



Operations Update

New Monthly Mine Development Record at Cascavel as Ore Processing Continues

- Mine development continuing to improve with record 202m achieved in November.
- Stopping soon to commence using new “slash” stoping method.
- Ore processing continuing with throughput rates continuing to be above budget.
- Commissioning of on-site assay laboratory continuing.
- Faina Goldfields Project Earn-in Agreement with AngloGold progressed with final documents expected to be signed before the end of the year.

Orinoco Gold Limited (ASX: OGX) (**Orinoco** or the **Company**) is pleased to advise that it continues to make strong progress on a number of fronts at the 100%-owned Cascavel Gold Mine (**Cascavel**) in Brazil.

Mine Development

Mine development continues to improve with a total advance of 202m for November representing a new record which continues the upward trend seen in recent months (see Figure 1).

Development has been focussed on the Mestre lode decline and ore drives (see Figure 2) to facilitate the “opening up” of areas in preparation for the commencement of “slash” stoping.

Development of the Decline Shaft was suspended during October to allow for a focus on development of the Cascavel and Mestre declines.

A trial of a revised development method aimed at reducing dilution of the mineralised vein during the development phase commenced during the last week of November, with encouraging results.

An assessment is being made as to whether this revised development methodology presents a long-term benefit to the mine.

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ASX Code

OGX
(Ordinary Shares)
OGXOC & OGXOD
(Listed Options)

