



# ORMINEX

## ASX ANNOUNCEMENT

ASX Code: ONX

**30 October 2020**

### DIRECTORS & MANAGEMENT

Michael Foulds  
*Non-Executive Director*

Dean Hely  
*Non-Executive Director*

Wayne McGrath  
*Non-Executive Director*

Kelly Moore  
*Company Secretary*

Share Capital – 539,102,168  
Unlisted Options – 9,452,055

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## 30 SEPTEMBER 2020 QUARTERLY ACTIVITIES REPORT

Orminex Limited (ASX: ONX) ('the Company' or 'Orminex') is pleased to provide its quarterly activities report for the period ended 30 September 2020.

### INDONESIAN GOLD ASSET TRANSACTION

On 19 August 2020, the Company announced that it had executed a binding framework letter with PT Amman Mineral International ('AMI'), in respect of progressing a transaction for the acquisition of economic interests in all or a substantial part of a significant epithermal gold project asset in Indonesia ('Asset') from AMI (or a related entity) ('Transaction').

During the quarter, the Company received the deposit of \$1 million from AMI which will be refundable if the Transaction does not proceed in certain circumstances. These funds will be used to progress the Transaction and associated work streams. Orminex is currently in the process of assessing suitable corporate advisors to support the Company through the Transaction.

### COMET VALE PROJECT (51% ONX; 49% Sand Queen Gold Mines Pty Ltd)

During the quarter, the Company announced the results of its July Toll 9 milling campaign from the 51% owned Comet Vale operation (refer to ASX announcement dated 5 August 2020). Although Toll 9 performed above expectations, the Company outlined its intent to undertake an underground diamond drilling program in order to confirm the continuity of the mineralised shoots below the 4.6 and 5.3 Levels.

Six diamond drill holes were designed and completed. As a result of the diamond drilling program, the Company received notice from its strategic alliance partner Mineral Ventures Pty Ltd ('Mineral Ventures') that it intended to suspend mining operations at Comet Vale (refer to ASX announcements dated 3 and 11 September, there have been no material changes to the information included in these announcements).

The Company continues to work with Mineral Ventures to complete a full review of the mining operations at Comet Vale and continue to develop its understanding of the controls on mineralisation. The Comet Vale tenement package remains highly prospective.

### *Mineral Ventures Working Capital*

On 28 July 2020, Orminex announced the variation to the Working Capital Facility Agreement with Mineral Ventures for Comet Vale, with the key terms being as follows:

- Mineral Ventures to pay Orminex \$200,000 within 5 days of the end of every month until the Facility is fully repaid, with the first repayment being due on 5 August 2020.
- The Facility will be secured with a mortgage over Suites 5 and 6 of Level 1, 460 Roberts Road, Subiaco WA 6008 (which has been given an agreed value of \$1,500,000).
- Interest on the Facility will accrue at 5% pa on the secured amount and 10% pa on the unsecured balance.
- Orminex agrees to reimburse expenses incurred by Mineral Ventures in relation to Orminex's the Penny's Find project and any reimbursement received by Mineral Ventures will be advanced to Orminex as repayment of the Facility.

During the quarter, the Company received \$850,000 in facility repayments.

## **PENNY'S FIND PROJECT (100% ONX)**

During the quarter, Orminex continued to progress plans to develop its 100% owned Penny's Find gold project located 50 kilometres northeast of Kalgoorlie in Western Australia.

Penny's Find contains an underground 2012 JORC compliant mineral resource of 248,000 tonnes at 7.04g/t Au extending from the base of the completed open pit (approximately 85m depth) to at least 250m below surface and remains open at depth (refer ASX announcement dated 13 December 2017 released by Empire Resources Limited (ASX: ERL), there have been no material changes to the information included in this announcement).

The Company has steadily progressed with works around project optimisation, geotechnical design and project permitting and approvals

## **HAPPY JACK PROJECT**

During the quarter, the Happy Jack project tenement P29/2589 reached its 8<sup>th</sup> year - meaning it could no longer be renewed and would need to be converted into a Mining Lease in order to be retained. The tenement was not converted into a Mining Lease and expired on 18 July 2020.

