



Orinoco Raises \$1.1M to Advance Cascavel High Grade Gold Project to Project Financing

Launches SPP to raise up to a further \$1M to enable shareholders to participate in pivotal capital raising as it makes transition to production

Highlights

- **Commitments of \$1.1M received for share placement comprising approximately 15.7M shares at \$0.07 per share plus a free attaching option, exercisable at 11c, to be issued on a 1-for-1 basis.**
- **In addition, a Share Purchase Plan (SPP) will be offered to all existing eligible shareholders to raise up to a further \$1M, on the same terms as the placement.**
- **Funds to be used to finalise preparation of detailed mining plans for the Cascavel Project while Orinoco secures debt funding to commence mining under the recently announced fast-track development plan, which encompasses:**
 - *US\$6.6M total CAPEX for an initial 40,000tpa operation using a simple gravity circuit, capable of achieving gold recoveries of 80-90%, to be located at the nearby Sertão gold mine;*
 - *Initial underground mine plan to focus on small portion of Cascavel and Mestre areas (250m x 200m) utilizing Orinoco's existing underground extraction permit.*
- **Discussions with a range of potential debt financiers are continuing, with a suitable funding package to underpin the start of mining and processing expected to be finalised in Q1 2015.**

Orinoco Gold Limited (ASX: OGX) is pleased to announce that it has received commitments from professional and sophisticated investors to raise approximately \$1.1M through a well supported share placement at \$0.07 per share.

The Company is also pleased to advise that it will be offering existing eligible shareholders the opportunity to participate in a Share Purchase Plan (SPP) at an issue price of \$0.07 per share.

Together, the funds raised from the placement and SPP will be used to complete development and mine plans for the high-grade Cascavel Gold Project while Orinoco secures a suitable debt funding

package to underpin the start of development, as well as for general working capital purposes.

The capital raising has been well supported by both existing and new investors and the completion of this raising will mark a key milestone for Orinoco in its planned transition from explorer to self-funding producer at the high-grade Cascavel Gold Project, its flagship asset within the broader 70%-owned Faina Goldfields Project in central Brazil.

The Company is currently in discussions with a range of financiers regarding funding of the initial mining and gravity processing operation at Cascavel as outlined in the Company's fast-track development strategy (*see ASX Announcement – 12 November 2014 and further detail below*).

The proceeds of the share placement and the SPP will provide sufficient equity capital to enable the Company to progress development and mine plans and secure a suitable funding package, which is anticipated to occur in Q1 2015. This will pave the way for development to commence at Cascavel.

Share Placement

Orinoco has received firm commitments to raise \$1.1M through a share placement to new and existing sophisticated and professional investors comprising 15.7M shares at an issue price of \$0.07 per share, representing 13% of the Company's issued capital, with a free attaching option, exercisable at 11 cents, to be issued on a 1-for-1 basis.

The share placement is expected to be completed within the Company's available placement capacity provided by the ASX Listing Rules. An Appendix 3B and Cleansing Notice will be lodged with the ASX upon the issue and allotment of the placement shares, which is expected to occur within the coming weeks.

Upon issue, the placement shares will rank equally alongside the existing fully-paid ordinary shares on issue.

Options to be issued under the placement will be subject to shareholder approval.

Share Purchase Plan

Shareholders who are recorded on the share register as at 5:00pm WST on 27 November 2014 with a registered address in either Australia or New Zealand will be eligible to participate in the SPP.

Under the SPP, each eligible shareholder will be entitled to apply for up to \$15,000 worth of new shares, to be capped at a total of \$1m raised. The issue price of \$0.07 per share represents a 16% discount to the volume weighted average price of Orinoco shares quoted on the ASX in the 5 trading days immediately prior to the date of this announcement.

Eligible shareholders are able to purchase up to \$15,000 worth of new shares without incurring brokerage or transaction costs. All new shares issued under the SPP will rank equally with existing ordinary shares of the Company. Full details of the SPP including acceptance forms are expected to

be sent to shareholders in the coming days.

