



Orion Minerals

NOTICE OF GENERAL MEETING

to be held on

Friday, 7 June 2019 at 3:00 p.m. (AWST) at

**Clayton Utz, Level 27, QV. 1 Building, 250 St Georges Terrace, Perth, Western
Australia**

and

EXPLANATORY MEMORANDUM

This Notice of Meeting should be read in its entirety. If Shareholders are in doubt as to how they should vote, they should seek advice from their professional advisers prior to voting.

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KEY DATES

Record date to determine Shareholders who are entitled to receive the Notice of Meeting	5:00 p.m. (AWST)	Thursday, 2 May 2019
Posting of Notice of Meeting and announcement on SENS		Tuesday, 7 May 2019
Last day to trade for Shareholders on South African Share register in order to be entitled to vote at the Meeting	3:00 p.m. (AWST)	Friday, 31 May 2019
Voting record date	5:00 p.m. (AWST)	Wednesday, 5 June 2019
Deadline for lodgement of proxy forms for Meeting (ASX Share register)	3:00 p.m. (AWST)	Wednesday, 5 June 2019
Deadline for lodgement of proxy forms for Meeting (JSE Share register)	3:00 p.m. (AWST)	Tuesday, 4 June 2019
General Meeting	3:00 p.m. (AWST) / 9:00 a.m. (SA Time)	Friday, 7 June 2019

TIME AND PLACE OF MEETING AND HOW TO VOTE**Venue**

The General Meeting of Orion Minerals Ltd (ACN 098 939 274) will be held at **3:00 p.m. (AWST) (9:00 a.m. SA Time) on Friday, 7 June 2019 at:**

Clayton Utz
Level 27, QV. 1 Building
250 St Georges Terrace
Perth, Western Australia

Your Vote is Important

The business of the General Meeting affects your shareholding and your vote is important.

Voting in Person

To vote in person, attend the General Meeting on the date and at the place set out above.

Voting by Proxy and Corporate Representatives

To vote by proxy, your Proxy Form must be received by the Company by no later than **3:00 p.m. (AWST) on Wednesday, 5 June 2019**. Proxy Forms can be lodged:

By mail:	Link Market Services Limited Locked Bag A14 Sydney South NSW 1235	Link Market Services South Africa (Pty) Ltd PO Box 4844 Johannesburg, 2000
By facsimile:	(+61 2) 9287 0309	Not applicable
By email:	Not applicable	meetfax@linkmarketservices.co.za
Online:	Shareholders may submit their ASX proxy instruction online with the Company's Share Registry by visiting www.linkmarketservices.com.au . Select 'Investor Login'. Refer to 'Single Holding' and enter Orion Minerals Ltd or the ASX code (ORN) in the Issuer Name field, your Security Reference Number (SRN) or Holder Identification Number (HIN) (which is shown on the front of your proxy form), postcode and Security Code which is shown on the screen and click 'Login'. Select 'Vote' under the 'Action' header and then follow the prompts to submit your proxy online. You will be taken to have signed your Proxy Form if you lodge it in accordance with the instructions given on the website.	

A Shareholder entitled to attend and vote at the General Meeting is entitled to appoint a proxy, who need not be a Shareholder of the Company. A proxy may be an individual or a body corporate. If a Shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. If a Shareholder appoints two proxies and their appointment does not specify the proportion or number of the Shareholder's votes the proxy may exercise, each proxy may exercise one half of the Shareholder's votes. If a Shareholder appoints two proxies, neither may vote on a show of hands.

Shareholders and their proxies should be aware that if proxy holders vote, they must cast all directed proxies as directed, and any directed proxies which are not voted will automatically default to the Chair, who must vote the proxies as directed.

The proxy form must be signed by the Shareholder or the Shareholder's attorney. Proxies given by corporations must be executed in accordance with the Corporations Act.

The proxy form and the power of attorney (if any) under which it is signed (or a certified copy of it) must be received at the Company's Share Registry **at least 48 hours before the commencement of the General Meeting or any adjournment of that Meeting**.

If a representative of a corporate Shareholder or a corporate proxy is to attend the Meeting pursuant to section 250D of the Corporations Act, a certificate of appointment of the representative must be produced prior to the admission to the Meeting. A form of certificate of appointment can be obtained from the Company's registered office.

Voting Entitlements

Pursuant to Regulation 7.11.37 of the Corporations Regulations 2001, the Directors have determined that the shareholding of each Shareholder for the purposes of ascertaining the voting entitlements for the General Meeting will be as it appears in the Share register at **5.00 p.m. (AWST) on Wednesday, 5 June 2019**.

Attendance via teleconference

Shareholders may join the Meeting via conference call, however, no voting rights will apply. Details on how to access the conference call will be available on the Company's website, www.orionminerals.com.au.

Notice of General Meeting

Notice is given that the General Meeting of the Shareholders of Orion Minerals Ltd (**Company**) will be held at Clayton Utz, Level 27, QV. 1 Building, 250 St Georges Terrace, Perth, Western Australia on Friday, 7 June 2019 commencing at 3:00 p.m. (AWST).

The Explanatory Memorandum to this Notice of Meeting provides additional information on matters to be considered at the General Meeting. The Explanatory Memorandum and the Proxy Form are part of this Notice of Meeting.

Agenda

Resolution 1 – Approval to Issue Shares - Existing BEE Investor Share Exchange

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 134,957,455 Shares (in aggregate) to Power Matla Proprietary Limited, The Trustees for the time being of the Mosiapoa Family Trust (or its nominee) and African Exploration Mining Finance SOC Limited (together, **Existing BEE Investors**) in connection with the repurchase of the shares that the Existing BEE Investors currently hold in one or more of Repli Trading No 27 Proprietary Limited, Rich Rewards Trading 437 Proprietary Limited, Bartotrax Proprietary Limited and Vardocube Proprietary Limited, each being a subsidiary of the Company, at a deemed issue price of \$0.0314 each, on the terms and conditions set out in the Explanatory Memorandum.”*

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by any Existing BEE Investor and a person who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a holder of ordinary securities, and any associates (as that term is defined in the ASX Listing Rules) of those persons. However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 2 – Ratification of Prior Issue – General Placement 1 Shares and Attaching Options

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.4 and for all other purposes, Shareholders ratify the issue of 117,226,805 Shares, at an issue price of \$0.04 each, and 58,613,402 Attaching Options, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by a person who participated in the issue and any associates (as that term is defined in the ASX Listing Rules) of those persons. However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 3 – Approval to Issue Shares – General Placement 2 Shares and Attaching Options

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

“That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 83,706,695 Shares, at an issue price of \$0.04 each, and 41,853,347 Attaching Options, on the terms and conditions set out in the Explanatory Memorandum.”

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by any person who may participate in the proposed issue and a person who will obtain a material benefit as a result of the proposed issue, except a benefit solely in the capacity of a holder of ordinary securities, and any associates (as that term is defined in the ASX Listing Rules) of those persons. However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 4 – Approval to Issue Shares – Anglo American sefa Mining Fund Proprietary Limited - Repli Preference Share Redemption

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue such number of Shares to Anglo American sefa Mining Fund Proprietary Limited that are required to satisfy, in full, amounts payable by the Company's subsidiary, Repli Trading No 27 (Pty) Ltd to Anglo American sefa Mining Fund Proprietary Limited in satisfaction of the redemption amount in respect of the voluntary redemption by Anglo American sefa Mining Fund Proprietary Limited of the 15,750,000 preference shares held by Anglo American sefa Mining Fund Proprietary Limited in Repli Trading No 27 Pty Ltd, on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Anglo American sefa Mining Fund Proprietary Limited and any of its associates (as that term is defined in the ASX Listing Rules) or a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) it is cast by the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 5 – Approval to Issue Options – Tembo Capital

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 7.1 and for all other purposes, approval is given for the Company to issue 11,000,000 unlisted options to Tembo Capital Mining Fund II LP (or their nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Tembo Capital Mining Fund II LP (and its nominee) and any of their associates (as that term is defined in the ASX Listing Rules) or a person who is expected to participate in, or who will obtain a material benefit as a result of, the proposed issue (except a benefit solely by reason of being a holder of ordinary securities in the entity). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

Resolution 6 – Re-election of Mr Thomas Borman

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purpose of clauses 14.3 and 14.4 of the Constitution and for all other purposes, Mr Thomas Borman, a Director who was appointed by the Board on 16 April 2019, retires and being eligible, is re-elected as a Director."

Resolution 7 – Re-election of Mr Godfrey Gomwe

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

"That, for the purpose of clauses 14.3 and 14.4 of the Constitution and for all other purposes, Mr Godfrey Gomwe, a Director who was appointed by the Board on 16 April 2019, retires and being eligible, is re-elected as a Director."