## **CORPORATE UPDATE**

### ***Board and Executive Changes***

On 17 July 2020, Mr Daryl Henthorn and Mr John Correia resigned from their positions as Non-Executive Directors of the Company.

### ***Section 249D Notice***

On 12 June 2020, the Company received a request to call and arrange a general meeting of shareholders under section 249D of the *Corporations Act 2001* (Cth) ('the Meeting') to remove Mr Daryl Henthorn as a Director of Orminex. The Meeting was called for 3 August 2020, with the notice of meeting being lodged with the ASX on 3 July 2020. The Meeting was cancelled given the resignation of Mr Henthorn.

### ***Change of Address***

On 21 September 2020, the Company's registered office and principal place of business was changed to Suite 5, Level 1, 460 Roberts Road, Subiaco WA 6008.

### ***Listing Rule 5.3.5***

In accordance with Listing Rule 5.3.5, Orminex advises that the payments to related parties as advised in the Appendix 5B for the quarter ended 30 September 2020, pertain to termination fees of \$45,000, administrative and bookkeeping support of \$1,000 and payment to Mineral Ventures for services in relation to Penny's Find Project of \$409,426.

## **MINERAL VENTURES MODEL OVERVIEW AND STRATEGY**

In 2018, Orminex entered into a strategic alliance with WA-based contract mining company Mineral Ventures Pty Ltd (formerly GBF Mining Pty Ltd) to form the Mineral Ventures model. The primary aim of the Mineral Ventures model is to source, develop and fund stranded, high-grade gold assets into production.

Orminex currently has a 51% joint venture interest in the producing Comet Vale gold project and 100% ownership of the high-grade Penny's Find Gold Mine near Kalgoorlie and 100% of the Golden Lode project located 130km from Coolgardie and 100%.

**Investor queries:**

Wayne McGrath  
Non-Executive Director  
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This announcement has been authorised and approved for release by the Board of Orminex.

For more information, visit [www.orminex.com.au](http://www.orminex.com.au)



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**About Orminex Limited**

Orminex has a strategic alliance with underground mining contractor Mineral Ventures Pty Ltd who oversee operational management of the Company's projects. This strategic alliance facilitates a Mineral Ventures Model that provides capital and mining service solutions to suitable near-term production gold projects.

## INTERESTS IN MINING TENEMENTS HELD

| Project              | Tenement  | Location          | Ownership at the beginning of the quarter | Ownership at the end of the quarter | Acquired during the quarter | Disposed of during the quarter |
|----------------------|---|-------------------|---|-------------------------------------|-----------------------------|--------------------------------|
| Comet Vale Project   | E29/927<br>L29/67<br>M29/35<br>M29/52<br>M29/85<br>M29/185<br>M29/186<br>M29/197<br>M29/198<br>M29/199<br>M29/200<br>M29/201<br>M29/232<br>M29/233<br>M29/235<br>M29/270<br>M29/321 | Western Australia | 51%                                       | 51%                                 | -                           | -                              |
| Golden Lode Project  | P30/1100<br>P30/1101<br>P30/1102<br>P30/1103<br>P30/1104<br>P30/1105<br>P30/1131  | Western Australia | 100%                                      | 100%                                | -                           | -                              |
| Happy Jack Project   | P29/2271  | Western Australia | 100%                                      | -                                   | -                           | 100%                           |
| Penny's Find Project | M27/156<br>G27/01<br>L27/90<br>L27/91<br>L27/92<br>L27/93   | Western Australia | 100%                                      | 100%                                | -                           | -                              |

## SUMMARY OF CASH EXPENDITURE PER PROJECT

| Project             | Cash Expenditure \$'000 |
|---------------------|-------------------------|
| Comet Vale Project  | 36                      |
| Golden Lode Project | 7                       |
| Penny's Find        | 415                     |
| <b>Total</b>        | <b>458</b>              |