



ORMINEX

ASX ANNOUNCEMENT

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COMET VALE MINE DEVELOPMENT UPDATE KEY PROJECT MILESTONE ACHIEVED HIGH GRADE FACE SAMPLES

Highlights

- Key Project milestone achieved as decline development reaches unmined 4.3 level
- High grade ore developed on the 3.3 level and 3.6 level
- Face sampling and assay results confirm high grade potential
- 5,000 tonnes of ore stockpiled for processing

Orminex Limited (ASX: ONX) (**'Orminex'** or **'the Company'**) is pleased to provide the following update on mining operations at its joint venture Comet Vale project in the Goldfields region of Western Australia.

Mine Development

Mine development has progressed and the decline has now advanced to the 4.3 level, providing access to the 4.3 level ore drives that form part of the mine plan and access to historically high-grade unmined ore.

Advancing to the 4.3 level represents a key project milestone and now provides for the development of the full strike extent of the ore body to both the north and south as it extends at depth.

This development also provided access to the ore drive at the 3.3 level which is complete and to the 3.6 level ore development that is well advanced. Ore production will commence from both of these levels and ore will be stockpiled on the ROM pad.

Ore Sampling and High Grades

On site geologists at Comet Vale have sampled the gold bearing structure both along the strike and up dip in the slot rises and the assay results have provided good grades and indicate the high-grade potential of the project. Sampling and assaying of the 10.2 meter long, 3.3 level north slot rise has produced an uncut average grade of 32.39 g/t.



Figure 1. The 3.3 level north slot rise showing high grade laminated quartz vein prior to stoping.

Face sampling of the 3.6 level north ore drive also demonstrates the high-grade potential for the project. The laminated quartz vein grades, ore thicknesses and the average grade of the ore drives have been extremely encouraging as shown by the results provided in Figure 2 below.

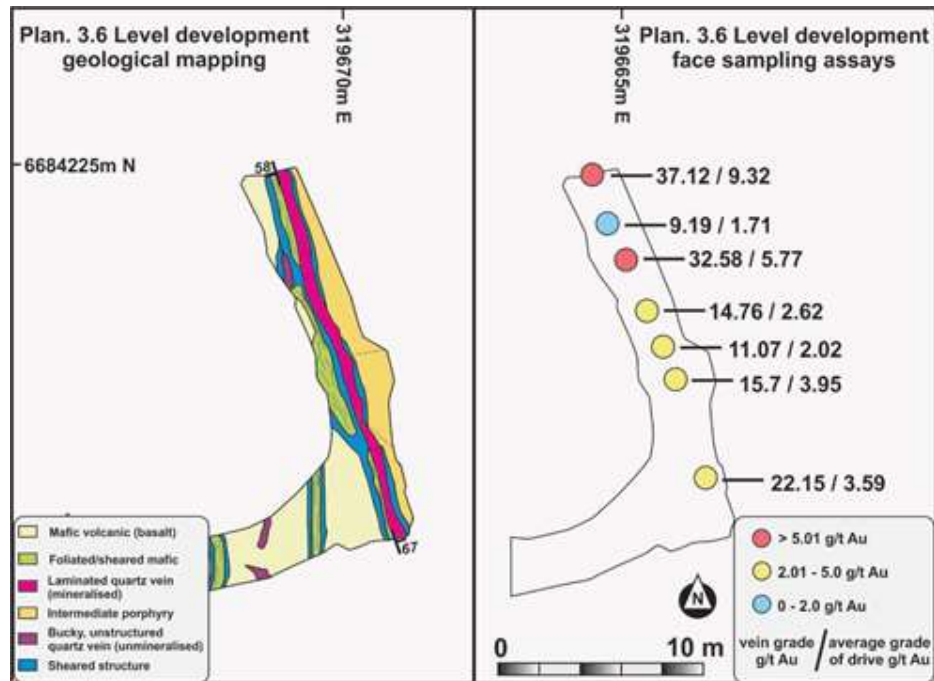


Figure 2. The 3.6 level ore drive north, level development geology and spotted dog assay plan.



Figure 3. The 3.6 level ore drive north face and backs showing high grade laminated quartz vein.

Ore Stockpile – ROM Pad

Development and remnant stoping ore is being stockpiled on site ready for the next processing campaign at the Lakewood gold processing mill - an estimated 5,000t of ore is ready for transport and processing. With development progressing into the unmined 4.3 level and further stope development, additional fresh ore will to be added to the stockpile.



