

# OROYA

*Mining Limited*

ABN 16 009 146 794

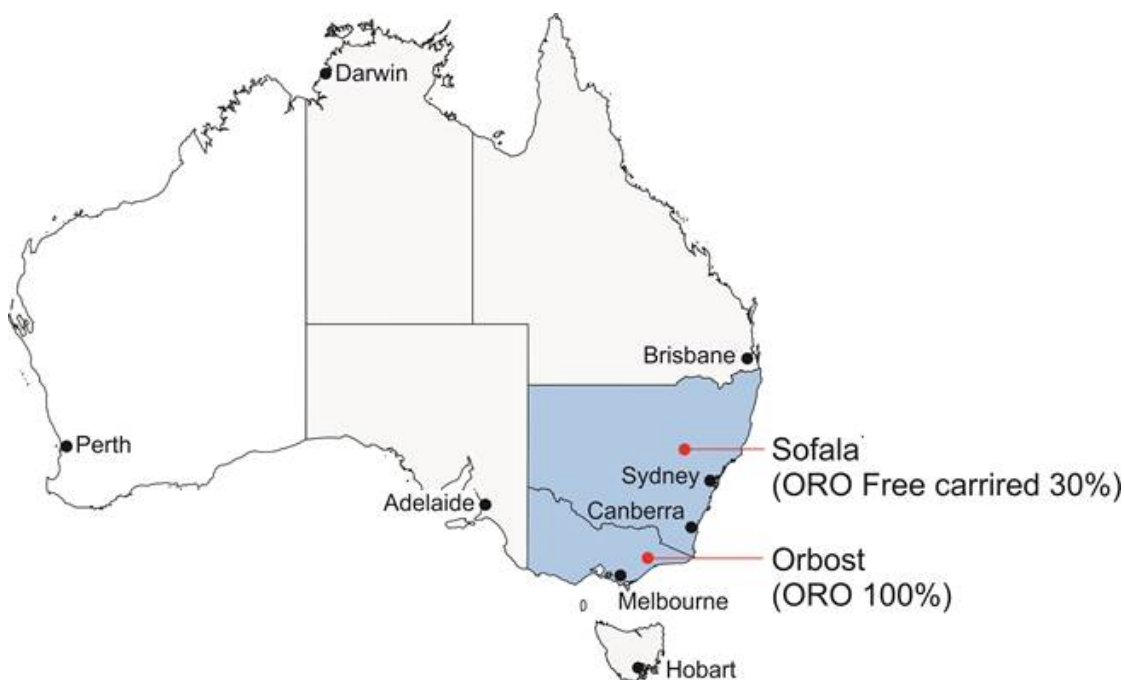
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31 January 2014

Company Announcements Office  
Australian Securities Exchange

## DECEMBER 2013 QUARTER ACTIVITIES REPORT & APPENDIX 5B

- The Company has ongoing discussions with potential JV partners to assess the recommended follow up RC programs to test the coincident geochemistry, IP and HeliTEM anomalies at the Orbost project in Victoria.
- ORO's Sofala JV partner Neo Resources completed merger with Perpetual Resources Limited (ASX: PEC). PEC continues as manager of JV exploration on 11 EL's in NSW.
- The Company is broadening the scope of new project assessment to ensure any acquisition made returns maximum value for shareholders in the current market environment.
- Significant corporate cost reductions implemented to preserve cash reserves.

