

Stock Data

Share Price:	21.95p
Market Cap:	£41.1m
Shares in issue:	187.1m

Company Profile

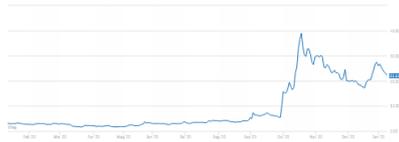
Sector:	Gold Mining
Ticker:	OMI
Exchange	AIM, TSX

Activities

Orosur Mining Inc. ('Orosur', 'the Company', 'OMI') is a South American-focused gold developer and explorer. Its mission is to create shareholder value by identifying exploration opportunities in South America and turning them into successes. Orosur acquired Waymar Resources in 2014, owner of the Anzá Project ('Anzá', 'the Project') in Colombia with active mining and environmental licenses. Anza is a proven discovery in a well-known gold mining jurisdiction.

Company website: <https://www.orosur.ca/>

1-year share price performance



Source: [LSE](#)

Past performance is not an indication of future performance.

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Orosur Mining Inc.

Further to the completion of an oversubscribed c.£4.0m (gross) placing on [30 November 2020](#), Orosur has today announced a new appointment to the Board, while also providing a drilling update at its Anzá project ('the Project'). Given the increasing number of corporate activities being undertaken, the Company's Non-Executive Chairman, Mr Louis Castro, will now move up to the role of Executive Chairman. In tandem with this, Mr. Nicholas von Schirnding, an individual with over 25 years' experience in mining and natural resources, is joining as an Independent Non-Executive Director under which he will discharge, amongst other things, a number of Mr Castro's duties and responsibilities. In updating investors also with respect to the Project's drilling progress, the Board noted that although some drill samples were delivered to [ALS Global](#) during December, the minerals testing laboratory responsible for its assay analysis is presently experiencing COVID-19 related staff shortages which, in turn are hindering its normally rapid turnaround times. Accordingly, results from the first hole are now expected to be available by the end of this month, rather than imminently, but will be communicated as soon as they become available.

Appointment of an Executive Chairman and a new Non-Executive Director

The appointment of a team with an ideal mix of complementary skills and experiences is always critical for the successful development of such mineral exploration assets. With corporate workload increasing, Louis Castro, currently Orosur's Non-Executive chairman, will immediately take up the role of Executive and assume a number of duties largely related to commercial, corporate and financial matters. The appointment of Mr Von Schirnding ('Nick') as Non-Executive Director ensures continuity of the role, however, given that he brings 25 years' experience in mining and natural resources, including strategic development, M&A, restructuring, driving operational change and corporate governance. Nick is presently also Executive Chairman of [Arc Minerals plc](#) (AIM:ARCM), a London-quoted mining group with interests in Africa, and also Chairman of [Fodere Group](#), a private company that has developed environmentally sustainable technology to extract high value minerals from ore. In addition, Nick is a Non-Executive Director of [Jangada Mines plc](#) (AIM:JAN) and [Edenville Energy plc](#) (AIM:EDL), which are both also listed on AIM in London. In the past he has also held senior roles at both [Anglo American plc](#) and [De Beers Group](#), having worked and lived in both developed and emerging markets including the UK, India, SE Asia, Africa and South America. Nick will be joining Orosur's Audit Committee and Remuneration Committee

Drilling progress – Samples submitted for analysis

Orosur currently has two diamond drill rigs at the Anzá project, the first of which commenced drilling operations on 15th November 2020. To date, three holes have been completed and the rigs are currently well advanced on the 4th and 5th holes. Over 1,100 metres has been completed of the planned first phase of 2,400 metres, and over 1,000 samples have been submitted for analysis.

Covid-19 related staff shortages reported by the ALS laboratory in Lima, Peru, have resulted in an increase in expected assay turnaround times, especially those related to fire assay, which is the primary analysis method for gold. It was originally anticipated that they would be returned in a matter of weeks, but current schedules are now indicating well over one month. Given the time that samples have already been in their laboratory, however, it is expected that complete assays for the first hole should be available by the end of this month, rather than imminently as had previously been anticipated, although the results are expected to be communicated to investors as soon as they become available.

Orosur now has limited execution or funding risk

As part of the recently completed private placement, [Newmont](#) was granted a right to participate in future equity offerings of Orosur in order to maintain its ownership level at 19.9% (following the Placing, Newmont's participation was cut to 15.6%). The Exploration and

Option Agreement originally entered into includes a three-phase earn-in structure to earn up to 75% through a minimum commitment of US\$26.0 million in qualifying expenditures over twelve years, completing a NI 43-101 compliant feasibility study while making cash payments to Orosur totalling US\$4.0 million during phases 1 and 2. Most recently, for example, on [10 November 2020](#), Orosur received the sum of US\$582,170, from Minera Monte Águila S.A.S. ('Monte Águila'), the new name for Newmont Colombia SAS, a Colombian company that is a 50:50 JV between Newmont and Agnico Eagle Mines Limited ('Agnico', NYSE:AEM, TSX:AEM), in connection with maintaining the earn-in rights pursuant to the Option Agreement. TPI estimates that cash generated from the Placing, along with existing cash/receipt of remaining instalments remains sufficient to carry Orosur through to the completion of Anzá's pre-feasibility study. Today's Boardroom announcement confirms that activity has indeed 'stepped up a gear' and also that the Company has the ability to attract highly experienced new members to help steer its progression. A minor delay in delivery of first assay results due to COVID-19 will have been considered almost inevitable given the continuing progression of the Pandemic, although Orosur's early sample delivery means it is still able to anticipate communication of first results by the end of this month.

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