



Orion Minerals

ASX/JSE RELEASE: 1 September 2020

Managing Director and CEO Remuneration

Orion Minerals Limited (**ASX/JSE: ORN**) (**Orion** or the **Company**) is pleased to advise that effective 1 September 2020, a revised remuneration structure has been agreed with Orion's Managing Director and Chief Executive Officer, Mr Errol Smart.

On 29 April 2020, the Company announced that a revised remuneration structure had been agreed with Mr Smart which included a significant reduction in the cash component of his package from \$300,000 per annum to \$257,600 per annum. This reduction was part of the implementation of cost savings and asset preservation initiatives across its business due to the impact of COVID-19.

Following the successful capital raising which was announced to the ASX on 7 August 2020 and the positive progress made on the Prieska Copper- Zinc Project, including the grant of the water use licence (refer ASX release 6 August 2020) and the grant of the final mining right (refer ASX release 17 August 2020), the Board has approved the reinstatement of Executives' remuneration and Director fees from the reduced amounts announced on 29 April 2020. Such reinstatement is effective from 1 September 2020.

In addition to the reinstatement of Mr Smart's cash remuneration, and based on a review of mining industry remuneration packages for Managing Directors / CEOs of companies similar to Orion, the Board has approved an increase in Mr Smart's cash remuneration from \$300,000 per annum to \$322,000.

The principal components of Mr Smart's revised remuneration structure are set out in Appendix 1.

For and on behalf of the Board.

Denis Waddell
Chairman

ENQUIRIES

Investors

Errol Smart – Managing Director & CEO

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Appendix 1: Key terms of Mr Smart's remuneration from 1 September 2020

The principal components of Mr Smart's revised remuneration structure, which is effective 1 September 2020 are as follows:

1. Fixed component of \$322,000 per annum (**FAR**) (reinstated from \$257,600 to \$300,00 and increased to \$322,000).
2. Mr Smart is eligible to participate in Orion's short term incentive plan, to receive awards of up to 50% of his FAR annually. Mr Smart's entitlement to any short term incentive award will be based on achievement of certain key performance indicators and performance objectives, as determined by the Board in its discretion. Any equity securities issued to Mr Smart under a short term incentive award, will be subject to shareholder approval (**unchanged**).
3. Mr Smart is eligible to participate in Orion's long term incentive plan, to receive awards of up to 50% of his FAR. Mr Smart's entitlement to any long term incentive award will be subject to the achievement of certain key performance indicators and performance objectives, as determined by the Board in its discretion. Any equity securities issued to Mr Smart under a long term incentive award, will be subject to shareholder approval (**unchanged**).
4. Orion may terminate Mr Smart's engagement at any time on 6 months' notice. The terms of Mr Smart's engagement permit Orion to make payment in lieu of notice, except where a payment is made upon redundancy or in the event of a reorganisation (as contemplated in paragraph 5 below) (if applicable). Mr Smart may terminate his engagement with Orion at any time on 3 months' notice (**unchanged**).
5. In the event that the position of Managing Director and CEO is made redundant, or on the occurrence of a reorganisation where Mr Smart gives notice of termination within 30 days of completion of the reorganisation, Mr Smart will be entitled to be paid an amount equivalent to 6 months' remuneration (**unchanged**).

In addition, Orion announced to the ASX on 29 April 2020, that as part of Mr Smart's remuneration package, shareholder approval will be sought for the issue of the following unlisted options to Mr Smart. Approval for the issue of the options will be sought at the Company's General Meeting to be held on 29 September 2020.

Number of options	Exercise price	Vest	Expiry
10,000,000	\$0.028	31 March 2020	31 March 2025
10,000,000	\$0.035	31 March 2021	31 March 2025
10,000,000	\$0.04	31 March 2022	31 March 2025