



Orion Minerals

ASX/JSE RELEASE: 30 April 2019

Tranche 1 Share Issue and lodgement of Appendix 3B

Orion Minerals Limited (**ASX/JSE: ORN**) (**Orion** or the **Company**) announced on 16 April 2019 a pivotal \$8M capital raising underpinned by a group of high-profile South African investors as part of a proposed restructure of the Company's Black Economic Empowerment (**BEE**) equity participation at project level, achieving accelerated compliance with the ownership aspects of South African Mining Charter 3 (**MC3**).

The \$8.0M capital raising will comprise the issue of 200.9M fully paid ordinary share (**Shares**) at an issue price of \$0.04 per Share, together with one free attaching option for every two Shares issued (100.47M options at an exercise price of \$0.05 and an expiry date of 31 October 2019) (**Options**), to be conducted via a placement to sophisticated and professional investors (**Placement**). The Options will not be quoted on the ASX or the JSE.

It is proposed that the Placement will occur in two stages, being:

- Tranche 1 – 117.23M Shares and 58.61M Options, using the Company's 15% placement capacity under ASX Listing Rule 7.1 to raise \$4.685M; and
- Tranche 2 – 83.71M Shares and 41.85M Options, to raise \$3.34M (subject to shareholder approval, to be sought at a general meeting of Orion shareholders planned to be held in early June 2019).

The Placement includes approximately \$4M placed to experienced South African BEE entrepreneurs, of which \$2M is being placed to incoming BEE equity investors who will also invest at the Prieska Project level.

As part of the Placement, Tembo Capital Mining Fund II LP and its affiliated entities (**Tembo Capital**), has confirmed its continued support of Orion through subscribing for \$2M in Tranche 1 of the Placement. In addition to the support obtained from South African BEE entrepreneurs and Tembo Capital, other key existing shareholders have supported the Placement and the proposed BEE transactions.

Orion has today issued 66,601,805 Shares in the Company at \$0.04 per Share and 33,300,902 Options, to raise \$2.66M, resulting from a receipt of funds from investors for Tranche 1 commitments. Today's issue of Shares and Options which follows the Company's issue of 50,625,000 Shares at \$0.04 per Share and 25,312,500 Options, to raise \$2.03M, on 23 April 2019 finalises Tranche 1 of the Placement.

The issue of the Tranche 1 Shares falls within the 15% capacity for issues of equity securities without shareholder approval afforded by ASX Listing Rule 7.1.

Please find attached an Appendix 3B relating to the issue of those Shares and Options.

Denis Waddell
Chairman

ENQUIRIES

Investors

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Director & CEO

Denis Waddell – Chairman

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Disclaimer

This release may include forward-looking statements. Such forward-looking statements may include, among other things, statements regarding targets, estimates and assumptions in respect of metal production and prices, operating costs and results, capital expenditures, mineral reserves and mineral resources and anticipated grades and recovery rates, and are or may be based on assumptions and estimates related to future technical, economic, market, political, social and other conditions. These forward-looking statements are based on management's expectations and beliefs concerning future events. Forward-looking statements inherently involve subjective judgement and analysis and are necessarily subject to risks, uncertainties and other factors, many of which are outside the control of Orion. Actual results and developments may vary materially from those expressed in this release. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Orion makes no undertaking to subsequently update or revise the forward-looking statements made in this release to reflect events or circumstances after the date of this release. All information in respect of Exploration Results and other technical information should be read in conjunction with Competent Person Statements in this release (where applicable). To the maximum extent permitted by law, Orion and any of its related bodies corporate and affiliates and their officers, employees, agents, associates and advisers:

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions;
- do not make any representation or warranty, express or implied, as to the accuracy, reliability or completeness of the information in this release, or likelihood of fulfilment of any forward-looking statement or any event or results expressed or implied in any forward-looking statement; and
- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Orion Minerals Ltd

ABN

76 098 939 274

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | 1. Fully paid ordinary shares.
2. Options. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 1. 66,601,805.
2. 33,300,902. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | 1. Fully paid ordinary shares.
2. Unlisted options exercisable at 5.0 cents expiring 31 October 2019. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>1. Shares rank equally with all other fully paid ordinary shares on issue.</p> <p>2. No. The options will not be quoted. Shares to be issued upon exercise of options will rank equally with all other fully paid ordinary shares on issue.</p>
<p>5 Issue price or consideration</p>	<p>1. 4.0 cents per fully paid ordinary share.</p> <p>2. Nil issue price.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Funds will be used principally to finalise the Company's Prieska Zinc-Copper Project bankable feasibility study, continue exploration programs on the Company's Northern Cape South African tenements and for general working capital purposes.</p>
<p>6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h in relation to the ⁺securities the subject of this Appendix 3B, and comply with section 6i</p>	<p>No.</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not applicable.</p>
<p>6c Number of ⁺securities issued without security holder approval under rule 7.1</p>	<p>Not applicable.</p>
<p>6d Number of ⁺securities issued with security holder approval under rule 7.1A</p>	<p>Not applicable.</p>
<p>6e Number of ⁺securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>Not applicable.</p>

+ See chapter 19 for defined terms.

6f	Number of +securities issued under an exception in rule 7.2	Not applicable.					
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable.					
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable.					
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 – 107,077,510. Rule 7.1A – Not applicable.					
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	30 April 2019.					
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1"> <thead> <tr> <th>Number</th> <th>+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">2,003,344,917</td> <td style="text-align: center;">Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	2,003,344,917	Fully paid ordinary shares	
Number	+Class						
2,003,344,917	Fully paid ordinary shares						

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class
9 Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	222,307,679	Convertible notes.
	3,040,540	Unlisted options exercisable at \$0.037 expiring 15 August 2019.
	58,613,402	Unlisted options exercisable at \$0.05 expiring 31 October 2019.
	250,000	Unlisted options exercisable at \$0.045 expiring 30 November 2019.
	250,000	Unlisted options exercisable at \$0.06 expiring 30 November 2019.
	2,200,000	Unlisted options exercisable at \$0.05 expiring 30 June 2020.
	1,900,000	Unlisted options exercisable at \$0.035 expiring 30 June 2020.
	16,333,333	Unlisted options exercisable at \$0.02 expiring 30 November 2020.
	18,333,333	Unlisted options exercisable at \$0.035 expiring 30 November 2020.
	18,333,334	Unlisted options exercisable at \$0.05 expiring 30 November 2020.
	12,100,000	Unlisted options exercisable at \$0.03 expiring 31 May 2022.
	12,100,000	Unlisted options exercisable at \$0.045 expiring 31 May 2022.
	12,100,000	Unlisted options exercisable at \$0.06 expiring 31 May 2022.
	5,100,000	Unlisted options exercisable at \$0.05 expiring 31 March 2023.
	5,100,000	Unlisted options exercisable at \$0.06 expiring 31 March 2023.
5,100,000	Unlisted options exercisable at \$0.07 expiring 31 March 2023.	
10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable.	

Part 2 - Pro rata issue

Questions 11 to 33 Not Applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) +Securities described in Part 1

+ See chapter 19 for defined terms.

- (b) All other +securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Questions 35 to 37 - Not Applicable

Entities that have ticked box 34(b)

Questions 38 to 42 - Not Applicable

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Martin Bouwmeester
Company Secretary
Date: 30 April 2019

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