

29 March 2019

Dear Shareholder

## Orinoco Gold Limited – Renounceable Entitlement Issue

As announced on 27 March 2019 Orinoco Gold Limited (ACN 149 219 974) (**Company** or **OGX**) is undertaking a renounceable entitlement issue of nineteen (19) fully paid ordinary shares (**Shares**) for every ten (10) Shares held by those eligible shareholders registered at 5pm (WST) on 2 April 2019 (**Record Date**) at an issue price of \$0.002 per Share to raise up to \$5,410,739 (before costs) (**Entitlement Offer**).

The Entitlement Offer is fully underwritten by Empire Capital Partners Pty Ltd (**Underwriter**) who will also act as lead manager. The Underwriter has entered into a sub-underwriting agreement with AngloGold Ashanti Holdings Plc (**AngloGold**). The Company will pay an underwriting fee of 6% of the total amount raised under the Entitlement Offer (plus GST) to the Underwriter. In addition, the Company will pay a lead manager fee of 6% of the total amount raised under the Entitlement Offer, a success fee of \$150,000 payable in Shares and, subject to shareholder approval the Company will issue 400,000,000 unlisted options with a strike price of \$0.004 per share and 3-year expiry from the date of issue.

AngloGold has a relevant interest in 135,190,463 Shares representing 9.51% of the Shares currently on issue. Under the Offer, AngloGold will be issued 256,861,880 Shares for taking up its entitlement, which would increase its Shares held to 392,052,343 Shares. Pursuant to its sub-underwriting agreement, AngloGold may be issued up to a further 429,668,009 Shares (821,720,352 Shares in total), representing a maximum potential shareholding and voting power of 19.90% for AngloGold upon completion of the Offer.

The proceeds of the Entitlement Offer will be allocated towards the costs of the Entitlement Offer, repayment of debt, towards operations at Cascavel, capital development. The funds will also provide a prudent working capital buffer.

### Use of Funds<sup>1</sup>

The funds raised from the Entitlement Offer are planned to be used in accordance with the table set out below:

Item	Proceeds of the Offer	Full Subscription (\$)	%
1.	Additional Working Capital Development Costs Cascavel	\$1,650,000	30.49%
2.	Repayment of Convertible Notes	\$1,500,000	27.72%
3.	Reduction of Brazil Payables	\$750,000	13.86%
4.	Expenses of the Offer <sup>1</sup>	\$623,598	11.53%
5.	Mine Equipment purchase	\$100,000	1.85%
6.	Working capital	\$787,141	14.55%
	<b>Total</b>	<b>\$5,410,739</b>	<b>100%</b>

### Notes:

1. Refer to section 8.11 of the prospectus (**Prospectus**) for further details relating to the estimated expenses of the Offer.

The above is a statement of current intentions as of the date of the Prospectus. As with any budget, intervening events and new circumstances have the potential to affect the manner in which the funds are ultimately applied. The Board reserves the right to alter the way funds are applied on this basis.

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**).

Shares offered under the Entitlement Offer will rank equally with existing Shares already on issue.

Following completion of the Entitlement Offer, the Company will have issued approximately 2,705,369,378 New Shares resulting in total Shares on issue of approximately 4,129,247,998.

A copy of the Prospectus is available on ASX's and OGX's website. Eligible Shareholders will be mailed a Prospectus together with an Entitlement and Acceptance Form no later than 5 April 2019. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

For the purposes of calculating each Eligible Shareholders' entitlement, fractions of entitlements have been rounded up to the nearest whole number of New Shares.

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**).

Details as to how to participate under the Shortfall Offer is set out in the Prospectus.

#### **Actions required of Eligible Shareholders**

There are a number of actions Eligible Shareholders may take:

- You may wish to accept all of your rights to subscribe for Shares pursuant to the Prospectus (**Entitlement**). To take up all or some of your Entitlements you will need to ensure your application money for the Entitlements you wish to take up is received by Security Transfer Registrars Pty Ltd (**Share Registry**) by no later than 5.00pm (WST) on 16 April 2019, by completing and returning your Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form or by making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form.
- You may apply for Shortfall Shares in addition to your Entitlement. To take up Shortfall Shares you will need to ensure your application money for the Shortfall Shares you wish to take up is received by the Share Registry by no later than 5.00pm (WST) on 16 April 2019, by completing and returning your Entitlement and Acceptance Form to the Shortfall Offer by filling in the number of Shortfall Shares you wish to accept in the space provided on the Entitlement and Acceptance Form to the Shortfall Offer together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form to the Shortfall Offer or by making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form to the Shortfall Offer (at \$0.002 per Shortfall Share).

- You may wish to accept part of your Entitlement. To take up part of your Entitlement you will need to ensure your application money for the Entitlements you wish to take up is received by the Share Registry by no later than 5.00pm (WST) on 16 April 2019, by completing and returning your Entitlement and Acceptance Form by filling in the number of Shares you wish to accept in the space provided on the Entitlement and Acceptance Form together with your cheque, drawn on an Australian bank or bank draft made payable in Australian currency, for the amount indicated on the Entitlement and Acceptance Form or by making a payment by BPAY in accordance with the instructions on your Entitlement and Acceptance Form (at \$0.002 per Share).
- You may do nothing. If you choose to do nothing with your Entitlement, while you will continue to hold the same number of Shares, your interest in the Company will be diluted and you will receive no value for your Entitlement.

### Key dates for the Offer

Lodgement of Prospectus with the ASIC	27 March 2019
Lodgement of Prospectus & Appendix 3B with ASX	27 March 2019
Notice sent to Optionholders	27 March 2019
Notice sent to Shareholders	29 March 2019
Ex date	1 April 2019
Rights start trading	1 April 2019
Record Date for determining Entitlements	2 April 2019
Prospectus sent out to Shareholders & Company announces this has been completed	5 April 2019
Rights stop trading	9 April 2019
Closing Date*	16 April 2019
Shares quoted on a deferred settlement basis	10 April 2019
ASX notified of under subscriptions	23 April 2019
Issue date/Shares entered into Shareholders' security holdings	26 April 2019
Quotation of Shares issued under the Offer*	29 April 2018

\*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 Securities are expected to commence trading on ASX may vary.

If you have any queries concerning the Offer, or the action you are required to take to subscribe for Shares, please contact your financial adviser or Joel Ives, OGX's Company Secretary, on +61 8 6188 8181.

Yours sincerely

**Matthew O'Kane**  
**Interim Executive Director**  
**Orinoco Gold Limited**