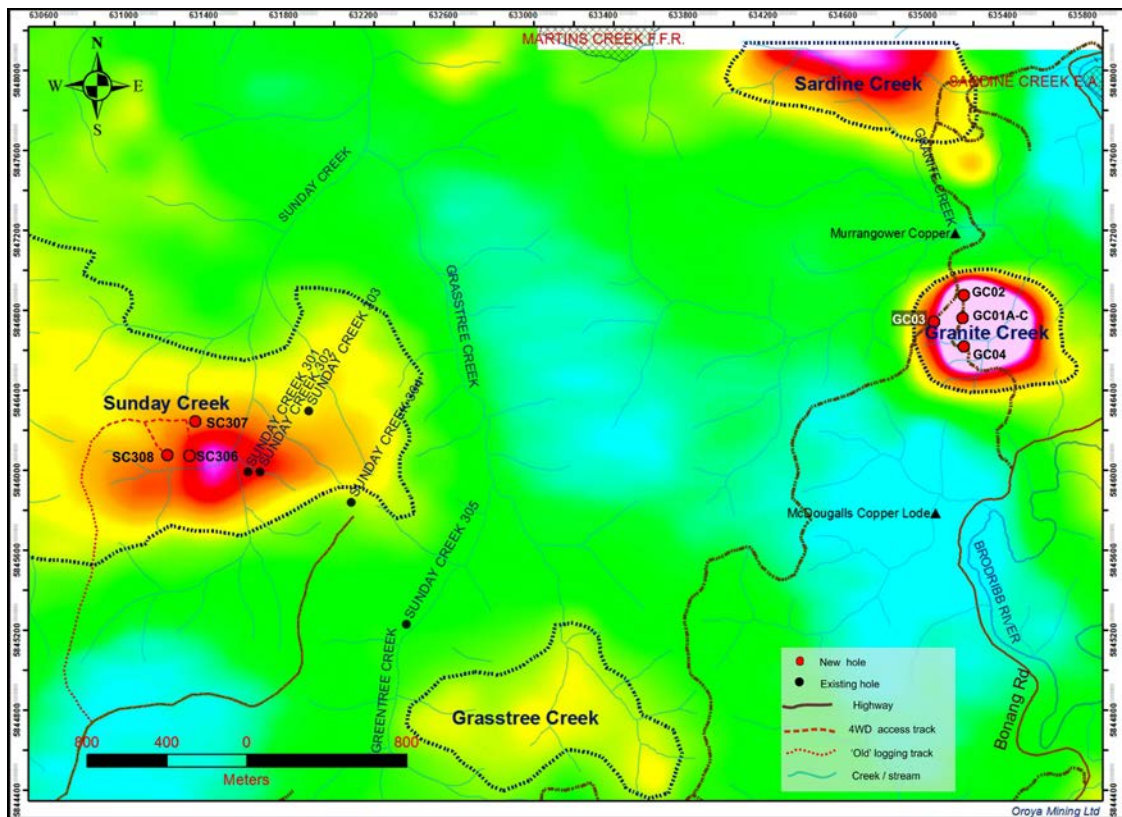


*Location map.*

# 1. Eastern Victoria, Orbost Copper Project (Oroya 100%)

The Orbost Copper Project, about 30 kilometres north of the town of Orbost, within EL4933 that was granted to Oroya in August 2011, covers a regional copper metallogenic zone which is prospective for porphyry copper-gold mineralisation (Cadia-style). Oroya is targeting large tonnage tonalite-hosted copper deposits, which were drilled by Pickands Mather Ltd in late 1960s and found low-grade porphyry copper mineralisation associated with tonalite in all 5 diamond holes (SC301-SC305).

The first phase of drilling was completed during April 2013 comprising 9 holes for a total of 2163 metres. A second phase 1000m drilling program is recommended to follow up the current interpretation of geology, geophysics and mineralisation in the region.



HeliTEM image (channel 6) and drill hole localities (image by Fugro Ltd, 2012).

## Sunday Creek Drilling Program

The Sunday Creek anomaly is a large, prominent conductor up to 3.5km long and averages 1km wide. Drilling during 1969 included ~30m interval of quartz-sericite-kaolin- chlorite with abundant iron and copper sulphides, averaging 0.30% Cu in SC302, including 1m 1.67% Cu.