Documents for the SPP including important dates and timetable will be released shortly.

Use of Funds

The proceeds of the raising will be used to fund preparation for, and development of, mining plans at the Cascavel Gold Project while project financing is secured, and for general working capital purposes.

The Company is currently in discussions with a range of parties regarding potential debt funding of the initial mining and gravity processing operations at Cascavel, as outlined to the market on 12 November.

Key highlights of the proposed fast-track development strategy for Cascavel are:

- Initial development of a low-cost gold gravity gold operation at the Cascavel Gold Project, located within the Company's broader 70%-owned Faina Goldfields Project in central Brazil;
- Total CAPEX of US\$6.6 million for an initial 40,000tpa operation;
- Underground mining to focus on high-grade gold shoots, where recent channel sampling has returned outstanding results including 15m grading 88g/t from contiguous channels.
- Ore commences from surface, with the existing mine plan covering an initial area of 200m by 250m. Drilling shows that this system is open 700m down-dip and 400m along strike, with mineralisation demonstrated for up to 1.5km further along strike;
- Commencement of mining under the Company's existing underground extraction permits;
- Establishment of a simple gravity circuit, capable of achieving gold recoveries of 80-90% at the site of the Company's 100%-owned Sertão gold project, located 28km by road from Cascavel. The Sertão lease will be returned to operational status once plant construction commences;
- Scope to expand mining area at Cascavel into known mineralisation and increase production by processing material from other sources including Sertão.

Management Comment

Orinoco's Managing Director, Mr Mark Papendieck, said he was pleased with the response from investors to the share placement, despite the extremely tough market conditions in the resource sector.

"I would like to thank the investors who have supported our plans to fast-track Orinoco's transition from explorer to self-funding producer by participating in this pivotal capital raising in the Company's history," he said.

"Together with the proceeds of the SPP, the Company will be funded from an equity perspective to complete a suitable debt funding package and move ahead with our development and production

plans at Cascavel in a timely fashion – building on the strong results flowing from the exploration decline and the excellent work we have undertaken this year.

“We appreciate the support of investors in this very difficult market environment and we will be working hard to deliver a return on their investment as we develop a low-cost standalone mining and processing operation at Cascavel and begin generating cash-flow.

“We believe that the development of an initial production hub at Cascavel holds the key to unlocking the broader potential of the Faina Goldfields Project, putting us in a position where we can take control of our own destiny and incrementally fund our own long-term growth and development plans,” Mr Papendieck added.

-ENDS-

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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 and Dr. Marcelo Juliano de Carvalho who is member of the Australasian Institute of Mining and Metallurgy. Dr Klaus Petersen and Dr. Marcelo Juliano de Carvalho are employees of Orinoco Gold Limited and have 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.

Previous Reported Results: There is information in this report relating to Exploration Results at Cascavel. Full details of the Results were included in the following ASX Release and are available to view on the Company's website www.orinocogold.com:

1. 21 August 2014 – Further highgrade Results from Exploration Decline
2. 23 October 2014 – Cascavel: More Bonanza Results Extend Current High Grade Zone to 15m @ 88g/t Au
3. 14 May 2014 - "Outstanding Gold Grade from Latest Cascavel Bulk Sample"
4. 7 July 2014 – Bonanza Gold Results up to 27 oz/tonne from Cascavel Exploration Decline
5. 14 May 2014 - Outstanding Gold Grade from Latest Cascavel Bulk Sample
6. 20 January 2014 - Successful Bulk Sampling Highlights the Opportunity for High Grade Development at Cascavel Gold Project.
7. 8 October 2012 - High-Grade Gold Results Returned From Curral De Pedra Project, Brazil
8. 12 December 2012 - Hits of up to 193gpt Au confirm mineralisation over 620m down dip

The Company confirms that it is not aware of any new information or data that materially affects the information included in the original market announcements and that all material assumptions and technical parameters underpinning the Exploration Results in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not been materially modified from the original market announcement.

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.



Figure 1. Area of initial mining. Plan view.

