Orla Mining Gives Camino Rojo Construction Update

Orla Mining (TSX: OLA)

Reported their Q1 2021 results, and provided a construction update for their Camino Rojo Gold Project, located in Zacatecs State, Mexico.

All looks on track with construction now 22% complete, and the engineering 95% complete.

Orla Mining	**TSX : OLA**
Stage	**Development**
Metals	**Gold**
Market cap	**C$1.15 Billion @ C$4.86**
Location	**Zacatecas, Mexico + Panama**

Orla Mining Reports First Quarter 2021 Results and Provides Camino Rojo Construction Update

VANCOUVER, BC – May 13, 2021 – Orla Mining Ltd. (TSX: OLA; NYSE: ORLA) ("Orla" or the "Company") is pleased to provide results for the first quarter ended March 31, 2021.

(All amounts are in U.S. dollars unless otherwise stated)

FIRST QUARTER 2021 HIGHLIGHTS:

- 430,000 person-hours worked at the Camino Rojo Oxide Project (the "Project" or "Camino Rojo") with zero lost time incidents ("LTI") since the start of construction. There are currently 826 workers at the Project as part of construction activities with 15% from the local communities, 30% from the State of Zacatecas, and 55% from other states within Mexico.
- Continued development of Camino Rojo with activities now focused on earth moving, concrete pouring, and structural and mechanical installations in the areas of the crushing circuit, Merrill-Crowe plant, heap leach and process pond, camp, and administration offices.
- Camino Rojo engineering is 95% complete and construction is 22% complete. Project capital committed totalled $104.6 million at the end of the first quarter and $107.0 million on April 30, 2021. Contracts and purchases awarded to date have been in line with estimated capital costs.
- Camino Rojo capital expenditures totalled $15.3 million in the first quarter and total $64.3 million for the Project to date, on April 30, 2021, out of a total project capital expenditure estimate of $134.1 million.
- Exploration and evaluation expenditures totalled $4.9 million for the quarter.
- Net loss of $10.8 million or $0.05 per share for the quarter.
- Cash of $31.2 million at March 31, 2021 and $71.7

million on April 30, 2021.

- Payment of $25.0 million to Fresnillo plc (“Fresnillo”) in the first quarter, as the first of three staged payments over a three-year period, under the terms of the Layback Agreement.
- Third and final tranche drawdown of $50 million on the Project Finance Facility (“Credit Facility”) in April 2021. The funds will be used towards the development of the Camino Rojo Oxide Project. A total of $125 million has now been drawn on the Credit Facility.

Orla Mining Management Comments

> *“We have carried great momentum into the first quarter of 2021, and I am heartened with the impressive construction progress being made at Camino Rojo.*
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> *”In tandem with project construction, we continue to advance the other assets in our portfolio. Despite the challenges posed by the pandemic, our teams have managed admirably in keeping our people and communities safe while creating value for our stakeholders.”*

Jason Simpson, President and Chief Executive Officer of Orla Mining.

CAMINO ROJO OXIDE CONSTRUCTION UPDATE

Detailed engineering is 95% complete, construction is 22% complete, and 96% of project purchase orders have been issued.

Most major contracts have been awarded and the selected mining contractor will be mobilizing to site during the second quarter. At the end of the first quarter, commitments for equipment and contracts totalled $104.6 million.

Construction activities have shifted from site clearing to earth moving, concrete pouring, and structural and mechanical installations. Concrete foundations for the primary and secondary crushers have been completed and installation of structural steel for the primary crusher has commenced.

All the major components for the crushing circuit have been received on site. The leach pad and process facilities area have been cleared and excavation of the process ponds has begun. Excavation of the pregnant solution pond is complete with only final grading remaining. Heap leach conveyor equipment has started to arrive at site while the construction of the Merrill-Crowe plant has begun with the pouring of concrete and the installation of the cyanide tank.

Completion of the plant is expected in October 2021. Drilling and blasting in the pit for production of over liner material commenced in February 2021. Construction of the power line to the project remains ahead of schedule and is nearly 82% complete.

Progress on the camp facilities is well advanced, with steel work ongoing. Installation of the office buildings for the EPCM, mining contractor, and Owner´s construction management team is complete. The first gold production is planned for late 2021.

The Updated Camino Rojo Feasibility Study was released on January 11, which includes the layback area from the previously announced agreement with Fresnillo, resulting in a 54% increase in mineral reserves and a larger oxide pit.

