

## Orosur Mining Inc.

Orosur has released assay results from the final five additional holes drilled at the APTA prospect. Much as expected, MAP-101 to 105 reflect lower levels of gold anomalism compared to previously drilled holes, but do show some high-grade base metal results, similar to intersections from previous drilling, adding further support to the theory that the mineralisation being uncovered forms part of a hybrid volcanogenic massive sulphide ('VMS')/intermediate-sulfidation epithermal ore system. This last batch of holes were largely focused on resolving stratigraphic and structural issues at APTA, while waiting for permitting and access to be developed at the highly prospective northern prospects of Pepas and Pupino where several anomalous targets, identified through surface mapping and sampling, geophysics and geochemistry, will be tested. Four rigs are planned to operate, with two each at Pepas (which have already commenced drilling) and Pupino (where the first has already taken initial samples with a second being mobilised to site). Core from the first hole at Pupino has been submitted to the laboratory for assay and results are expected in July. Given that these will be the very first results from the remaining untested 20km of strike of the Aragon Fault, Orosur's Board awaits them with some anticipation.

### Assay Results from the final five holes drilled at APTA

Assay results from the final five holes drilled at APTA (MAP-101 to 105) were received from the ALS laboratory in Lima, Peru. Other than MAP-101, all intersected substantial mineralisation. MAP-102 identified substantial widths of lower grade mineralisation, considered somewhat similar to the nearby hole MAP-097. MAP-103, 105 found reasonable intersections of gold mineralisation, although of most interest was the intersection in MAP-105 of a likely VMS system at depth with high grade zinc and copper, including 5.95m @ 18% Zn and 1.4% Cu from 478m. Map-104 also uncovered some narrow high-grade gold and base metal veins.

Taken altogether, these results appear to suggest that while APTA remains a highly prospective target. With multiple thick and high-grade intersections having been previously recorded, however, it is also complex with substantial depth extent that is beyond the capacity of the current drill rig fleet to test. Key intersections from these holes are noted below:

- MAP-102 4.85m @ 0.51g/t Au, 1.24g/t 0.16% Zn
- MAP-103 0.75m @ 3.30g/t Au, 0.86g/t Ag, 0.14% Zn
  - 0.95m @ 4.90g/t Au, 3.49g/t Ag, 3.39% Zn
- MAP-104 5.35m @ 2.62g/t Au, 2.61g/t Ag, 1.04% Zn
  - 0.50m @ 22.80g/t Au, 13.95g/t Ag, 0.52% Zn
- MAP-105 2.50m @ 3.30g/t Au, 1.61g/t Ag, 0.06% Zn
  - 9.25m @ 1.77g/t Au, 4.63 g/t Ag, 5.33% Zn
  - 9.70m @ 0.17g/t Au, 2.59 g/t Ag, 13.88% Zn, 0.91% Cu

### Scout drilling program in NE of project area now underway

APTA has been the focus of attention for Waymar, Orosur and Monte Águila since 2012, with the remaining 20km of strike of the Aragon Fault rather frustratingly remaining out of reach. With APTA having proved the region's high potential, it was only in April 2022 that the Group finally secured the necessary permitting and access to the other 95% of the structure that up to this point remained untested. Not surprisingly, with high expectation the Board now await the results of recent drilling at Pepas and Pupino, the first of which should be available within just a few weeks.

#### Stock Data

Share Price:	7.88p
Market Cap:	£14.85m
Shares in issue:	188.4m
52 week high/low:	27.50p/7.75p

#### Company Profile

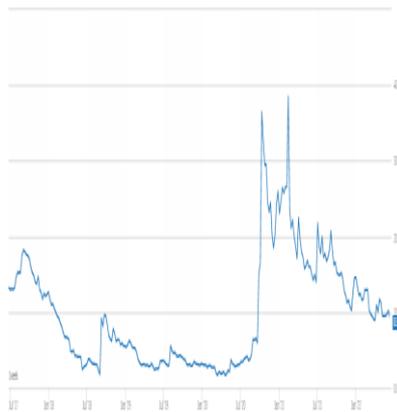
Sector:	Gold Mining
Ticker:	OMI
Exchange:	AIM, TSX-V

#### Activities

Orosur Mining Inc. ('Orosur', 'the Company', 'OMI') is a South American-focused gold developer and explorer.