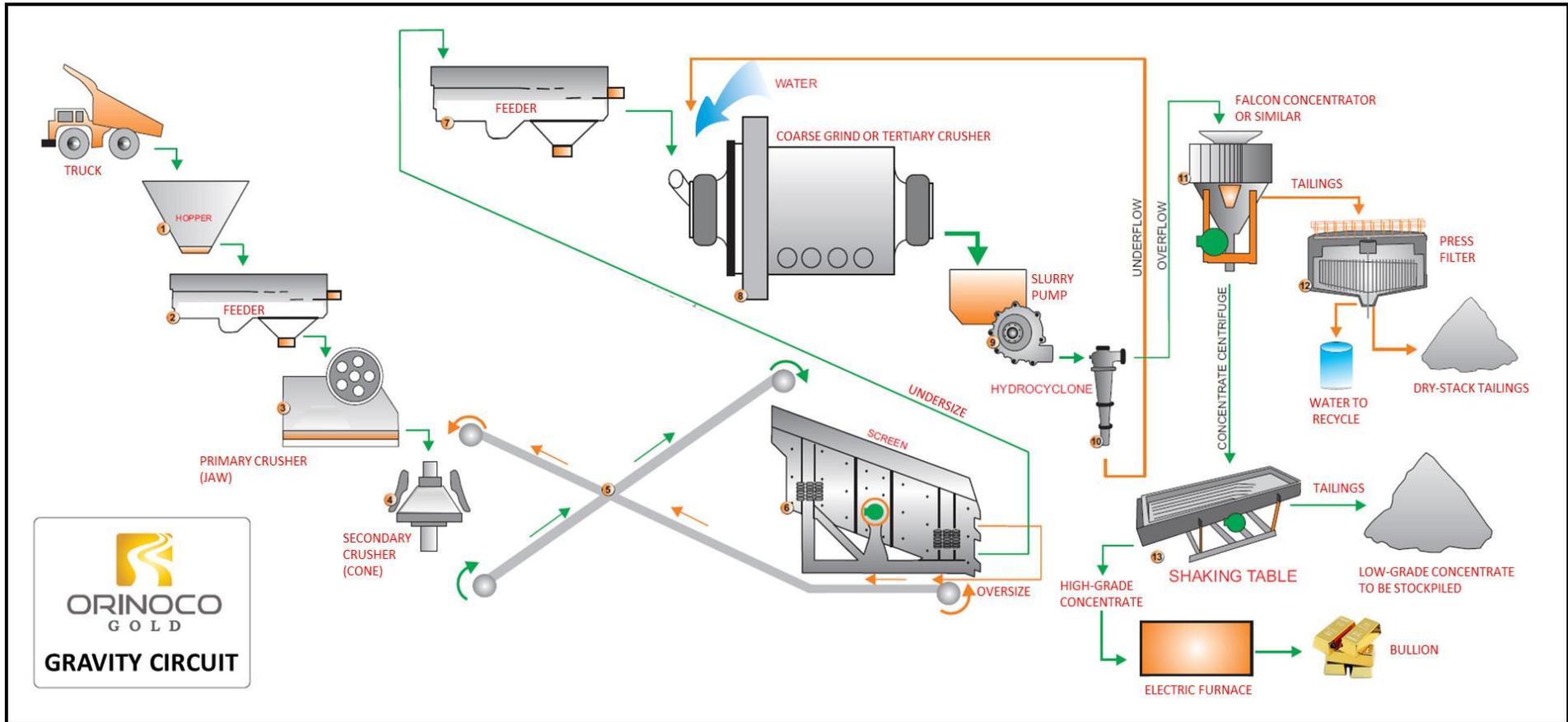


Figure 2. Proposed gravity circuit for Cascavel.

