



Orion Minerals

ASX/JSE RELEASE: 29 June 2018

Completion of Tranche 1 Share Issue and lodgement of Appendix 3B

Orion Minerals Ltd (ASX/JSE: ORN) announced on 25 June 2018 an \$11M capital raising at an issue price of \$0.037 per fully paid ordinary share (**Share**), to be conducted via a placement to sophisticated and professional investors.

The Company is pleased to advise that Orion's Black Economic Empowerment Partner in South Africa has subscribed for an additional \$0.25M in Shares which will be added to Tranche 2 of the placement, at an issue price of \$0.037 per Share, being the issue price for Shares issued under the placement (together the **Placement**).

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

- Tranche 1 – 91.6M Shares using the Company's 15% placement capacity under ASX Listing Rule 7.1 to raise \$3.39M; and
- Tranche 2 – 212.5M Shares to raise \$7.86M (subject to shareholder approval, to be sought at a General Meeting planned to be held in early August 2018).

The Company will also seek shareholder approval at the General Meeting pursuant to ASX Listing Rule 10.11 to enable the Chairman, Denis Waddell, to subscribe for 6.8M Shares at the same issue price as the Shares being offered under the Placement to raise \$0.25M.

Orion has today issued Tranche 1 Shares, being 91,600,000 Shares in the Company at \$0.037 cents per Share, to raise \$3.39M.

Proceeds from the Placement will be used principally to finalise the bankable feasibility study on the Company's flagship Prieska Zinc-Copper Project, which is scheduled to be completed late 2018 or early 2019. Funds will also be used to continue exploration programs on the Company's highly prospective tenements located in the Northern Cape, South Africa and for working capital.

In addition to the Placement, Tembo Capital Mining Fund II LP and its affiliated entities (**Tembo Capital**), has confirmed its continued support of Orion through subscribing for \$6.4M in Shares, at an issue price of \$0.037 per Share, being the issue price for Shares issued under the Placement (subject to shareholder approval). Orion announced on 18 August 2017 that it had entered into a loan facility agreement with Tembo Capital, pursuant to which Tembo Capital has advanced \$6M in funds to Orion (excluding capitalised interest and fees) (**Loan Facility**). Tembo Capital's Share subscription will be issued in consideration for reducing the amount re-payable to Tembo Capital under the Loan Facility.

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

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

Denis Waddell
Chairman

ENQUIRIES

Investors

Errol Smart – Managing
Director & CEO

Denis Waddell – Chairman

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Disclaimer

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

- disclaim any obligations or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions;
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- disclaim all responsibility and liability for these forward-looking statements (including, without limitation, liability for negligence).

Appendix 3B

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

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

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

Name of entity

Orion Minerals Ltd

ABN

76 098 939 274

We (the entity) give ASX the following information.

Part 1 - All issues

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

- | | | |
|---|---|-----------------------------|
| 1 | +Class of +securities issued or to be issued | Fully paid ordinary shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 91,600,000. |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the ⁺securities rank equally in all respects from the ⁺issue date with an existing ⁺class of quoted ⁺securities?</p> <p>If the additional ⁺securities do not rank equally, please state:</p> <ul style="list-style-type: none"> • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>Shares rank equally with all other fully paid ordinary shares on issue.</p>
<p>5 Issue price or consideration</p>	<p>3.7 cents per fully paid ordinary share.</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>Funds will be used principally to progress the Company's Prieska Zinc-Copper Project bankable feasibility study, continue exploration programs on the Company's Northern Cape South African tenements and for general working capital purposes.</p>
<p>6a Is the entity an ⁺eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the ⁺securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>No.</p>
<p>6b The date the security holder resolution under rule 7.1A was passed</p>	<p>Not applicable.</p>
<p>6c Number of ⁺securities issued without security holder approval under rule 7.1</p>	<p>Not applicable.</p>
<p>6d Number of ⁺securities issued with security holder approval under rule 7.1A</p>	<p>Not applicable.</p>
<p>6e Number of ⁺securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)</p>	<p>Not applicable.</p>

+ See chapter 19 for defined terms.