Issued Capital

783,295,119 Ordinary Shares
254,041,676 Options

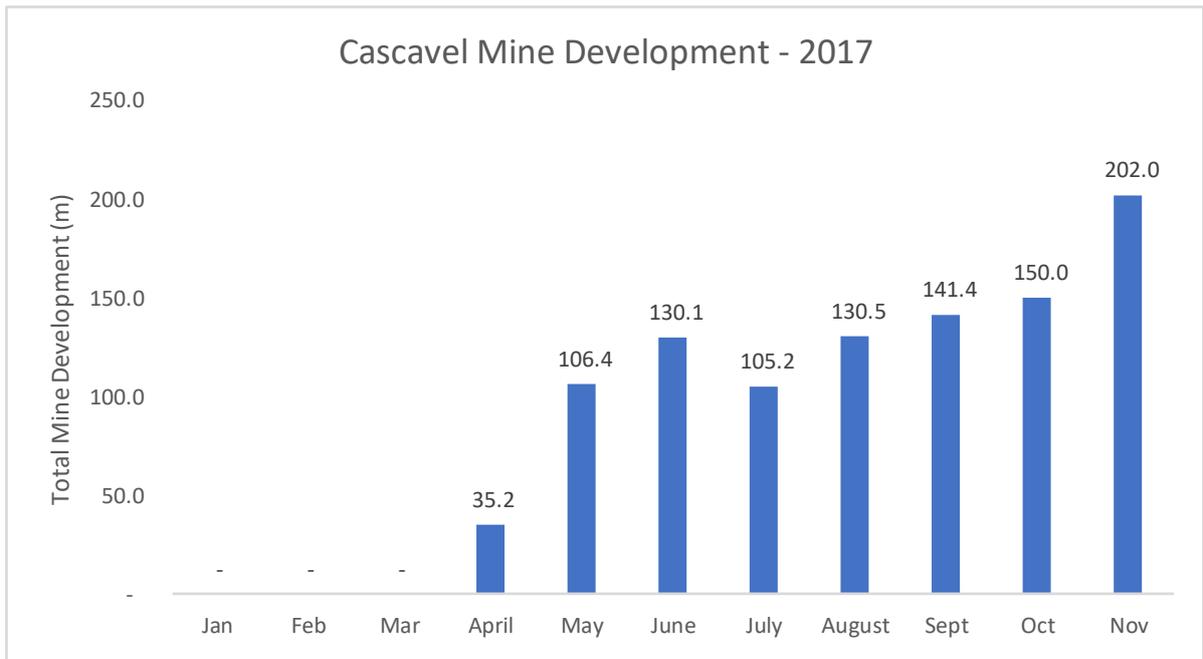


Figure 1: Monthly Development

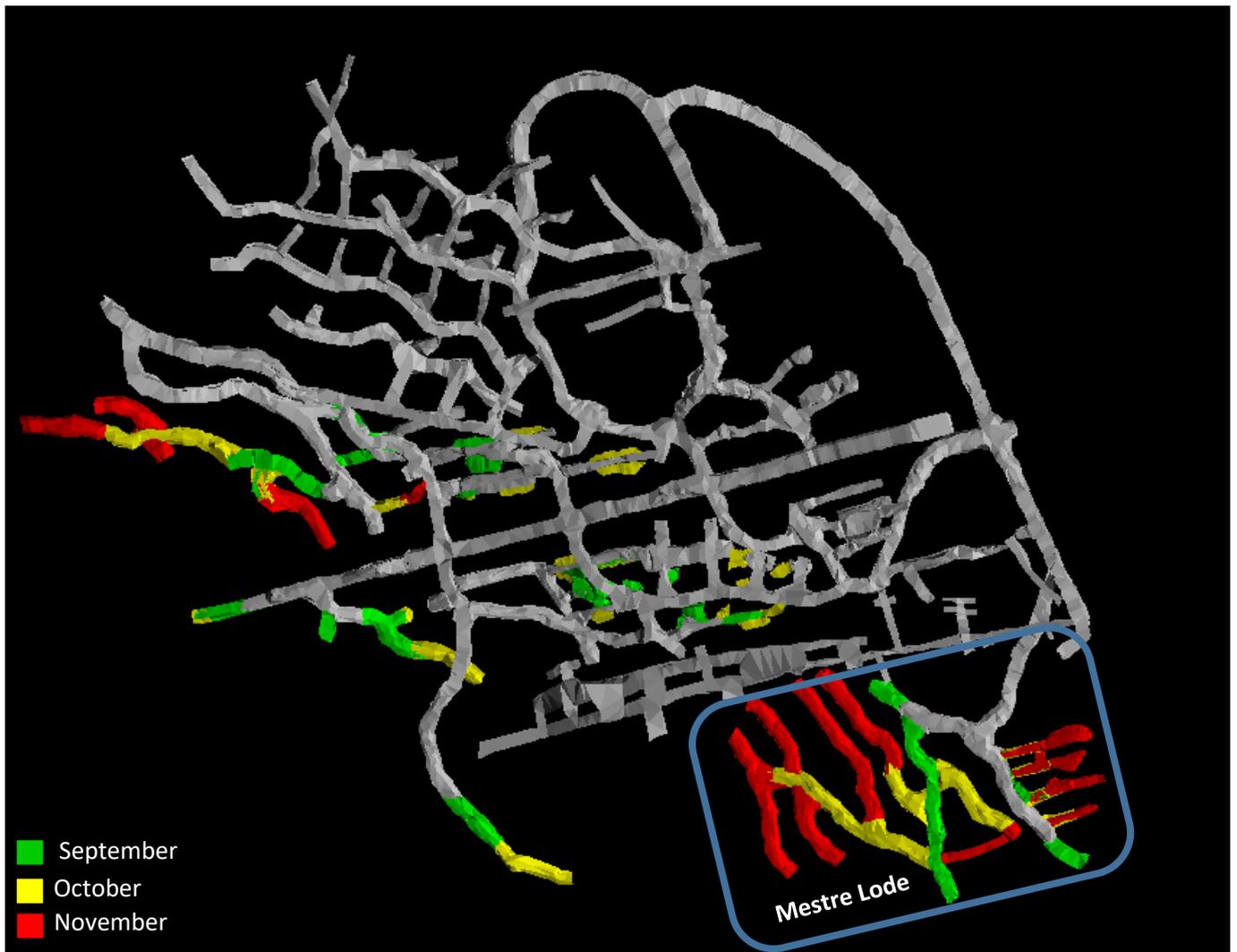


Figure 2: Monthly Development Plan

Stoping

Up-dip panel stoping above Mestre Level 0 commenced during November with “slash” stoping expected to commence in the Mestre lode during December.

