



Orion Minerals

ASX/JSE RELEASE: 31 May 2018

Tembo Capital extends term of \$6M Bridge Loan advanced for the Prieska Zinc-Copper Project

Orion Minerals Ltd (ASX/JSE: ORN) (Orion or the Company) is pleased to advise that mining-focused, private equity group Tembo Capital (**Tembo**), has confirmed its continued support of Orion through an extension to the term of the \$6M bridge loan facility from 31 May 2018 to 30 September 2018.

On 18 August 2017, Orion announced that a \$6M bridge loan facility had been agreed with Tembo Capital Mining Fund II LP (**Bridge Loan**). In addition to the Bridge Loan, Tembo's affiliate, Ndovu Capital X BV subscribed for 73M ordinary Orion shares (**Shares**) through the placement of Shares to raise \$1.75M at an issue price of 2.4 cents per Share.

Under the terms of Bridge Loan, Orion agreed that it will use best endeavours to undertake a capital raising by 15 December 2017 (extended to 31 May 2018 and now extended to 30 September 2018), to raise additional equity to progress the Prieska Zinc-Copper Project bankable feasibility study and to continue its South African exploration programs (refer to ASX release 18 August 2017 for key terms of the Bridge Loan and ASX release 15 November 2017).

On 18 May 2018, the Company announced that it has taken another important step in its base metal development strategy in South Africa after entering into an agreement with Independence Group NL (**IGO**), that sees the leading mid-tier miner and explorer become a substantial shareholder in Orion and cement a collaborative working relationship between the two companies. IGO subscribed for a placement of Shares in Orion at 5.0 cents per Share, raising \$5.0M (**Placement**). The agreement also set out the terms of an agreed collaborative working relationship between the two parties, whereby IGO has secured matching rights to any potential joint venture or sale of Orion's nickel projects located in the Areachap Belt, South Africa.

The extension to the term of the Bridge Loan relieves Orion of its requirement to repay the loan by 31 May 2018 ensuring that proceeds from the Placement can be used principally to progress the redevelopment of Orion's flagship Prieska Zinc-Copper Project in South Africa and progress its highly prospective regional Nickel-Copper-Cobalt and Zinc-Copper exploration projects within the Areachap Belt.

Denis Waddell
Chairman

ENQUIRIES

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Orion Minerals Limited

Incorporated in the Commonwealth of Australia

ACN: 098 939 274

Ordinary shares on issue: 1,390m | Options on issue: 191m

www.orionminerals.com.au

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