



Orion Minerals

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Orion Awards Trial Mining Contract for Prieska Copper-Zinc Mine to Newrak Mining Group

Newrak will operate a trial fleet of ITC equipment together with a full conventional mechanised mining fleet to compare efficiencies during the trial mining phase

- ▶ **Newrak Mining Group is an experienced South African contract mining company with 28 years of operating history.**
- ▶ **A previous Prieska Copper Mine Production Manager, Andy Brown, will be part of the Newrak Team, bringing irreplaceable operating experience at Prieska.**
- ▶ **Newrak will operate both with a fleet of conventional load, haul & dump loaders and with an innovative continuous loading machine which has recently been introduced to the South African market and secured by Orion on demonstration rental.**
- ▶ **The ITC120 continuous loader is expected to bring improved efficiencies to mucking operations and accelerate access tunnel development and ore drive development.**

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

"This is a tremendously exciting period for Orion as we move to active trial mining at Prieska and start our transition from developer to operating mining company. We have spent the past two months completing essential preparations, such as installing underground refuge chambers, upgrading hoisting capacity of the emergency escapeway to surface and sourcing and installing key ventilation equipment.

"With these essential safety and environmental preparations now complete, we can finally mobilise the mining contractor to commence drilling, blasting and hauling ore to surface.

"The trial mining phase will also see Orion apply our core philosophy of bringing proven, innovative methods matched with appropriate skills and experience to our operations, while at the same time training and upskilling our host community members so that we can ultimately source our staff locally. We also aim to develop local enterprises to service Orion's mines and the South African mining industry, encouraging our service providers and contractors to support these endeavours and contribute to the skills transfer and enterprise development."

Orion Minerals Limited (**ASX/JSE: ORN**) (**Orion** or **Company**) is pleased to advise that it has awarded a 6-month trial mining contract to P2 Mining (PTY) LTD, a subsidiary of South African mining contractor Newrak Mining Group (**Newrak**) to undertake the early works trial underground mining program at the Prieska Copper Zinc-Mine (**PCZM**) in the Northern Cape Province.

The trial mining will target the +105 Level Crown Pillar, using conventional and alternative underground mining methods. The trial mining will comprise 120m of footwall ramp development, before accessing the high-grade supergene ore of the +105 block with ore development along strike for 150m on either side of the primary access (refer ASX/JSE release 25 July 2023) as the primary in a cut-and fill mining cycle (Figures 1 and 2).

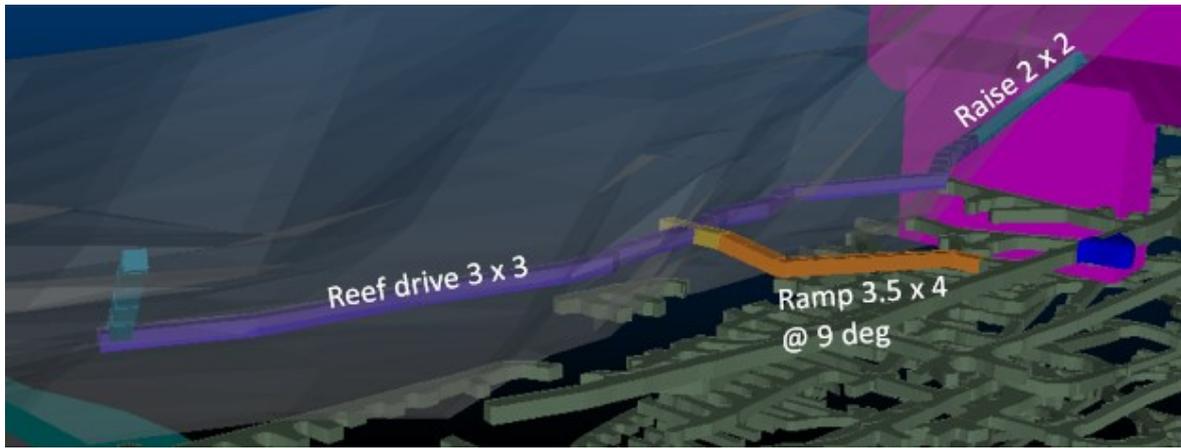


Figure 1: Access ramp, reef drives and raises in +105 trial Mining Project.