Process Plant

Processing operations continued with a second shift being engaged mid-November. Processing operations during October were adversely affected by six days of downtime due to a mechanical failure associated with the secondary crusher.

The average throughput rate since the re-commencement of processing operations has remained above 20 tonnes per hour, which is well in excess of the budgeted throughput rate of 15 tonnes per hour.

The average tailings grade since the re-commencement of processing operations has remained well below the target grade of 1.0 g/t Au. The sluice box installed this year has proven to be a successful addition to the plant with up to 10% of total gold recovered being recovered by the sluice box (gold which would previously have been lost to tailings).

Table 1: Processing Plant Production

		August	September	October	November*
Ore Processed	Dry metric tonnes (t)	572	2,563	2,281	3,597
Throughput Rate	tonnes per hour (tph)	21.9	21.9	22.3	20.3
Head Grade	g/t Au	1.6	1.7	2.1	2.0
Tail Grade	g/t Au	0.35	0.52	0.45	0.48
Recovery	%	78	73	80	76
Gold Recovered	Ounces	23	105	121	173
Gold Sold	Ounces	0	0	0	442

* The November production numbers are provisional pending the receipt of final assays

It is expected that as a greater proportion of stoping material is process in coming months that the average feed grade to the process plant will increase.

On-Site Laboratory

All documentation for the outstanding laboratory licences was submitted in October to the Brazilian environmental regulator and military. Commissioning of the laboratory has continued (see Image 1) and will be finalised once the final licence has been received.

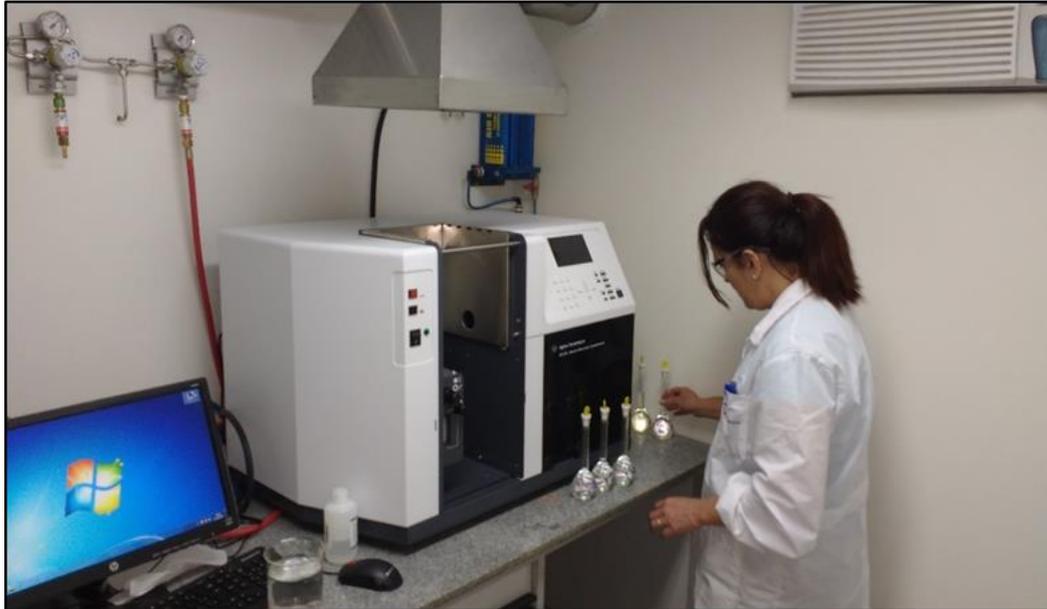


Image 1: Atomic Absorption commissioning

Faina Goldfields Project Earn-in Agreement

A meeting was held with representatives of AngloGold Ashanti Plc (**AngloGold**) at the end of November to finalise the terms of the Faina Goldfields Project Earn-in Agreement. It is planned that the final documentation will be prepared during December for signature before the end of the year.

-ENDS-

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