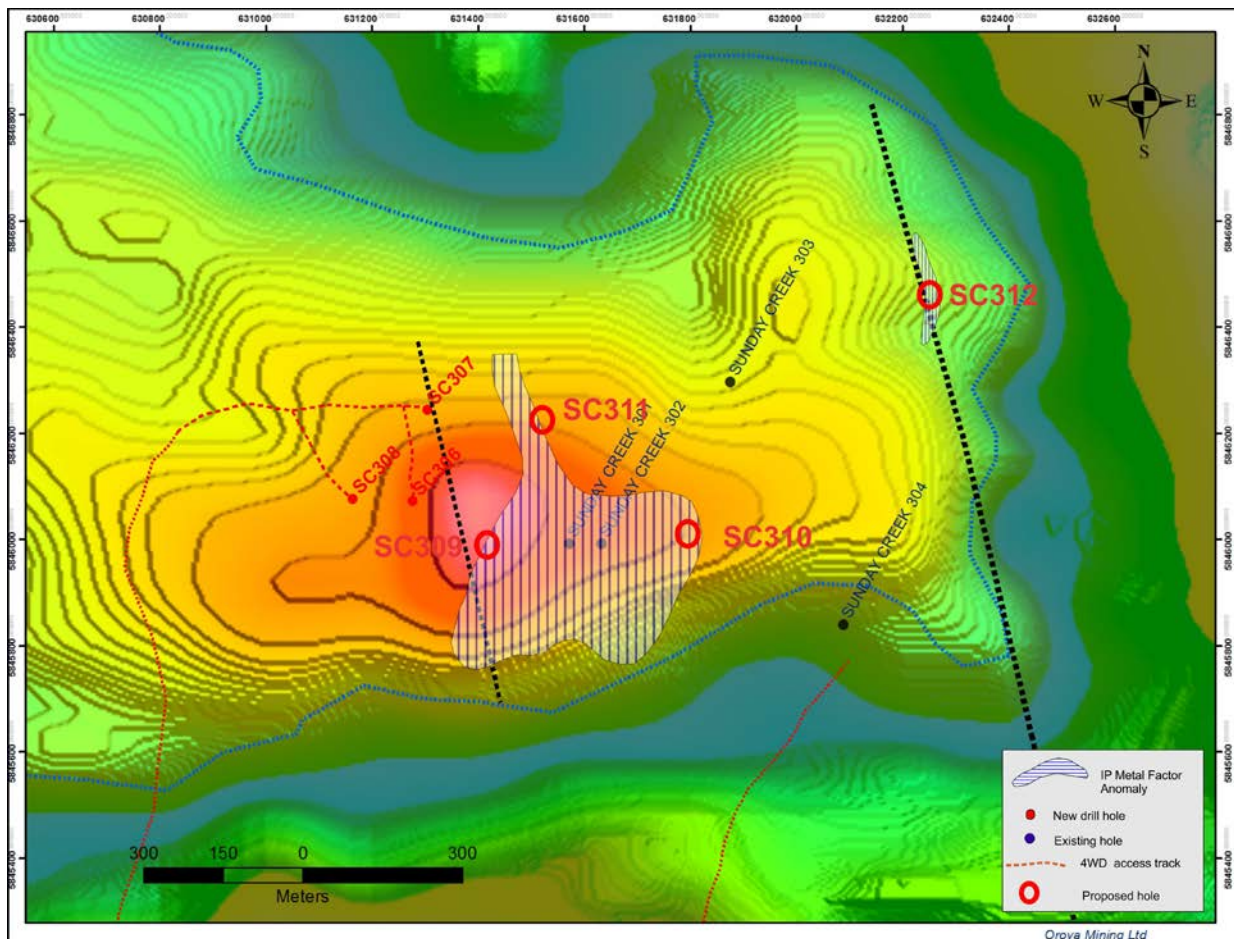
Three holes during 2013, guided by the interpretation if the HeliTEM survey, intersected highly altered, pyritic granite under thin metamorphosed sediments of the Pinnak Sandstone, but on assay had lower than expected copper grades.



Photo photograph shows core slaps of SC302, 40.2-44.9m (132-147.2 feet), Cu @0.86% (sample OR11SC002). Core is currently stored in Victorian government core store.

Soil geochemistry and IP survey interpretation played an important role in the early drilling program during 1969, in which the historic hole SC302 intersected potassic alteration with hypergene copper mineralisation (~30m @ 0.30% Cu). The 3-hole drilling program during 2013 was sited to test the western part of the HeliTEM anomaly. The granitic rocks are capped in this region by altered sediments, potentially obscuring the geochemical signal from the porphyry rock. The previous drilling was sited on IP and soil geochemistry targets in porphyry outcrop. The centre of the anomaly was not drilled because it is sited in an area requiring Culture Sensitivity survey.

