



ORION METALS LIMITED

ANNUAL REPORT 2024

ORION METALS LIMITED
ACN 096 142 737

CONTENTS

	PAGE
Corporate Directory	2
Corporate Governance Statement	4
Annual Review of Operations	10
Shareholder Information	11
Directors' Report & Financial Statements	13

**ORION METALS LIMITED
ACN 096 142 737**

CORPORATE DIRECTORY

ORION METALS LIMITED

ABN: 89 096 142 737

ASX Code: ORM

Board of Directors

Dr Yi Yang – Non-executive Chairman
Mr Yu Zhou – Non-executive Director
Dr Feng Wu – Executive Director
Mr Bin Cai – Executive Director & CFO

Company Secretary

Mr John Lemon

Registered & Administrative Office

221 Jesmond Road
Fig Tree Pocket
Queensland 4069

Contact Details

GPO Box 7115 Brisbane QLD 4001

Phone: +61 4 1397 6908

www.orionmetals.com.au

Shares Registrar

Link Market Services Limited
Level 21
10 Eagle Street
Brisbane, Queensland
Phone: +61 1300 554 474
Facsimile: +61 2 9287 0309

Banker

Westpac Banking Corporation
240 Queen Street
Brisbane, Queensland
Phone: +61 7 3227 2110

**ORION METALS LIMITED
ACN 096 142 737**

**CORPORATE DIRECTORY
(cont'd)**

Lawyers

Jones Day
Level 31
Riverside Centre
123 Eagle Street
Brisbane, Queensland
Phone: +61 7 3085 7000
Facsimile: +61 7 3085 7099

Auditor

BDO Audit Pty Ltd
Level 10
12 Creek Street
Brisbane, Queensland
Phone: +61 7 3237 5999
Facsimile: +61 7 3221 9227

ORION METALS LIMITED
ACN 096 142 737

Corporate Governance Statement

The Australian Securities Exchange (“ASX”) Listing Rules require listed companies to include in their Annual Report, or post on their website and release on the ASX, a statement disclosing the extent to which they have complied in the reporting period with the recommendations of the ASX Corporate Governance Council (“Recommendations”) set out in the 4th Edition of their ‘Corporate Governance Principles & Recommendations’.

These Recommendations are guidelines designed to improve the efficiency, quality and integrity of listed companies. The Recommendations are not prescriptive so that if a company considers that a recommendation is inappropriate having regard to its own circumstances, the company has the flexibility not to follow it. Where a company has not followed any of the Recommendations, their Corporate Governance Statement (“Statement”) must identify which Recommendations have not been followed and give reasons for not following them.

The Board of Orion Metals Limited (“Company”) has implemented the Recommendations insofar as they are relevant to the size of the Company and the nature of its activities at the present time. Details of the Company’s compliance and the reasons for any non-compliance are addressed in this Statement which, together with the Company’s Corporate Governance Charter (“Charter”), its various policies, and other information for shareholders, is available on the Company’s website: www.orionmetals.com.au.

Role of the Board

The Board’s primary responsibility is to oversee the Company’s business activities and management for the benefit of all shareholders which it accomplishes by:

- establishing corporate governance and ethical business standards;
- setting and monitoring objectives, goals and strategic direction with a view to maximising shareholder value;
- approving and monitoring budgets and financial performance;
- ensuring adequate internal controls exist and are appropriately monitored for compliance;
- ensuring significant business risks are identified and appropriately managed;
- approving financial and other reporting, and announcements prior to lodgement with the ASX and release to shareholders;
- ensuring the composition of the Board is appropriate, selecting directors for appointment to the Board and reviewing the performance of the Board and the contributions of individual directors; and
- setting remuneration policy and evaluating the performance of senior executives.

Board Composition

The current Board comprises non-executive directors: Dr Yi Yang, appointed 22 July 2016 who is the Company’s Chairman, and Mr Yu Zhou, appointed 11 March 2021, and 2 executive directors: Dr Feng Wu, appointed 22 July 2016, who is responsible for compliance and Mr Bin Cai, appointed 25 July 2012, who is also the Chief Financial Officer (“CFO”) and acts as the Chief Executive Officer (“CEO”) when required.

The Board considers that an independent director is a non-executive director who meets the criteria for independence included in the Recommendations. So, on this basis, there are no independent directors at the present time as Dr Yi Yang is a controller of the Company’s largest shareholder and Mr Yu Zhou has worked for companies associated with both Dr Yang and Mr Bin Cai in recent years.

