BIODIVERSITY MANAGEMENT STANDARD

INTRODUCTION

Orla Mining Ltd. and its subsidiaries ("**Orla**" or the "**Company**") is committed to meeting or surpassing regulatory requirements in all of its exploration and development activities while working to protect the environment both within and beyond the Company's operational boundaries. 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;
- Have a high level of preparedness to react to environmental accidents in order to contain, control, clean up, and eliminate negative environmental effects; and
- Have the utmost respect for the local cultures, values, and traditions and adopt an open communication policy regarding Orla's activities with all impacted parties in order to achieve transparency in the Company's socio-environmental performance.

The requirements established in this Biodiversity Management Standard have been informed by the *World Gold Council's Responsible Gold Mining Principles* and *the Mining Association of Canada's Towards Sustainable Mining Biodiversity Conservation Framework* and *Protocol*.

SCOPE

This Standard is applicable to, and is the responsibility of, all 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.

KEY TERMS

- **Baseline Data:** Data collected prior to the mine development that describes the existing conditions of the biological environment, to provide a starting point against which comparisons can be made, allowing the change to be quantified.
- **Biodiversity Conservation Action Plan:** A description of the measures to be taken for which the objectives for biodiversity conservation can be achieved. They can be either stand-alone plans or be incorporated in a management plan/ system. Numerous elements may be covered in the plan, dependent on the risks that have been identified. Biodiversity Conservation Action Plans should include information on baseline biodiversity data, identified risks and impacts to significant biodiversity aspects, action plans to address identified risks, as well as actions to conserve, and, where possible, enhance significant biodiversity aspects.

- **Conservation:** Is the maintenance of environmental quality and natural resources, or a particular balance among the species present in a given area. Conservation implies sound biosphere management within given social and economic constraints, producing goods and services for humans without depleting natural ecosystem diversity, and acknowledging the naturally dynamic character of biological systems.
- **Critical Habitat:** Areas with high biodiversity value, including but not necessarily limited to: (i) habitat of significant importance to critically endangered and endangered species; (ii) habitat of significant importance to endemic and/or restricted-range species; (iii) habitat supporting globally significant concentrations of species; (iv) highly threatened and/or unique ecosystems; and/or (v) areas associated with key evolutionary processes.
- **Mitigation Hierarchy:** A series of essential, sequential steps that must be taken throughout the project's life cycle to limit any negative impacts on biodiversity. These steps include:
  a) Prevent/Avoid: Anticipate or avoid the potential impact by designing it out of operations.
  b) Minimize/Mitigate: Minimize or mitigate the impact through controls.
  c) Rehabilitate/Restore: Rehabilitate or restore impacted conditions to satisfaction.
  d) Remedy/Offset: Compensate or offset residual impacts as a last resort.
- **No Net Loss:** Refers to the point where positive biodiversity gains from targeted conservation activities match or balance the losses of biodiversity from the impacts of a development project, so that there is no net reduction overall in the type, amount, and condition of biodiversity. Determined based on the full lifecycle of the Site, rather than at a single point during operations, recognizing that at certain stages, biodiversity losses may exceed the sum of impacts avoided, minimized, mitigated, and offset based on the mitigation hierarchy.
- **Reclamation:** The process of achieving stability, hydrologic balance, protection of water resources, and converting disturbed land to a productive post-mining land use. Reclamation differs from restoration in that land reclaimed can create an ecosystem different from the original as long as it serves a more productive purpose, and measures are taken to alleviate any adverse environmental impacts.
- **Restoration:** The process of returning disturbed land back to its original pre-disturbance state (e.g., the original compositions and conditions of landscapes and ecosystems). This process involves taking measures to assist the recovery of ecosystems that have been degraded, damaged, or destroyed to re-establish an ecosystem's composition, structure, and function.
- **Stakeholders:** Individuals, groups, and public, private, or civil society organizations who directly or indirectly engage with and affect Orla's operations, or may have interests in an Orla project, as well as the individuals, groups, and public, private, or civil society organizations that Orla's operations may directly or indirectly impact. Among others, Orla's stakeholders include employees, investors, nations and communities where we operate.
- **Significant Biodiversity Aspects:** Significant issues that have been identified for specific management to meet regulatory requirements, to avoid or mitigate potential impacts on biodiversity, or to address community or other stakeholder concerns. Examples include endangered and threatened species, protected areas, critical habitats or valued ecosystem components, or ecosystem services.