A second phase of drilling is recommended to target the anomalous coincidence of IP and HeliTEM data, and in particular drill testing of the Cu discovery in SC302 (30m @0.3% Cu including 1m @1.67%Cu). The recommended 600 metre program would involve the four holes as shown in figure below. Hole 312 and test the IP anomaly associated with a fault.



Enhanced HeliTEM image (channel 6) (provided by Fugro Ltd, 2012), showing the second phase drilling IP anomaly (Metal Factor plot, dashed).

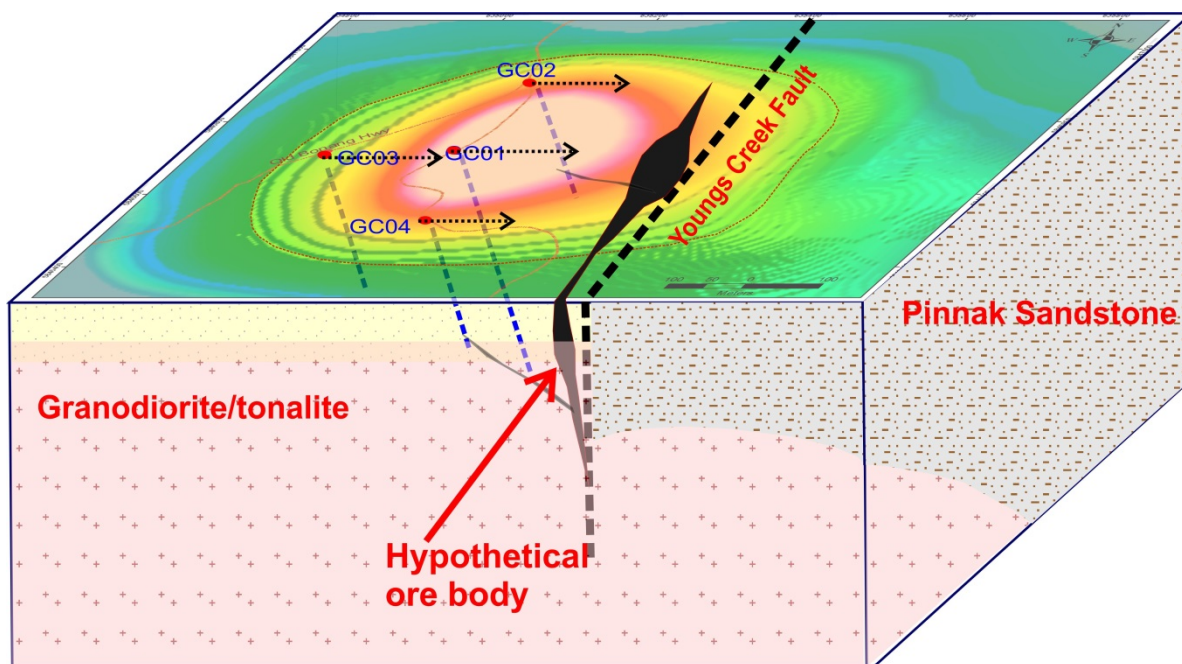
### Granite Creek drilling program

The Granite Creek Anomaly is a prominent HeliTEM target in the Orbest area. No massive conductive material has been penetrated in the Granite Creek area to match the anomalous features imaged by HeliTEM data in the first phase drilling program. The Granite Creek Anomaly is bounded by the Youngs Creek Fault to east. The fault-bounded or pipe breccia mineralisation is targeted by the second phase drilling.

Thin high-grade Cu veins in GC02 and GC04 holes may be related to the deep-buried, undetected mineralisation or conductive material.



Core photograph, GC04, 167.5-167.6m with Cu @1.48%



Hypothetical model of the alternative interpretation on the Granite Creek mineralisation. Not to scale.

Analysis of the first stage program has led to a recommendation to drill an additional hole to test the model as shown in the figure. Drilling would target potential mineralisation controlled by the Youngs Creek Fault and copper mineralisation associated with McDougalls HeliTEM anomaly.

