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Water

At Orla, we understand that to maintain public support for our operations, comply with water-related permits, and be a sustainable business, it is critical that we manage water responsibly.

Prior to commencing mining activities, we conduct assessments that consider our water needs and our potential impact on water quality and quantity. These studies inform our action plans and operating practices, including prevention and mitigation measures. An important part of our approach is to understand the water-related challenges and opportunities with other users that share the catchments with us, and to provide data transparently to decision-makers so that we positively contribute to regional water management.

One of our production sites, Camino Rojo, is situated in an area of high to extreme water stress as defined by the World Resources Institute. Higher stress indicates more competition among users, including

Why it Matters

From exploration drilling to mineral processing, water is required for many aspects of a mining operation. Yet water is possibly the most critical sustainability challenge for any mining company simply because water is interconnected with other pressing critical issues. For instance, water scarcity and frequent storm events are linked to climate change and can impact a mining operation. Water risks to mining businesses include those related to the quantity of water used for operations and the potential impact our mining activities have on local water quality and availability.



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ecosystems, where relevant. Camino Rojo requires water for dust control, mining and crushing activities, the heap leach, process plant and laboratory activities, main camp and administration uses, and for fire fighting. Currently, the water is sourced from production wells located within the property boundary. As we mine, we need to "dewater" — to pump groundwater to ensure optimal working conditions and maximize productivity during mining operations. As we advance dewatering, we will increasingly have access to water, offsetting the need for pumping from production wells.

'One Water' Strategy

Our water management strategy focuses on water conservation, minimizing waste, and protecting water quality. We use a holistic, "One Water" approach to water resource management, in which we consider the entire ecosystem of water — whether from rainfall, surface water, or groundwater — as part of a single, interconnected system. The "One Water" concept recognizes that water is a finite resource facing increasing pressures from population growth, urbanization, climate change, and pollution.

We have adopted sustainable practices such as water conservation, stormwater management, water reuse, and ecosystem restoration, and follow regional and local water management plans for freshwater consumption and waste water management to reduce upstream or downstream effects.

Reuse and Management

A key focus of our approach is water reuse through a closed-circuit system. Orla extracts gold using the heap leach method, which features a closed loop for the solutions used in the process and is a very efficient way to use water. Once

water enters the process, it is reused repeatedly until it either evaporates during the addition of barren solution to the heap leach pile or is bound to the ore. New water is added to maintain a constant inventory within the process.

At Camino Rojo, the processing area is the main water consumer, using over 90% of the water extracted. Camino Rojo has implemented a Zero Liquid Discharge process, which means that no contact or potentially contaminated water leaves the site. Potable water is treated by a reverse osmosis water treatment system from the



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raw water tank and stored in a storage tank to make sure the water remains acceptable for domestic uses. Water is then distributed by pumps to the camp and other facilities.

There are two sewage treatment plants next to the Camino Rojo operations camp, which handle the sewage from all camp rooms, kitchens, laundry rooms and restrooms. Sludge volume generated in the treatment plant is collected and utilized for compost production and sent to the growth media stockpiles, while the treated water is reused into the heap leaching process, reducing the use of fresh water. Waste from the septic systems of the process area, administrative buildings, and laboratory is collected in septic holding tanks and removed from the site by sanitary services.

Water Monitoring and Evaluation

As another layer of due diligence, we regularly monitor local water quality.

At Camino Rojo, we take water samples from production and monitoring wells and community water sources near our operation on a quarterly basis. The samples are then tested by an independent laboratory approved by the authorities against local water standards. To date, no water quality issues have been recorded. The water sampling program is jointly monitored by community members who participate actively in the sampling and are informed about the laboratory results.

Our South Railroad Project has a Water Management Plan to proactively plan and manage water through the life cycle of the mine, so that operational and stakeholder water needs are met, and that human health and the environment are protected.

Accountability

The Chief Executive Officer has ultimate responsibility for our water management strategy and its adoption within the Company. Water-related initiatives, policies, and strategies are approved by the Board-level ESHS Committee.

Our Chief Operating Officer is responsible for reporting risks and opportunities related to water, and ensuring the sites identify and implement practices to minimize water use and maximize efficiency.

