

Operational Update

Performance Improvements Achieved as Ramp Up Continues

Outlook

- The company remains within annual guidance of 80,866 ounces as released to the market (see ASX announcement dated 28th July, 2021)

Davyhurst Processing Plant

- The weekly performance of Davyhurst's milling and crushing circuits has improved measurably during August
- Gold production for the week commencing 23rd August increased to 1,164oz of refined gold
- Gold production for the week commencing 30th August is expected to increase further to approx. 1,298oz of fine gold (this number being estimated from dore production)
- Total gold production for the months of July and August is estimated to be 9,042oz Au

Mining Activities

- Mining at Riverina and Golden Eagle continues to plan with mine performances broadly in line with budget
- Mining at Missouri is ramping up slower than anticipated, due to delays in earthmoving equipment arriving on site and slower than expected ramp of blast hole drilling rates. These matters are being addressed.

Ora Banda Mining Limited (ASX:OBM) (**Ora Banda** or the **Company**) is pleased to advise that it continues to make significant progress with the ramp up of activities at its Davyhurst Gold Project in Western Australia.

Performance improvements have been achieved from a number of top-down, bottom-up measures introduced across drilling, blasting, mining and processing activities. These measures have been aided by improving weather at site - extremely wet weather in July significantly hampered surface mining operations and led to road closures that delayed the delivery of mining fleet to the Missouri mine and the mobile crusher to the Davyhurst plant.

Commenting on the update, Ora Banda's Managing Director, Mr Peter Nicholson, said:

"It is most pleasing to see the step change in our plant's performance and throughput. It is testament to our team and their hard work that all the action plans are being executed with successful outcomes.

"With clear plans in place to address the remaining limiting factors and exciting exploration results to follow up (see ASX announcements 2nd August and 30th July), we are now well placed for stronger, consistent production moving forward."

Davyhurst Processing Plant

The performance of the Davyhurst processing facility has improved following the introduction of deeper material now being mined at Riverina with its improved materials handling properties, coupled with a higher percentage of fresh rock now available for blending. Plant availability has also risen courtesy of a program of rectification measures, including:

- Power outages: A program of replacing power line insulators has been completed and the earth leakage trip sensitivity of the power station has been decreased, with only one subsequent power outage during a rain event. Additionally, an independent specialist has been engaged to conduct a detailed fault-finding program during the next scheduled maintenance outage. Given the process plant has had rain without losing power, and the Goldfields region is heading into a much drier part of the year, the Company does not envisage any material issues with power supply in the coming quarter.
- Crusher screen: the Company recently replaced screens in the SKALA double deck unit with softer panels that have higher self-cleaning properties. This has proven to be effective (combined with the increased primary blend) and the screen unit has not subsequently experienced throughput issues.
- Maintenance: As the processing facility's run time increases, other maintenance related elements have been identified for correction and action plans implemented. Currently, the back end of the plant can run at nameplate capacity, however, the crushing circuit is not yet matching that rate, which is largely being addressed by the additional feed generated via the mobile crushing unit. OBM has ordered different sized screen panels (of the soft variety) to better balance the feed through the crushers in its three-stage circuit which is expected to fully resolve this issue and remove the requirement for the mobile crushing unit.

In addition to the above, Ora Banda has engaged Ausenco to undertake an independent review of the Davyhurst processing facility, including all aspects from spares held, maintenance procedures and practices through to operational improvement initiatives.

Riverina Open Pit

Mining at Riverina remains slightly ahead of schedule.

Golden Eagle Underground

Mining at Golden Eagle also remains slightly ahead of schedule.

A diamond drill program of 3,650m testing the revised interpretation of mineralization at Golden Eagle has been completed. Visually, nearly all holes intersected the target within metres of the planned intercepts. Logging and assaying of the holes is ongoing at this stage, however the Company has further increased its confidence in the revised interpretation and the potential to extend mine life at Golden Eagle.

Missouri Open Pit

Mining at the Missouri open pit mine continues although it is currently behind budget. The primary source of delays for Missouri is the under-performance of blast hole drilling, which is impacting the Company's ability to create broken ore stocks. The Company is working with the drilling contractor and there is an agreed action plan in place to address the issues being experienced, combining additional staff and drill rigs.

Missouri ore mining was approximately 30% behind schedule for the month of August.

On-Site Preparation Laboratory

The on-site preparation laboratory is scheduled to start operating on 7 September, which will benefit the Company by shortening assay turnaround times.

New Tailings Storage Facility Cell Construction

Construction of the new tailings storage facility (TSF) cell continues and earthworks are forecast to be completed in early October., with piping and pumping to then be installed. The TSF is forecast to be ready for use over a month before it is required.

Labour Market

The labour market for Western Australian mining personnel remains tight. Ora Banda continues to experience high levels of turnover but notes that turnover rates have decreased moderately from earlier in the year. Ora Banda's turnover rate is understood to be in line with current industry averages, with some specific roles remaining difficult to staff.

Cash Position

The Company's cash and unsold bullion on hand at 1 September were \$8.03 million and 1,298 oz Au respectively with no debt. After accounting for bullion, GST and creditors, the Company has adjusted cash of \$7.53 million.

This announcement was authorised for release to ASX by Peter Nicholson, Managing Director.

For more information about Ora Banda Mining please visit our website at www.orabandamining.com.au

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