



Orion Minerals

ASX/JSE RELEASE: 17 August 2020

Prieska Copper-Zinc Project Now Fully Permitted Following Grant of Final Mining Right

Mining Right granted for the Vardocube portion of the Prieska copper-zinc Resource

- ▶ Follows the grant of the Mining Right for the Prieska Copper Zinc Mine (formerly Repli) portion of the Resource announced on 3 September 2019.
- ▶ Mining Rights now in place for the entire mining plan presented in the May 2020 Bankable Feasibility Study.
- ▶ Important near-mine exploration upside also covered by the Mining Rights.
- ▶ The Prieska Project is now officially “shovel-ready” and one of the few advanced, fully permitted base metal projects worldwide.
- ▶ In just five years since acquiring the Prieska Project, Orion has drilled out a world-class VMS Resource, completed a Bankable Feasibility Study and now completed all required permitting.

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

“We are extremely pleased that the final regulatory hurdle for the development of the Prieska Copper-Zinc Mine has now been fulfilled. Prieska is now positioned to play a major role in the post-COVID economic recovery of the Northern Cape region of South Africa with the development of a world-class base metals mining operation.

“The achievement of this major milestone is testament to the exceptional geological potential and attractive business operating environment that we have found and made our home in the Northern Cape. In less than five years we have been able to locate, acquire, drill out, complete a high-quality Bankable Feasibility Study and fully permit a world-class modern mine, to international best practice standards.

“The project has already seen over R450 million (A\$36 million) in foreign direct investment to reach this stage and is now poised to bring in a further investment of over R5.4 billion (A\$432 million) over the next three years as we construct a mine projected to deliver more than R40 billion (A\$3.2 billion) of mineral exports over an initial twelve year life. This is a clear demonstration of the potential of junior mining and exploration and the significant financial benefits that it can mobilise, when working with a supportive host community, strong BEE partners and proactive local and provincial government.

“We would also like to acknowledge the hard work that has been put in during the COVID-19 lockdown period by officials at the Department of Mineral Resources and Energy, the Department of Environment and the Department of Water and Sanitation, who processed our applications under difficult operating circumstance during the past few months.

“The receipt of this final approval is a strong foundation for our ongoing discussions with potential financiers of the debt and equity components of the construction financing package and we look forward to being able to update our shareholders on progress over the next few months.”

Orion Minerals Limited (**ASX/JSE: ORN**) (**Orion** or the **Company**) is pleased to announce that it has received a notice of grant of a Mining Right in terms of the Mineral and Petroleum Resources Development Act for the Vardocube extensions of its flagship **Prieska Copper-Zinc Project (Prieska Project)** in South Africa's Northern Cape Province.

The Vardocube (Pty) Ltd (**Vardocube**) Mining Right covers 27% of the ore included in the updated Bankable Feasibility Study announced on 26 May 2020 (refer ASX release 26 May 2020) and, importantly, also covers highly prospective exploration upside in the near-mine area.

The Vardocube Mining Right supplements the Prieska Copper Zinc Mine (formerly Repli) (**PCZM**) Mining Right granted last year, that covers 73% of the bankable mine plan (refer ASX release 3 September 2019).

The Mining Right follows the grant of the Environmental Authorisation for the Vardocube Resource received in March 2020 (refer ASX release 9 March 2020).

The two Mining Rights, together with the Water Use Licence granted on 6 August 2020, constitute the key approvals required to operate the Prieska Mine, with other important statutory requirements such as the Spatial Planning and Land Use Management Act (SPLUMA) rezoning for mining purposes and approval of the project's Electromagnetic Compatibility Plan by the South African Astronomy Management Authority (AMA), which regulates all activities within the Square Kilometre Array designated area, now also secured.