Company website: [www.orosur.ca/](http://www.orosur.ca/)

#### 5-year share price performance



Source: [LSE](https://www.lse.com)

Past performance is not an indication of future performance.

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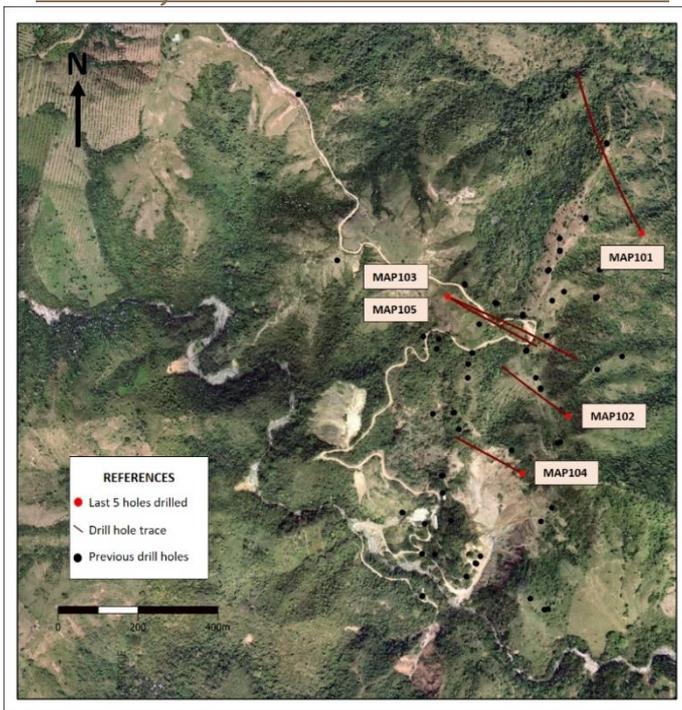
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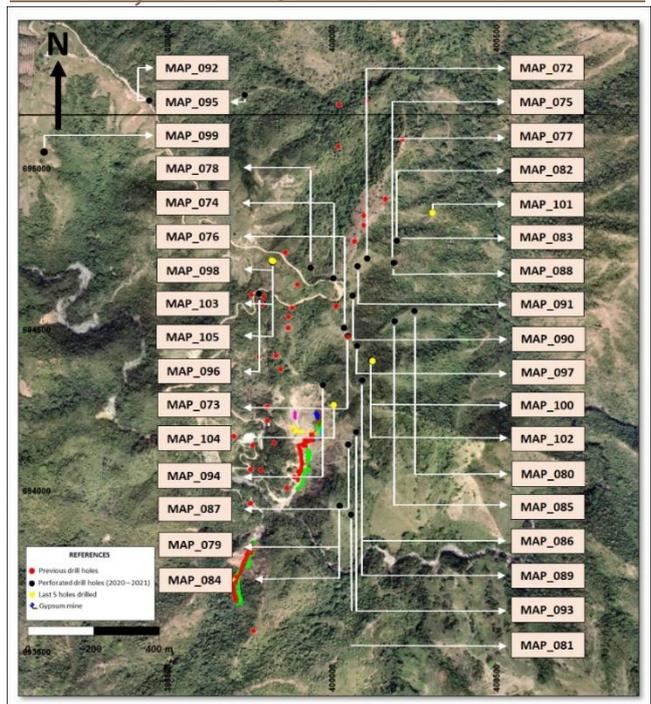
Extensive programs of mapping, sampling and geophysics had been undertaken along the northern extent of the Aragon fault and associated structures during Q4 2021 and Q1 2022, with highly anomalous geochemical and geophysical responses being recorded. Access to the area, however, is challenging due to terrain issues, requiring substantial logistical infrastructure and support to be developed before rigs could be mobilised.

As had previously been announced, drilling activities ceased at APTA in March with the remaining rig mobilised to the northern Pepas prospect. Drilling commenced at Pepas with one rig in April, with a second rig mobilised to the prospect in recent weeks; a third rig at Pupino has since successfully extracted and submitted core to the laboratory for assay, results for which are expected soon, with a fourth now in the process of being mobilised to the location.