Figure 4. Ore stockpiled at the mine ROM pad ready for the next processing campaign at the Lakewood gold processing facility.

Executive Chairman Daryl Henthorn commented:

“The mining progress and initial grades at Comet Vale are really positive and now that we are down into the unmined ore associated with the mine plan, a key milestone, we should see our first project in a steady state of production over the coming months which will underpin the further roll out of our mineral ventures model”.

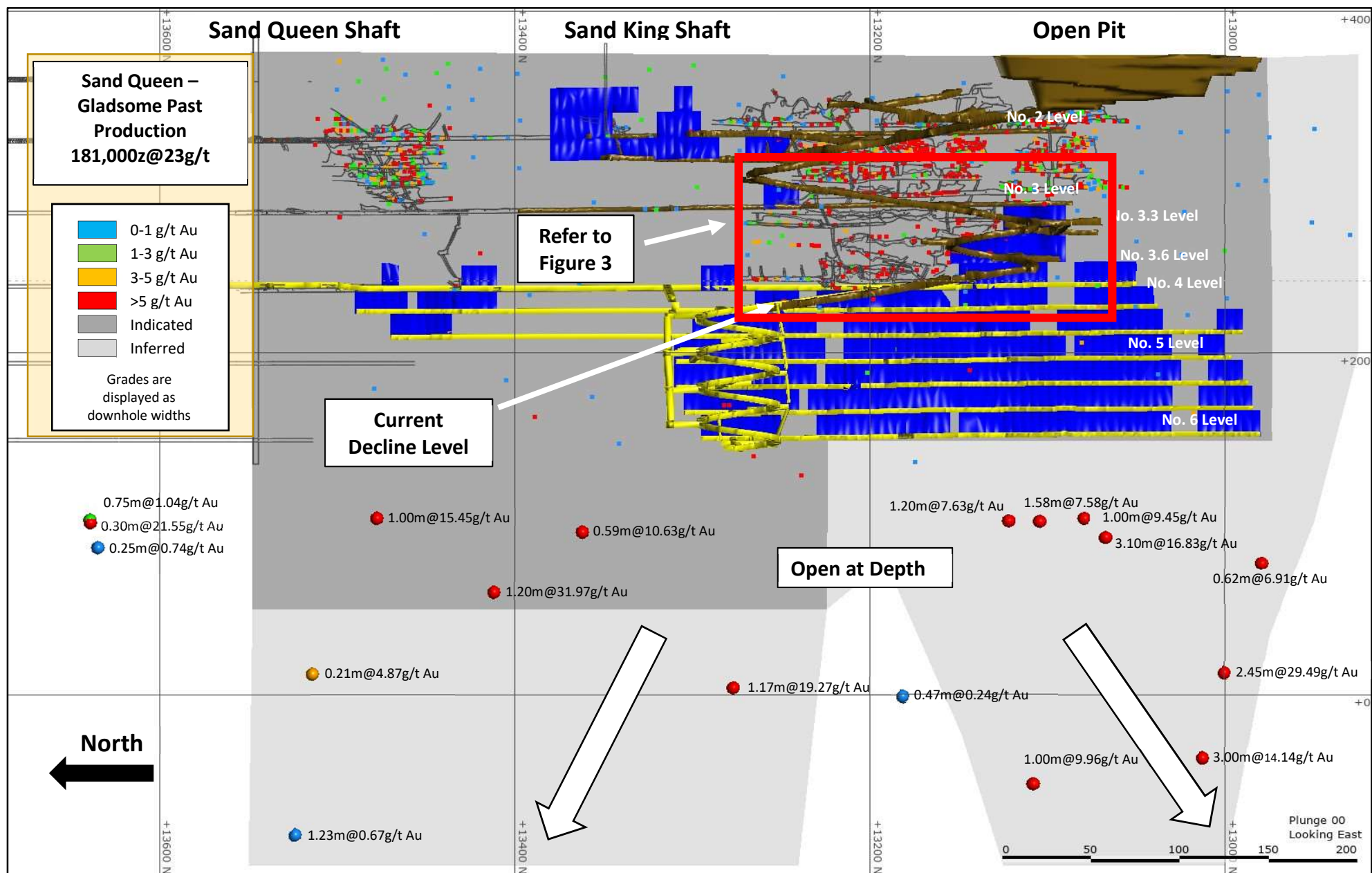


Figure 5. Updated long section with current mine plan and historical drill results as previously announced on the 14 January 2019 with no material changes.