Resolution 8 – Proposed grant of Director Options to Mr Denis Waddell (or his nominee)

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the grant of 12,000,000 Director Options to Mr Denis Waddell (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Denis Waddell (or his nominee) and any of their associates (as that term is defined in the ASX Listing Rules). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, a vote on Resolution 8 must not be cast, and the Company will disregard votes cast by a member of Key Management Personnel or their Closely Related Parties as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman and has been expressly authorised to vote on behalf of someone entitled to vote on this Resolution 8, even though it is connected with the remuneration of Key Management Personnel.

Resolution 9 – Proposed grant of Director Options to Mr Errol Smart (or his nominee)

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the grant of 30,000,000 Director Options to Mr Errol Smart (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Errol Smart (or his nominee) and any of their associates (as that term is defined in the ASX Listing Rules). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, a vote on Resolution 9 must not be cast, and the Company will disregard votes cast by a member of Key Management Personnel or their Closely Related Parties as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman and has been expressly authorised to vote on behalf of someone entitled to vote on this Resolution 9, even though it is connected with the remuneration of Key Management Personnel.

Resolution 10 – Proposed grant of Director Options to Mr Alexander Haller (or his nominee)

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the grant of 3,000,000 Director Options to Mr Alexander Haller (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Alexander Haller (or his nominee) and any of their associates (as that term is defined in the ASX Listing Rules). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, a vote on Resolution 10 must not be cast, and the Company will disregard votes cast by a member of Key Management Personnel or their Closely Related Parties as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman and has been expressly authorised to vote on behalf of someone entitled to vote on this Resolution 10, even though it is connected with the remuneration of Key Management Personnel.

Resolution 11 – Proposed grant of Director Options to Mr Mark Palmer (or his nominee)

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the grant of 3,000,000 Director Options to Mr Mark Palmer (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Mark Palmer (or his nominee) and any of their associates (as that term is defined in the ASX Listing Rules). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, a vote on Resolution 11 must not be cast, and the Company will disregard votes cast by a member of Key Management Personnel or their Closely Related Parties as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman and has been expressly authorised to vote on behalf of someone entitled to vote on this Resolution 11, even though it is connected with the remuneration of Key Management Personnel.

Resolution 12 – Proposed grant of Director Options to Mr Godfrey Gomwe (or his nominee)

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the grant of 3,000,000 Director Options to Mr Godfrey Gomwe (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Godfrey Gomwe (or his nominee) and any of their associates (as that term is defined in the ASX Listing Rules). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, a vote on Resolution 12 must not be cast, and the Company will disregard votes cast by a member of Key Management Personnel or their Closely Related Parties as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman and has been expressly authorised to vote on behalf of someone entitled to vote on this Resolution 12, even though it is connected with the remuneration of Key Management Personnel.

Resolution 13 – Proposed grant of Director Options to Mr Thomas Borman (or his nominee)

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

"That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, approval is given for the grant of 3,000,000 Director Options to Mr Thomas Borman (or his nominee) on the terms and conditions set out in the Explanatory Memorandum."

Voting Exclusion: The Company will disregard any votes cast in favour of this Resolution by or on behalf of Mr Thomas Borman (or his nominee) and any of their associates (as that term is defined in the ASX Listing Rules). However, the Company need not disregard a vote if it is cast by:

- (a) a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (b) the person chairing the Meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

In addition, a vote on Resolution 13 must not be cast, and the Company will disregard votes cast by a member of Key Management Personnel or their Closely Related Parties as proxy, where the appointment does not specify the way the proxy is to vote, unless the proxy is the Chairman and has been expressly authorised to vote on behalf of someone entitled to vote on this Resolution 13, even though it is connected with the remuneration of Key Management Personnel.

DATED: 1 May 2019
By Order of the Board



Martin Bouwmeester
Company Secretary

Explanatory Memorandum to accompany Notice of General Meeting

This Explanatory Memorandum has been prepared to provide Shareholders with material information to enable them to make an informed decision on the business to be conducted at the General Meeting.

The Directors recommend Shareholders read this Explanatory Memorandum in full before making any decision in relation to the Resolutions.

Resolution 1 – Existing BEE Investor Share Exchange

Background

As announced on 16 April 2019, the Company is proposing to restructure the participation of Black Economic Empowerment (**BEE**) investors in certain of its South African projects with a view to implementing a BEE ownership strategy that aligns with its transformation philosophy and with the requirements of the Broad-Based Socio-Economic Empowerment Charter for the Mining and Minerals Industry, 2018 and its associated Implementation Guidelines (**BEE Restructure**).

Each of the existing BEE investors in certain of Orion's South African projects, being The Trustees for the time being of the Mosiapoa Family Trust (or its nominee) (**Mosiapoa**), Power Matla Mining Proprietary Limited (**Power Matla**) and African Exploration and Mining Finance Corporation (SOC) Limited (**AEMFC**) (together, the **Existing BEE Investors**) hold their interest in the Company's South African projects as follows:

- (a) Mosiapoa - via shareholdings in the Company's subsidiaries Repli Trading No 27 Proprietary Limited (**Repli**), Rich Rewards Trading 437 Proprietary Limited (**Rich Rewards**), Bartotrax Proprietary Limited (**Bartotrax**) and Vardocube Proprietary Limited (**Vardocube**);
- (b) Power Matla - via shareholdings in Repli and Rich Rewards; and
- (c) AEMFC - via shareholdings in Vardocube.

The BEE Restructure will involve, amongst other things:

- (a) new incoming BEE equity investors, being Black Star Minerals (Pty) Ltd (**Black Star**) and Kolobe Nala Investment Company (Pty) Ltd (**KNI**) (collectively, **New BEE Investors**) have or will subscribe for Shares and Attaching Options in the Company in connection with the Capital Raising (see Background to Resolutions 2 and 3 - Capital Raising below);
- (b) Existing BEE Investors exchanging their existing shareholdings in Repli, Rich Rewards, Bartotrax and Vardocube (as applicable) for Shares (to be listed on the JSE) (**Existing BEE Investor Share Exchange**); and
- (c) the New BEE Investors acquiring 20% of the shares in Repli and 20% of Orion's interest in the Jacomynspan Project, which acquisitions will be facilitated by vendor funding provided to the New BEE Investors by Orion.

Pursuant to the Existing BEE Investor Share Exchange:

- (a) Repli will repurchase the shares held by Mosiapoa and Power Matla in Repli;
- (b) Rich Rewards will repurchase the shares held by Mosiapoa and Power Matla in Rich Rewards;
- (c) Bartotrax will repurchase the shares held by Mosiapoa in Bartotrax; and
- (d) Vardocube will repurchase the shares held by Mosiapoa and AEMFC in Vardocube,

in consideration for the issue by the Company of:

- (e) 53,856,263 Shares to Mosiapoa;
- (f) 37,578,916 Shares to Power Matla; and
- (g) 43,522,276 Shares to AEMFC,

(together, the **Existing BEE Investor Share Exchange Shares**).

Resolution 1 seeks Shareholder approval for the purposes of ASX Listing Rule 7.1 for the issue to the Existing BEE Investors of the Existing BEE Investor Share Exchange Shares at a deemed issue price of \$0.0314 per Share in consideration for the price payable by the Company's subsidiaries, Repli, Rich Rewards, Bartotrax and Vardocube to the relevant Existing BEE Investor for the repurchase of shares (as applicable).

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

The effect of Resolution 1 will therefore be to allow the Company to issue the Existing BEE Investor Share Exchange Shares to the Existing BEE Investors pursuant to the Existing BEE Investor Share Exchange during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Existing BEE Investor Share Exchange Shares to be issued pursuant to the Existing BEE Investor Share Exchange:

- (a) the maximum number of Existing BEE Investor Share Exchange Shares the Company will issue is 134,957,455 Shares;
- (b) the Shares are intended to be issued on or around 7 June 2019, but will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the deemed issue price will be \$0.0314 per Share;
- (d) the Existing BEE Investor Share Exchange Shares will be issued to the Existing BEE Investors;
- (e) the Existing BEE Investor Share Exchange Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Existing BEE Investor Share Exchange Shares will be issued as consideration for the repurchase by the Company's subsidiaries Repli, Rich Rewards, Bartotrax and Vardocube of shares held by the Existing BEE Investors in those companies and as such, no funds will be raised from the issue of the Existing BEE Investor Share Exchange Shares.

Directors' recommendation and voting intentions

The Directors recommend that Shareholders vote in favour of Resolution 1. Each Director intends to vote the Shares they control in favour of Resolution 1.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 1.

Background to Resolutions 2 and 3 - Capital Raising

As announced on 16 April 2019, the Company is undertaking a capital raising to raise approximately \$8 million through the issue of 200,933,500 Shares at an issue price of \$0.04 per Share, together with one free Attaching Option for every two Shares issued (the **Capital Raising**). The Capital Raising will be conducted via two general placement tranches.

