



# ORMINEX

## ASX ANNOUNCEMENT

ASX Code: ONX

28 April 2021

## DIRECTORS & MANAGEMENT

Michael Foulds  
Non-Executive Director

Dean Hely  
Non-Executive Director

Wayne McGrath  
Non-Executive Director

Matthew Nixon  
Chief Operating Officer

Kelly Moore  
Company Secretary

Share Capital – 547,872,785

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## MARCH 2021 QUARTERLY ACTIVITIES REPORT

Orminex Limited (ASX: ONX) ('the Company' or 'Orminex') is pleased to provide its quarterly activities report for the period ended 31 March 2021.

### HIGHLIGHTS

- Strong financial position with \$4M cash on hand and no debt
- Penny's Find Joint Venture Agreement finalised, with RC and diamond drilling program completed during quarter
- Matt Nixon, previous Mining Manager of Jundee Operations for Northern Star Ltd (ASX: NST), appointed Chief Operating Officer (commenced 8 February 2021) to further facilitate direction and growth of the Company

### PENNY'S FIND (ONX 50%)

Penny's Find is located 50km northeast of Kalgoorlie in Western Australia and comprises a completed open pit with a high-grade underground mine opportunity on a granted Mining Lease with pre-requisite mining approvals well advanced. The underground mine contains a JORC 2012 Mineral Resource Estimate of 248,000t at 7.04g/t Au for 56,000oz with 147,000t at 8.6g/t in the Indicated Category (refer Empire Resources Ltd ASX announcement 13 December 2017, no material changes to the resource since this announcement).



Figure 1 Penny's Find Gold Mine site layout and tenements

During the quarter, the Joint Venture Agreement with Horizon Minerals Ltd ('Horizon'; ASX: HRZ) was completed and Orminex received the A\$1,500,000 cash consideration (refer ASX announcement 22 March 2021). The funding of pre-development advancement by the joint venture partner also commenced (with Orminex free-carried up to A\$1,000,000) and an infill RC and diamond drilling was completed safely and on budget, comprising 21 holes. Initial results from this program received post quarter end were positive, with some excellent high-grade intercepts at widths up to 5m and indication of strong mineralisation continuity at depth and along strike (refer ASX announcement 14 April 2021 for detailed results, competent person's statement and JORC Tables). Significant intercepts included:

- 5m @ 5.27g/t gold from 180.3m in P1\_010
- 3.7m @ 7.46g/t gold from 215.3m in P1\_005
- 2.7m @ 8.46g/t gold from 171.4m and 1.7m @ 17.91g/t gold from 178.9m in P1\_007
- 1.9m @ 13.95g/t gold from 251m in P1\_009
- 2m @ 8.47g/t gold from 227m in P1\_008
- 0.9m @ 23.56g/t gold from 216.7m in P1\_006

In the June quarter, the Company intends to advance with compilation of an updated Mineral Resource and subsequent mine design and economical review to enable progression towards a decision to mine. Scoping works for pit dewatering and site infrastructure will be conducted in parallel to align with intent to expedite all processes leading up to potential commencement of portal development in the second half of 2021.

#### COMET VALE (ONX 51%)

During the quarter, the Company initiated a thorough review process of the Comet Vale tenements and existing mines to expand on assessment works previously conducted. The review intends to ascertain the optimal approach moving forward on what remains a highly prospective area possessing multiple deposits of typical Archaean narrow, high-grade gold quartz lodes within a shear hosted system. Mr Nixon will lead the internal review, engaging assistance from an independent geologist as well as an independent mineral valuation expert, as the Company seeks to unlock maximum value for shareholders from the JORC 2012 Mineral Resource of 750kt @ 8.5g/t for 203koz<sup>1</sup> (refer ASX announcement 15 May 2018, no material changes to the resource since this announcement). Figure 2 depicts the multiple existing and historic opportunities within the Comet Vale geological setting, with Orminex conducting underground mining activities beneath the Sand Queen old workings in 2018 – 2020.