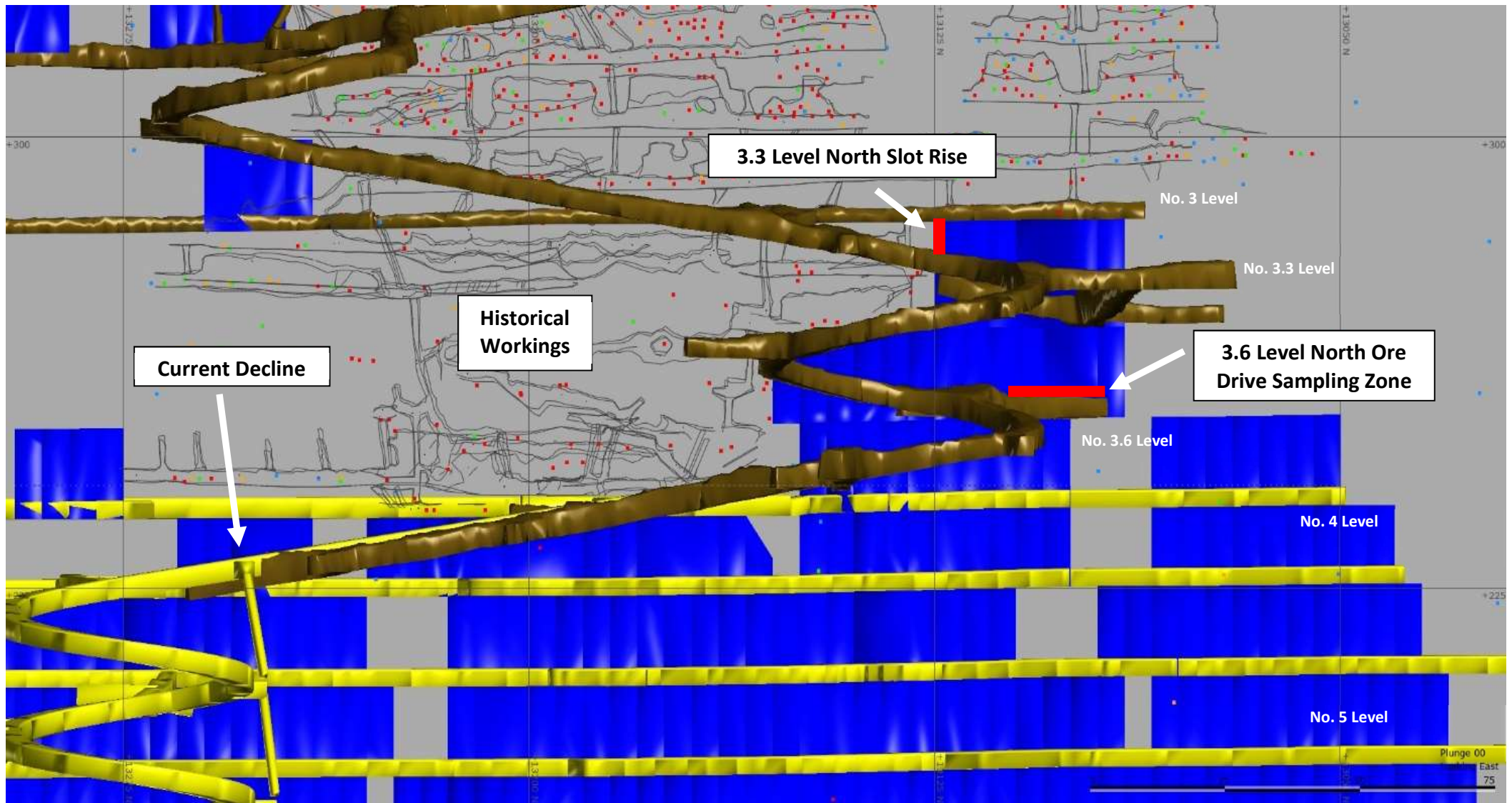


Figure 6. Snapshot of the mine plan between the 3 and 5 levels showing sample sites and current position of decline.

Investor inquiries:

Daryl Henthorn

Executive Chairman

dhenthorn@orminex.com.auFor more information, visit www.orminex.com.auFollow [@Orminex](https://twitter.com/Orminex) on TwitterFollow [Orminex Limited](https://www.linkedin.com/company/orminex-limited) on LinkedIn**About Orminex**

Orminex has a strategic alliance with underground mining contractor GBF, who oversees 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.