A total 7 RC holes (~1000m) are recommended for this follow-up drilling program in the Orbest region.

## 2. NSW, Sofala Gold-Copper Project, Wiagdon Thrust Joint Venture (Oroya 30% free-carried, Perpetual Resources 70%)

Neo Resources Limited (Neo) earned a 70% interest in the Sofala Wiagdon Thrust Joint

Venture by completing the Earn-In Expenditure of a minimum of \$1.5 million within the deemed Earn-In Period. Oroya is now free carried until the mining commencement date, with a 30% Joint Venture Interest.

Neo has completed a merger with Perpetual Resources Limited (ASX:PEC). Following the merger PEC will provide funds to continue to develop the Sofala Wiagdon Thrust Joint Venture assets.

The Sofala Wiagdon Thrust gold project comprises a suite of 11 contiguous exploration licenses over an area of approximately 2,000km<sup>2</sup> in the Lachlan Fold Belt of New South Wales. The principal exploration objective is the discovery of large tonnage disseminated gold-copper deposits.

Work is continuing on using sophisticated methods of analysing the airborne geophysical data which had been collected by Neo over the whole of the Licence areas in 2011-2012 with a view to identifying further drilling targets. These techniques utilise methods which aim to find deep seated geological structures. Such structures are often associated with gold occurrences.

In the Glasscocks and Cudgegong areas detailed analysis is taking place of the ground magnetics which was carried out towards the end of 2012. This will provide more precise locations for the sighting of future drillholes.

### 3. New project initiative

Partnering with offshore investors, Oroya is assessing new projects for acquisition.

### 4. Sale of Rights to two EL Applications in WA

Oroya was awarded first application rights over two Exploration Licences (EL Applications) in the ballot conducted at the Karratha Wardens Court on 6 November 2013. Oroya determined the EL Applications were not core asset and has sold its rights to the EL Applications for a total cash consideration of \$60,000, of which \$10,000 has been received as a deposit and the balance is payable by 28 February 2013.

### 5. Tenement Information

Tenement	Location	Ownership	Change in Quarter
EL4933	Victoria	100%	N/A
EL 4981	Victoria	100%	N/A
EL 7548	NSW	30%	N/A
EL 7549	NSW	30%	N/A
EL 6627	NSW	30%	N/A
EL 7550	NSW	30%	N/A
EL 6628	NSW	30%	N/A
EL 7551	NSW	30%	N/A
EL 6629	NSW	30%	N/A
EL 7553	NSW	30%	N/A
EL 7552	NSW	30%	N/A
EL 6789	NSW	30%	N/A
E47/2847	WA	0%	100%
E47/2901	WA	0%	100%

## **ENDS**

### **DECLARATION OF COMPETENCY**

The information in this report that relates to exploration results (except for Wiagdon Thrust Joint Venture) is based on information compiled by Mr Wenlong Zhang a member of the Australasian Institute of Mining and Metallurgy, an employee of Oroya Mining Limited. Mr Zhang has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral resources and Ore Reserves. Mr Zhang consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report that relates to exploration results for Wiagdon Thrust Joint Venture is based on information compiled by Dr Spero Carras. Dr Carras is a Fellow of the Australasian Institute of Mining and Metallurgy and consultant to Perpetual Resources Limited. Dr Carras has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the Australasian Code for Reporting of Exploration Results, Mineral resources and Ore Reserves. Dr Carras consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

# Appendix 5B

## Mining exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10

Name of entity

OROYA MINING LIMITED

ABN

16 009 146 794

Quarter ended ("current quarter")

