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Community and Employee Trusts registered to establish Mining Charter Compliant ownership structure for Prieska Project

- ▶ **Community Trust and Employee Trust registered by the Master of The High Court, with each to become 5% beneficial owners of the Prieska Project.**
- ▶ **The Community Trust will be administered by a board of trustees comprising independent professional trustees, elected community representatives and an Orion representative.**
- ▶ **The Community Trust will be advised by a Stakeholder Engagement Forum, with elected community representatives.**
- ▶ **Equity ownership costs for the Community Trust and Employee Trust will be carried by Orion and recovered from future project cash-flows.**
- ▶ **The Trusts will complement the 20% full contributing equity ownership in the Prieska Project, held by Black Economic Empowerment (BEE) Entrepreneurs.**

Orion's Managing Director, Errol Smart commented:

"While the 2018 Mining Charter allows Orion five years to establish community and employee ownership structures, our wish is to forge a strong relationship with our community and employees right at the outset and engage meaningfully with these key stakeholders as equity partners with full voting rights. This has motivated the establishment of fully compliant ownership structures well in advance of the legal requirements.

We recognise the challenges in South Africa with establishing and operating these trusts and ensuring a transparent governance framework that ensures that no faction of the community can misappropriate and misdirect the share in future Mine profits. We have engaged with top legal and commercial advisors to ensure that independent, external trustees have an oversight role and ensure that no trustee or element of the community gets preferential treatment. We also want to ensure that the earnings of the trust are maximised for maximum sustainable impact within the community and to benefit the most vulnerable of its historically disadvantaged members."

Orion Minerals Limited (**ASX/JSE: ORN**) (**Orion** or the **Company**) is pleased to announce the achievement of another significant milestone at its flagship **Prieska Project** in South Africa's Northern Cape Province, with the registration of the Community and Employee Trusts for the Project paving the way for it to achieve full compliance with the 2018 Mining Charter, well in advance of Orion's legal requirement to do so.

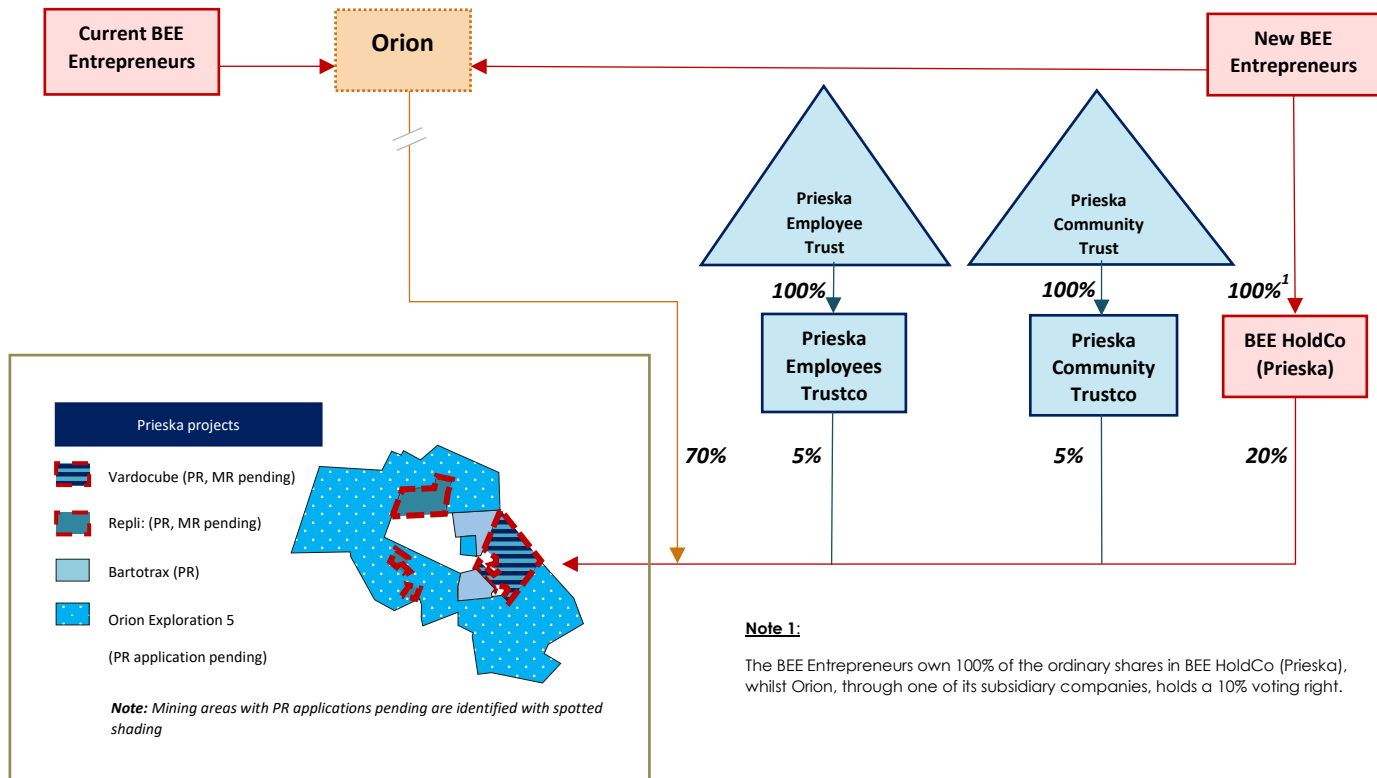
The Master of The High Court confirmed the registration on 29 May 2019 of both a Community Trust and Employee Trust (**Trusts**) as vehicles for community and employee ownership structures at Prieska.