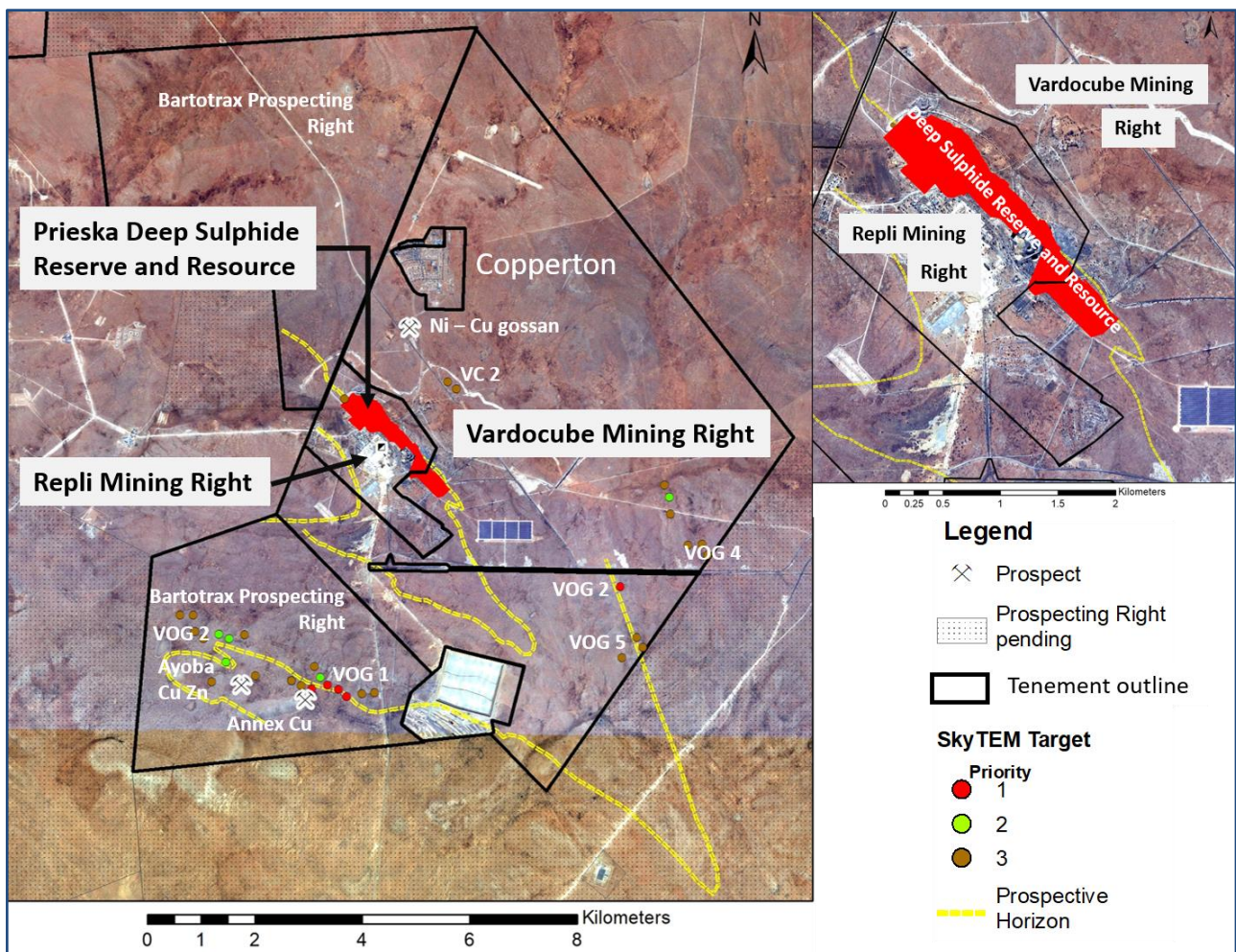



Figure 1: Locality of the Vardocube Mining Right with footprint of the PCZM Orebody and key VMS exploration upside targets.

For and on behalf of the Board.



Errol Smart
Managing Director and CEO

ENQUIRIES

Investors

Errol Smart – Managing Director & CEO

Denis Waddell – Chairman

T: +61 (0) 3 8080 7170

E: info@orionminerals.com.au

Media

Nicholas Read

Read Corporate, Australia

T: +61 (0) 419 929 046

E: nicholas@readcorporate.com.au

JSE Sponsor

Monique Martinez

Merchantec Capital

T: +27 (0) 11 325 6363

E: monique@merchantec.co.za

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