The Company is planning to complete a 2,500-metre core drilling program on Fresnillo’s property and integrate Orla’s

geological and resource models with Fresnillo's drill data. This work will enable material on the Fresnillo concession to be included in the measured and indicated mineral resource categories and to be included in an updated mineral reserve estimate.

As a condition of the Credit Facility, Orla completed the third and final tranche drawdown of $50 million by the end of April. The funds will be used towards the development of the Camino Rojo Oxide Project. A total of $125 million has now been drawn on the Credit Facility.

Several images highlighting construction progress at the Camino Rojo Project are shown below and additional photographs are available at https://www.orlamining.com/projects/camino-rojo/gallery/.

For brevity, this summary has been abridged. To read the full news release, with disclosures, please click HERE

CAMINO ROJO OXIDE PROJECT PHOTOS

Crusher Erection

Merrill-Crowe Plant Construction

Camp Construction

CAMINO ROJO SULPHIDE PROJECT

The Company is advancing multiple development scenarios in parallel on the Sulphide Project, which hosts 7.3 million ounces of gold in measured and indicated mineral resource categories (256 million tonnes at 0.88 g/t)[1], and expects to

complete a Preliminary Economic Assessment (“PEA”) by year-end 2021.

The development scenarios being evaluated include: (1) an underground option with processing at Camino Rojo, (2) an open pit option with processing at Camino Rojo, and (3) an open pit option with processing at Newmont’s Peñasquito plant.

A 6,000-metre directional core drilling program on the Camino Rojo sulphide mineral resource was completed in April 2021. The main objective of the program was to generate additional information regarding the continuity and geometry of the higher-grade mineralization and to provide new material for geotechnical and metallurgical studies.

A portion of the assay results have been received and the remainder are expected in the second quarter. The assay results are being reviewed and interpreted and will be used to support the refinement of the geological model and the definition of metallurgical composites planned during the second quarter of 2021.

CERRO QUEMA OXIDE PROJECT DEVELOPMENT

In Panama, the Company continues work on the Cerro Quema Pre-Feasibility Study (“PFS”) update which is expected to be released in the second quarter of 2021.

Specific ongoing work includes resource modelling, process and metallurgy design, geotechnical drilling, hydrology testing, and environmental planning and review.

The previous Cerro Quema PFS was completed in 2014 by the

previous owner. All aspects of the Cerro Quema project have been reviewed, assessed, and updated to support a future construction decision.

2021 OUTLOOK AND UPCOMING MILESTONES

- Maintain robust health and safety protocols, including COVID-19 prevention measures, to support the health of employees and local communities.
- Continue construction activities at the Camino Rojo Oxide Gold Project towards a targeted first pour in the fourth quarter of 2021.
- Complete the update to the Pre-Feasibility Study at the Cerro Quema Oxide Gold Project.
- Further the Preliminary Economic Assessment study on the Camino Rojo Sulphide Project for completion in 2021.
- Continue exploration programs with activities focused on supporting study work and new target identification.

CONSOLIDATED FINANCIAL STATEMENTS

Orla's audited consolidated financial statements and management's discussion and analysis for the three months ended March 31, 2021 are available on the Company's website at www.orlamining.com, and on SEDAR and EDGAR under the Company's profile at www.sedar.com and at www.sec.gov, respectively.

About Orla Mining Ltd.

Orla is developing the Camino Rojo Oxide Gold Project, an advanced gold and silver open-pit and heap leach project, located in Zacatecas State, Central Mexico.

The project is 100% owned by Orla and covers over 160,000 hectares. The technical report for the 2021 Feasibility Study entitled “Unconstrained Feasibility Study NI 43-101 Technical Report on the Camino Rojo Gold Project – Municipality of Mazapil, Zacatecas, Mexico” dated January 11, 2021, is available on SEDAR and EDGAR under the Company’s profile at www.sedar.com and www.sec.gov, respectively.

The technical report is also available on Orla’s website at www.orlamining.com.

Orla also owns 100% of the Cerro Quema Project located in Panama which includes a near-term gold production scenario and various exploration targets. The Cerro Quema Project is a proposed open pit mine and gold heap leach operation.

Please refer to the “Cerro Quema Project – Pre-feasibility Study on the La Pava and Quemita Oxide Gold Deposits” dated August 15, 2014, which is also available on SEDAR at www.sedar.com.

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Disclosure

The writer is currently a shareholder in Orla Mining, bought in the market at the prevailing price on the day of purchase.

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