6f	Number of +securities issued under an exception in rule 7.2	Not applicable.									
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not applicable.									
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable.									
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Rule 7.1 – 565 Rule 7.1A – Not applicable.									
7	<p>+Issue dates</p> <p>Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.</p> <p>Cross reference: item 33 of Appendix 3B.</p>	29 June 2018.									
8	Number and +class of all +securities quoted on ASX (including the +securities in section 2 if applicable)	<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1,481,603,768</td> <td>Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	1,481,603,768	Fully paid ordinary shares	<table border="1" style="width: 100%;"> <thead> <tr> <th style="text-align: left;">Number</th> <th style="text-align: left;">+Class</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">1,481,603,768</td> <td>Fully paid ordinary shares</td> </tr> </tbody> </table>	Number	+Class	1,481,603,768	Fully paid ordinary shares
Number	+Class										
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+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

	Number	+Class	
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	232,692,294	Convertible notes.
		94,321,464	Unlisted options exercisable at \$0.0462 expiring 29 March 2019.
		18,333,333	Unlisted options exercisable at \$0.02 expiring 30 November 2020.
		18,333,333	Unlisted options exercisable at \$0.035 expiring 30 November 2020.
		18,333,334	Unlisted options exercisable at \$0.05 expiring 30 November 2020.
		12,300,000	Unlisted options exercisable at \$0.03 expiring 31 May 2022.
		12,300,000	Unlisted options exercisable at \$0.045 expiring 31 May 2022.
		12,300,000	Unlisted options exercisable at \$0.06 expiring 31 May 2022.
		250,000	Unlisted options exercisable at \$0.045 expiring 30 November 2019.
		250,000	Unlisted options exercisable at \$0.06 expiring 30 November 2019.
		2,200,000	Unlisted options exercisable at \$0.05 expiring 30 June 2020.
		1,900,000	Unlisted options exercisable at \$0.035 expiring 30 June 2020.
	10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable.

Part 2 - Pro rata issue

Questions 11 to 33 Not Applicable

Part 3 - Quotation of securities

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

- 34 Type of +securities
(tick one)
- (a) +Securities described in Part 1
- (b) All other +securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Questions 35 to 37 - Not Applicable

Entities that have ticked box 34(b)

+ See chapter 19 for defined terms.

Questions 38 to 42 - Not Applicable

Quotation agreement

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



Sign here: Martin Bouwmeester
Company Secretary
Date: 29 June 2018

+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital																
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated																
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	917,420,440															
Add the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 25%; text-align: right;">73,000,000</td> <td style="width: 25%; text-align: right;">17 August 2017</td> </tr> <tr> <td></td> <td style="text-align: right;">144,583,329</td> <td style="text-align: right;">3 November 2017</td> </tr> <tr> <td></td> <td style="text-align: right;">84,583,333</td> <td style="text-align: right;">18 December 2017</td> </tr> <tr> <td></td> <td style="text-align: right;">10,416,666</td> <td style="text-align: right;">19 December 2017</td> </tr> <tr> <td></td> <td style="text-align: right;">60,000,000</td> <td style="text-align: right;">29 December 2017</td> </tr> </table>		73,000,000	17 August 2017		144,583,329	3 November 2017		84,583,333	18 December 2017		10,416,666	19 December 2017		60,000,000	29 December 2017
	73,000,000	17 August 2017														
	144,583,329	3 November 2017														
	84,583,333	18 December 2017														
	10,416,666	19 December 2017														
	60,000,000	29 December 2017														
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	Nil															
“A”	1,290,003,768															

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”							
“B”	0.15 Note: this value cannot be changed						
Multiply “A” by 0.15	193,500,565						
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used							
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">1,900,000</td> <td style="width: 50%;">21 December 2017</td> </tr> <tr> <td>100,000,000</td> <td>21 May 2018</td> </tr> <tr> <td>91,600,000</td> <td>29 June 2018</td> </tr> </table>	1,900,000	21 December 2017	100,000,000	21 May 2018	91,600,000	29 June 2018
1,900,000	21 December 2017						
100,000,000	21 May 2018						
91,600,000	29 June 2018						
“C”	193,500,000						
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1							
“A” x 0.15 <i>Note: number must be same as shown in Step 2</i>	193,500,565						
Subtract “C” <i>Note: number must be same as shown in Step 3</i>	193,500,000						
Total [“A” x 0.15] – “C”	565 [Note: this is the remaining placement capacity under rule 7.1]						

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	Not applicable.
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	
“E”	
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.