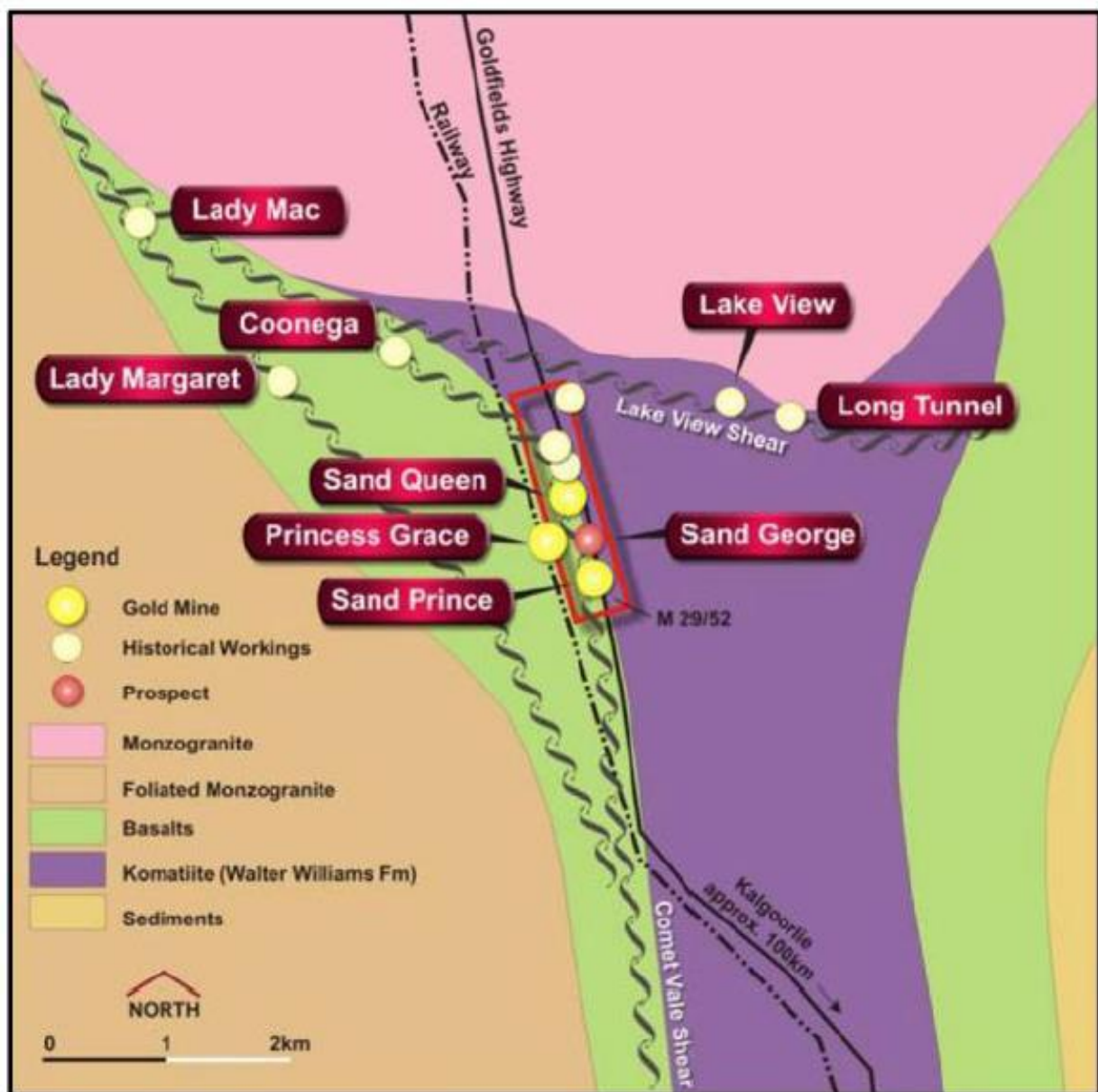


Figure 2 Comet Vale Geology and Exploration Prospects (Source: Cube, 2011)

<sup>1</sup> Since preparation of this Mineral Resource, 167kt of material has been mined yielding 17,858oz hence current estimate for the Comet Vale Mineral Resource is 185.2koz

### GOLDEN LODGE (ONX 100%)

The Golden Lode Project comprises 7 tenements located 110km NW of Kalgoorlie and the deposit forms part of the broader Davyhurst area, which produced approximately 523.8koz of gold between 1986 and 1999. A well-defined vertical to steeply west dipping lithological contact extends north through the Golden Lode Project area, to the west is a sequence of metasediments and to the east mafic to ultramafic schists. Gold mineralisation occurs as a well-defined sulphidic lode largely within the mafic to ultramafic schists at, or close to, the contact zone. The contact is obscured beneath a thin but extensive cover of lateritic soil and two small historic shafts 15 and 30m deep were mined along the contact zone with a 15m deep open stope visible at surface.