The Board has not at this time set any specific materiality thresholds in relation to directors on the basis that such are considered subjective, may depend on each relevant situation and do not impact on independence criteria.

The Board believes that, given the size of the Company and its stage of commercial maturity, it is not practical to appoint any additional independent directors to the Board and considers industry experience and specific expertise, as well as general corporate experience, to be more important attributes of its Board members than independence at this time.

The Board also does not consider it necessary yet to address Board succession in view of the fact that most of the directors are associated in some way or are shareholder nominees and any changes at the present time will be directed by those shareholders. If the Company's activities increase in size, nature and scope, the composition and size of the Board will be reviewed periodically to ensure it comprises the optimum number of directors required to adequately supervise the Company's business.

All current directors have a broad range of qualifications, experience and expertise in managing companies, including those involved in minerals exploration, as set out in the Directors' Report and the following matrix of the Board's assessment of their current skills and diversity:

Skills & Experience		Diversity / Demographic Background	
Corporate governance	High	<i>Gender</i>	
Strategic planning	High	Male	4
International	High	Female	0
Mining/exploration industry	Medium	<i>Age</i>	
Risk management	High	25-40	0
Financial management	High	41-55	3
Technology/IT	High	56-70	1
Digital/social media	High	Over 70	0
Leadership	High	<i>Ethnicity</i>	
Legal	Medium	Aboriginal or Torres Straits Islander	0
Stakeholder relationships	High	Asian	4
		White/Caucasian	0
		Other	0

There is no requirement for any director to have a shareholding in the Company, however a majority of the current directors do hold indirect interests in the Company's shares and half are the nominees of substantial shareholders in the Company.

Both non-executive directors' and executive directors' remuneration is set by the Board at what they consider to be relatively modest levels compared to similar companies and, for non-executive directors, is well within the aggregate amount payable approved by shareholders, being \$300,000 last approved at the Annual General Meeting ("AGM") in June 2011. The Company does not have any equity-based remuneration scheme other than a Performance Rights Plan under which grantees of performance rights may receive shares in the Company upon the meeting of specified conditions precedent to the granting of the shares.

The evaluation of individual director's performance is undertaken when considered appropriate. No such evaluation was undertaken in the most recent reporting period given the nature of the appointments to the current Board.

Directors have written agreements with the Company setting out the terms of their appointment as directors. However, the 2 executive directors do not have any written agreement as to the terms and conditions of their executive roles and responsibilities as the Board considers this unnecessary given they are

shareholder nominee appointments. Senior executive staff are employed under written contractual arrangements.

All directors, apart from one with the responsibilities of a Managing Director, are subject to shareholder re-election following initial appointment and by rotation at least every three years. The Company's Constitution provides that one-third of the directors retire by rotation each AGM. Those directors who are retiring may submit themselves for re-election by shareholders, including any director appointed to fill a casual vacancy since the date of the last AGM.

The Board considers that as most of the current directors are nominees of major shareholders, and the other is well-known to the Chairman, there is no need to undertake any in-depth probity or other background checking of either new director appointees or candidates for election by shareholders. However, brief biographical details, qualifications, experience and other relevant information about directors standing for election or re-election are provided in the AGM Notice. Similarly, there has not yet been an occasion when there was a need to undertake appropriate background checks on any senior executive appointments.

New directors are provided with copies of all relevant Company documents and policies governing the Company's business, operations and management, at the time of joining. However, the Company is not yet in a position to facilitate all directors undertaking site visits; nor to provide appropriate professional development opportunities for directors to assist in their roles. Nevertheless, Directors are encouraged to personally undertake appropriate training and refresher courses conducted by the Australian Institute of Company Directors.

Access to Independent Professional Advice

The Company acknowledges that directors may require high quality information and advice on which to base their decisions and considerations. With the prior approval of the Chairman, all directors have the right to seek independent legal and other professional advice at the Company's expense concerning any aspect of the Company's operations or undertakings in order to fulfill their duties and responsibilities as directors. If the Chairman is unable or unwilling to give approval, majority Board approval will be sought.

Board Processes

The Board of the Company meets on an occasional basis. The agenda for these meetings is prepared by the Company Secretary in conjunction with the Chairman and the other directors. Relevant information is circulated to directors in advance of Board meetings.