Competent Person's Statement

The information in this report that relates to exploration results was authorised by Mr Darryl Mapleson, a Principal Geologist and a full time employee of BM Geological Services, who are engaged as consultant geologists to Orminex Limited. Mr Mapleson is a Fellow of the Australian Institute of Mining and Metallurgy. Mr Mapleson has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration to act as a competent person as defined in the 2012 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Mapleson consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Face Sample	Northing	Easting	RL	From (m)	To (m)	Interval (m)	Vein Grade (Au g/t)
3.6L_ODS_001	6684232.7	319667.7	254.7	0.0	0.6	0.6	22.15
3.6L_ODN_001	6684238.5	319666.1	255.9	0.0	0.5	0.5	15.7
3.6L_ODN_002	6684240.7	319666.7	255.9	1.5	2.1	0.6	11.07
3.6L_ODN_003	6684242.0	319664.4	255.0	0.0	0.6	0.6	14.76
3.6L_ODN_004	6684244.9	319663.3	255.0	0.0	0.6	0.6	32.58
3.6L_ODN_005	6684246.2	319660.4	255.0	1.1	1.7	0.6	9.19
3.6L_ODN_006	6684250.1	319662.3	255.0	1.0	1.8	0.8	37.12

JORC CODE, 2012 EDITION – TABLE 1 – COMET VALE GOLD PROJECT

SECTION 1 SAMPLING TECHNIQUES AND DATA

(Criteria in this section apply to all succeeding sections.)

Criteria	JORC Code explanation	Commentary
Sampling techniques	- Nature and quality of sampling (eg cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling. - Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used. - Aspects of the determination of mineralisation that are Material to the Public Report. - In cases where 'industry standard' work has been done this would be relatively simple (eg 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (eg submarine nodules) may warrant disclosure of detailed information.	- Face sampling is completed by garnering a representative sample from a designated geological interval of interest. A geologist's pick is used to chip off rock material within the geological interval. The resultant sample is captured in a calico bag using a sampling ring. - Two samples are captured over the interval of the high-grade laminated quartz vein. - Samples are analysed using a 50 gram fire assay charge with an AAS finish. The reason this technique is employed is it has the fastest no turnaround time relative to other techniques such as BLEG.
Drilling techniques	Drill type (eg core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (eg core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).	Not applicable to face sampling.
Drill sample recovery	- Method of recording and assessing core and chip sample recoveries and results assessed. - Measures taken to maximise sample recovery and ensure representative nature of the samples. - Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	- Not applicable to face sampling. - A large 3 Kg sample is collected where possible.
Logging	- Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies. - Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography. - The total length and percentage of the relevant intersections logged.	- The ore heading is sketched for geology prior to sample collection. The dimensions of the geological intervals are recorded, and the sample intervals are determined based on the dimensions of the geological contacts. - Lithological contacts, sample intervals and geological features such as foliations and shears are consistently logged.
Sub-sampling techniques and sample preparation	- If core, whether cut or sawn and whether quarter, half or all core taken. - If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry. - For all sample types, the nature, quality and appropriateness of the sample preparation technique. - Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples. - Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling. - Whether sample sizes are appropriate to the grain size of the material being sampled.	- Sample is collected from the face into a calico bag. Two samples are captured over the interval of the high-grade laminated quartz vein to assess reproducibility. - The technique is a simple and rudimentary process, but appropriate for the quick assessment required for the production environment.