- (a) **Tranche 1:** Through the issue of Shares and Attaching Options on 23 April 2019 and on 30 April 2019, the Company completed the first stage of the Capital Raising by issuing a total of 117,226,805 Shares at \$0.04 per Share to professional and sophisticated investors, including KNI and Tembo Capital Mining Fund II LP (or nominee) (**Tembo Capital**) to raise approximately \$4,689,072 and 58,613,402 Attaching Options (**General Placement 1 Shares and Attaching Options**) (**General Placement 1**). The Shares issued pursuant to General Placement 1 did not require Shareholder approval under the ASX Listing Rules as they were issued pursuant to the Company's placement capacity under ASX Listing Rule 7.1. However, ratification of the issue will be sought from members pursuant to ASX Listing Rule 7.4 to allow for future equity fundraising flexibility (refer to Resolution 2 below for further details).
- (b) **Tranche 2:** The second stage of the Capital Raising involves a further placement of 83,706,695 Shares at an issue price of \$0.04 per Share to professional and sophisticated investors, including Black Star to raise approximately \$3,348,268 and 41,853,347 Options (**General Placement 2 Shares and Attaching Options**) (**General Placement 2**) which is subject to Shareholder approval pursuant to ASX Listing Rule 7.1 (refer to Resolution 3 below for further details). Together, General Placements 1 and 2 will raise a total of \$8,037,340.

All Shares to be issued under General Placements 1 and 2 of the Capital Raising will be issued to sophisticated and professional investors, none of whom are related parties or associates of the Company.

Resolution 2 – Ratification of Prior Issue – General Placement 1 Shares and Attaching Options**Background**

Through the issue of Shares on 23 April 2019 and 30 April 2019, the Company issued 117,226,805 Shares at an issue price of \$0.04 per Share to raise \$4,689,072 and 58,613,402 Attaching Options, as the first stage of the Capital Raising.

Resolution 2 seeks Shareholder ratification pursuant to ASX Listing Rule 7.4 for the issue of those Shares.

ASX Listing Rule 7.1 provides that a company must not, subject to specified exceptions, issue or agree to issue more equity securities during any 12 month period than that amount which represents 15% of the number of fully paid ordinary securities on issue at the commencement of that 12 month period.

ASX Listing Rule 7.4 provides that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX Listing Rule 7.1 (and provided that the previous issue did not breach ASX Listing Rule 7.1) those securities will be deemed to have been issued with shareholder approval for the purpose of ASX Listing Rule 7.1.

By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 15% annual placement capacity set out in ASX Listing Rule 7.1 without the requirement to obtain prior Shareholder approval.

Technical information required by ASX Listing Rule 7.4

Pursuant to and in accordance with ASX Listing Rule 7.5, the following information is provided in relation to the General Placement 1 Shares and Attaching Options issued pursuant to General Placement 1:

- (a) 117,226,805 Shares and 58,613,402 Attaching Options were issued;
- (b) the issue price was \$0.04 per Share. The Attaching Options were issued for nil consideration;
- (c) the Shares issued were all fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. Each Attaching Option gives the optionholder the right to subscribe for one Share in the capital of the Company upon exercise. The Attaching Options will be exercisable at any time before the expiry date of 31 October 2019 at an exercise price of \$0.05 and otherwise on the terms and conditions set out in Schedule 1;
- (d) the Shares and Attaching Options were issued to sophisticated or professional investors in accordance with sections 708(8) and (11) of the Corporations Act and other equivalent exemptions in foreign jurisdictions, as selected by the Company. Participants in General Placement 1 included KNI and Tembo Capital. None of the subscribers were related parties of the Company; and
- (e) the Company intends to use the funds raised from the issue of Shares pursuant to General Placement 1 principally to finalise the bankable feasibility study on the Company's flagship Prieska Zinc-Copper Project, to continue exploration programs on the Company's tenements located in the Northern Cape, South Africa and for working capital. As the Attaching Options were issued for nil consideration, no amounts were raised from the issue of the Attaching Options in connection with General Placement 1. However, the Company will raise funds from any exercise of such Attaching Options. The Company expects that such funds will be used for the same purpose as those funds raised from the issue of Shares, other than being applied towards finalisation of the bankable feasibility study, as this is due for completion in the June 2019 quarter.

Corporations Act prohibition

Section 606 of the Corporations Act prohibits a person acquiring a relevant interest in issued voting shares in a listed company if, as a result of the acquisition that person's or someone else's voting power in the company increases from 20% or below, to more than 20%, or from a starting point that is above 20% and below 90%.

Exceptions to the section 606 prohibition

There are various exceptions to the prohibition in section 606 of the Corporations Act. Section 611 of the Corporations Act contains a table setting out circumstances in which acquisitions of relevant interests are exempt from the prohibition. Item 9 of the table in section 611 of the Corporations Act provides an exemption for acquisitions of no more than 3% in every 6 months, provided that throughout the 6 months before the acquisition that person has had voting power in the company of at least 19% (**3% Creep Exemption**).

Immediately prior to the issue of Shares pursuant to General Placement 1, Tembo Capital's voting power was 22.998%. Tembo Capital will acquire the Shares pursuant to General Placement 1 in reliance on the 3% Creep Exemption and, following the issue of Shares pursuant to General Placement 1 and other issues of Shares by the Company as at the date of this Notice, the voting power of Tembo Capital will be approximately 24.01%. Assuming Shareholder approval is obtained pursuant to Resolutions 1, 3 and 4 and all Shares are issued pursuant to the transactions contemplated by those Resolutions, Tembo Capital's voting power will be diluted.

Directors' recommendation and voting intentions

The Independent Directors recommend that Shareholders vote in favour of Resolution 2. Each Independent Director intends to vote the Shares they control in favour of Resolution 2.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 2.

Resolution 3 – Approval to Issue Shares – General Placement 2 Shares and Attaching Options

Background

Resolution 3 seeks Shareholder approval for the issue of 83,706,695 Shares at an issue price of \$0.04 to raise approximately \$3,348,268, and 41,853,347 Attaching Options.

A summary of ASX Listing Rule 7.1 is set out in the Background to Resolution 1 on page 9 above.

The effect of Resolution 3 will be to allow the Company to issue the General Placement 2 Shares and Attaching Options pursuant to General Placement 2 during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the General Placement 2 Shares and Attaching Options issued pursuant to General Placement 2:

- (a) the maximum number of Shares and Attaching Options the Company will issue is 83,706,695 Shares and 41,853,347 Attaching Options;
- (b) the Shares and Attaching Options are intended to be issued on or around 7 June 2019, but will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);

- (c) the issue price will be \$0.04 per Share. The Attaching Options will be issued for nil consideration;
- (d) the Shares and Attaching Options will be issued to sophisticated or professional investors in accordance with sections 708(8) and (11) of the Corporations Act and other equivalent exemptions in foreign jurisdictions, as selected by the Company. Black Star is a participant in General Placement 2. None of the subscribers will be related parties of the Company;
- (e) the Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares. Each Attaching Option gives the optionholder the right to subscribe for one Share in the capital of the Company upon exercise. The Attaching Options will be exercisable at any time before the expiry date of 31 October 2019 at an exercise price of \$0.05 and otherwise on the terms and conditions set out in Schedule 1; and
- (f) the Company intends to use the funds raised from the issue of Shares pursuant to General Placement 2 principally to finalise the bankable feasibility study on the Company's flagship Prieska Zinc-Copper Project, to continue exploration programs on the Company's tenements located in the Northern Cape, South Africa and for working capital. As the Attaching Options were issued for nil consideration, no amounts were raised from the issue of the Attaching Options in connection with General Placement 2. However, the Company will raise funds from any exercise of such Attaching Options. The Company expects that such funds will be used for the same purpose as those funds raised from the issue of Shares, other than being applied towards finalisation of the bankable feasibility study, as this is due for completion in the June 2019 quarter.

Directors' recommendation and voting intentions

The Directors recommend that Shareholders vote in favour of Resolution 3. Each Director intends to vote the Shares they control in favour of Resolution 3.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 3.

Resolution 4 – Approval to Issue Shares – Anglo American sefa Mining Fund Proprietary Limited - AASMF Share Redemption Placement

Background

On 2 November 2015, the Company's subsidiary, Repli, entered into Preference Share Subscription Agreement (**Subscription Agreement**) with Anglo American sefa Mining Fund Proprietary Limited (**AASMF**), pursuant to which Repli agreed to issue to AASMF, and AASMF agreed to subscribe for, 15,750,000 redeemable preference shares in Repli at a subscription price of ZAR1 per redeemable preference share (**Preference Shares**). On 15 November 2015, AASMF paid the subscription price of ZAR15,750,000 (approximately \$1,575,000) and Repli issued to AASMF 15,750,000 Preference Shares.

The terms of the Subscription Agreement are disclosed in the Company's quarterly cashflow reports and annual reports. The redemption amount payable in respect of the Preference Shares is comprised of:

- (a) ZAR15,750,000;
- (b) any unpaid and accumulated dividends (which, as at the date of this Notice is ZAR8,737,100 (approximately \$873,710)); and
- (c) a settlement premium based on internal rate of return (**IRR**) of 13.5%, taking into account all cash flows from the Preference Shares in order to get an overall IRR of 13.5% (IRR is fixed for the duration that the Preference Shares are outstanding).