The Company Secretary is accountable directly to the Board on matters to do with the proper functioning of the Board. However, his communications are restricted because both the Chairman and some other directors do not comfortably speak or read English. In this regard, the Company has a process in place whereby all relevant matters being discussed at Board or shareholder meetings in Chinese are translated into English at the time so that they can be understood by the Company Secretary and, when applicable, by shareholders, properly recorded in the minutes and actioned as necessary. Similarly, all relevant correspondence and documentation is translated into the Chinese language to assist Directors' understanding and, where applicable, is translated from Chinese into English for the Company's records.

Board Committees

The Company does not have at this time any of the recommended committees covering audit, risk, remuneration or nomination. The full Board of directors undertakes the functions of these individual committees to the extent that the directors consider necessary. Given the composition of the Board and the size of the Company it is considered that individual committees are not presently warranted; however it is expected that when the Company's operations expand some of these committees may be established.

The Board's oversight of corporate reporting is augmented by the function of the external Auditors. In addition, performance of the incumbent Auditors is reviewed from time-to-time and the Board ensures that the audit engagement partner is rotated as statutorily required.

Role of Management

The Board has delegated responsibilities and authorities to the executive directors and senior staff to enable management to conduct the Company's day-to-day activities. Matters which are not covered by these delegations, such as approvals which exceed certain limits or do not form part of the approved budget, require Board approval.

An evaluation of the performance of senior management will be undertaken at a meeting of the Board of the Company when considered necessary, by the non-executive director and the Chairman. This is considered to be an appropriate process as the Company is still in the minerals exploration stage therefore it is not possible to evaluate performance against revenue or profit targets. No evaluation was undertaken in the most recent reporting period.

Details of the Company's remuneration practices in relation to key management personnel ("KMP") are set out in the audited Remuneration Report section of the Directors' Report. In summary, the remuneration structure for KMP is dictated by the Board and is based on a number of factors including market remuneration for comparable companies and the particular qualifications, experience and skills of the individuals concerned.

Ethical Standards

As part of the Board's commitment to the highest standard of conduct, the Company has adopted a Code of Conduct to guide executives, management and employees in carrying out their duties and responsibilities. The Code of Conduct is incorporated within the Charter and encompasses:

- responsibilities to shareholders;
- compliance with laws and regulations;
- relationships with clients, customers and consumers;
- conflicts of interest;
- employment practices; and
- responsibilities to the community.

All directors are also required to adhere to a Corporate Ethics Policy – which is included in the Charter as well – covering the ethical and legal requirements in relation to their conduct as directors both within the Company and externally to other parties.

The Board has resolved that the relevant sections of the Charter, particularly the Code of Conduct, Corporate Ethics Policy, and continuous disclosure obligations should also extend to cover all executives, employees and consultants of the Company.

In addition, the Company has a Whistleblower Policy – to encourage reporting of any unlawful, unethical or irresponsible behaviour – and an Anti-bribery & Corruption Policy – to manage issues relating to such activities. Both these are available on the Company's website.

The Company also established some years ago a Share Trading Policy – posted on the Company's website - under which directors and KMP are restricted from dealing in Company shares when they are in possession of price sensitive information and during specified periods before or after the release of half and full-year financial results.

Diversity

The Board has approved a workplace Diversity Policy in compliance with the Recommendations but cognizant of the constraints of a mining exploration company, particularly in relation to gender diversity. This Policy is available on the Company's website.

The Policy outlines measurable objectives for achieving gender diversity over the longer term: these are:

- *Employment Balance* – aiming to increase the proportion of women directors on the Board, in senior management and in the organisation overall, including contractors and consultants.
- *Non-Traditional Roles* – increasing the number of women working in non-traditional roles, employed through focused recruitment - very relevant in a mining exploration company.

- *Development & Promotion* – provide equal opportunities for both men and women to attend training and development courses - and to be promoted purely on merit.
- *Remuneration* – equity in pay regardless of gender.
- *Flexible Work Practices* - removal of differentiation between genders - e.g., with maternity/parental leave or compassionate leave - and opportunities to work from the home environment (which might assist where there are young children or aged relatives that need some care at times).
- *Discrimination & Harassment* - curbing practices which might prejudice employees because of their gender through appropriate training.

The Board acknowledges that for a relatively small Company, with limited resources, the achievement of many of these goals over the short-term is difficult, but they are kept under review. No specific targets or timeframes have been established, and no achievements identified.