REQUIREMENTS

We will:

1. Prohibit exploration or development of new mining operations in legally protected areas or areas designated as a World Heritage Sites.

2. Conduct baseline studies of the biological environment of all new mining projects, or for site expansions, to identify and establish baseline conditions for populations of flora and fauna, critical habitats, ecological corridors, ecosystem services, and protected areas within the mine's proposed or actual area of influence. This includes identification of boundaries of critical biodiversity areas and protected areas.
3. Identify and regularly assess the potential risks and impacts our operational activities pose on the biological environmental and biodiversity.
4. Establish and maintain controls to address identified impacts to biodiversity, through application of the mitigation hierarchy, and in accordance with the Orla Enterprise Risk Management Standard. Particular care and consideration will be given to areas of high biodiversity value, ecosystem services, or critical habitat where biodiversity impacts have been identified.
5. Set specific objectives and targets at various levels of the organization to achieve our biodiversity commitments, relevant to the significant biodiversity aspects and impacts identified through baseline studies and risk assessments. This includes establishing site-level targets for land reclamation and restoration, that are specific and time-bound, to contribute to Orla's commitment to reclaim more land than disturbed over the course of the life of mine (LOM).
6. Demonstrate a commitment to no net loss of biodiversity or critical habitat from our operational activities, with consideration for Net Positive Impacts (NPI) on biodiversity where feasible.
7. Develop and implement site-level biodiversity management plans that include:
    a) Identified risks and impacts to biodiversity;
    b) Identify past, current, and potential future land uses, where applicable, and develop an understanding of community interactions with, and benefits derived from, biodiversity in the area of interest.
    c) Planned adaptative management actions to prevent and mitigate identified risks and impacts utilizing the mitigation hierarchy; adaptive management enables the adjustment of conservation and mitigation measures in response to new information, monitoring results, and changing ecological conditions.
    d) Planned actions for biodiversity conservation; and
    e) Planned actions to achieve biodiversity objectives and targets. This includes establishing methods of monitoring progress towards the established objectives.
    f) Planned actions to ensure that conservation measures are developed in collaboration with affected communities.
8. Identify and engage with affected stakeholders, including communities of interest (COIs) and Indigenous Peoples, on planned actions for biodiversity conservation and management, to understand and incorporate local practices and traditional knowledge, in accordance with the Stakeholder Engagement and Community Response Standard.
9. Define roles, responsibilities, and accountabilities related to biodiversity commitments and for biodiversity and conservation management.
10. Communicate biodiversity commitments and biodiversity and conservations actions to employees, contractors, and relevant stakeholders.
11. Develop, provide, and regularly review training to designated personnel to implement the requirements in this Standard. This includes biodiversity awareness for relevant personnel.
12. Publicly report on our biodiversity performance on an annual basis, in alignment with globally recognized frameworks.

RELATED POLICIES AND STANDARDS

Internal documents

- Code of Business Conduct and Ethics, Orla, 2020
- Corporate Social Responsibility Policy, Orla, 2020
- Environmental, Sustainability, Health and Safety Policy, Orla, 2020
- Enterprise Risk Management Standard, 2023
- Closure and Reclamation Standard, 2023
- Stakeholder Engagement and Community Response Standard, Orla, 2023

Industry references

- Responsible Gold Mining Principles, World Gold Council, 2019
- Guidance on Implementing and Assuring the RGMPs, World Gold Council, 2019
- Biodiversity Conservation Framework, Towards Sustainable Mining, 2020
- Biodiversity Conservation Management Protocol, Towards Sustainable Mining, 2020
- Standard for Responsible Mining and Mineral Processing, Initiative for Responsible Mining Assurance, 2023