Criteria	JORC Code explanation	Commentary
<i>Quality of assay data and laboratory tests</i>	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i> <i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i> <i>Nature of quality control procedures adopted (eg standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (ie lack of bias) and precision have been established.</i>	- Fire assaying using a small sample charge of ore with high grade variability is not optimal, as other techniques using a larger sample charge such as BLEG would provide better, less variable results; however, the time frame from commercial laboratories to obtain results from these other techniques is limiting. - No geophysical tools were used to determine any element concentrations used for these results. - Quality control processes of the submission of standards and blanks provide an assessment of laboratory accuracy and precision. The results meet industry standard.
<i>Verification of sampling and assaying</i>	<i>The verification of significant intersections by either independent or alternative company personnel.</i> <i>The use of twinned holes.</i> <i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i> <i>Discuss any adjustment to assay data.</i>	- The Competent Person has independently verified mineralisation by taking a second sample and sending to an alternative commercial laboratory. Results produced are within realms of acceptability for a high-grade gold deposit. - No adjustments have been made to the original assay data.
<i>Location of data points</i>	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i> <i>Specification of the grid system used.</i> <i>Quality and adequacy of topographic control.</i>	- All ore headings are surveyed, and face data is measured relative to a survey of the underground drive. - The mine is surveyed in GDA 94 by registered mine surveyors.
<i>Data spacing and distribution</i>	<i>Data spacing for reporting of Exploration Results.</i> <i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i> <i>Whether sample compositing has been applied.</i>	This is not applicable to face sampling.
<i>Orientation of data in relation to geological structure</i>	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i> <i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	Ore drive development is typically along the strike of the ore vein. The ore headings or faces are typically orthogonal to the strike of the vein. Faces are sampled orthogonal to the vein; hence a cross section of the vein at the ore heading is captured.
<i>Sample security</i>	<i>The measures taken to ensure sample security.</i>	All samples are dropped off at the laboratory by company representatives.
<i>Audits or reviews</i>	<i>The results of any audits or reviews of sampling techniques and data.</i>	Recommendation by a Consultant Metallurgist has been made to use BLEG sampling, however, time constraints prevent this technique to be of value.

SECTION 2 REPORTING OF EXPLORATION RESULTS

(Criteria listed in the preceding section also apply to this section.)

Criteria	JORC Code explanation	Commentary
<i>Mineral tenement and land tenure status</i>	- Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings. - The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	- No new Exploration Results are reported. All details pertain to face sampling of ore headings in the underground mine. - The Comet Vale Project is on tenements M 29/00035, M 29/00052, M 29/00085, M 29/00185, M 29/00186, M 29/00197, M 29/00198, M 29/00199, M 29/00200, M 29/00201, M 29/00232, M 29/00233, M 29/00235, M 29/00270, M 29/00321, E 29/00927. - BMGS are not aware, after reviewing client supplied documentation, of environmental liabilities, historical sites or impediments to obtaining operating licences for these tenements.
<i>Exploration done by other parties</i>	Acknowledgment and appraisal of exploration by other parties.	Not applicable to this announcement.
<i>Geology</i>	Deposit type, geological setting and style of mineralisation.	- The deposit is an Archaean greenstone shear hosted system with gold mineralisation predominantly located within structurally controlled laminated quartz veins. - Other Archaean granite-greenstone linear belt deposits are Kanowna Bell, Jundee, and Bronzewing.
<i>Drill hole Information</i>	- A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: - easting and northing of the drill hole collar - elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar - dip and azimuth of the hole - down hole length and interception depth - hole length. - If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	All physical information relating to face samples is captured in the site database.
<i>Data aggregation methods</i>	- In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (eg cutting of high grades) and cut-off grades are usually Material and should be stated. - Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. - The assumptions used for any reporting of metal equivalent values should be clearly stated.	- The Competent Person has reviewed and verified select face samples of ore headings in the Comet Vale database. Intercept lengths and assay grades were cross-referenced against ore in faces and the backs from underground. - Face samples, as displayed in plan were uncut gold assays with vein widths displayed. - Internal dilution was not included in intercepts.
<i>Relationship between mineralisation widths and intercept lengths</i>	- These relationships are particularly important in the reporting of Exploration Results. - If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. - If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (eg ‘down hole length, true width not known’).	All ore and face sample widths are represented as true widths. The ore headings are mined in the strike of the orebody. Ore headings or faces are orthogonal to the strike of the drive. Vein widths are measured from footwall to hangingwall of the laminated vein; hence the reported vein thicknesses are true width.

Criteria	JORC Code explanation	Commentary
<i>Diagrams</i>	• <i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.</i>	• No significant discovery is reported.
<i>Balanced reporting</i>	• <i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i>	• The compiled Level Plan within the report shows vein widths and grade, plus the average grade of the ore heading. The Competent Person believes this is a balanced approach to report face samples.
<i>Other substantive exploration data</i>	• <i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i>	• No additional exploration data is considered meaningful or material to the context of this report.
<i>Further work</i>	• <i>The nature and scale of planned further work (eg tests for lateral extensions or depth extensions or large-scale step-out drilling).</i> • <i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i>	• Mining is ongoing at Comet Vale and face sampling will continue to be the simplest and most practical means to measure the gold grade of individual ore headings.