As such, the redemption amount payable in respect of the Preference Shares as at the date of this Notice is ZAR24,487,100 (approximately \$2,448,710).

The Company proposes to issue Shares (**Redemption Shares**) to AASMF in exchange for AASMF agreeing to voluntarily redeem the Preference Shares issued by Repli pursuant to the Subscription Agreement (**AASMF Share Redemption Placement**).

However, the deemed issue price for the Redemption Shares will be determined by reference to 30 day volume weighted average price of the Shares in the period up to and including the date on which the conditions under the agreement concluded between the Company, AASMF and Repli on 1 March 2019, in respect of the AASMF Share Redemption Placement (**AASMF Share Redemption Placement Agreement**) are satisfied. One such condition is receipt of Shareholder approval. As such, the number of Redemption Shares to be issued will not be known until after Shareholder approval has been obtained.

Resolution 4 seeks Shareholder approval for the purposes of ASX Listing Rule 7.1 for the issue to AASMF of the Redemption Shares in satisfaction of the redemption amount payable to AASMF by Repli for the redemption of its Preference Shares.

A summary of ASX Listing Rule 7.1 is set out in the Background to Resolution 1 on page 9 above.

The effect of Resolution 4 will therefore be to allow the Company to issue the Redemption Shares to AASMF pursuant to the Security Exchange Proposal during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

Technical information required by ASX Listing Rule 7.1

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the issue of Redemption Shares to AASMF:

- (a) the maximum number of Redemption Shares to be issued will be determined by reference to the following formula:

$$\text{Number of Redemption Shares to be issued} = \frac{\text{Redemption Amount}}{\text{Issue Price}}$$

where:

Redemption Amount means the amount outstanding under the Subscription Agreement as at the date of issue of the Redemption Shares.

Issue Price means the 30 day volume weighted average price of the Shares in the period up to and including the date on which all conditions under the AASMF Share Redemption Placement Agreement between the Company, AASMF and Repli have been satisfied.

- (b) the Redemption Shares will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);
- (c) the deemed issue price will be 30 day volume weighted average price of the Shares in the period up to and including the date on which all conditions under the AASMF Share Redemption Placement Agreement between the Company, Anglo and Repli have been satisfied;
- (d) the Redemption Shares will be issued to AASMF;
- (e) the Redemption Shares issued will be fully paid ordinary shares in the capital of the Company issued on the same terms and conditions as the Company's existing Shares; and
- (f) the Redemption Shares will be issued in satisfaction of the redemption amount payable by the Company's subsidiary, Repli, to AASMF in connection with the voluntary redemption of the Preference Shares by Repli, and as such no funds will be raised from the issue of the Redemption Shares.

Directors' recommendation and voting intentions

The Directors recommend that Shareholders vote in favour of Resolution 4. Each Director intends to vote the Shares they control in favour of Resolution 4.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 4.

Resolution 5 – Approval to Issue Tembo Options – Tembo Capital**Background**

On 25 January 2019, the Company announced to the ASX that it had entered into a new unsecured \$3.6M loan facility with Tembo Capital (**Loan Facility**).

Under the terms of the Loan Facility, Tembo Capital may at its election, have the balance of the Loan Facility (including capitalised interest and fees) (**Outstanding Amount**) repaid by the issue of Shares to Tembo Capital at a deemed issue price of \$0.026 per Share (subject to receipt of Shareholder approval). Proceeds from the Loan Facility will be used principally to progress the bankable feasibility study, which is on track for completion in Q2 2019.

Pursuant to the terms of the Loan Facility, the Company has agreed to issue 11,000,000 options to Tembo Capital (**Tembo Options**). The Tembo Options will have an exercise price of \$0.03, an expiry date of 5 years after the date of issue of the Tembo Options and will not be quoted on the ASX and will be issued on the terms otherwise set out in Schedule 2.

Technical information required by ASX Listing Rule 7.1

A summary of ASX Listing Rule 7.1 is set out in the Background to Resolution 1 on page 9 above.

The effect of Resolution 5 will be to allow the Company to issue the Tembo Options to Tembo Capital during the period of 3 months after the Meeting (or a longer period, if allowed by ASX), without using the Company's 15% annual placement capacity.

Technical information required by ASX Listing Rule 7.3

Pursuant to and in accordance with ASX Listing Rule 7.3, the following information is provided in relation to the Tembo Options:

- (a) the maximum number of Tembo Options to be issued is 11,000,000;
- (b) the Tembo Options are intended to be issued on or around 7 June 2019, but will be issued no later than 3 months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the ASX Listing Rules);

- (c) the Tembo Options will be granted at a nil issue price and the Company will therefore not raise any funds from the grant of the Tembo Options;
- (d) the Tembo Options will be issued to Tembo Capital (or their nominees);
- (e) Each Tembo Option gives the optionholder the right to subscribe for one Share in the capital of the Company upon exercise. The Tembo Options will be exercisable at any time during the 5 years following the date of issue of such Tembo Options at an exercise price of \$0.03 and otherwise on the terms and conditions set out in Schedule 2; and
- (f) no funds will be raised from the grant of the Tembo Options, with the Tembo Options to be issued as part of the terms of the Loan Facility. However, the Company will raise funds from any exercise of such Tembo Options. The Company expects that such funds will be used for continue exploration programs on the Company's tenements located in the Northern Cape, South Africa and for working capital.

Directors' recommendation and voting intentions

The Independent Directors recommend that Shareholders vote in favour of Resolution 5. Each Independent Director intends to vote the Shares they control in favour of Resolution 5.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 5.

Resolution 6 – Re-election of Mr Thomas Borman

Background

Clause 14.4 of the Constitution allows the Directors to appoint at any time a person to be a Director to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next meeting of members and is eligible for re-election at that meeting. Mr Thomas Borman, who was appointed on 16 April 2019, retires in accordance with clause 14.3 and clause 14.4 of the Constitution and being eligible seeks re-election.

Mr Borman is a respected and highly experienced global mining executive who served more than 11 years working for the BHP Billiton Group in various senior managerial roles, including that of Chief Financial Officer of an Australian-listed mining company. He also held senior roles in strategy and business development and served as the project manager for the merger integration transaction between BHP Limited and Billiton.

After leaving BHP Billiton in 2006, Mr Borman joined Warrior Coal Investments (Proprietary) Limited, where he formed part of the executive team which established and consolidated the portfolio of assets which became the Optimum Group of companies. Optimum listed on the Johannesburg Stock Exchange in 2010, and was subsequently acquired by Glencore for R8.5 billion in March 2012.

Directors' recommendation and voting intentions

The Directors other than Mr Borman recommend that Shareholders vote in favour of Resolution 6. Each Director intends to vote the Shares they control in favour of Resolution 6. Mr Borman makes no recommendation.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 6.

Resolution 7 – Re-election of Mr Godfrey Gomwe

Background

Clause 14.4 of the Constitution allows the Directors to appoint at any time a person to be a Director to fill a casual vacancy or as an addition to the existing Directors, but only where the total number of Directors does not at any time exceed the maximum number specified by the Constitution.

Any Director so appointed holds office only until the next meeting of members and is eligible for re-election at that meeting. Mr Godfrey Gomwe, who was appointed on 16 April 2019, retires in accordance with clause 14.3 and clause 14.4 of the Constitution and being eligible seeks re-election.

Mr Gomwe has extensive experience as an executive in the metals and mining industries. He is the former Chief Executive Officer of Anglo American plc.'s Thermal Coal business, where his responsibilities included oversight over Anglo's Manganese interests in joint venture with BHP. Previously Executive Director of Anglo American South Africa until August 2012, his career included roles as Head of Group Business Development Africa, Finance Director and Chief Operating Officer of Anglo American South Africa. Previously, Godfrey was Chairman and Chief Executive of Anglo American Zimbabwe Limited. He also served on a number of Anglo American Operating Boards and Executive Committees including Kumba Iron Ore, Anglo American Platinum, Highveld Steel & Vanadium and Mondi South Africa, the latter two in the capacity of Chairman.

Directors' recommendation and voting intentions

The Directors other than Mr Gomwe recommend that Shareholders vote in favour of Resolution 7. Each Director intends to vote the Shares they control in favour of Resolution 7. Mr Gomwe makes no recommendation.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 7.

Resolution 8 – Proposed Grant of Options to Mr Denis Waddell (or his nominee)**Background**

The Company has agreed, subject to obtaining shareholder approval, to grant 12,000,000 options (**Director Options**) to Mr Waddell (or his nominee) on the terms and conditions set out below and as set out in Schedule 3.

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue securities to a related party (unless an exception in ASX Listing Rule 10.12 applies). As a Director of the Company Mr Waddell is a related party for the purposes of ASX Listing Rule 10.11. Accordingly, shareholder approval is sought pursuant to ASX Listing Rule 10.11 for the proposed grant of Director Options to Mr Waddell (or his nominee).

