

ASX/JSE RELEASE: 10 May 2021

Update on recent community protests in South Africa

Orion supports the strong stance taken by the Minerals Council South Africa and reaffirms its firm commitment to ethical business conduct and positive community engagement

Orion Minerals Limited (**ASX/JSE: ORN**) (**Orion** or the **Company**) provides the following update following the recent community protests and unrest being experienced at a number of mining operations and various communities across parts of South Africa.

Orion notes the strong stance adopted by the Minerals Council South Africa condemning the recent unrest, which is being experienced in the run-up to local municipal elections being held later this year.

In almost all cases, the protests are led by a small group of individuals who are seeking to disrupt legitimate business operations by subverting procurement and tendering practices.

The Minerals Council has issued a statement condemning the unlawful protests which have been seen in some areas, and has called on the authorities to act swiftly and impartially to protect the safety of communities, employees and private property.

The Minerals Council has in particular, expressed its support for and solidarity with members like Orion, who have taken a firm public stance against corruption and illegitimate demands at its Prieska Copper-Zinc Mine (**PCZM**) in the Northern Cape.

In response to recent unrest in the town of Prieska, located 68km from the Prieska mine site, Orion has obtained an interdict in the Northern Cape High Court in Kimberley, to prevent any interference in its business at PCZM by protesters operating outside the law. While Orion respects the constitutional right of lawful public protest, its support does not extend to intimidatory threats and the possibility of behaviour that will put lives as well as livelihoods at risk.

The High Court has also specifically directed the South African Police Service to enforce the terms of its order.

The protest action has had minimal impact on progress on the PCZM project, with most work-streams currently focused off-site. Negotiations with potential project financiers are progressing well and the Company expects to secure term sheets in the coming months.

Orion's Managing Director and CEO, Errol Smart, commented:

"Recent disruptions to orderly community life in the Prieska community (68km from the Prieska Mine Site), instigated by the self-serving interests of aspirant politicians and unscrupulous contractors using coercion to support their bids to secure contracts at the mine, is unacceptable.

"Whilst it is reasonable and legitimate for disadvantaged communities to request that project developers maximise local procurement and employment in host communities, there is an important balance that needs to be maintained in order to avoid compromising health and safety, quality and delivery on mines."

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ASX Code: ORN JSE Code: ORN ISIN: AU000000ORN1 "It takes time and significant investment to achieve local skills and enterprise development of suitable standard to sustain high levels of local employment and procurement in communities where little or no mining has taken place for many decades and, in some cases, ever. Orion has made the commitment and through sustained and constructive engagement, signed an MOU with the Siyathemba Municipality, which is the legitimate authority democtractically elected by the local community. The MOU successfully navigates this difficult balance and achieves the goals of maximising value for the local community without placing unachievable financial or operational demands on the Prieska Mine. In addition, a detailed social and labour plan fulfilling the requirements of the 2018 Mining Charter was developed and approved by relevant authorities after detailed consultation with community representatives.

"Orion remains absolutely committed to its high ESG standards and to developing Prieska as a flourishing and important mining hub in South Africa. Orion's activities at the Prieska Mine site have not been materially impacted and progress on project financing and planning of mine development activity is progressing as anticipated."

For and on behalf of the Board.

Errol Smart Managing Director and CEO

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