

COMMUNITY BRIEF



Orion Minerals

NAMA KHOI



Orion secures milestone agreement with IDC for predevelopment funding

Orion has reached an agreement with the Industrial Development Corporation (IDC) for funding of 43.75% of predevelopment costs and to facilitate BEE ownership at Okiep.

The IDC will then sell shares, to advance Historically Disadvantaged South Africans (HDSA) ownership, in the New Okiep Mining Company (NOM) in line with the ownership objectives set out in the Mining Charter 2018. The IDC will sell 22.22% of its shares in NOM to a BEE company, led by entrepreneur Lulamile Xate. A community trust and an employee trust will also be established which will each hold a 5% stake. This means the NOM project will be funded by the IDC, Lulamile Xate and Orion.

What does this mean for the development of the project?

The agreement with the IDC and Lulamile Xate means that the minerals rights can now

be transferred from the previous owners, Southern African Tantalum Mining Proprietary Limited (SAFTA), to NOM and it also pays for the finalisation of the Bankable Feasibility Study (BFS). A BFS is a study that estimates all costs and revenue which is used by banking organisations to provide financing for the mine development.

Orion has been working on the BFS for NOM for over a year and we expect to complete that in around 6 months. The BFS will then be sent to all the commercial banks to secure further funding. Orion is hoping that if the project financing goes as planned mine construction will begin towards the end of 2023.

What does this mean for the community?

Part of the BFS includes identifying who our suppliers and employees will be. Orion encourages interested employees to register via our website and the potential suppliers to register on our supplier database via our supplier portal. This will help Orion to know where to source its employees and suppliers from the community once it has received the funding it needs and is ready to begin mine development. Orion is unable to make use of any suppliers who have not registered on this database.



BEE ownership at Okiep

Together with the IDC, we will be facilitating the sale of shares to a black economic empowerment consortium and securing employee and community ownership in the New Okiep Mining Company (NOM).

The IDC will sell 22.22% of the shares it buys in NOM to BEECo, which is a BEE Entrepreneur entity led by Lulamile Xate. Community and employee trusts will each be allocated an additional 5% in the company. This will result in 30% of the Nama Khoi assets being held by historically disadvantaged South Africans.

Orion's Managing Director and CEO, Errol Smart, commented "The future ownership of NOM with high quality development partners, such as the IDC, Lulamile Xate, our employees and the host community, puts the Okiep Project on a very solid footing for the near-term development of what we expect to be a very exciting, brown-fields copper mining project."

Orion's aspiration, along with those of the IDC and BEE partners led by Lulamile, is the early

re-establishment of mining operations on the brownfields SAFTA site, while conducting the required work and engineering studies to support the long-term aspiration of achieving production from the Okiep Copper Project (OCP) on a similar scale to past owners, Newmont and later Gold Fields, under the Okiep Copper Company.



About Lulamile Xate

Lulamile Xate is well versed in the world of business. He is an ex-political prisoner who studied for his B-Com through UNISA while incarcerated on Robben Island. He has qualifications from the University of Murdoch, Perth in Australia, where he studied energy management and renewable energy systems at post graduate level. Having completed articles at Pricewaterhouse Coopers, Lulamile has also gone on to develop a number of successful businesses in the fishing, gas, eco-tourism, agriculture, bioenergy and forestry industries and is a director and chairman of a number of unlisted and listed companies. He has interests in gold and copper mining.

Springbok Offices Reopen

We are pleased to announce that our Community Liaison Office in Springbok is open again!

This office serves as a base for community interaction and is available to all. Our office give access to:



Information about
Orion Minerals



Addressing any community issues,
recommendations and/or complaints



Developmental and
operational updates

The office is on the first floor of the Halsted Building, 333 Lodge Street in Springbok and is open Monday to Friday between 08h00 and 17h00.

Contact us:



- Victor Cloete can be contacted on 063 041 9870 or via email on victor.cloete@orionminerals.com.au
- CVs can be submitted via www.orionminerals.com.au/careers
- Suppliers can register via www.orionminerals.com.au/suppliers
- Newsletter suggestions can be send via newsletter@orionminerals.com.au