Separate approval under ASX Listing Rule 7.1 is not required for the proposed grant of Director Options to Mr Waddell (or his nominee) if shareholder approval is received under ASX Listing Rule 10.11. Accordingly, if the Resolution is passed, the grant of Director Options to Mr Waddell (or his nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Shares constitutes giving a financial benefit and Mr Waddell is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Waddell who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Director Options because the agreement to grant the Director Options, reached as part of the remuneration package for Mr Waddell, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

Shareholder Approval (ASX Listing Rule 10.11)

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options to Mr Waddell (or his nominee):

- (a) the maximum number of Director Options proposed to be granted to Mr Waddell (or his nominee) is 12,000,000;
- (b) subject to shareholder approval, the Director Options will be granted to Mr Waddell (or his nominee) no later than 1 month after the date of the General Meeting;
- (c) the Director Options will be granted for nil cash consideration and accordingly no funds will be raised from the grant of the Director Options;
- (d) the exercise price of the Director Options is as shown in the table below. Any proceeds from the exercise of the Director Options will be used for general corporate purposes; and

Number of options	Exercise price
4,000,000	\$0.04
4,000,000	\$0.05
4,000,000	\$0.06

- (e) the terms and conditions of the Director Options proposed to be granted to Mr Waddell are set out in Schedule 3.

Purpose of Resolution 8

The primary purpose of the proposed grant of Director Options to Mr Waddell is to enable the Company to provide, in Mr Waddell's capacity as the Company's Chairman, market appropriate non-executive director remuneration whilst both retaining cash reserves and also encouraging non-executive directors to have a meaningful level of investment in the Company. The Board (other than Mr Waddell) considered appropriate governance practices, market remuneration levels and the extensive experience and reputation of Mr Waddell when considering the grant of the Director Options. The Board considers the grant of the Director Options to Mr Waddell to be reasonable, given his contribution to date, the

reduction in cash remuneration and the necessity to attract the highest calibre of professional to the Company while maintaining the Company's cash reserves.

Directors' recommendation and voting intentions

The Directors, other than Mr Waddell, recommend that Shareholders vote in favour of Resolution 8. Each Director (other than Mr Waddell) intends to vote the Shares they control in favour of Resolution 8.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 8.

Resolution 9 – Proposed Grant of Options to Mr Errol Smart (or his nominee)

Background

The Company has agreed, subject to obtaining shareholder approval, to grant 30,000,000 options (**Director Options**) to Mr Smart (or his nominee) on the terms and conditions set out below and as set out in Schedule 3.

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue securities to a related party (unless an exception in ASX Listing Rule 10.12 applies). As a Director of the Company Mr Smart is a related party for the purposes of ASX Listing Rule 10.11. Accordingly, shareholder approval is sought pursuant to ASX Listing Rule 10.11 for the proposed grant of Director Options to Mr Smart (or his nominee).

Separate approval under ASX Listing Rule 7.1 is not required for the proposed grant of Director Options to Mr Smart (or his nominee) if shareholder approval is received under ASX Listing Rule 10.11. Accordingly, if the Resolution is passed, the grant of Director Options to Mr Smart (or his nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Shares constitutes giving a financial benefit and Mr Smart is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Smart who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Director Options because the agreement to grant the Director Options, reached as part of the remuneration package for Mr Smart, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

Shareholder Approval (ASX Listing Rule 10.11)

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options to Mr Smart (or his nominee):

- (a) the maximum number of Director Options proposed to be granted to Mr Smart (or his nominee) is 30,000,000;
- (b) subject to shareholder approval, the Director Options will be granted to Mr Smart (or his nominee) no later than 1 month after the date of the General Meeting;
- (c) the Director Options will be granted for nil cash consideration and accordingly no funds will be raised from the grant of the Director Options;
- (d) the exercise price of the Director Options is as shown in the table below. Any proceeds from the exercise of the Director Options will be used for general corporate purposes; and

Number of options	Exercise price
10,000,000	\$0.04
10,000,000	\$0.05
10,000,000	\$0.06

- (e) the terms and conditions of the Director Options proposed to be granted to Mr Smart are set out in Schedule 3.

Purpose of Resolution 9

The primary purpose of the proposed grant of Director Options to Mr Smart is to enable the Company to provide an overall market competitive remuneration package of which an appropriate component is both incentive based and promotes retention. The Board (other than Mr Smart) considered the extensive experience and reputation of Mr Smart as well as market comparable remuneration arrangements when considering the grant of the Director Options to him. The Board considers the grant of the Director Options to Mr Smart to be reasonable, given his contribution to date, the

reduction in cash remuneration and the necessity to attract the highest calibre of professional to the Company while maintaining the Company's cash reserves.

Directors' recommendation and voting intentions

The Directors, other than Mr Smart, recommend that Shareholders vote in favour of Resolution 9. Each Director (other than Mr Smart) intends to vote the Shares they control in favour of Resolution 9.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 9.

Resolution 10 – Proposed Grant of Options to Mr Alexander Haller (or his nominee)

Background

The Company has agreed, subject to obtaining shareholder approval, to grant 3,000,000 options (**Director Options**) to Mr Haller (or his nominee) on the terms and conditions set out below and on the terms set out in Schedule 3.

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue securities to a related party (unless an exception in ASX Listing Rule 10.12 applies). As a Director of the Company Mr Haller is a related party for the purposes of ASX Listing Rule 10.11. Accordingly, shareholder approval is sought pursuant to ASX Listing Rule 10.11 for the proposed grant of Director Options to Mr Haller (or his nominee).

Separate approval under ASX Listing Rule 7.1 is not required for the proposed grant of Director Options to Mr Haller (or his nominee) if shareholder approval is received under ASX Listing Rule 10.11. Accordingly, if the Resolution is passed, the grant of Director Options to Mr Haller (or his nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Shares constitutes giving a financial benefit and Mr Haller is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Haller who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Director Options because the agreement to grant the Director Options, reached as part of the remuneration package for Mr Haller, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

Shareholder Approval (ASX Listing Rule 10.11)

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options to Mr Haller (or his nominee):

- (a) the maximum number of Director Options proposed to be granted to Mr Haller (or his nominee) is 3,000,000;
- (b) subject to shareholder approval, the Director Options will be granted to Mr Haller (or his nominee) no later than 1 month after the date of the General Meeting;
- (c) the Director Options will be granted for nil cash consideration and accordingly no funds will be raised from the grant of the Director Options;
- (d) the exercise price of the Director Options is as shown in the table below. Any proceeds from the exercise of the Director Options will be used for general corporate purposes; and

Number of options	Exercise price
1,000,000	\$0.04
1,000,000	\$0.05
1,000,000	\$0.06

- (e) the terms and conditions of the Director Options proposed to be granted to Mr Haller are set out in Schedule 3.

Purpose of Resolution 10

The primary purpose of the proposed grant of Director Options to Mr Haller is to enable the Company to provide, in Mr Haller's capacity as one of the Company's Non-executive Directors, market appropriate non-executive director remuneration whilst both retaining cash reserves and also encouraging non-executive directors to have a meaningful level of investment in the Company. The Board (other than Mr Haller) considered appropriate governance practices, market remuneration levels and the extensive experience and reputation of Mr Haller when considering the grant of the

Director Options. The Board considers the grant of the Director Options to Mr Haller to be reasonable, given his contribution to date, the reduction in cash remuneration and the necessity to attract the highest calibre of professional to the Company while maintaining the Company's cash reserves.

Directors' recommendation and voting intentions

The Directors, other than Mr Haller, recommend that Shareholders vote in favour of Resolution 10. Each Director (other than Mr Haller) intends to vote the Shares they control in favour of Resolution 10.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 10.

Resolution 11 – Proposed Grant of Options to Mr Mark Palmer (or his nominee)

Background

The Company has agreed, subject to obtaining shareholder approval, to grant 3,000,000 options (**Director Options**) to Mr Palmer (or his nominee) on the terms and conditions set out below and on the terms set out in Schedule 3.

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue securities to a related party (unless an exception in ASX Listing Rule 10.12 applies). As a Director of the Company Mr Palmer is a related party for the purposes of ASX Listing Rule 10.11. Accordingly, shareholder approval is sought pursuant to ASX Listing Rule 10.11 for the proposed grant of Director Options to Mr Palmer (or his nominee).