Section 1 Sampling Techniques and Data

Criteria	Commentary
<i>Sampling techniques</i>	<ul style="list-style-type: none"> • <i>Chip sampling:</i> sampling has been conducted on site following pre-determined selective sections that target rock types, structural and geophysical features. Samples are collected from in-situ outcrops, chipped with a geo pic and bagged in plastic bags with weights between 3-5kg. Samples are bagged in double bags with number codes and a short description of the sampling place (e.g. rock type, features, alteration). All data is stored in a geological database following appropriate QA/QC procedures. • All data is stored in the database following appropriate QA/QC procedures.
<i>Drilling techniques</i>	<ul style="list-style-type: none"> • No drilling reported in this announcement.
<i>Drill sample recovery</i>	<ul style="list-style-type: none"> • No drilling reported in this announcement.
<i>Logging</i>	<ul style="list-style-type: none"> • All chip samples have a brief description recorded in the database and are preferentially used to recognize geochemical anomalies. The geological description is recorded on a card brochure and lodged on the sampling table in the data base.
<i>Sub-sampling techniques and sample preparation</i>	<ul style="list-style-type: none"> • Chip samples are sent to the laboratory without drying or splitting. • Blanks and standards are inserted into chip samples batches.
<i>Quality of assay data and laboratory tests</i>	<ul style="list-style-type: none"> • All assay results are verified, with the reported intersections being selected with a 0.2 g/t cut-off grade; • The data entry and storage of physical data is made on site at the project and the data is stored electronically. All samples have been assayed at ALS Brazil; • At the ALS lab, all samples are dried at 100°C and crushed to 9 mesh in a jaw crusher. The samples go to a Jones or Rotary splitter and 500g of material is separated and powdered to 150 mesh. The 150# pulp is quartered and an aliquot of 50g is obtained. This aliquot is analysed by Fire Assay in non-ore samples. Metallic Screen Fire Assay is applied if the sample is considered ore. Selective samples are analysed in ICP-MS (Inductively Coupled Plasma Atomic Emission Spectrophotometry), with a multi-acid digestion for 32 elements.
<i>Verification of sampling and assaying</i>	<ul style="list-style-type: none"> • <i>Standards:</i> (insertion of different standards in each 30 samples approximately): If less than 10% are outside of the mean + 2x Std. Dev, the results are validated. If less than 10% is outside the Mean + 3x Std. Dev, but there are standards between the first and these two points - the results are validated, but the Lab is notified. If more than 10% is outside the Mean + 3x Std. Dev, the batch (40 samples) is rejected, an investigation is required and a re-analysis of the batch is made; • <i>Blanks</i> (insertion in each 30 samples approximately): If less than 5% are above 5x the detection limit of the Lab, the results are validated. If more than 5% is above 5x the detection limit, the Lab is notified and the batches with failure are re-analysed; • <i>Duplicates</i> (insertion in each 20 samples – Bias control): Project Duplicates are core quarter and Lab duplicates are Gravel and Pulp Duplicates.
<i>Location of data points</i>	<ul style="list-style-type: none"> • Chip samples are located with a hand held GPS • The grid system used is UTM South American 1969 - Zone 22 S;

Criteria	Commentary
	<ul style="list-style-type: none"> The topography crew uses local landmarks to guarantee the quality of their surveying.
<i>Data spacing and distribution</i>	<ul style="list-style-type: none"> Rock chip samples are selective samples of outcrop.
<i>Orientation of data in relation to geological structure</i>	<ul style="list-style-type: none"> The data orientation is intended to cover lithological or structural targets.
<i>Sample security</i>	<ul style="list-style-type: none"> Samples are stored in plastic sample bags, stored in the core shed on site prior to transport to the lab. All laboratory pulps are stored in the core shed in boxes supplied by the labs, stacked in dry places.
<i>Audits or reviews</i>	<ul style="list-style-type: none"> No audit or review has been undertaken regarding the results reported in this announcement.

Section 2 Reporting of Exploration Results

(Criteria listed in the preceding section also apply to this section.)