At no cost to the beneficiaries, the Trusts will each become 5% equity owners in the mine, which is planned to be developed at the Prieska Project, following completion of the Bankable Feasibility Study (**BFS**) to be delivered this month (**Mine**). The equity ownership costs and contributions on behalf of these Trusts, will be recovered from future cash-flows of the Mine.

The shares to be issued to these Trusts will be non-transferable, thereby protecting the Trust beneficiaries from any risk of being disowned.

The community and employees will therefore always each be the beneficiaries of 5% of future dividends remitted by the company that owns the Mine (Orion's subsidiary), to its shareholders. The community and employees will also have full proportionate shareholder voting rights in the affairs of the company that owns the Mine.

The Community Trust will be administered by a board of trustees comprising independent professional trustees, elected community representatives and an Orion single company representative, and will be advised by a Stakeholder Engagement Forum.



BEE Ownership in Orion's Future Mining Operations

Establishment of Stakeholder Engagement Forum

Orion has committed to the establishment and maintenance of a Stakeholder Engagement Forum, that will ensure that the interests of the community and other stakeholders are tabled and considered in the business affairs of the Company and the Mine. The Forum will also provide a structured channel for continued communication of Mine / Project progress by Mine management.

The composition of the Forum is as follows:

- 10 Community Members;
- 4 Representatives of Local Authorities (Municipality, Police, Department of Social Development);
- 2 Representatives of Shareholders;
- 2 Employees; and
- 1 Representative of Orion Management.

Orion has completed a four-month process of community engagement, which included holding six well-attended public meetings in all the residential areas of the Siyathemba Municipality. This has culminated in the election of the 10 community members on the Forum, who will represent interests selected by the community as being of significant local importance, namely: Education, Social Development, Unemployed, Skilled Elders, Sports & Recreation, Safety & Security, Religious Groups and Business.



Elected Community Members of the Stakeholder Engagement Forum

The Forum will provide a means by which the views and interests of the various community and stakeholder groups are tabled in an open and participative manner, for the Forum to assess and advise the Company, such that mine management and local authority structures can optimise the positive impacts of the mine on its host community.

In addition, the Forum will assist the Community Trustees and advise on appropriate projects for distribution of future dividend earnings of the trust.

Errol Smart
Managing Director and CEO

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