Separate approval under ASX Listing Rule 7.1 is not required for the proposed grant of Director Options to Mr Palmer (or his nominee) if shareholder approval is received under ASX Listing Rule 10.11. Accordingly, if the Resolution is passed, the grant of Director Options to Mr Palmer (or his nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Shares constitutes giving a financial benefit and Mr Palmer is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Palmer who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Director Options because the agreement to grant the Director Options, reached as part of the remuneration package for Mr Palmer, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

Shareholder Approval (ASX Listing Rule 10.11)

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options to Mr Palmer (or his nominee):

- (a) the maximum number of Director Options proposed to be granted to Mr Palmer (or his nominee) is 3,000,000;
- (b) subject to shareholder approval, the Director Options will be granted to Mr Palmer (or his nominee) no later than 1 month after the date of the General Meeting;
- (c) the Director Options will be granted for nil cash consideration and accordingly no funds will be raised from the grant of the Director Options;
- (d) the exercise price of the Director Options is as shown in the table below. Any proceeds from the exercise of the Director Options will be used for general corporate purposes; and

Number of options	Exercise price
1,000,000	\$0.04
1,000,000	\$0.05
1,000,000	\$0.06

- (e) the terms and conditions of the Director Options proposed to be granted to Mr Palmer are set out in Schedule 3.

Purpose of Resolution 11

The primary purpose of the proposed grant of Director Options to Mr Palmer is to enable the Company to provide, in Mr Palmer's capacity as one of the Company's Non-executive Directors, market appropriate non-executive director remuneration whilst both retaining cash reserves and also encouraging non-executive directors to have a meaningful level of investment in the Company. The Board (other than Mr Palmer) considered appropriate governance practices,

market remuneration levels and the extensive experience and reputation of Mr Palmer when considering the grant of the Director Options. The Board considers the grant of the Director Options to Mr Palmer to be reasonable, given his contribution to date, the reduction in cash remuneration and the necessity to attract the highest calibre of professional to the Company while maintaining the Company's cash reserves.

Directors' recommendation and voting intentions

The Directors, other than Mr Palmer, recommend that Shareholders vote in favour of Resolution 11. Each Director (other than Mr Palmer) intends to vote the Shares they control in favour of Resolution 11.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 11.

Resolution 12 – Proposed Grant of Options to Mr Godfrey Gomwe (or his nominee)

Background

The Company has agreed, subject to obtaining shareholder approval, to grant 3,000,000 options (**Director Options**) to Mr Gomwe (or his nominee) on the terms and conditions set out below and on the terms set out in Schedule 3.

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue securities to a related party (unless an exception in ASX Listing Rule 10.12 applies). As a Director of the Company Mr Gomwe is a related party for the purposes of ASX Listing Rule 10.11. Accordingly, shareholder approval is sought pursuant to ASX Listing Rule 10.11 for the proposed grant of Director Options to Mr Gomwe (or his nominee).

Separate approval under ASX Listing Rule 7.1 is not required for the proposed grant of Director Options to Mr Gomwe (or his nominee) if shareholder approval is received under ASX Listing Rule 10.11. Accordingly, if the Resolution is passed, the grant of Director Options to Mr Gomwe (or his nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Shares constitutes giving a financial benefit and Mr Gomwe is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Gomwe who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Director Options because the agreement to grant the Director Options, reached as part of the remuneration package for Mr Gomwe, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

Shareholder Approval (ASX Listing Rule 10.11)

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options to Mr Gomwe (or his nominee):

- (a) the maximum number of Director Options proposed to be granted to Mr Gomwe (or his nominee) is 3,000,000;
- (b) subject to shareholder approval, the Director Options will be granted to Mr Gomwe (or his nominee) no later than 1 month after the date of the General Meeting;
- (c) the Director Options will be granted for nil cash consideration and accordingly no funds will be raised from the grant of the Director Options;
- (d) the exercise price of the Director Options is as shown in the table below. Any proceeds from the exercise of the Director Options will be used for general corporate purposes; and

Number of options	Exercise price
1,000,000	\$0.04
1,000,000	\$0.05
1,000,000	\$0.06

- (e) the terms and conditions of the Director Options proposed to be granted to Mr Gomwe are set out in Schedule 3.

Purpose of Resolution 12

The primary purpose of the proposed grant of Director Options to Mr Gomwe is to enable the Company to provide, in Mr Gomwe's capacity as one of the Company's Non-executive Directors, market appropriate non-executive director remuneration whilst both retaining cash reserves and also encouraging non-executive directors to have a meaningful

level of investment in the Company. The Board (other than Mr Gomwe) considered appropriate governance practices, market remuneration levels and the extensive experience and reputation of Mr Gomwe when considering the grant of the Director Options. The Board considers the grant of the Director Options to Mr Gomwe to be reasonable, given the reduction in cash remuneration and the necessity to attract the highest calibre of professional to the Company while maintaining the Company's cash reserves.

Directors' recommendation and voting intentions

The Directors, other than Mr Gomwe, recommend that Shareholders vote in favour of Resolution 12. Each Director (other than Mr Gomwe) intends to vote the Shares they control in favour of Resolution 12.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 12.

Resolution 13 – Proposed Grant of Options to Mr Thomas Borman (or his nominee)

Background

The Company has agreed, subject to obtaining shareholder approval, to grant 3,000,000 options (**Director Options**) to Mr Borman (or his nominee) on the terms and conditions set out below and on the terms set out in Schedule 3.

ASX Listing Rule 10.11 requires shareholder approval to be obtained where an entity issues, or agrees to issue securities to a related party (unless an exception in ASX Listing Rule 10.12 applies). As a Director of the Company Mr Borman is a related party for the purposes of ASX Listing Rule 10.11. Accordingly, shareholder approval is sought pursuant to ASX Listing Rule 10.11 for the proposed grant of Director Options to Mr Borman (or his nominee).

Separate approval under ASX Listing Rule 7.1 is not required for the proposed grant of Director Options to Mr Borman (or his nominee) if shareholder approval is received under ASX Listing Rule 10.11. Accordingly, if the Resolution is passed, the grant of Director Options to Mr Borman (or his nominee) will not be included in the 15% calculation of the Company's annual placement capacity pursuant to ASX Listing Rule 7.1.

Chapter 2E of the Corporations Act

For a public company, or an entity that the public company controls, to give a financial benefit to a related party of the public company, the public company or entity must:

- (a) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (b) give the benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

The grant of Shares constitutes giving a financial benefit and Mr Borman is a related party of the Company by virtue of being a Director.

The Directors (other than Mr Borman who has a material personal interest in the Resolution) consider that Shareholder approval pursuant to Chapter 2E of the Corporations Act is not required in respect of the grant of Director Options because the agreement to grant the Director Options, reached as part of the remuneration package for Mr Borman, is considered reasonable remuneration in the circumstances and was negotiated on an arm's length basis.

Shareholder Approval (ASX Listing Rule 10.11)

Pursuant to and in accordance with the requirements of ASX Listing Rule 10.13, the following information is provided in relation to the proposed grant of Director Options to Mr Borman (or his nominee):

- (a) the maximum number of Director Options proposed to be granted to Mr Borman (or his nominee) is 3,000,000;
- (b) subject to shareholder approval, the Director Options will be granted to Mr Borman (or his nominee) no later than 1 month after the date of the General Meeting;
- (c) the Director Options will be granted for nil cash consideration and accordingly no funds will be raised from the grant of the Director Options;
- (d) the exercise price of the Director Options is as shown in the table below. Any proceeds from the exercise of the Director Options will be used for general corporate purposes; and

Number of options	Exercise price
1,000,000	\$0.04
1,000,000	\$0.05
1,000,000	\$0.06

- (e) the terms and conditions of the Director Options proposed to be granted to Mr Borman are set out in Schedule 3.

Purpose of Resolution 13

The primary purpose of the proposed grant of Director Options to Mr Borman is to enable the Company to provide, in Mr Borman's capacity as one of the Company's Non-executive Directors, market appropriate non-executive director

remuneration whilst both retaining cash reserves and also encouraging non-executive directors to have a meaningful level of investment in the Company. The Board (other than Mr Borman) considered appropriate governance practices, market remuneration levels and the extensive experience and reputation of Mr Borman when considering the grant of the Director Options. The Board considers the grant of the Director Options to Mr Borman to be reasonable, given the reduction in cash remuneration and the necessity to attract the highest calibre of professional to the Company while maintaining the Company's cash reserves.

Directors' recommendation and voting intentions

The Directors, other than Mr Borman, recommend that Shareholders vote in favour of Resolution 13. Each Director (other than Mr Borman) intends to vote the Shares they control in favour of Resolution 13.

Voting intention

The Chairman of the General Meeting intends to vote all available undirected proxies in favour of Resolution 13.

Glossary

\$ means Australian dollars.

3% Creep Exemption has the meaning set out in the Background to Resolution 2.

AEMFC means African Exploration and Mining Finance Corporation (SCO) Limited.

AASMF means Anglo American sefa Mining Fund Proprietary Limited.

AASMF Share Redemption Placement has the meaning set out in the Background to Resolution 4.

AASMF Share Redemption Placement Agreement has the meaning set out in the Background to Resolution 4.

ASX means ASX Limited (ACN 008 624 691) or the financial market operated by ASX Limited, as the context requires.

ASX Listing Rules means the Listing Rules of ASX.