**Anzá Project – Plan of final five holes at APTA**

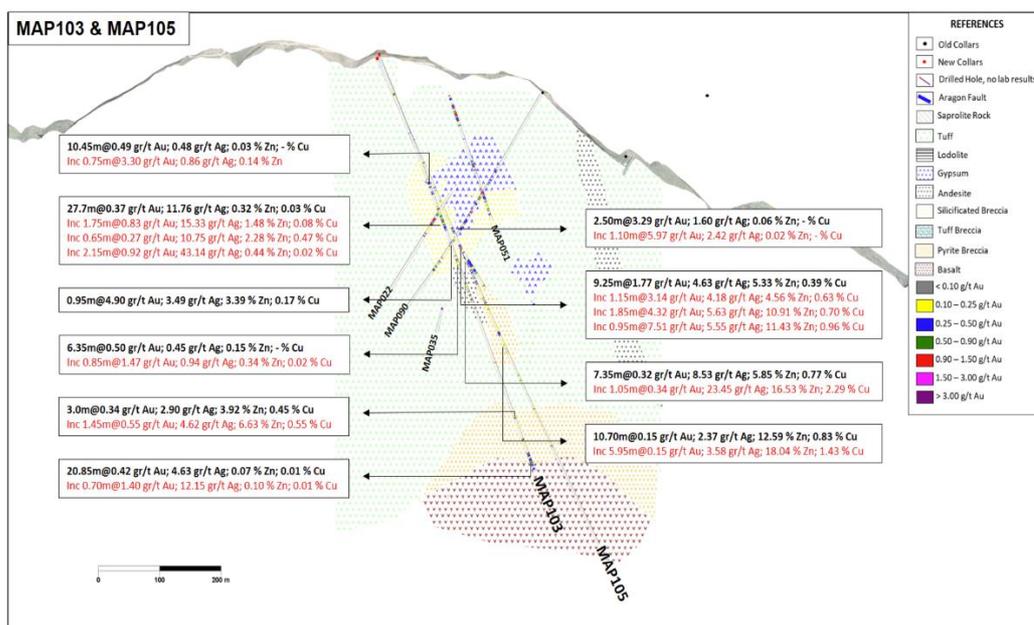


**Anzá Project – Plan, all APTA holes since 2020**



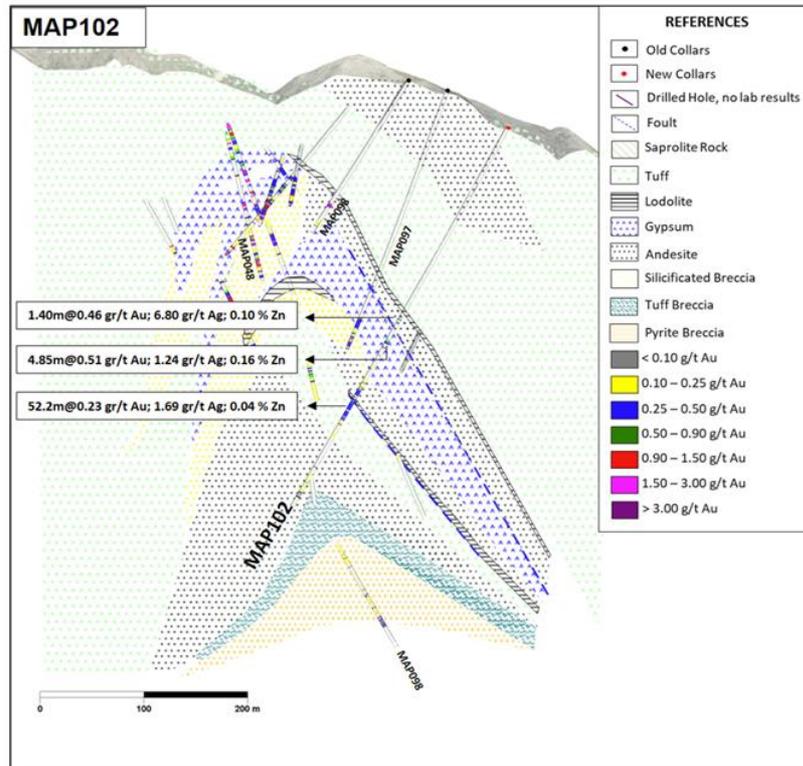
Source: Orosur, [RNS of 27 June 2022](#)

