

AGREEMENT FOR SALE OF NON-CORE LADY IDA TENEMENTS FOR \$10 MILLION

HIGHLIGHTS

Certain non-core Lady Ida tenements agreed to be sold for \$10 million, subject to conditions precedent being met:

- Sale of M16/0262, M16/0263, M16/0264 plus corresponding miscellaneous licences (L15/224, L16/58, L16/62 and L16/103) and applications for L16/138 and L16/142 to Lamerton Pty Ltd and Geoda Pty Ltd
- OBM to retain mineral rights for all non-gold/silver over the sale tenements
- As one of the conditions precedent, OBM is negotiating with Hawke's Point for the release of the above sale tenements from its existing royalty

OBM's production target of 100kozpa in FY25 did not include any material from the above sale tenements

The Transaction will strengthen OBM balance sheet ahead of a Final Investment Decision on Riverina Underground.

Ora Banda Mining Ltd (ASX: OBM) (**OBM** or the **Company**) is pleased to announce that it has entered into an agreement with Lamerton Pty Ltd and Geoda Pty Ltd (together, the **Purchasers**) for the sale of certain non-core Lady Ida tenements for a total consideration of \$10 million.

The Company has entered into an agreement for the initial grant of gold and silver rights in respect of, and the subsequent sale of, M16/0262, M16/0263, M16/0264, L15/224, L16/58, L16/62 and L16/103 and applications for L 16/138 and L16/142 (**Sale Tenements**) to the Purchasers for \$10 million (**Transaction**). With effect from receipt of the \$10 million, the Purchasers will be granted the rights to explore for and mine gold and silver in respect of the Sale Tenements.

The grant of gold and silver rights commences on receipt of the \$10 million, but the sale of the Sale Tenements is subject to the conditions precedent being satisfied, as summarised along with other material terms in the annexure. The terms of the mineral sharing arrangement with the Purchasers, pursuant to which OBM will retain all minerals other than gold and silver, are also summarised in the annexure.

The mining leases included in the Sale Tenements are the subject of applications for forfeiture and related Supreme Court proceedings. The Purchasers are affiliates of the applicant for forfeiture and transfer of the Sale Tenements will bring OBM's defence of the forfeiture applications to an end.

Managing Director’s Comment:

“The sale of these tenements for \$10 million is a great outcome for OBM shareholders as they do not align with OBM’s strategy to target high-grade underground deposits, nor is it included in our production target of 100kozpa supported by reserves.” Ora Banda Mining Limited’s Managing Director, Luke Creagh, said.

“In addition, the Lady Ida tenements are approximately 65km from the Davyhurst Plant with significant capital requirements to establish haul roads and access for OBM, and the deposit is lower grade than other resources on the OBM tenements.

“The \$10 million sale proceeds will strengthen OBM’s balance sheet as we progress the Riverina underground toward Final Investment Decision and continue exploration on other advanced high-grade targets.”

