

Orion Minerals Ltd

11:32 04 Feb 2020

Orion Minerals moves to secure mills for processing plant improvements at Prieska Project

Orion Minerals Ltd (ASX:ORN) has completed engineering studies on the ore processing plant design for its Prieska Copper-Zinc Project, South Africa, and quickly moved to secure specific mills needed to realise the identified improvements via an option agreement.

Orion managing director and chief executive officer Errol Smart said: "We are very pleased that we can now begin to lock in the anticipated project optimisations with associated positive CAPEX and OPEX savings."

Plant optimisation studies

Smart said: "The successful metallurgical optimisation of the process flowsheet has culminated in securing the right to purchase two new mills which are available at a significant discount to mills which would otherwise have to be placed on order as a long-lead item.

"The plant optimisation studies progressed alongside studies on improved water treatment and optimisation of our mine-to-market schedule, all of which are now nearing completion."

The 3,600-kilowatt mills consist of a 22-foot diameter by 26-foot long ball mill and a 16.5-foot diameter by 27-foot long semi-autogenous grinding (SAG) mill, complete with all motors, gearboxes, ancillary fittings, with associated commissioning spares.

Incorporating SAG milling

Securing these new mills facilitates the incorporation of SAG milling into the ore processing flowsheet, instead of the ball milling arrangement selected in the bankable feasibility study (BFS).

Smart added: "These optimisations all promise to deliver an uplift on the already excellent investment case for the Prieska Project."

The revised configuration will allow significant operational flexibility and facilitate processing of Prieska ore at a rate of up to 20% above design throughput, allowing capacity for future expansion.

Reducing capital expenditure

The use of SAG milling also simplifies plant layout and operation, consequentially reducing upfront capital expenditure and the estimated operating cost by removing the requirement for multi-stage crushing and screening of rock ahead of milling.

Overall capital expenditure for the processing plant has been reduced by approximately \$15 million from the total plant capital (originally estimated at \$109 million) and the plant unit operating costs reduced by 5% from a base estimate of \$16.10 per tonne.

These improvements will be incorporated into the optimised and updated BFS which is due in the second quarter 2020.

Price: 0.017

Market Cap: \$49.29 m

1 Year Share Price Graph



Share Information

Code: ORN

Listing: ASX

52 week High Low
0.035 0.01

Sector: Rare earths & specialist minerals

Website: www.orionminerals.com.au

Company Synopsis:

Orion Minerals Ltd (ASX: ORN | JSE: ORN) is a mineral explorer and developer set to join the ranks of international base metal producers through the development of its flagship Prieska Zinc-Copper Project in South Africa's Northern Cape Province.

action@proactiveinvestors.com.au

Proactive Investors facilitate the largest global investor network across 4 continents in 4 languages. With a team of analysts, journalists & professional investors Proactive produce independent coverage on 1000's of companies across every sector for private investors, private client brokers, fund managers and international investor communities.

Contact us +61 (0)2 9280 0700 action@proactiveinvestors.com.au

No investment advice

The Company is a publisher. You understand and agree that no content published on the Site constitutes a recommendation that any particular security, portfolio of securities, transaction, or investment strategy is suitable or advisable for any specific person. You understand that the Content on the Site is provided for information purposes only, and none of the information contained on the Site constitutes an offer, solicitation or recommendation to buy or sell a security. You understand that the Company receives either monetary or securities compensation for our services. We stand to benefit from any volume which any Content on the Site may generate.

You further understand that none of the information providers or their affiliates will advise you personally concerning the nature, potential, advisability, value, suitability or profitability of any particular security, portfolio of securities, transaction, investment, investment strategy, or other matter.

You understand that the Site may contain opinions from time to time with regard to securities mentioned in other products, including Company-related products, and that those opinions may be different from those obtained by using another product related to the Company. You understand and agree that contributors may write about securities in which they or their firms have a position, and that they may trade such securities for their own account. In cases where the position is held at the time of publication and such position is known to the Company, appropriate disclosure is made. However, you understand and agree that at the time of any transaction that you make, one or more contributors may have a position in the securities written about. You understand that price and other data is supplied by sources believed to be reliable, that the calculations herein are made using such data, and that neither such data nor such calculations are guaranteed by these sources, the Company, the information providers or any other person or entity, and may not be complete or accurate.

From time to time, reference may be made in our marketing materials to prior articles and opinions we have published. These references may be selective, may reference only a portion of an article or recommendation, and are likely not to be current. As markets change continuously, previously published information and data may not be current and should not be relied upon.

The Site does not, and is not intended to, provide investment, tax, accounting, legal or insurance advice, and is not and should not be construed as providing any of the foregoing. You should consult an attorney or other relevant professional regarding your specific legal, tax, investment or other needs as tailored to your specific situation.

In exchange for publishing services rendered by the Company on behalf of Orion Minerals Ltd named herein, including the promotion by the Company of Orion Minerals Ltd in any Content on the Site, the Company receives from said issuer annual aggregate cash compensation in the amount up to Twenty Five Thousand dollars (\$25,000).