

Orefinders Shareholder Update and Two Year Review

TORONTO, Dec. 31, 2018 /CNW/ - Orefinders Resources Inc. ("Orefinders" or the "Company") (TSX.V: ORX) is pleased to provide shareholders with a review of the Company's achievements along with insight on Management's plans for 2019.

"We are proud of what we've accomplished over the last two years in lining up opportunities throughout an extended bear market. In 2019 our shareholders can expect us to continue with our well defined and focused strategy of seeking the best return on investment that we feel is available. These returns are not meant to be realized overnight as Orefinders is tied to both the gold price as well as the demand for the next generation of gold mines, but we do expect this demand to be realized by ever increasing mergers and acquisitions. Within this context, Orefinders strives to be best in class for this strategy by providing levered exposure to the price of gold and positioning our shareholders to participate in what we see as an inevitable consolidation of the mining industry. Accordingly, it is fitting that we provide our shareholders a summary of the milestones which give us this positioning. Behind the scenes, we have been busy preparing for a market turn and our shareholders can expect the continuation of the same strategy in 2019. Depending on the cost of capital and the markets appetite, shareholders could also begin to see development of our assets organically," said Stephen Stewart, Orefinders CEO.

[December 12, 2018: Power Ore, of which Orefinders owns 5+ million shares, announces major acquisition of the Opemiska Copper Mine Complex in Qu](#)

As a significant shareholder in Power Ore, the acquisition of the Opemiska Copper Mine Complex is a transformative one, and immediately brings Power Ore to the forefront of the Canadian copper space. The Opemiska Copper Mine Complex was initially Falconbridge's flagship copper asset and produced copper from two high-grade underground mines—Springer and Perry—until the 1990s.

[November 8, 2018: Mirado Project Data Compilation Complete & Exploration Plans Released](#)

In November 2018, Orefinders successfully compiled and analyzed the Mirado project data and created 3D models and exploration plans for the next stage of Mirado development. Having integrated all historical data into the project database, numerous areas of interest were identified on the Mirado property for follow up studies, prior to proceeding to a prefeasibility study.

[October 18, 2018: McGarry Project Data Compilation Complete & Exploration Plans Released](#)

On October 18, 2018, Orefinders successfully compiled and analyzed the data received as part of the McGarry Mine acquisition. The data acquired spanned over five decades. 3D geologic models and exploration plans were generated from the data for the Barber Larder open pit area as well as the McGarry mine shaft area.

[September 12, 2018: Orefinders publishes investment thesis 'Why Invest in Orefinders?'](#)

In mid-September 2018, Orefinders released its investment thesis into the public domain, highlighting its reasoning behind following a strict criteria for acquisitions, as well as its rationale behind the upcoming M&A activity.

[September 5, 2018: Knight Gold Project Data Compilation Complete & Exploration Plans Released](#)

By September 2018, Orefinders successfully compiled and analyzed the abundance of data acquired as part of the Knight Gold project consolidation. 3D models were created for Tyrinite, Minto, Duggan and Porphyry Lake, and exploration plans were released accordingly.

[June 28, 2018: Resolution of the environmental liability at the McGarry Mine project with the Province of Ontario](#)

A pivotal step in the McGarry Mine acquisition was the resolution of directors orders and other outstanding issues that have impeded investment on the McGarry Mine and Barber Larder properties—as well as adjoining areas. These issues revolved around the tailings deposited on the property from decades of gold production from the abutting Kerr-Addison mine, which produced over 12 million ounces of gold over its life of mine.

Orefinders successfully negotiated an agreement with the Province of Ontario's Ministry of Northern Development and Mines to resolve these issues, which has completely reshaped the dynamic of the McGarry Mine and adjacent Cadillac Larder-Lake break properties.

[April 30, 2018: Sale of securities held in Pure Gold Mining Inc. for \\$815,506 in proceeds](#)

By the end of the quarter ended April 30, 2018, Orefinders sold its equity holding in Pure Gold Mining Inc. – received as part of Orefinders' sale of its Derlak project in Red Lake in March 2017. Sale of these securities generated \$815,506 to revitalize Orefinders' balance sheet to allow further acquisitions and development of its current asset holdings.

[April 23, 2018: Spin-off of Mann Mine and MacMurchy property into Power Ore Inc., an electrification metals company](#)

Having acquired the Mann cobalt-silver mine and the MacMurchy nickel property as part of the Knight Gold project consolidation, Orefinders entered into a Plan of Arrangement ("POA") to spin-off the two assets into a new, electrification metals focused company called PowerOre Inc, in consideration for Power Ore issuing 11 million shares to Orefinders. Orefinders distributed 50% of these shares (5,500,000 shares) to its shareholders. Each shareholder received 1 share of Power Ore for every 16 shares of Orefinders held.

Power Ore listed on the TSX Venture in June 2018 and is currently focused on developing its Mann Mine project, as well as its new Opemiska Copper Complex project within the electrification metals space, including copper, cobalt and nickel.

[April 3, 2018: Acquisition of McGarry Mine](#)

The acquisition of McGarry Mine in April 2018 was another key milestone for Orefinders. Situated on the Cadillac-Larder Lake break, and having significant geological upside, the acquisition of the McGarry Mine meant that Orefinders now owned three assets that can be considered 'flagship' assets.