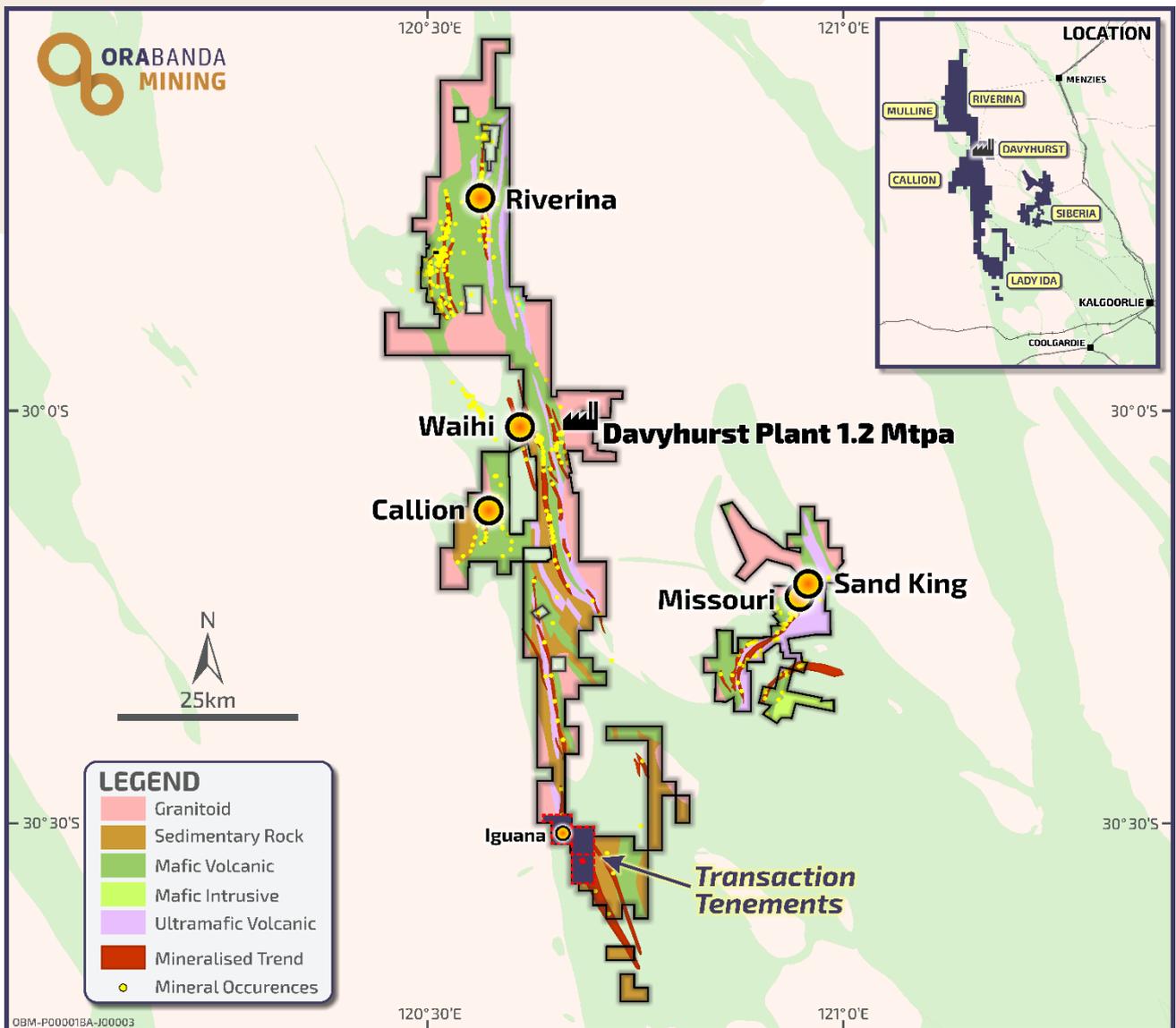


Figure 1 Deposit Locations

This announcement was authorised for release to the ASX by the Board of Directors.

For further information about Ora Banda Mining Ltd and its projects, please visit the Company's website at www.orabandamining.com.au.

Investor & Media Queries:

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Forward-looking statements

This announcement contains forward-looking statements which may be identified by words such as "believes", "estimates", "expects", "intends", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this announcement, are expected to take place. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements. The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this announcement, except where required by law. The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward looking statements contained in this announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Production Target

The information in this announcement that relates to the Company's production target are set out in the Company's ASX announcement 'Riverina Resource & Reserve Update' dated 16 February 2023. The Company confirms that all the material assumptions underpinning the production target in that announcement continue to apply and have not materially changed.

Annexure – Material terms of the Transaction

Vendor	Siberia Mining Corporation Pty Ltd, a wholly-owned subsidiary of OBM
Purchasers	Lamerton Pty Ltd and Geoda Pty Ltd
Sale Tenements	Mining leases 16/0262, 16/0263 and 16/0264 Miscellaneous licences 15/224, 16/58, 16/62, 16/103, Applications for miscellaneous licences 16/138, 16/142
Consideration	\$10 million (excluding GST). The consideration is to be paid in two tranches as follows: (a) \$1,000,000 on execution of the sale agreement; and (b) \$9,000,000 on the date that is 30 days after the date of execution of the sale agreement (Effective Date).
Gold and silver rights	On and from the Effective Date, the Purchasers will be granted rights in respect of gold and silver mineralisation in the Sale Tenements (Gold Rights), while the Vendor will continue to hold all other mineral rights. If the Transaction completes, the Vendor will retain rights in respect of all other minerals, other than gold and silver, on the Sale Tenements and certain rights of access over the miscellaneous licences.
Conditions precedent	The sale of the Sale Tenements is conditional on the following conditions precedent being satisfied or waived (as applicable) by the date that is 9 months from the date of execution of the agreement (End Date): (a) receipt of Ministerial consent for the transfer of the Sale Tenements; (b) consent of Hawke’s Point to the sale of the Sale Tenements; (c) variation or other amendment necessary to ensure Hawke’s Point’s existing net smelter royalty (announced on 21 December 2022) does not apply to the Sale Tenements; (d) OBM obtaining any third party consents required for the Transaction, including under relevant access agreements, and entry into deeds of covenant where required under relevant third party agreements; and (e) execution of any deed polls or other documents required under OBM’s heritage agreements which apply to the Sale Tenements. The conditions in (d) may be waived by the Vendor. The mining leases that are included in the sale agreement are the subject of Supreme Court proceedings relating to exemption applications, along with objections to those exemption applications and claims for forfeiture made by an affiliate of the Purchaser. Provided the other conditions are satisfied, the parties are required to work in co-operation with each other and the Department of Mines, Industry Regulation and Safety to agree a process by

	<p>which the Ministerial consent referred to above can be granted, which may involve the withdrawal of the objections and the complaints.</p>
Termination before completion	<p>If the conditions precedent are not satisfied or waived by the End Date, either party may terminate the sale agreement, in which case the Gold Rights will expire and the \$10 million consideration will be refunded.</p>
Mineral sharing agreement	<p>From the payment of the \$10 million until completion under the sale agreement, the Purchasers will be granted the exclusive right to explore for and mine gold and silver resources on the Sale Tenements. On and from completion, the Vendor retains the exclusive right to explore for and mine all mineral resources other than gold and silver.</p> <p>The parties are under an obligation to consult with each other and to fully cooperate with each other in carrying out their respective activities on the Sale Tenements in order to minimise interference with the other party's activities.</p> <p>In the event of conflict between those activities, the activities of the Purchasers will prevail where they do not adversely affect the Vendor's activities. Where the Purchasers' activities adversely affect the Vendor's activities, the Purchasers' activities prevail insofar as they relate to a published JORC-compliant gold or silver resource, otherwise the party whose activities relate to the mineral with the higher recoverable value will prevail.</p> <p>In the event of conflict arising from a party's intention to mine, the Purchasers' mining activities will prevail where those activities relate to a published JORC-compliant gold or silver resource, otherwise the party whose mining activities relate to the mineral with the higher recoverable value will prevail.</p>
Tenement administration	<p>The Purchasers will take over administration of the Sale Tenements from the Effective Date, but the Vendor will be responsible for obtaining the grant of the two pending miscellaneous licences.</p>
Other terms	<p>Customary terms for agreements of this nature, including in relation to assignment, dispute resolution and obligations to comply with laws.</p>