



# ORMINEX

## ASX ANNOUNCEMENT

ASX Code: ONX

31 January 2019

## DIRECTORS & MANAGEMENT

Daryl Henthorn  
*Executive Chairman*

Emmanuel Correia  
*Non-Executive Director*

John Correia  
*Non-Executive Director*

Kelly Moore  
*Company Secretary*

Share Capital - 538,554,223  
Unlisted Options - 10,000,000

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## 31 DECEMBER 2018 QUARTERLY ACTIVITIES REPORT

### HIGHLIGHTS

- Mining development at Comet Vale advancing– decline development nearing historically high-grade and unmined 4-level
- Second gold pour achieved after processing 5,000t of development and remnant stoping ore at Comet Vale – next campaign of processing scheduled for February
- Updated long section highlights potential to further expand existing Comet Vale mine plan below 6-level
- Post quarter end, Mineral Ventures partner GBF Mining Pty Ltd secured the option to acquire 50% ownership of Burbanks Gold Processing Mill, located southeast of Coolgardie
- Burbanks Mill's 200,000tpa processing capacity is sufficient to support full production at Comet Vale – surplus processing capacity provides flexibility to scale up Mineral Ventures model
- Multiple new Mineral Venture projects opportunities currently under review

Orminex Limited ('the Company' or 'Orminex') is pleased to provide its quarterly activities report for the period ended 31 December 2018.

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

#### *Mining Development Update*

Mining development at the Company's Comet Vale project in the Goldfields region of Western Australia advanced during the quarter. The near-term priority remains on advancing the decline to the historically higher grade and largely unmined resource below the 4-level. Once ore is being mined from below the 4-level, it is expected that mining and processing will reach a steady state of production.

#### *Second Gold Pour*

Remnant ore continues to be stockpiled for transport to the Burbanks Mill for processing. To date, there have been two gold pours after processing of remnant ore from the Comet Vale. The next campaign of processing is planned for February 2019.



Figure 1 – Pouring Gold at Burbanks Mill



### **Option Over Burbanks Gold Processing Mill**

As announced on 14 January 2019, the Company's strategic partner, GBF Mining Pty Ltd ('GBF'), has secured the right to enter a 12-month lease with an attached option to buy 50% of the Burbanks Gold Processing Mill. The Burbanks Mill has sufficient capacity to process ore from Comet Vale and Orminex intends to utilise any surplus processing capacity at the Burbanks Mill processing ore from other Mineral Venture gold projects in the region as the Company's portfolio expands.

### **Updated Long Section**

Post quarter end, the Company provided an updated long section showing the current mine plan, current decline level, historical mine information and previously announced drill results for the Comet Vale project (refer to ASX announcement released on 14 January 2019 for further details). Previously announced drill results below the 6-level show multiple high-grade hits up to 200m below the existing mine plan. Successful further resource definition drilling could potentially support extending the current mine plan.

Figure 2 below shows the current position of the decline and the current mine plan extending into the potential high-grade ore from the 4-level down to the 6-level (in blue) as well as the previously announced drill results below the 6-level.

## **MANAGEMENT COMMENTARY**

### ***Commenting on the December quarter Orminex's Executive Chairman, Daryl Henthorn, said:***

*"Progress has been good during the December quarter development at Comet Vale continues to advance towards the high-grade, unmined level-4.*

*"Our Mineral Ventures model continues to deliver at Comet Vale, highlighted by two successful gold pours and the updated long section which indicates the potential to extend the current mine plan below the 6-level.*

*"The Company is now focused on rolling out the Mineral Ventures model across multiple projects. Our team is currently reviewing a number of potentially suitable high-grade gold assets and we look forward to providing further details as these opportunities materialise."*

## **MINERAL VENTURES MODEL OVERVIEW**

In 2018, Orminex entered into a strategic alliance with WA-based contract mining company 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.

The Company currently has a 51% joint venture interest in the producing Comet Vale gold project and 100% ownership of the Golden Lode project. In addition, Orminex continues to review several suitable projects that, if successfully concluded, will provide significant scalability to the Mineral Ventures model.

