Winmar Resources Limited

ASX Code: WFE

9 June 2020

Corporate Details


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Dividend Plan: Active
Auditor: HLB Mann Judd Assurance (NSW) Pty Ltd
Banker: n/a
Solicitor: n/a

Business Summary (as at 31 Mar 2020)

Winmar Resources Limited (WFE) is an emerging junior mineral resources company focused on developing the Lomero Project, an advanced gold-copper-silver-lead-zinc exploration project and existing mine located in Andalucia, Spain. Winmar has entered into a Farm In & Joint Venture arrangement (FI&JVA) with Kimberley Diamonds Ltd to earn up to 70% interest in the Lomero Project.

Hamersley Project: The Hamersley Iron Ore Project hosts the Winmar iron ore deposit and is located approximately 50km north east of Tom Price in the Pilbara Region of Western Australia. The Project comprises Exploration Licence E47/1617 and Mining Lease M47/1450. The Company has paid $4m upfront with $2.9m (of $6m) in expenditure to date comprises the 100% Buy-out option. Winmar has a JV Agreement with Cazaly Iron, a wholly owned subsidiary of Cazaly Resource, for the Hamersley Iron Project, whereby Winmar is able to earn 51% of the project through exploration expenditure. During the year Maiden Indicated resource of 42.6Mt @ 55.2% Fe (57.3% CaFe).

Lomero gold-silver-copper-zinc project: Lomero is an advanced gold-silver-copper-zinc exploration project located 60km north of the deep-water port of Huelva, within Spain’s premier mineral district, the Iberian Pyrite Belt (IPB), and in close proximity to several major mining projects.

Bloom Lake copper-cobalt project: The Bloom Lake Project is located peripheral to a cluster of former high-grade silver-cobalt mines at Gowganda, 85km northwest of Cobalt, in eastern Ontario, Canada.

Key Dates

Accounts Close 30 June
AGM 29 Nov 2018
Listing Date 14 Dec 1999

Financials

FYE $m
NPAT $m
EPS c
EPS Growth %
DPS c
Franking %
Dividend Yield %
PER x
ROE x

Index Participation

No Index Participation

Share Price Chart

Total Return on $10,000 Investment
Winmar Resources Limited (WFE)

Substantial Shareholders
No Substantial Shareholders

Directors
Mr Shannon Green (Executive Chairman, Executive Director)
Mr James (Jamie) Philip Myers (Non-Executive Director)
Mr Sufian Ahmad (Non-Executive Director)

Management
Ms Shannon Louise Coates (Company Secretary)

Operational History
06 May 2020 - Winmar Resources provided quarterly update for the period ending 31 March 2020. Following the Company's decision not to proceed with the proposed joint venture for the Luapula Processing Facility and acquisition of 5 exploration licences in the DRC, as announced to the Australian Securities Exchange on 22 January 2020, a process was undertaken to refresh the Board and executive management. During and post quarter end, Messrs Thomas Durr, Jason Brewer and Richard Lloyd resigned as Directors of the Company and Mr Mike Pitcher resigned as Company Secretary and Chief Financial Officer. During the period, the Company announced the results of an independent review of previous Mineral Resource JORC Code (2004) estimate reported by Runge Pinnock Minarcro.

07 February 2020 - Winmar Resources provided quarterly activities report. At the Company's Bloom Lake Project in Canada, the Company's consultants continued their planning of the next phase of exploration and in particular a focus on several key mining claims located within the historic high-grade silver-cobalt mining district of Cobalt-Gowganda in eastern Ontario. The Company commenced drawings on its $250,000 standby loan facility to meet any creditor payments and to fund costs associated with the Hamersley Iron Project. The Company continued discussions with ASX Perth over the proposed acquisition and in respect to some outstanding concerns raised to certain aspects of the acquisition structure and made updated submissions to ASX to specifically address these outstanding concerns.

06 November 2019 - Winmar Resources provided quarterly activities report stating that its shares remained suspended from trading on ASX during the Quarter as the Company continued to progress the proposed acquisition of a 50% interest in the Luapula Processing Facility. The Company updated that it is required to satisfy Listing Rules 11.1.2 and 11.1.3 and obtain approval from its shareholders and to re-comply with Chapters 1 and 2 of the ASX Listing Rules in order to complete the acquisition and have its shares resume trading on ASX. As reported, the Company continued discussions with ASX Perth over the proposed acquisition and in respect to some outstanding concerns raised over certain aspects of the acquisition structure.

05 August 2019 - Winmar Resources provided quarterly activities report stating that the Company's shares remain suspended from trading on ASX following a determination by ASX that the proposed acquisitions by the Company of a 50% interest in the Luapula Processing Facility and a 100% interest in a group of exploration licences prospective for copper and cobalt mineralisation in the DRC amounted to a significant change in the nature and scale of the Company’s current activities. As reported, the Company submitted to ASX an application for in-principle advice summarising the key terms of the proposed acquisitions, the material arrangements and associated capital raising and proposed capital structure. The Company further updated to make significant progress in addressing the concerns raised by ASX.

27 December 2018 - Winmar Resources confirmed that as a result of its focus on completing its DRC Cobalt Production Acquisitions, it has elected to withdraw from the Option Agreement over the United Reef and the Calcite Lake Projects located in Ontario, Canada. A sampling program undertaken in mid-2018 at Bloom Lake returned high grade cobalt assay results, including: 6.84% Co, 0.422 g/t Au, 0.58% Cu and 1.56% Ni - Sample ID 853024, 1.50% Co, 8.94% Cu and 0.10% Ni - Sample ID 853044, 1.16% Co and 2.24% Cu - Sample ID 853048 and more. The Company will continue with its activities at Bloom Lake and is currently finalising plans for the next phase of exploration work.

07 December 2018 - Winmar Resources advised that its lawyers in the DRC have confirmed the incorporation of the JV Company that is proposed to operate the Luapula Processing Facility pursuant to the Heads of Agreements executed in July 2018, the completion of which is subject to re-compliance with Chapters 1 and 2 of the ASX Listing Rules and re-listing on ASX. A new JV company, Winmar Lufira Mining Company S.A. (WLMC) has been incorporated and is held 50% by the Company and 50% by African Holding Investment Company. The Company has also received confirmation from its DRC lawyers that WLMC has received all necessary permits, approvals and licenses to operate as a Company in the DRC.

06 November 2018 - Winmar Resources provided the summary of activities undertaken during the quarter to 30 September 2018 (Quarter) to deliver on the Company's stated cobalt strategy. At an EGM June 2018, the shareholders demonstrated their support to the Company's proposed strategy to acquire advanced and highly prospective cobalt projects and operations in the Democratic Republic of Congo. The Company commenced its Phase 1 Cobalt Exploration Program on its 100% owned Bloom Lake Project located in the historic high-grade silver-cobalt mining district of Cobalt-Gowganda, in Ontario.

21 August 2018 - Winmar Resources reported negative cash flow of $960,000 for quarter ended 30 June 2018. Operating cash flow for the period was $(349,000). Payments for exploration and evaluation were $(89,000). Investing cash flow was $(861,000). Financing cash flow was $50,000. Cash in hand at the end of the quarter was $961,000.