

HAZARDOUS MATERIALS MANAGEMENT STANDARD

INTRODUCTION

Orla Mining Ltd. and its subsidiaries ("**Orla**" or the "**Company**") is committed to allocating sufficient resources to meet Orla's environmental objectives, including ensuring that hazardous materials are safely managed throughout the lifecycle of Orla's operations. We will:

- Identify and monitor, on an ongoing basis, all significant environmental aspects of our activities and establish appropriate objectives and strategies to manage them;
- Conduct all activities in compliance with the highest applicable legal requirements;
- Use best practices to prevent pollution, minimize sanitary and safety risks, and optimize management procedures to minimize waste, reuse materials, and promote recycling;
- Have a high level of preparedness to react to environmental accidents in order to contain, control, clean up, and eliminate negative environmental effects; and
- Be responsible for maintaining a safe and healthy workplace by following health and safety rules and practices and reporting accidents, injuries, and unsafe equipment and practices.

The requirements in this Hazardous Materials Management Standard have been informed by the ICMI Cyanide Code, the World Gold Council's Responsible Gold Mining Principles, and the Mining Association of Canada's Towards Sustainable Mining Protocols.

SCOPE

This Standard is applicable to, and is the responsibility of, all the Company directors, officers, employees, contractors, sub-contractors, consultants, and suppliers. All such individuals shall conduct their activities in a manner that is aligned with this Standard and minimizes environmental, social and health, and safety risks. It is applicable to all sites and in all phases of the mine life cycle, including exploration, design, construction, operation, and closure.

Hazardous mining wastes and tailings will require different management methods, which are not addressed by this Standard.

KEY TERMS

- **The Cyanide Code:** The International Cyanide Management Code for the Manufacture, Transport, and Use of Cyanide in the Production of Gold.
- **Cyanide:** Used generically to refer to the cyanide ion and hydrogen cyanide, as well as salts and complexes of cyanide with a variety of metals in solids and solutions.

- **Cyanide Facility:** Either a storage, production, waste management or regeneration unit for managing cyanide or Process Solution; or a pollution control device, equipment or installation used to prevent, control or minimize the risk of a cyanide release.
- **Hazardous Materials:** Are defined differently in the legal or regulatory framework(s) applicable within the jurisdiction(s) where materials are used, and wastes generated. Hazardous materials used in direct mineral processing may include, but are not limited to, cyanides, sulfuric acid, hydrochloric acid, nitric acid, ammonia, and lead.
- **Hydrocarbons:** Hydrocarbons are naturally occurring and form the basis of crude oil, natural gas, coal, and other important energy sources. Based on local jurisdiction, hydrocarbons may or may not be considered hazardous. However, failure to adequately store, handle and dispose of hydrocarbons can result in negative impacts to the environment and communities.
- **ICMI:** International Cyanide Management Institute, a non-profit corporation established to administer the Cyanide Code, and to develop and provide information on responsible cyanide management practices.
- Standard Operating Procedures (SOPs): An SOP is a site-specific procedure that describes the activities necessary to complete tasks in accordance with industry regulations, provincial laws or other standard to which an organization subscribes.
- **Tailings:** A byproduct of mining, consisting of the processed rock or soil left over from the separation of the commodities of value from the rock or soil within which they occur.

REQUIREMENTS

We will:

- 1 Develop hazardous material inventories that will be updated and maintained annually during all mine phases.
- 2 Assess the risk of using hazardous materials during planning, and where possible, identify product alternatives that are less harmful to the environment and human health.
- 3 Purchase cyanide from manufacturers who operate in a safe and environmentally protective manner and general conformance with the Cyanide Code.
- 4 Identify and manage potential risks relating to the transportation, handling, and storage of cyanide and all hazardous materials.
- 5 Develop, implement, and regularly review and update a hazardous materials management plan and standard operating procedures (SOPs) to minimize the risks associated with transportation, unloading, transfer, storage, handling, and use of hazardous materials.
- 6 Design and construct transfer, distribution, and storage facilities using materials and systems to protect against spills and releases, detect leaks and recover hazardous materials, using effective containment and/or early leak detection systems.
- 7 Implement a process to review and approve new hazardous materials before being used on site and provide signage and labelling for hazardous materials and facilities in accordance with the applicable Safety Data Sheets (SDSs) and local legal requirements. A copy of the Safety Data Sheets (SDSs) will be available where hazardous materials are stored and/or used.
- 8 Inspect areas for on-site unloading, transfer, storage, handling, and use at regular intervals to detect leaks or other management issues, and review at least annually to verify that management practices conform to this standard and regulatory or other requirements or commitments. Inspections shall be documented, and timely repairs made to containment systems that are damaged, weathered or deteriorated.

- 9 Develop and implement a comprehensive management and monitoring program for surface water and groundwater to prevent releases of hazardous materials, and establish controls based on the risks identified.
- 10 Develop emergency response plans and capabilities regarding accidental releases of hazardous materials, which are regularly tested and revised to ensure effectiveness.
- 11 Control and clean-up hazardous materials releases that occur in accordance with SOPs and regulatory processes, regardless of the size or volume of the release.
- 12 Hazardous material release and emergency response protocols shall be in place, including requisite equipment (first aid kits, eyewash, safety showers, etc.) and personnel to respond to hazardous material releases, including activation of an Interlock. Protocols shall be periodically tested for effectiveness and documented.
- 13 Train workers, contractors and emergency response personnel to manage hazardous materials in a safe and environmentally protective manner.
- 14 Develop and implement decommissioning plans for cyanide facilities, providing financial assurance during closure, in accordance with Orla's Closure and Reclamation Management Standard.
- 15 Engage relevant stakeholders regarding cyanide management and other hazardous materials and address identified concerns, in accordance with Orla's Stakeholder Engagement and Community Response Standard.
- 16 Establish auditing and verification procedures to confirm the continued effectiveness of the systems established to manage hazardous materials, including cyanide where present.

RELATED DOCUMENTS

Internal documents

- Environmental, Sustainability, Health and Safety Policy, Orla, 2020
- Corporate Social Responsibility Policy, Orla, 2020
- Stakeholder Engagement & Community Response Standard, 2023
- Closure & Reclamation Management Standard, Orla, 2023

External documents

- Indigenous and Community Relationship Protocol, Towards Sustainable Mining, 2021
- Safety and Health Protocol, Towards Sustainable Mining, 2020
- Crisis Management Protocol, Towards Sustainable Mining, 2022
- Tailings Management Protocol, Towards Sustainable Mining, 2022
- Water Stewardship Protocol, Towards Sustainable Mining, 2018
- ICMI, The International Cyanide Management Code, June 2021
- ICMI, The International Cyanide Management Code Definitions and Acronyms, June 2021
- Guidance on implementing and assuring the RGMPs, World Gold Council, 2019
- Responsible Gold Mining Principles, World Gold Council, 2019