31 DECEMBER 2013

### Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
<b>Cash flows related to operating activities</b>		
1.1 Receipts from product sales and related debtors		
1.2 Payments for (a) exploration & evaluation	(3)	-
(b) development	-	-
(c) production	-	-
(d) administration	(175)	(346)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	4	6
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other – R&D Rebate	-	-
<b>Net Operating Cash Flows</b>	<b>(174)</b>	<b>(340)</b>
<b>Cash flows related to investing activities</b>		
1.8 Payment for purchases of: (a) prospects	-	-
(b) equity investments	-	-
(c) other fixed assets	-	-
1.9 Proceeds from sale of: (a) prospects	10	10
(b) equity investments	-	-
(c) other fixed assets	-	5
1.10 Loans from/(to) other entities (pending sale of shares)	-	-
1.11 Loans repaid by other entities	-	-
1.12 Other – Performance Bonds refunded	-	-
- Funds deposited for performance Bonds	-	-
- Rental Bond refunded	-	-
<b>Net investing cash flows</b>	<b>10</b>	<b>15</b>
1.13 Total operating and investing cash flows (carried forward)	<b>(164)</b>	<b>(325)</b>

+ See chapter 19 for defined terms.



**Appendix 5B**  
**Mining exploration entity quarterly report**

1.13	Total operating and investing cash flows (brought forward)	(164)	(325)
	<b>Cash flows related to financing activities</b>		
1.14	Proceeds from issues of shares, options, etc.	-	296
	Proceeds from issue of convertible notes	-	-
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	-
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other –expenses related to issue of shares	(20)	(20)
	- expenses related to issue of convertible notes	-	-
	<b>Net financing cash flows</b>	(20)	276
	<b>Net increase (decrease) in cash held</b>	(184)	(49)
1.20	Cash at beginning of quarter/year to date	600	465
1.21	Exchange rate adjustments to item 1.20	-	-
1.22	<b>Cash at end of quarter**</b>	416	416

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	58
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Item 1.23 being payments to directors during the quarter.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

Nil

**Financing facilities available**

+ See chapter 19 for defined terms.

*Add notes as necessary for an understanding of the position.*

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

### Estimated cash outflows for next quarter

	\$A'000
4.1 Exploration and evaluation	50
4.2 Development	-
4.3 Production	-
4.4 Administration	135
<b>Total</b>	<b>185</b>

### Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
5.1 Cash on hand and at bank	21	109
5.2 Deposits at call	395	491
5.3 Bank overdraft	-	-
5.4 Other (provide details)	-	-
<b>Total: cash at end of quarter</b> (item 1.22)	<b>416</b>	<b>600</b>

### Changes in interests in mining tenements

	Tenement reference	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1 Interests in mining tenements relinquished, reduced or lapsed	E47/2847	Application right sold	100%	0%
	E47/2901	Application right sold	100%	0%
6.2 Interests in mining tenements acquired or increased	N/A*			

\*Refer to Quarterly Report for LR 5.3.3 Tenement information

**Appendix 5B**  
**Mining exploration entity quarterly report**

**Issued and quoted securities at end of current quarter**

*Description includes rate of interest and any redemption or conversion rights together with prices and dates.*

	Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1 <b>Preference securities</b> <i>(description)</i>				
7.2 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions				
7.3 <b>+Ordinary securities</b>	2,962,413,432	2,962,413,432		
7.4 Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	Nil	Nil		
7.5 <b>+Convertible debt securities</b> <i>(description)</i>	Nil	Nil		
7.6 Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted				
7.7 <b>Options</b> <i>(description and conversion factor)</i>	40,000,000 660,000,000 65,000,000 25,000,000	- 660,000,000 - -	<i>Exercise price</i> \$0.005 \$0.003 \$0.005 \$0.007	<i>Expiry date</i> 30 November 2015 30 June 2015 30 November 2015 30 November 2015
7.8 Issued during quarter	Nil	Nil		
7.9 Exercised during quarter	Nil	Nil		
7.10 Expired during quarter	Nil	Nil		
7.11 <b>Debentures</b> <i>(totals only)</i>				
7.12 <b>Unsecured notes</b> <i>(totals only)</i>	Nil	Nil		

+ See chapter 19 for defined terms.

## Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).
- 2 This statement does ~~not~~\* (*delete one*) give a true and fair view of the matters disclosed.



Sign here: ..... Date: 31 January 2014  
(Company secretary)

Print name: Mathew Whyte

## Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.
- 3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.
- 4 The definitions in, and provisions of, *AASB 6: Exploration for and Evaluation of Mineral Resources* and *AASB 107: Statement of Cash Flows* apply to this report.
- 5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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+ See chapter 19 for defined terms.