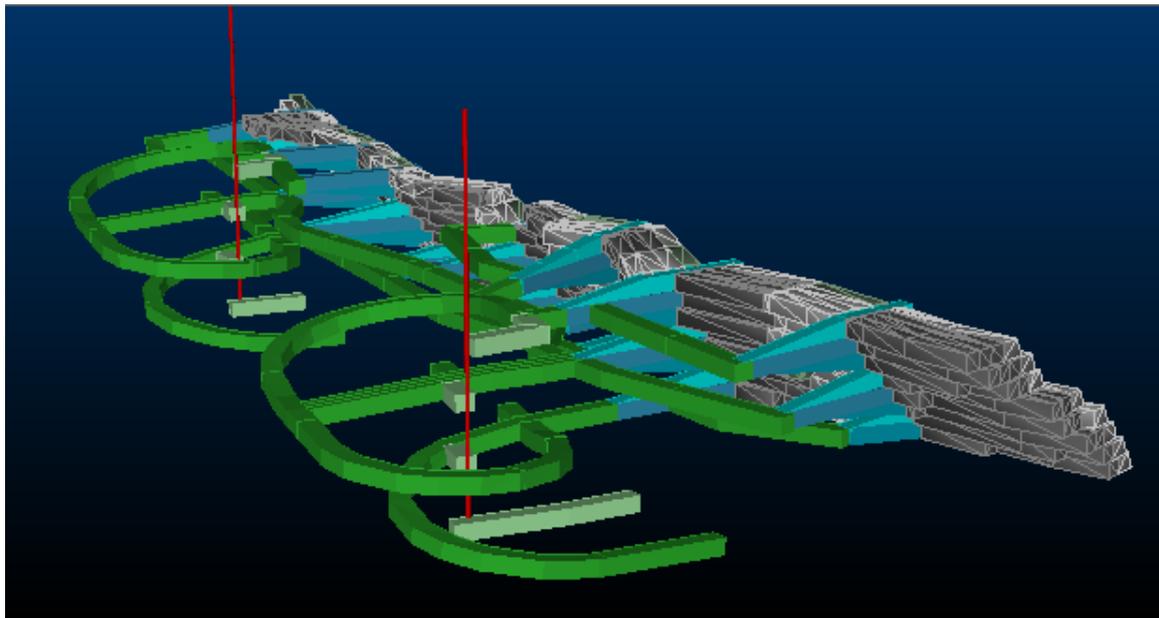


Figure 2: Conceptual Layout of +105 Resource Drift & Fill Mining.

In addition, the Newrak contract also covers the opening of the 143 Level historical stope draw-points for selective loading and hauling to surface of broken ore remaining in the stopes, in order to perform bulk sampling and metallurgical trials on the material. If successful, this exercise will continue to build a stockpile on surface for future processing once the concentrator plant is commissioned.

Part of the trial mining contract with Newrak is to test an ITC120 continuous loader and two 20-tonne bi-directional trucks in the underground development cycle. This machine trial is being undertaken at Orion's request with equipment secured from Germany.

PZCM to test ITC120 Continuous Loader

Orion will be testing an ITC120 continuous loader supported by two specifically paired bi-directional drive trucks at the PCZM operation. The ITC120 loader shows great promise in delivering improved cycle times and development rates compared to conventional mechanised rock loading and hauling methods. It is envisaged that these improvements can deliver significant a positive impact on both the +105 and the Prieska Deeps mining once dewatering has been completed.

The ITC120 continuous loader and the Paus 20t dump trucks are supplied via Hurst Mine Tec (**HMTEC**), the newly established local representative for Swiss group ITC. HMTEC is introducing the proven European tunneling technology into South Africa for the first time and will support the imported equipment locally (www.hmtec.co.za).