**Anzá Project - Section MAP-103 & MAP-105**



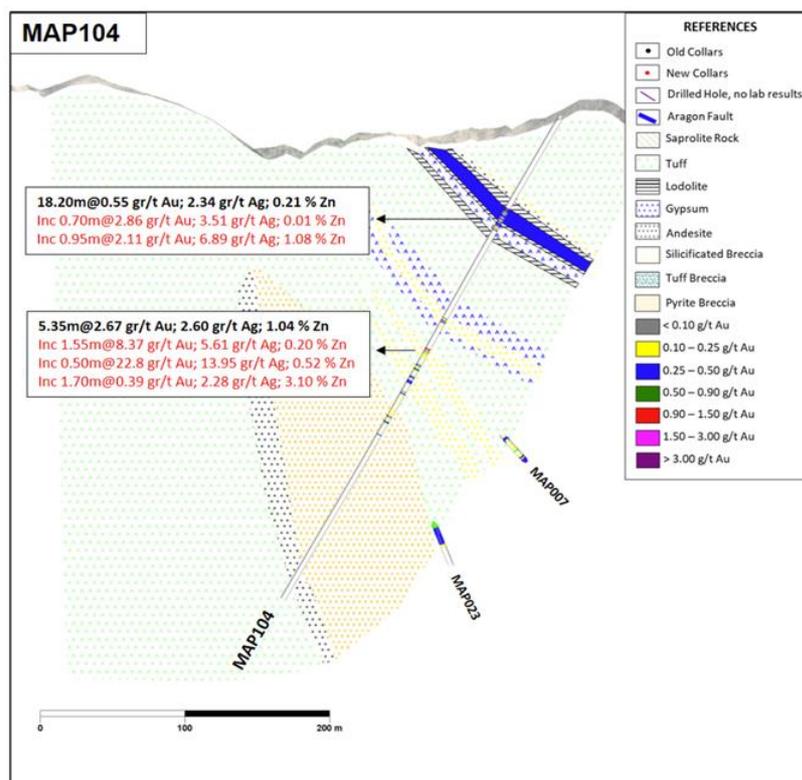
Source: Orosur, [RNS of 27 June 2022](#)

**Anzá Project - Section MAP-102**



Source: Orosur, [RNS of 27 June 2022](#)