The McGarry Mine is a past producing gold mine and contains a historical M&I resource of 447,000 tonnes at 7.89 g/t gold (112,000 ounces), and an inferred resource of 157,000 at 5.83 g/t Au (29,000 ounces). The McGarry Mine was also tied up in environmental liabilities due to tailings from the neighbouring Kerr-Addison mine—which historically produced >12 million ounces of gold. Furthermore, with the McGarry Mine came an abundance of drill data as well as ample infrastructure on site.

[January 15, 2018: Completion of positive Mirado PEA](#)

The Mirado PEA was completed in January 2018 and yielded extremely positive results on the back of a successful bulk sampling program in September 2016. The PEA envisioned an open pit at the South Zone of Mirado where near surface mineralization is present. The South Zone only covers ~5% of the entire Mirado property.

Under this scenario, ore would be milled off-site under a toll-milling agreement, and hence, the project would not need an on-site processing or tailings facility. The PEA yielded an IRR of 158%, a post-tax NPV (5% discount) of \$20.5 million, assuming a gold price of US\$1,300, and a payback period of just 7 months.

[November 30, 2017: Transformational Acquisition and Consolidation of Shining Tree District—Knight Gold Project](#)

In November 2017, Orefinders completed the acquisition and consolidation of the Knight Gold Project, located in the Shining Tree region in Ontario's Abitibi. This transaction comprised of three acquisitions of contiguous properties, from two landholders as well as Premet Inc., a private company. Furthermore, the consolidated land package is adjacent to Pan American Silver/Tahoe Resources' 4 million ounce Jubu project. This transaction closed in January 2018.

The Knight Gold project consists of former producing mines in Tyrinite, Duggan and Minto and Porphyry Lake. Along with these four assets, Orefinders also acquired the Mann silver-cobalt project and the MacMurchy nickel project.

[March 6, 2017: Sale of Red Lake property](#)

Given the success of the Mirado Bulk Sample program, in March 2017 Orefinders entered into an agreement with Pure Gold Mining to sell its Derlak project, located in Red Lake, Ontario.

Orefinders' sale of Derlak generated \$1.3 million comprised of \$500,000 cash, and \$800,000 worth of Pure Gold shares thus strengthening its balance sheet.

September 15, 2016: Mirado Bulk Sample

Orefinders began their bulk sampling program at Mirado on September 15, 2016. Ore from the stockpile was trucked to IAMGOLD's Westwood mill. The bulk sampling program was successfully completed on November 7, 2016 and yielded 1,414 ounces of gold.

The project involved sending over 1,000 eighteen-wheel trucks full of ore to the Westwood mill, and allowed Orefinders to gain concrete operational data on logistics, processing and metallurgy—significant data points that were critical in generating the projects Preliminary Economic Assessment.

Furthermore, the bulk sample generated >\$2 million in revenue to Orefinders enabling it to proceed with near-term corporate development efforts.

WHAT WE WILL BE DOING MOVING FORWARD

We encourage our shareholders to read '[Why Invest in Orefinders?](#)' in order to understand management's perspective, objectives and investment thesis for the Company.

Orefinders is well positioned to build upon its eventful year by increasing its land position in Ontario's world renowned mining camps. We are well capitalized and have no debt. We are always looking for the right opportunities to invest our capital—projects that fit our criteria—as today's price environment is conducive to growing resources via acquisition (low risk), rather than growing resources via drilling (high risk).

OREFINDERS' ASSET CRITERIA:

- **Gold Only**
- **Abitibi Greenstone belt of Ontario and Quebec Focus**
- **Advanced Stage** assets with well established geology via pre-existing drilling/exploration that can be validated and made compliant with minimal additional drilling
- **Former Production** or near-term production in brownfields environments
- **Geologic Upside.** Each asset must provide upside potential through additional discovery of deposits
- **Assets must offer scale and synergies** due to their proximity to the existing Orefinders portfolio
- **Assets are or will be drill ready** and permitted with detailed exploration and development plans

OREFINDERS EXISTING GOLD CAMPS: MIRADO, KNIGHT & MCGARRY

Orefinders currently owns three assets: Mirado, Knight and McGarry Mines. Each meet our asset criteria and are premier, advanced stage gold assets that will be the next generation of Abitibi gold mines.

1. **Mirado** - a near term producer with a robust PEA.
2. **Knight** - a consolidation of numerous past producers with significant geological upside and potential for a multi-million ounce deposit abutting Tahoe Resources' 4 million ounce Jubu gold project.
3. **McGarry** – adjacent to the Kerr-Addison Mine, which produced 12 million ounces, the McGarry itself produced in the past. McGarry has significant resources with geological upside in place; Orefinders was able to acquire this asset at a discount due to an environmental liability overhang, which Orefinders has now resolved with the Province of Ontario.

3D MODELS, PLANS & SECTIONS ALONG WITH OUR GEOLOGICAL INTERPRETATIONS AND EXPLORATION PLANS ARE AVAILABLE ON OUR [CORPORATE PRESENTATION](#) OR AT [WWW.OREFINDERS.CA](http://www.orefinders.ca)

About Orefinders Resources Inc.

Orefinders is a Gold exploration and development company focused exclusively within the Abitibi Greenstone Belt. The Company is listed on the Toronto Venture Exchange under the symbol ORX.

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