At the date of this Statement the Company has 4 directors, all male, and 1 full-time employee who is male. The Company also engages 2 part-time contract staff of which 1 is male and 1 is female. In addition the Board notes the ethnic and cultural diversity of the Company's current directors, staff and contractors.

Continuous Disclosure & Shareholder Communication

The Board is committed to the promotion of investor confidence by ensuring that trading in the Company's securities takes place in an efficient, competitive and informed market. In accordance with continuous disclosure obligations under the ASX Listing Rules, the Company has procedures in place to ensure that all price sensitive information is identified, reviewed by management and disclosed to the ASX in a timely manner. These procedures are also detailed in the Charter. All information disclosed to the ASX is posted on the Company's website.

The Company's directors and executives have a well-established practice in place to circulate internally for checking and verifying information and reports that are to be released to the market, particularly where they are not audited or reviewed by the external Auditors.

Shareholders are forwarded the Company's Annual Report, if requested, and documents relating to each General Meeting, being the Notice of Meeting, any Explanatory Memorandum and a Proxy Form, and shareholders are invited to attend these meetings. Shareholders may elect to receive communications electronically. The Company's external Auditors are also required to be present at the AGM to answer any queries shareholders may have with regard to the audit and preparation and content of the Audit Report.

However, the Company has not as yet designed and implemented a specific investor relations program to facilitate effective two-way communication with shareholders because the Board considers the above practices are adequate at the present time.

In compliance with the Recommendations, the Company has also introduced a process whereby all substantive resolutions at a shareholders' meeting will be decided by a poll rather than by a show of hands.

Managing Business Risk

The Board constantly monitors the operational and financial aspects of the Company's activities and is responsible for the implementation and ongoing review of business risks that could affect the Company. Duties in relation to risk management that are conducted by the Board include but are not limited to:

- initiate action to prevent or reduce the adverse effects of risk;
- control further treatment of risks until the level of risk becomes acceptable;
- identify and record any problems relating to the management of risk;
- initiate, recommend or provide solutions through designated channels;
- verify the implementation of solutions; and
- communicate and consult internally and externally as appropriate.

The Board has identified the material business risks which might affect the Company, has developed a policy for the management of those risks and has delegated responsibilities for managing those to the executive directors and relevant staff.

At the present stage of its development the Board believes that the Company does not have any material exposure to economic, environmental and social sustainability risks.

The Board has not reviewed the Company's risk management framework on an annual basis, but rather has adopted the approach of review as and when considered necessary in view of the relatively benign nature of the risks relevant to this early phase of the Company's development.

In addition, in accordance with section 295A of the Corporations Act 2001, the person or persons performing the roles of CEO and CFO are required to provide declarations to the Board in relation to each financial period that in their opinion:

- the financial records of the Company have been properly maintained, and
- the financial statements comply with the accounting standards, and give a true and fair view of the Company's financial position and performance

and, as required by the Recommendations, that:

- the opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.

The Company does not have an internal audit function in view of the very small staff size and the Board considers the executive directors are able to adequately oversee the risk management and internal control processes. With the planned growth in business the Board has also requested that the executive design and implement when required a risk management and internal control system to more adequately manage the Company's material business risks and to report to the Board on matters relating to risks, including the effectiveness of that risk management system.

This Statement is current as at 30 May 2024 and was approved by the Board of Directors of Orion Metals Limited on that date.

ORION METALS LIMITED
ACN 096 142 737

ANNUAL REVIEW OF OPERATIONS

Sale of the Company's last remaining exploration project was completed on 15 December 2021. Since that time no exploration activities have been undertaken by the Company and the Company's directors have continued to investigate the acquisition of new assets by the Company and to source new funding arrangements as alternatives to the support which has more recently been provided as loans by Director-related shareholders. To assist the Company, professional advisors have been mandated to advise on investment opportunities in mining or exploration assets that are in a more advanced or developed stage as well as any further capital raising that may be required by the Company to support its future activities.

The Company has been evaluating two overseas mining projects in particular with a view to acquiring an interest in one or both of the projects. Negotiations in relation to one of the projects in particular are at an advanced stage. Whilst there can be no guarantee that the negotiations will lead to one or more legally binding acquisition agreements the Company is continuing to progress due diligence evaluation and negotiations in relation to both projects.