During development, the combination of the continuous loader with the two bi-directional drive dump trucks is expected to show significant improvements in safety, cycle time reduction and lowering development costs, with one machine doing all scaling, mucking and loading in a face. Direct conveyor loading into dump trucks driven into the face removes the need for shuttling load haul dumpers and removes the requirement for loading and passing bays in the development tunnels. The bi-directional drive trucks also improve safety, removing the need for reversing long distances by load, haul & dump loaders. Importantly, the number of engines running is reduced, with a resulting decrease in exhaust gases and heat.

The continuous loader and paired bi-directional trucks are anticipated to have particular application in the drift-and-fill stopes that will be prevalent in both the +105 mining block and in the shallow-dipping Prieska Deeps ore blocks.

The anticipated improvements in development cycle time and associated cost reductions will be demonstrated during trial mining and carried forward to the revised BFS for the early mining start and planned future deeps mining at PCZM.



Photo: ITC Loader and paired Paus bi-directional haul trucks to be used in the trial mining.

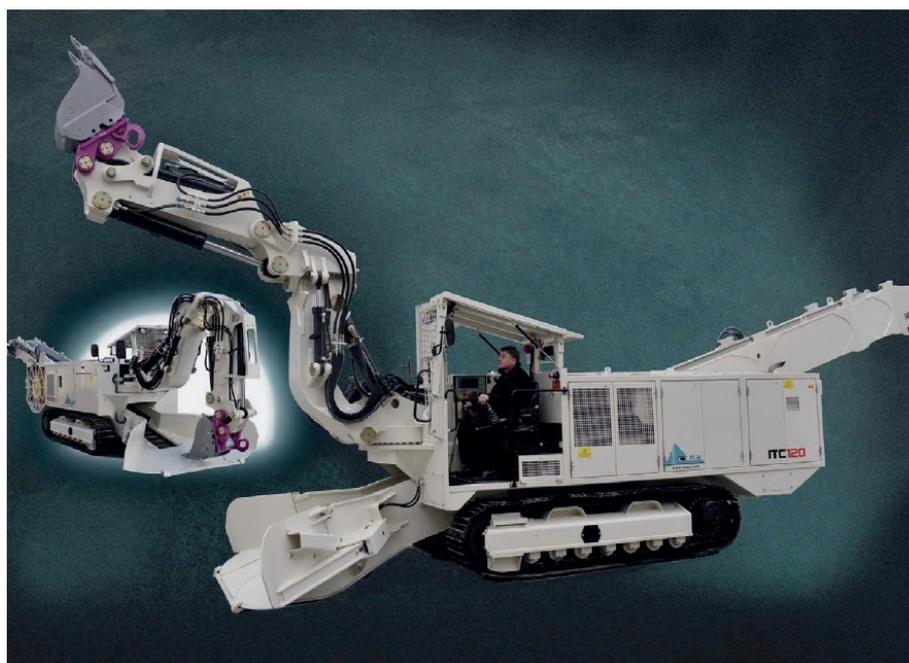


Photo: ITC Loader.

Commitment to Local Enterprise Development and Skills Transfer

In awarding this contract, the Company is cognisant of the host community participation framework developed in consultation with local business chambers and community representatives.

While Newrak will bring experience and skills for the efficient start-up of operations that are not available in our host community, Orion has ensured that the trial mining will be used as a platform to upskill and train local people.

Newrak will be taking on board members from the host community for training and skills transfer over the trial mining period. These are members of the host community that have shown an interest in a career in mining and form part of the first group of 20 trainees selected for Competency B training at the Murray and Roberts Training Centre in Carletonville. These trainees departed Prieska for their training on 3 September 2023. The 20 trainees will be considered for ongoing training under Newrak stewardship, when they successfully complete their competency training.

In addition, the Company, together with Newrak (www.newrakmining.co.za), will engage with the most competitive of the unsuccessful host community tenderers for the trial mining contract to jointly explore possible collaboration and capacity building opportunities during the contract period.



Photo: Andre Bergh – Prieska Mine General Manager, with trainees, prior to their departure for the Murray & Roberts Training Centre.

For and on behalf of the Board.

A handwritten signature in black ink, appearing to read 'ERROL SMART'.

Errol Smart
Managing Director and CEO

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