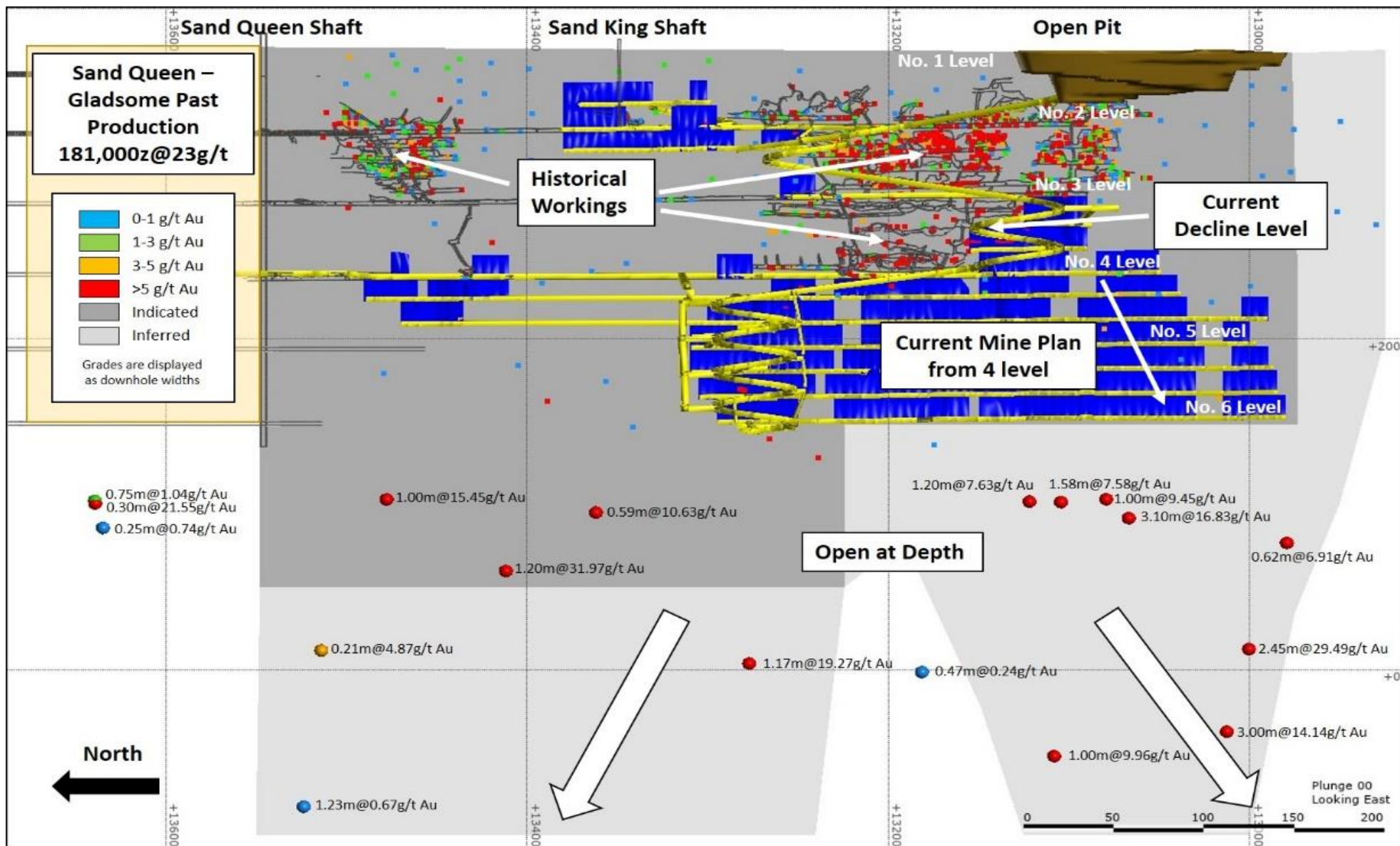


Figure 2 – Updated Long Section, Current Mine Plan and Historical Drill Results



## CORPORATE UPDATE

### ***Annual General Meeting***

The Company held its Annual General Meeting of shareholders on 22 November 2018. All resolutions contained in the Notice of Annual General Meeting, lodged with the ASX on 22 October 2018, were approved on a show of hands at the meeting.

### ***Expiry of Unlisted Options***

During the quarter, 27,698 unlisted options in the Company expired. Refer to the announcement on 17 December 2018 for further detail.

### **Investor queries:**

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



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### **About Orminex Limited**

Orminex is a newly formed near-term gold producer. It has a 51% Joint Venture interest in the high grade Comet Vale Project with an approved mine plan, near term production and 100% of the Golden Lode Project, with historical high grade mining and drill results, plus exploration potential at Comet Vale. An opportunity has been identified in undeveloped high grade gold assets due to limited resource and project scale, insufficient funding and limited operational and mining expertise. This creates an opportunity to develop projects through a combined funding and mining model. Orminex will use the Mineral Ventures Model for sourcing, funding and developing high grade gold assets through their strategic alliance with experienced mine operators GBF Mining Pty Ltd. For more information, visit [www.orminex.com.au](http://www.orminex.com.au)



## 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 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%	-	-
Happy Jack Project	P29/2271	Western Australia	100%	100%	-	-

## SUMMARY OF CASH EXPENDITURE PER PROJECT

Project	Cash Expenditure \$'000
Comet Vale Project	34
Golden Lode Project	21
Happy Jack Project	3
<b>Total</b>	<b>58</b>