



ORMINEX

ASX ANNOUNCEMENT

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3 September 2020

DIRECTORS & MANAGEMENT

Michael Foulds
Non-Executive Director

Dean Hely
Non-Executive Director

Wayne McGrath
Non-Executive Director

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COMPANY UPDATE

Orminex Limited (**'Orminex'** or **'the Company'**; ASX: ONX) provides the following update on the potential acquisition of a significant epithermal gold project asset in Indonesia as well as operations at its Comet Vale and Penny's Find gold projects.

Indonesia Gold Asset Transaction Update

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'**).

The Company is pleased to confirm that it has 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 Operations Update

On 5 August 2020, the Company announced the results of its July Toll 9 milling campaign from the 51% owned Comet Vale operation. 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. As previously announced, the outcome of the planned drill campaign will be an important factor in making a decision in relation to ongoing mining at Comet Vale.

Six diamond drill holes were designed and have now been completed. While assay results have not been received at this time, visual observations from four of the diamond drill cores indicate the presence of a mineralised structure. However intercept widths were not amenable to mining and two drill holes had to be abandoned as the drilling also encountered significant ground water inflows.

As a result of the visual observations of the diamond drilling program, the Company received notice from its strategic alliance partner Mineral Ventures Pty Ltd (**'Mineral Ventures'**) that it intends to suspend mining operations at Comet Vale. During the suspension, Orminex intends 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, under the terms of the Joint Venture agreement with Orminex, is responsible for all the capital and operating costs at Comet Vale and will continue to meet its working capital loan repayments post the suspension of mining operations.

The Company will continue to update the market as it works through its future plans for Comet Vale.

Penny's Find Project Update

Orminex has 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 contain 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 entitled "Penny's Find Gold Mine New Underground Resource Estimate" dated 13 December 2017).

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

Board Commentary

Orminex Director, Mr Dean Hely commented, "that while the initial drilling at Comet Vale was disappointing, the suspension of operations will be used to develop a greater understanding of the geology and allow a thorough review of the operation. It will also allow the Company to focus on progressing the Transaction with AMI". Mr Hely added, "This is an exciting opportunity for Orminex as it embarks on a potentially transformational acquisition".

The Board looks forward to providing further updates in due course.

This announcement has been authorised and approved for release by the Board of Orminex.

-ENDS-

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