Criteria	Commentary
<i>Mineral tenement and land tenure status</i>	<ul style="list-style-type: none"> The Tinteiro project is 70% owned by Orinoco do Brasil Mineração Ltda, which in turn is 100% owned by Orinoco Gold Ltd. The 30% partners are free carried during the exploration stage until a decision to mine. The Sertão and Antena mining leases are being acquired 100% by Orinoco, but the acquisition remains subject to previously announced conditions precedent. Orinoco is earning up to a 75% stake in the Tenements on which Targets 1, 2 and 3 are located. Some locations within the Cascavel project have archaeological sites that are required to be mapped and photographed prior to removal of the sites. The key Tinteiro tenements are granted exploration leases.
<i>Exploration done by other parties</i>	<ul style="list-style-type: none"> Exploration for oxide gold deposits was well developed through the belt during the last 20 years, in different cycles and by different companies, however no exploration of IOCG systems is recorded to have taken place. A reasonable amount of surface exploration has been carried out. Soil, stream sediments and chip sampling (for gold) are widespread along and around both belts. Those surface surveys detected several gold and arsenic anomalies (about 64 anomalies are described). Some of those anomalies were tested with drilling, frequently with positive results. However drilling was generally very shallow RAB drilling.

Criteria	Commentary
<i>Geology</i>	<ul style="list-style-type: none"> • Gold mineralisation is widely distributed on the Faina Greenstone Belt, occurring on the ultramafics, felsic and mafic volcanics, on the clastic metasedimentary sequence and particularly at the chemical metasedimentary rocks; • Golden trends seem to be very continuous also along the strike, mostly associated with the main regional scale shear zones; • Mineralisation style is also varied on the belt. Most of the gold mineralisation can be classified as Orogenic, mainly hosted in chemical and volcanoclastic sedimentary units. The following models are considered relevant: Shear Hosted (Orogenic) associated with carbonaceous/BIF hosts, mafic volcanic and volcanoclastic units. Paleo-Placer/Conglomerate Hosted: associated with meta-conglomerates within the Proterozoic (Paleo?) transgressive clastic sequence. Au rich VHMS: hosted by younger Meso-Proterozoic intrusives in the volcanosedimentary rocks sequence in the Goiás Block, potentially in the Faina greenstone. The silver-tungsten-copper mineralisation at Cascavel has been interpreted as a carbonate replacement deposit due to the strong relationship to the impure limestone unit and crosscutting faults. Tinteiro Target shows features so far interpreted as being related to a late IOCG system. • Polymetallic mineralisation at Tinteiro: silver/tungsten/copper is interpreted as a carbonate replacement mineralization type that overlaps parts of the Cascavel Orogenic style mineralization and represents the most distal expression of the Tinteiro system. Closer to the core of the Tinteiro system gold, copper, barium, cobalt, uranium anomalies occur with hematite, potassic and sodic alteration together with structural features like fold hinges and crosscutting faults that are interpreted as a potential IOCG target. • The mineralisation of copper/gold/silver and other metals at Tinteiro is associated with zones of mainly hydrothermal sericite, hematite and magnetite alteration that are associated with regional and potentially deep crustal faults systems showing several non-deformed mafic alkaline to felsic intrusions. These mineralised faults have been mapped and sampled over an area of approximately 7km x 4km to date.
<i>Drill hole Information</i>	<ul style="list-style-type: none"> • No drilling reported in this announcement.
<i>Data aggregation methods</i>	<ul style="list-style-type: none"> • No data aggregation methods reported in this announcement
<i>Relationship between mineralisation widths and intercept lengths</i>	<ul style="list-style-type: none"> • Reported rock chips are single point, selective samples of outcropping lithologies.
<i>Diagrams</i>	<ul style="list-style-type: none"> • Diagrams are attached to the current announcement.
<i>Balanced reporting</i>	<ul style="list-style-type: none"> • This announcement is a comprehensive report of the results covered by this announcement.
<i>Other substantive exploration data</i>	<ul style="list-style-type: none"> • Only assays for rock chips are reported in this announcement.
<i>Further work</i>	<ul style="list-style-type: none"> • Drilling is required to test the identified targets at depth.