



# ORMINEX

## ASX ANNOUNCEMENT

ASX Code: ONX

10 July 2020

### DIRECTORS & MANAGEMENT

Daryl Henthorn  
*Non-Executive Director*

Michael Foulds  
*Non-Executive Director*

John Correia  
*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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## SHAREHOLDER STATEMENT

Orminex Limited ('Orminex' or 'the Company'; ASX: ONX) refers to the Notice of General Meeting and Proxy Form lodged with the ASX on 3 July 2020 and despatched to shareholders on that date.

The Company has received the below statement from Merrysoul Pty Ltd and Rolen Pty Ltd pursuant to section 249P of the Corporations Act 2001 (Cth).

The Company is required to circulate the statement to shareholders and advises that the statement has been despatched to all shareholders today.

### Shareholder Statement

Dear Shareholder

We refer to the s249D notice issued by Merrysoul Pty Ltd and Rolen Pty Ltd to the Company on 12 June 2020 requesting the removal of Daryl John Henthorn as a director of the Company and the subsequent statement by Mr Henthorn contained in Schedule 1 of the Notice of Meeting dated 30 June 2020. The purpose of this letter is to respond to the statement made by Mr Henthorn.

Firstly, we would like to apologise for putting you through this process and we do so only as a last resort in what we strongly believe to be the best interest of all shareholders.

There are two main reasons for the lodgement of the s249D notice requesting Mr Henthorn's removal as a director:

1. to hold Mr Henthorn accountable for what we believe to be his poor performance as a director of the Company, and
2. to facilitate the establishment of a strong, capable and unified board which is free of obstruction or division. This will allow the board to proceed with a clear focus and objectives and enable growth of the Company which will deliver value to all shareholders.

Mr Henthorn was the Executive Chairman of the Company for over 2 years from the time the Company relisted in May 2018 until 12 June 2020. During this time, Mr Henthorn was the sole executive director and was well remunerated in that role.

As the Executive Chairman, Mr Henthorn had the opportunity and the responsibility to deliver growth in the Company and manage all the affairs of the Company in the best interests of shareholders.

Our motivation in requesting to join the board in August 2019, 15 months into Mr Henthorn's leadership was based on a desire to rectify the lack of mining industry skills, knowledge, profile and strategic leadership on the board of the Company.

Since the appointment of Mr Michael Foulds to the board (and Mr Ross Graham as his alternate) we have sought to build strength and capability with the appointment of Mr Dean Hely and Mr Wayne McGrath both of whom we believe are highly regarded and widely recognised as extremely successful in their own right. Despite our best efforts over the last 10 months to drive the Company forward, in our view, Mr Henthorn's removal will result in a more aligned, focused board which will enable growth of the Company.

In addition, we would like to provide the following information for you to consider as you evaluate the statements made by Mr Henthorn in Schedule 1 of the Notice of Meeting.

#### **Comet Vale mine**

In relation to the Comet Vale project, Mr Henthorn had full knowledge of the risks of the project. Mr Henthorn understood and structured all commercial arrangements between the Company and Mineral Ventures Pty Ltd (**MVPL**) and assisted in conducting due diligence and arranging independent valuations of the project prior to the decision by the Company to acquire the 51% interest in the Comet Vale mine from MVPL.

Mr Henthorn's experience on matters relating to mine management and mining operations is, in our view, extremely limited. The Company's ASX Announcement dated 13<sup>th</sup> March 2020 when referring to the independent reports into the Comet Vale project commissioned by the board in November 2019 from Entech Pty Ltd and an independent consultant (referred to in paragraphs 4 and 5 of Mr Henthorn's statement) states that one of the key conclusions of the reports was that "mining operations have generally been completed to a high quality" at Comet Vale. In addition, Mr Henthorn fails to mention that under the commercial arrangements at Comet Vale, MVPL bears the sole financial risk in relation to operations at Comet Vale.

#### **Conflicts of interest**

In relation to any claims that Mr Foulds and Mr Graham have conflicts of interest, please consider that all potential conflicts are noted by the board at the start of every meeting and decision making of the board has always been managed appropriately so that directors do not vote on any resolutions where potential conflicts exist. This is standard practice.

#### **Appointment of Mr Foulds and Mr McGrath**

Mr Henthorn in fact voted in favour of the appointment of Mr Foulds and very recently Mr McGrath and did not raise any of the concerns outlined in his statement at the time of those appointments.

**For all these reasons we encourage you to vote FOR the proposed resolution and in doing so remove Mr Henthorn from the board.**

**-ENDS-**

This announcement has been authorised and approved for release by ONX Directors not subject to the section 249D Notice.

#### **Investor enquiries:**

John Correia

Non-Executive Director

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

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#### **About Orminex**

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.