**Anzá Project - Section MAP-104**

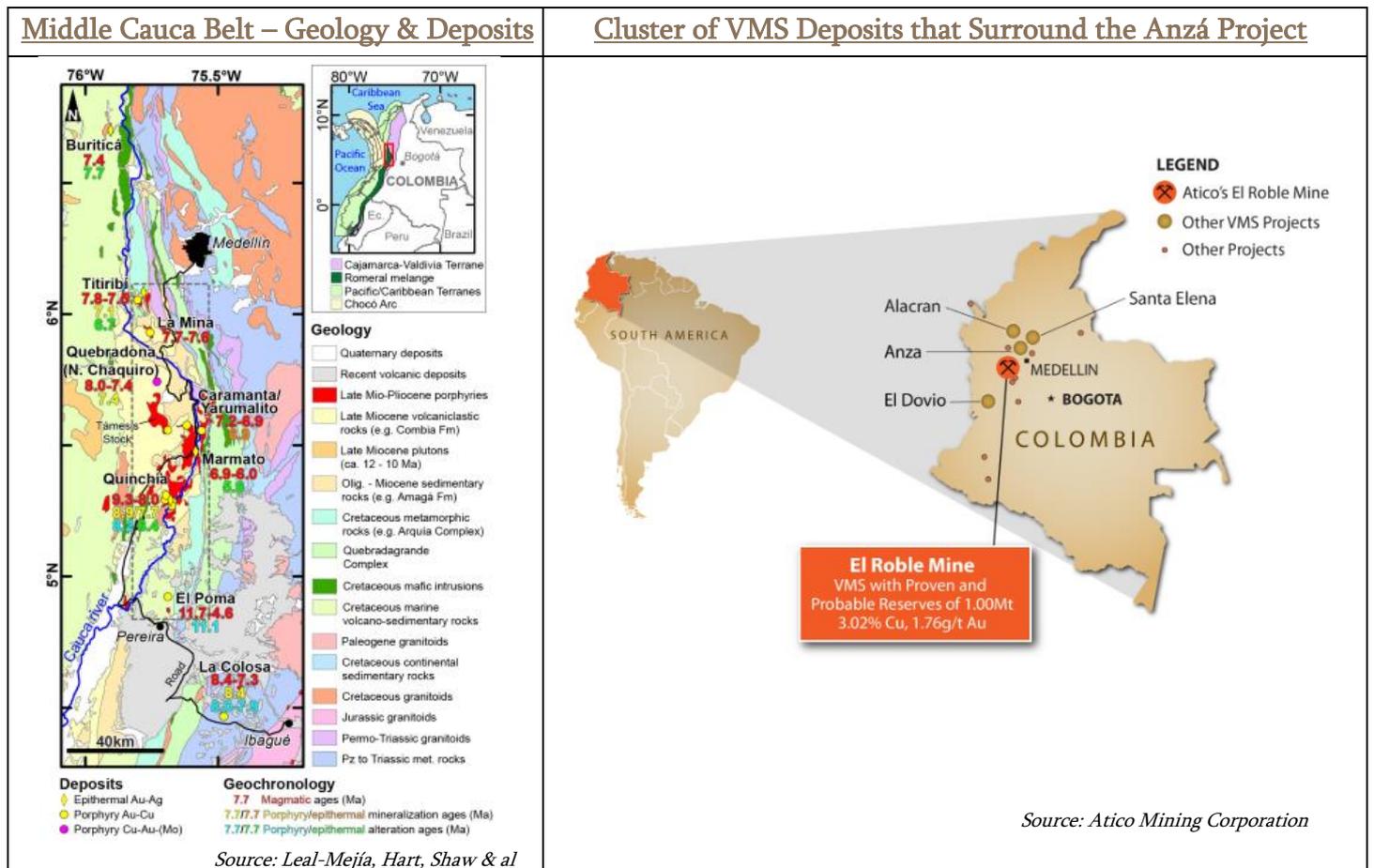


Source: Orosur, [RNS of 27 June 2022](#)

**Following the hand-over of Anzá’s Operatorship, Orosur is maximising shareholder opportunity**

Orosur’s flagship Anzá Project will continue to dominate share price sentiment at this time. Today’s assay exploration results from APTA suggest that it remains a highly prospective, potentially enormous target. It is complex, however, having already recorded multiple thick and high-grade intersections with substantial mineralisation that includes both high-grade gold and base metal at depth extending beyond the testing capacity of the current drill rig fleet. Such data increasingly supports the theory that this mineralisation may be contained within an intermediate-sulfidation epithermal hybrid or otherwise a volcanogenic massive sulphide (‘VMS’) system.

Both are common to the region surrounding Medellin in west-central Colombia. The Middle Cauca Belt located there contains a number of intermediate-sulfidation epithermal (e.g., Marmato, Zancudo) as well as porphyry (e.g., Titiribí, Nuevo Chaquiro) deposits, ranging in age from c.9 to 5.6 Ma. The deposits are hosted in the Romeral melange, a tectonized basement complex containing Mesozoic oceanic and older metamorphic rocks, overlain by Oligocene siliciclastic and middle to upper Miocene arcvolcanic rocks. The porphyry deposits are generally gold rich although Nuevo Chaquiro is copper-rich. VMS deposits alternatively often form in clusters, following tectonic plate boundaries in areas of ancient underwater volcanic activity surrounded by characteristic deposits that include the presence of halos/areas of varying mineralisation. Sometimes these produce economic amounts of gold and silver as by-products of mining other deposits that typically include copper, zinc, lead and other metals. Their significance is illustrated by information provided by Foran Mining Corporation (CVE: FOM), which suggests total metal production from VMS deposits presently account for 22% of zinc, 9.7% of lead, 6% of copper, 8.7% of silver and 2.2% of gold globally. The Anzá Project is centrally located within a cluster of Colombian VMS projects, including Cordoba Minerals’ (TSXv: CDB) Alacrán Mine, Andean Mining’s (ASX: ADM) El Dovio Project and CuOro Resources Corp.’s (TSXv: CUA), Santa Elena Project, amongst others as shown below:



