



ASX Code: **TRF**

Ian Finch

Managing Director

Neil McKay

Director

Mark Le Grange

Director

Allan Trench

Director

SHARE REGISTRY

**Advanced Share Registry
Services**

110 Stirling Highway
Nedlands WA 6009

T: +61 (08) 9389 8033

F: +61 (08) 9389 7871

REGISTERED OFFICE

Level 2, 679 Murray Street
West Perth WA 6005

P: +61 (08) 9485 1040

F: +61 (08) 9485 1050

16 April 2015

Underground Mine Development to Commence of Orinoco's Cascavel Gold Project

Trafford Resources Limited (ASX:TRF) notes that Orinoco Gold Limited (ASX:OGX) today informed the market that its Board has formally approved the commencement of underground mine development at its high grade Cascavel Gold Project in Central Brazil.

This decision follows the successful completion of due diligence last month by Chancery Asset Management – a Singapore based, private mining investment company, clearing the way for the provision of a US\$8 million gold sharing arrangement.

Trafford is further encouraged by this news, since it currently holds 12.3 million shares as direct equity interest in Orinoco Gold Limited and is one of its major shareholders.

Orinoco's full ASX announcement is appended.

Ian Finch

Managing Director

Trafford Resources Limited



Underground Mine Development to Commence at Cascavel Gold Project

Key Points:

- Board approval received for commencement of underground mine development and construction of gravity circuit.
- Formal Decision to Mine follows recent completion of due diligence by Orinoco's funding partner, Chancery Asset Management.
- Development of main incline shaft scheduled to commence on 4 May 2015.

Orinoco Gold Limited (ASX: OGX) is pleased to announce that its Board has formally approved the commencement of underground mine development at its high-grade Cascavel Gold Project in central Brazil.

The mining team engaged for the excavation and development of the main incline shaft, which will provide access to the high-grade ore zones, is scheduled to mobilise to site on 4 May 2015, marking a key milestone in Orinoco's progress towards gold production.

The formal Decision to Mine follows the successful completion of due diligence last month by the Company's funding partner, Singapore-based private mining investment company Chancery Asset Management, clearing the way for the provision of a US\$8 million gold sharing arrangement (see *ASX Announcement – 25 March 2015*).

This underpins the overall A\$14 million funding package for the development of Cascavel, which is based on an estimated capital outlay of US\$6.6 million to establish a standalone initial 40,000tpa operation using a simple gravity circuit to process high-grade underground ore.

Orinoco's Managing Director, Mr Mark Papendieck, said the start of underground mine development at Cascavel represented a significant milestone in the Company's history. "Making the transition from explorer to producer is a big step for any company, and this marks the beginning of that transformational process for Orinoco," he said.

"We look forward to providing further details in the near future about our overall construction timetable and contractor arrangements," Mr Papendieck said.

-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.