Figure 3 Location of Golden Lode Project

During the quarter, the Company engaged an independent geological service provider with experience in both the geographical location of the Project and the host lithology to review historical drill data and more recent soil sampling programs with a view to generate a mineralisation report for the tenements. The mineralisation report will be prepared in order to be suitable for submission in support of potential conversion of the prospecting tenements to a mining tenement. These works are ongoing and the Company will update shareholders on Golden Lode prospectivity in due course.

### INDONESIAN GOLD ASSET TRANSACTION

During the quarter, Orminex continued to work closely with PT Amman Mineral Internasional ('AMI') in due diligence and valuation processes with respect to progressing a transaction for economic interests in a significant epithermal gold asset located on the island of Sumbawa, Indonesia, just 60kms from the world class copper-gold Batu Hijau Project (refer ASX announcement 19 August 2020). As remains the case globally in regards to Covid19, priority focus was placed on the health and wellbeing of all personnel at the active Indonesian operations with an exclusivity period for the Transaction in place until 30 May 2021. The Company looks forward to updating the market during the June quarter.

## CORPORATE UPDATE

As announced on 4 January 2021, Mr Matthew Nixon was appointed as Chief Operating Officer of Orminex, joining the Team with intent to rapidly optimise the direction of the Company's existing assets as well as facilitate growth and shareholder value accretion. Mr Nixon is a qualified mining engineer with more than 12 years of experience in successful underground and open pit operations across gold and other commodities, most recently working as the Mining Manager at Northern Star Resources (ASX: NST) flagship Jundee Operations.

### *Securities Information*

During the quarter, a total of 2,467,366 options with an exercise price of \$0.03 and expiry of 15 April 2021 were exercised. This resulted in the Company receiving \$74k in cash upon exercise of these options. The balance of 681,438 options expired on 15 April 2021 unexercised.

### *Working Capital Facility*

Since the start of 2021, the outstanding amount of the Working Capital Facility ('Facility') was reduced by \$470,000 following repayments to Orminex by Mineral Ventures Pty Ltd, including a \$350,000 payment received post quarter end. In the 8 months following the 28 July 2020 ASX announcement detailing the variation to the Facility to henceforth require repayment of \$200,000 per month, a total of \$1,600,000 has been repaid to Orminex.

### *Financial Information*

The net cash position of the Company on 31 March 2021 was \$4.06M. The Appendix 5B detailing the consolidated cash flows for the quarter is provided in a separate report.

In accordance with Listing Rule 5.3.5, Orminex advises that the payments to related parties as advised in the Appendix 5B pertain to legal fees of \$29,504 and rental costs of \$6,300.

### **Investor queries:**

Matthew Nixon  
Chief Operating Officer  
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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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**INTERESTS IN MINING TENEMENTS HELD**

<b>Project</b>	<b>Tenement</b>	<b>Location</b>	<b>Ownership at the beginning of the quarter</b>	<b>Ownership at the end of the quarter</b>	<b>Acquired during the quarter</b>	<b>Disposed of during the quarter</b>
Comet Vale Project	E29/927 L29/67 M29/35 M29/52 M29/85 M29/185 M29/186 M29/197 M29/198 M29/199 M29/200 M29/201 M29/232 M29/233 M29/235 M29/270 M29/321	Western Australia	51%	51%	-	-
Golden Lode Project	P30/1100 P30/1101 P30/1102 P30/1103 P30/1104 P30/1105 P30/1131	Western Australia	100%	100%	-	-
Penny's Find Project	M27/156 G27/01 L27/90 L27/91 L27/92 L27/93	Western Australia	100%	50%	-	50%

**SUMMARY OF CASH EXPENDITURE PER PROJECT**

<b>Project</b>	<b>Cash Expenditure \$'000</b>
Comet Vale Project	26
Golden Lode Project	-
Penny's Find	5
<b>Total</b>	<b>31</b>