Attaching Option means an option to subscribe for one Share exercisable at \$0.05 each on or before 31 October 2019 and otherwise on the terms and conditions set out in Schedule 1.

AWST means Australian Western Standard Time.

Bartotrax means Bartotrax Proprietary Limited.

BEE means Black Economic Empowerment.

BEE Restructure has the meaning given in the Background to Resolution 1.

Board means the current board of directors of the Company.

Business Day means Monday to Friday inclusive, except New Year's Day, Good Friday, Easter Monday, Christmas Day, Boxing Day, and any other day that ASX declares is not a business day.

Chair means the chairperson of the Meeting.

Closely Related Party In relation to a member of Key Management Personnel, means the members' spouse, child or dependant (or a child or dependant of the member's spouse), anyone else in the member's family who may be expected to influence or be influenced by the member in the member's dealings with the Company (or the Company's group), and any company the member controls.

Company or Orion means Orion Minerals Ltd (ACN 098 939 274).

Constitution means the Company's constitution, as amended from time to time.

Corporations Act means the *Corporations Act 2001* (Cth).

Director Options means each option to subscribe for one Share to be granted to each Director pursuant to Resolutions 8 to 13 and otherwise on the terms and conditions set out in Schedule 3.

Directors means the current directors of the Company.

Existing BEE Investors means each of Mosiapoa, Power Matla and AEMFC.

Existing BEE Investor Share Exchange has the meaning set out in the Background to Resolution 1.

Existing BEE Investor Share Exchange Shares has the meaning set out in the Background to Resolution 1.

Explanatory Memorandum means the explanatory memorandum accompanying the Notice.

General Meeting or Meeting means the meeting convened by the Notice.

Independent Directors means each of Messrs Denis Waddell, Alexander Haller, Errol Smart, Godfrey Gomwe and Thomas Borman.

JSE means the Johannesburg Stock Exchange.

Key Management Personnel Means those people who have authority and responsibility for planning, directing and controlling the activities of the Company or the Company's group, whether directly or indirectly. Members of the Key Management Personnel include Directors (both executive and non-executive) and certain senior executives.

Mosiapoa means The Trustees for the time being of the Mosiapoa Family Trust (or its nominee).

Notice or Notice of Meeting means this notice of meeting including the Explanatory Memorandum and the Proxy Form.

Power Matla means Power Matla Proprietary Limited.

Preference Shares has the meaning set out in the Background to Resolution 3.

Proxy Form means the proxy form accompanying the Notice.

Repli means Repli Trading No.27 Pty Ltd.

Resolutions means the resolutions set out in the Notice, or any one of them, as the context requires.

Rich Rewards means Rich Rewards Trading 437 Proprietary Limited.

SA Time means South African time.

Share means a fully paid ordinary share in the capital of the Company.

Shareholder means a member of the Company from time to time.

Share Registry means Link Market Services Limited.

Subscription Agreement has the meaning set out in the Background to Resolution 4.

Tembo Capital means Tembo Capital Mining Fund II LP and its affiliated entities.

Tembo Options means each option to subscribe for one Share to be issued to Tembo Capital, exercisable at \$0.03 each on or before 5 years from the date of issue and otherwise on the terms and conditions set out in Schedule 2.

Vardocube means Vardocube Proprietary Limited.

Schedule 1 – Terms and Conditions of Attaching Options (General Placement 1 and General Placement 2)

The Attaching Options to be granted will be granted on the following terms and conditions:

- (a) Each Attaching Option gives the optionholder the right to subscribe for one ordinary share (**Share**) in the capital of Orion Minerals Ltd (**Company**) upon exercise of the Attaching Option in accordance with the terms and conditions of the Attaching Options.
- (b) The Attaching Options may not be transferred.
- (c) The Attaching Options will expire at 5.00pm (Melbourne time) on 31 October 2019 (**Expiry Date**). Any Attaching Options not exercised prior to the Expiry Date will automatically expire at this time. The amount payable upon exercise of each Attaching Option is \$0.05 (**Exercise Price**).
- (d) The Attaching Options held by the optionholder may only be exercised in whole (not in part).
- (e) Subject to paragraphs (f) and (g), the optionholder may exercise their Attaching Options by lodging with the Company, before the Expiry Date:
 - A. a written notice of exercise of Attaching Options specifying the number of Attaching Options being exercised; and
 - B. a cheque or electronic funds transfer for the Exercise Price for the number of Attaching Options being exercised,**(Exercise Notice)**.
- (f) The optionholder must notify the Company in writing at least 10 Business Days prior to issuing an Exercise Notice of its intention to do so.
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (h) Within 10 Business Days of receipt of an effective Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Attaching Options specified in the Exercise Notice.
- (i) Notwithstanding any other term of these Attaching Options, the Company is entitled to refuse to issue Shares upon application for exercise of the Attaching Options, if the exercise would result in a person acquiring voting power (as that term is defined in the Corporations Act 2001 (Cth) (**Corporations Act**) in the Company of greater than 20% in breach of section 606 of the Corporations Act (or any equivalent provision) provided that the Company must take all steps within its power (including providing information and holding shareholder meetings) to assist the optionholder to obtain such approvals as are required.
- (j) Subject to paragraph (k), all Shares issued upon the exercise of Attaching Options will, from the date of issue, rank *pari passu* in all respects with other Shares.
- (k) A Share issued upon the exercise of Attaching Options is only entitled to receive a dividend where the Attaching Option has been exercised and the Share is issued on or before the record date for that dividend.
- (l) The Company will not apply for quotation of the Attaching Options on ASX or JSE. However, Orion will apply for quotation of all Shares issued pursuant to the exercise of Attaching Options on the ASX or JSE (as requested by the optionholder) promptly after the issue of those Shares.
- (m) Subject to paragraphs (o), (p) and (q), the optionholder will not be entitled to participate in new issues of capital offered to holders of Shares in the Company prior to the exercise of the Attaching Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 2 Business Days after the issue is announced. This will give the optionholder the opportunity to exercise their Attaching Options prior to the date for determining entitlements to participate in any such issue.
- (n) The optionholder will not have any right to attend and vote at general meetings.
- (o) In the event of any reconstruction or reorganisation (including consolidation, subdivision, reduction or return of capital) of the Company, the Attaching Options shall be treated in a manner consistent with the Corporations Act and the ASX Listing Rules as in force as at the date of any such reconstruction.
- (p) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Attaching Options, the exercise price of the Attaching Options may be reduced in accordance with the formula set out in the ASX Listing Rules from time to time.
- (q) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Attaching Options, the number of securities over which an Attaching Option is exercisable may be increased by the number of securities which the optionholder would have received if the Attaching Option had been exercised before the record date for the bonus issue in accordance with the ASX Listing Rules.
- (r) Other than as provided for above, the Attaching Options do not confer any right upon the optionholder to a change in the exercise price of each Attaching Option or a change in the number of Shares over which each Attaching Option can be exercised.
- (s) Any notices to an optionholder regarding an Attaching Option will be sent to the address of the optionholder in the Register.
- (t) The Company is not responsible for any duties or taxes which may become payable in connection with the issue of Shares pursuant to an exercise of the Attaching Options or any other dealing with the Attaching Options or Shares.

Schedule 2 – Terms and Conditions of Tembo Options

The Tembo Options to be granted will be granted on the following terms and conditions:

- (a) Each Tembo Option gives the optionholder the right to subscribe for one ordinary share (**Share**) in the capital of Orion Minerals Ltd (**Company**) upon exercise of the Tembo Option in accordance with the terms and conditions of the Tembo Options.
- (b) The Tembo Options may not be transferred.
- (c) The Tembo Options will expire at 5.00pm (Melbourne time) on the date which is 5 years after the date of issue of the Tembo Options (**Expiry Date**). Any Tembo Options not exercised prior to the Expiry Date will automatically expire at this time. The amount payable upon exercise of each Tembo Option is \$0.03 (**Exercise Price**).
- (d) The Tembo Options held by the optionholder may only be exercised in whole (not in part).
- (e) Subject to paragraphs (f) and (g), the optionholder may exercise their Tembo Options by lodging with the Company, before the Expiry Date:
 - A. a written notice of exercise of Tembo Options specifying the number of Tembo Options being exercised; and
 - B. a cheque or electronic funds transfer for the Exercise Price for the number of Tembo Options being exercised,
(Exercise Notice).
- (f) The optionholder must notify the Company in writing at least 10 Business Days prior to issuing an Exercise Notice of its intention to do so.
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (h) Within 10 Business Days of receipt of an effective Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Tembo Options specified in the Exercise Notice.
- (i) Notwithstanding any other term of these Tembo Options, the obligation of the Company to issue Shares upon application for exercise of the Tembo Options is subject to receipt of approval of the Company's shareholders.
- (j) Subject to paragraph (k), all Shares issued upon the exercise of Tembo Options will, from the date of issue, rank pari passu in all respects with other Shares.
- (k) A Share issued upon the exercise of Tembo Options is only entitled to receive a dividend where the Tembo Option has been exercised and the Share is issued on or before the record date for that dividend.
- (l) The Company will not apply for quotation of the Tembo Options on ASX or JSE. However, Orion will apply for quotation of all Shares issued pursuant to the exercise of Tembo Options on the ASX promptly after the issue of those Shares.
- (m) Subject to paragraphs (o), (p) and (q), the optionholder will not be entitled to participate in new issues of capital offered to holders of Shares in the Company prior to the exercise of the Tembo Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 2 Business Days after the issue is announced. This will give the optionholder the opportunity to exercise their Tembo Options prior to the date for determining entitlements to participate in any such issue.
- (n) The optionholder will not have any right to attend and vote at general meetings.
- (o) In the event of any reconstruction or reorganisation (including consolidation, subdivision, reduction or return of capital) of the Company, the Tembo Options shall be treated in a manner consistent with the Corporations Act and the ASX Listing Rules as in force as at the date of any such reconstruction.
- (p) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of issue of the Tembo Options, the exercise price of the Tembo Options may be reduced in accordance with the formula set out in the ASX Listing Rules from time to time.
- (q) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of issue of the Tembo Options, the number of securities over which a Tembo Option is exercisable may be increased by the number of securities which the optionholder would have received if the Tembo Option had been exercised before the record date for the bonus issue in accordance with the ASX Listing Rules.
- (r) Other than as provided for above, the Tembo Options do not confer any right upon the optionholder to a change in the exercise price of each Tembo Option or a change in the number of Shares over which each Tembo Option can be exercised.
- (s) Any notices to an optionholder regarding a Tembo Option will be sent to the address of the optionholder in the Register.
- (t) The Company is not responsible for any duties or taxes which may become payable in connection with the issue of Shares pursuant to an exercise of the Tembo Options or any other dealing with the Tembo Options or Shares.

Schedule 3 – Terms and Conditions of Director Options

- (a) Each Director Option gives the optionholder the right to subscribe for one ordinary share (**Share**) in the capital of Orion Minerals Ltd (**Company**) upon exercise of the Director Options in accordance with the terms and conditions of the Director Options.
- (b) The Director Options vest as follows:
- A. subject to paragraph (B), one third of the Director Options held by each optionholder will vest on 30 April 2019, one third of the Director Options held by each optionholder will vest on 30 April 2020 and one third of the Director Options held by each optionholder will vest on 30 April 2021; and
 - B. notwithstanding paragraph (A), 100% of the Director Options will vest immediately upon:
 - i. the Board of the Company making a recommendation to Shareholders to accept a takeover bid for all of the issued Shares of the Company;
 - ii. the despatch of a notice of general meeting to consider a scheme of arrangement between the Company and its creditors or members or any class thereof pursuant to section 411 of the Corporations Act; or
 - iii. the date upon which a person or a group of associated persons becomes entitled subsequent to the date of grant of the Director Options, to sufficient Shares to give it or them the ability, in general meeting, to replace all or a majority of the Board in circumstances where such ability was not already held by a person associated with such person or group of associated persons.
- (c) The Director Options will expire as follows:
- A. notwithstanding paragraph (B), where the optionholder ceases to be a Director of Orion for any reason, then, unless otherwise resolved by the Board of the Company, any Director Options which have not yet vested at that time will be forfeited by the optionholder and shall expire.
 - B. subject to paragraph (A), the Director Options held by an optionholder will expire on the earlier of:
 - i. 60 days subsequent to the date on which the relevant optionholder ceases to be a Director; and
 - ii. 5.00pm (Melbourne time) on 30 April 2024,**(Expiry Date)**. Any vested Director Options not exercised will automatically expire at this time.

- (d) The amount payable upon exercise of each Director Option will be as set out in the table below (**Exercise Price**).

Number of options	Exercise price	Vesting Date
One third of the Director Options held by the optionholder	\$0.04	30 April 2019
One third of the Director Options held by the optionholder	\$0.05	30 April 2020
One third of the Director Options held by the optionholder	\$0.06	30 April 2021

- (e) The Director Options held by the optionholder may be exercised in whole or in part, and if exercised in part, multiples of 1,000 must be exercised on each occasion.
- (f) Subject to paragraph (e), the optionholder may exercise their Director Options by lodging with the Company, on or after the Vesting Date and before the Expiry Date:
- A. a written notice of exercise of Director Options specifying the number of Director Options being exercised; and
 - B. a cheque or electronic funds transfer for the Exercise Price for the number of Director Options being exercised,
- (Exercise Notice)**
- .
- (g) An Exercise Notice is only effective when the Company has received the full amount of the Exercise Price in cleared funds.
- (h) Within 10 Business Days of receipt of an effective Exercise Notice accompanied by the Exercise Price, the Company will issue the number of Shares required under these terms and conditions in respect of the number of Director Options specified in the Exercise Notice.
- (i) The Director Options may not be transferred or encumbered without the Board's prior approval.
- (j) All Shares issued upon the exercise of Director Options will from the date of issue rank pari passu in all respects with other Shares.
- (k) The Company will not apply for quotation of the Director Options on ASX. However, the Company will apply for quotation of all Shares issued pursuant to the exercise of Director Options on ASX within 10 Business Days after the date of issue of those Shares.
- (l) Subject to paragraphs (n) and (p), the optionholder will not be entitled to participate in new issues of capital offered to holders of Shares in the Company prior to the exercise of the Director Options. However, the Company will ensure that for the purposes of determining entitlements to any such issue, the record date will be at least 2 Business Days after the issue is announced. This will give the optionholder the opportunity to exercise their Director Options prior to the date for determining entitlements to participate in any such issue.
- (m) The optionholder will not have any right to attend and vote at general meetings.

- (n) In the event of any reconstruction or reorganisation (including consolidation, subdivision, reduction or return of capital) of the Company, the Director Options shall be treated in a manner consistent with the Corporations Act and the ASX Listing Rules as in force as at the date of any such reconstruction.
- (o) In the event the Company proceeds with a pro rata issue (except a bonus issue) of securities to Shareholders after the date of grant of the Director Options, the exercise price of the Director Options may be reduced in accordance with the formula set out in the ASX Listing Rules in force from time to time.
- (p) In the event the Company proceeds with a bonus issue of securities to Shareholders after the date of grant of the Director Options, the number of securities over which a Director Option is exercisable may be increased by the number of securities which the optionholder would have received if the Director Option had been exercised before the record date for the bonus issue in accordance with the ASX Listing Rules in force from time to time.
- (q) Other than as provided for above, the Director Options do not confer any right upon the optionholder to a change in the exercise price of each Director Option or a change in the number of Shares over which each Director Option can be exercised



Orion Minerals Ltd

ABN 76 098 939 274

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Orion Minerals Ltd
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138

ALL ENQUIRIES TO
Telephone: +61 1300 554 474

LODGE MENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **3:00pm (AWST) on Wednesday, 5 June 2019**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE
www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the reverse of this Proxy Form).

BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link www.linkmarketservices.com.au into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.

QR Code



HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolutions are connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

**IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU.
THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.**

NAME SURNAME
 ADDRESS LINE 1
 ADDRESS LINE 2
 ADDRESS LINE 3
 ADDRESS LINE 4
 ADDRESS LINE 5
 ADDRESS LINE 6



X9999999999

PROXY FORM

I/We being a member(s) of Orion Minerals Ltd and entitled to attend and vote hereby appoint:

APPOINT A PROXY

the Chairman of the Meeting (mark box)

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

STEP 1

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the General Meeting of the Company to be held at **3:00pm (AWST) on Friday, 7 June 2019 at Clayton Utz, Level 27, QV. 1 Building, 250 St Georges Terrace, Perth, Western Australia** (the Meeting) and at any postponement or adjournment of the Meeting.

Important for Resolutions 8-13: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolutions 8-13, even though the Resolutions are connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (KMP).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting. Please read the voting instructions overleaf before marking any boxes with an

Resolutions

	For	Against	Abstain*		For	Against	Abstain*
1 Approval to Issue Shares - Existing BEE Investor Share Exchange	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 Proposed grant of Director Options to Mr Errol Smart (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Ratification of Prior Issue - General Placement 1 Shares and Attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10 Proposed grant of Director Options to Mr Alexander Haller (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Approval to Issue Shares - General Placement 2 Shares and Attaching Options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11 Proposed grant of Director Options to Mr Mark Palmer (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval to Issue Shares - Anglo American sefa Mining Fund Proprietary Limited - Replli Preference Share Redemption	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12 Proposed grant of Director Options to Mr Godfrey Gomwe (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval to Issue Options - Tembo Capital	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13 Proposed grant of Director Options to Mr Thomas Borman (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Re-election of Mr Thomas Borman	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
7 Re-election of Mr Godfrey Gomwe	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				
8 Proposed grant of Director Options to Mr Denis Waddell (or his nominee)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>				



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 2

SIGNATURE OF SHAREHOLDERS - THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

STEP 3

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

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