The fact that Minera Monte Águila (‘MMA’) elected to exercise its right to assume Operatorship of Anzá at such an early stage must be interpreted as a very positive endorsement. Orosur’s Board had repeatedly noted that majors like Newmont and Agnico

need big projects (i.e., a +5 million oz. Au field) and would therefore hold off any decision to assume control until gaining sufficient comfort that such potential exists. The discovery of a high-grade structure at depth (MAP- 098) as detailed on 8 March 2022 is significant in this respect, necessitating a large amount of infill drilling to establish the extent of the mineralisation, while also testing the fold hypothesis to potentially open up the western hinge. Further news released on 25 April 2022, now also targeting Pepas and Pupino as the initial focus, possibly followed by Guaimarala in the far south, reinforces confidence that such an ambition can be delivered. Indeed, Newmont and Agnico's decision to work in this region of Colombia is also likely to have been influenced by Los Cerros Limited (ASX: LCL), who's nearby Quinchia Project in the Mid-Cauca gold belt on 21 January 2021 reported drilling from their Tesorito South porphyry target with exceptional intercepts, including 102m @ 2.11 g/t Au from 28m.

Having already seen drilling demonstrate a substantial body of gold mineralisation at APTA, with subsequent regional mapping suggesting possibility for multiple repetitions along strike, the arrival of four rigs in the northern prospects suggests development has now been moved into a much higher gear. Given that Orosur is no longer overseeing the onsite work investors understand they will receive less regular drilling updates going forward. But knowing that the Group still controls 100% of the licences, the agreement does recognise Orosur's obligations with regard to 43-101/public disclosure and thus management expects all relevant data to be made public in a timely fashion, including any formal decision to accelerate the development phases.

September 6<sup>th</sup> is the anniversary date for the current Year 4 of the project (highlighted in yellow below) with qualifying expenditure of US\$4m. Given Agnico's apparent wish to accelerate development, the triggering of their Phase 2 Earn-in Right in the coming months is a distinct possibility, which would result in Orosur receiving a further US\$2m payment from Newmont/Agnico within 30 days of MMA electing (or being deemed to have elected). This, together with a current strong cash position and the fact that the two recently acquired early-stage South American projects incurred very low entry costs with only limited burn anticipated for the first two or three years of operation, suggests management remains comfortable with the Group's balance sheet at this time.

### Three phase JV with Minera Monte Aguila ('MMA') over 12 years to reach 75%

Phase	Year	Qualifying Expenditure	Payment to OMI	MMA equity at end of Phase
1	1	US\$1m	US\$1m	51%
	2	US\$1m	US\$1m	
	3	US\$4m		
	4	US\$4m		
2	5	US\$4m	US\$2m	65%
	6	US\$4m		
	7	US\$4m		
	8	US\$4m		
	**	US\$4m		
3	9	43-101 Feasibility Study		75%
	10			
	11			
	12			

*\*\* Phase 2 requires US\$4m per year for 4 years, plus an additional US\$4m to be spent over the 4-year period at Newmont's discretion*

*Source: Orosur, [Turner Pope Webinar Presentation, 14 July 2021](#)*

Given the resounding verification delivered by recent Anzá drilling, together with the Board's expectation that yet further assays (lab turnaround times seem to be returning to normal) may produce similar polymetallic grades and widths, the Project appears capable of driving strong mining economics. Assuming Phase 1 rolls over into Phase 2 in early September 2022, this will require a major new agreement between all parties, including the formation of a new company (49%-owned by Orosur) into which all assets will be injected. This will likely take some time to negotiate, during which Newmont and Agnico are likely to seek a high level of certainty from Orosur regarding the Project's eventual passage to commercialisation, subject to which they would irrevocably commit to US\$20m spend for Phase 2 over the following 4 years.

Anticipating continuing good news on this front, shareholders will be also hoping that the management's intuition in selecting both the Ariquemes and El Pantano projects will produce similarly positive outcomes in due course. Indeed, with its strong balance sheet providing a forward runway of perhaps 24 months, the Board appears set to demonstrate its credentials through the creation of a truly balanced portfolio of LATAM mining assets that stretch from advanced resource drilling (Anzá in Colombia), through brownfields with production options (Ariquemes in Brazil), greenfields (El Pantano in Argentina) and possibly further new 'walk-up' drill target projects yet to be identified.

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