the Supplementary Prospectus dated 5 April 2018</p> <p>14,500,000 Unlisted Options – issued on 13 April 2018 (under this Appendix 3B)</p>
“C”	83,293,325
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	165,607,731
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	83,293,325
Total [“A” x 0.15] – “C”	82,314,406 <i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	1,104,051,545
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	110,405,154
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	0

+ See chapter 19 for defined terms.

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Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	110,405,154
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	0
Total [“A” x 0.10] – “E”	110,405,154 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.