The Company's shares have been suspended from quotation on the ASX continuously since 16 June 2022 and the Company will be removed from the ASX Official List if its shares are still suspended from quotation on the ASX by 16 June 2024. The ASX's policy is that it will automatically remove a company from the Official List of the ASX if the company's shares have been suspended from trading for a continuous period of 2 years. However in very limited circumstances ASX may agree to a short extension no longer than 3 months from the deadline (16 June 2024 in the Company's case) for the automatic removal of a long-term suspended company if the company can demonstrate to ASX's satisfaction that it is in the final stages of implementing a transaction that will lead to the resumption of trading in securities within a reasonable period. For these purposes, "final stages" means:

1. having announced the transaction to the market;
2. having signed definitive legal agreements for the transaction (including for any financing required in respect of the transaction);
3. if the transaction requires a prospectus or product disclosure statement to be lodged with ASIC, having lodged that document with ASIC; and
4. if the transaction requires security holder approval or from a governmental agency or financier, having obtained that all such approval.

The Company believes that it is more likely than not that it will not meet the deadline to remain listed on the ASX. However, as stated above, the Company is continuing to progress due diligence evaluation and negotiations in relation to two mining projects. If the Company is able to enter into one or more legally binding agreements to acquire an interest in one or both of those projects the Company intends to re-apply to be admitted to the ASX Official List and undertake any necessary incidental steps to achieve that such as lodgement of a prospectus with ASIC and obtaining requisite shareholder approval.

ORION METALS LIMITED
ACN 096 142 737

SHAREHOLDER INFORMATION

Additional information required by the Australian Securities Exchange (ASX) and not shown elsewhere in the Annual Report, current as at 30 May 2024, is set out below.

Stock Exchange Quotation

The Company's shares are quoted on the ASX (Home branch: Sydney) under the code "ORM".

Classes of Securities

The Company has the following equity securities on issue:

ASX quoted: 958,140,922 ordinary shares, each fully paid, held by 383 shareholders
Unquoted: Nil

Voting Rights

The voting rights attaching to ordinary shares are set out in Rule 27 of the Company's Constitution and are summarised as follows:

- Subject to the Constitution, a holder of ordinary shares in the Company shall be entitled to be present at any meeting, and to vote in respect of ordinary shares held by him. Any member present at any meeting may decline to vote on any question put to that meeting, but in that case shall not be considered absent from the meeting.
- At any meeting every member present in person or by proxy or by attorney or, in the case of a body corporate, representative appointed pursuant to Section 250D of the Corporations Act shall be entitled:
 - (a) on a show of hands, to one vote; and
 - (b) on a poll, to one vote for each share of which he is the holder.

Holders of options have no voting rights until such options are exercised.

Restricted Securities

There are no restricted securities on issue.

On-market Buy-backs

There is no current on-market buy-back of any securities.

Distribution of Security Holders

Distribution of shares and the number of holders by size of holding are:

Shareholding Range	Ordinary Shares		
	Number of Holders	Number of Shares	Percentage of Shares
1-1,000	45	12,678	0.00%
1,001-5,000	151	442,887	0.05%
5,001-10,000	52	394,367	0.04%
10,001-100,000	99	3,343,365	0.35%
100,001 and over	36	953,947,625	99.56%
Totals	383	958,140,922	100.00%

There are 276 shareholders with less than a marketable parcel of 16,667 shares (based on a closing share price of \$0.03) who together hold 1,232,489 shares.

ORION METALS LIMITED
ACN 096 142 737

SHAREHOLDER INFORMATION

Twenty Largest Security Holders

The names of the 20 largest shareholders, the number of shares and the percentage of capital each holds, are:

Rank	Shareholder	Holding	Percent
1	EXCELLENCE HOLDINGS HK LIMITED	448,913,044	46.85
2	PENG LI	96,000,000	10.02
3	WEILI ZHANG	95,000,000	9.92
4	NING LIU	91,608,696	9.56
5	AUSTRALIA CONGLIN INTERNATIONAL INVESTMENT GROUP PTY LTD	84,852,948	8.86
6	REAL INTERNATIONAL RESOURCES LIMITED	43,478,261	4.54
7	JIEN MINING PTY LTD	20,065,000	2.09
8	MR CONGLIN YUE	13,629,628	1.42
9	FENG WU	10,869,565	1.13
10	YI YANG	10,869,565	1.13
11	YU ZHOU	10,869,565	1.13
12	AUSTRALIA CONGLIN INTERNATIONAL INVESTMENT GROUP PTY LTD	7,000,000	0.73
13	AUSTRALIA CAYENNE HOLDINGS PTY LTD	5,441,033	0.57
14	BNP PARIBAS NOMINEES PTY LTD <CLEARSTREAM>	3,203,683	0.33
15	JIEN MINING PTY LTD	3,000,000	0.31
16	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	1,490,472	0.16
17	MR IANAKI SEMERDZIEV	1,294,988	0.14
18	VICTORY CREST PTY LIMITED <SAMUEL TUSA FAMILY NO 2 A/C>	999,391	0.10
19	P W ENGLISH & ASSOCIATES PTY LTD < SUPER FUND>	946,667	0.10
20	SILVERGATE CAPITAL PTY LTD <SILVERGATE CAPITAL UNIT A/C>	660,000	0.07
	Totals	950,192,506	99.17

Substantial Shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act are:

Holder	Number of Shares
Excellence Holdings HK Limited	448,913,044
Australia Conglin International Investment Group Pty Ltd	110,923,609
Feng Wu	459,782,609
Yi Yang	459,782,609
Ning Liu	91,608,696
Peng Li	96,000,000
Weili Zhang	95,000,000

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

Your Directors present their report on the consolidated entity consisting of Orion Metals Limited (the Company) and its controlled entities at the end of, or during the year ended, 29 February 2024.

1. THE DIRECTORS

The following persons were directors of the Company during the financial year and up to the date of this report:

Dr Yi Yang

Non-Executive Chairman

Appointed 22 July 2016

Qualifications

PhD in Philosophy

Experience

Dr Yi Yang was previously a government officer in the Central China Government and is now a director of numerous enterprises in China. He has many years' experience as a fund manager who managed up to RMB1 billion and AUD200 million. Dr Yang was the founder and Executive Chairman of Beijing Wayfield Investment Co. Ltd in 2004 that has financially backed Excellence Holdings HK Limited in which he has a 50% interest and is a director. Wayfield Investment is a registered financial institution by the Asset Management Association of China.

Special responsibilities

Chairman

Interest in Shares and Options

448,913,044 shares held by Excellence Holdings HK Limited
10,869,565 shares held by Yi Yang

Directorships held in other listed entities

None

Dr Feng Wu

Executive Director (Compliance)

Appointed 22 July 2016

Qualifications

PhD in Law

Experience

Dr Feng Wu was previously a Prosecutor of the Supreme People's Procuratorate of China. He founded a successful law practice in China in 2000 and provides services for state owned enterprises and large businesses. He is a director of several other companies in China and is also Executive Chairman of Beijing Electronics Technology Ruida Co., which is a subsidiary of China Electronics Corporation, the largest Chinese state owned IT enterprise and a global top 500 IT company. Dr Wu also has a 50% interest in Excellence Holdings and is a director.

Special responsibilities

Compliance

Interest in Shares and Options

448,913,044 shares held by Excellence Holdings HK Limited
10,869,565 shares held by Feng Wu

Directorships held in other listed entities

None

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

1. THE DIRECTORS (Cont'd)

Mr Yu Zhou	Non-Executive Director <i>Appointed 11 March 2021</i>
Qualifications	Bachelor of Economics (International Banking & Finance) Tianjin University of Finance & Economics
Experience	Mr. Yu Zhou was appointed as a Non-Executive Director to replace Mr. Bo Wang as the second Australian resident director. After completing his degree Mr Zhou worked for a number of securities and investments companies, initially in China – including Beijing Wayfield Investment Co. Ltd (2006-2015) – then in Australia – including Australia Cayenne Holdings Pty Ltd (2015-2019) – after moving to Sydney. Over the last couple of years he has acted as a consultant to the Company, particularly assisting with efforts to find JV partners or dispose of Orion's minerals leases, investigate potential new assets, and source new capital and other funding for the Company.
Special responsibilities	None
Interest in Shares and Options	10,869,565 shares held by Yu Zhou
Directorships held in other listed entities	None
Mr Bin Cai	Executive Director <i>Appointed 25 July 2012 (and previously Director 30 April 2012 ~ 31 May 2012)</i>
Qualifications	Master of Finance & IS
Experience	Mr. Cai is the Managing Director of Conglin International Investment Group Pty Ltd based in Brisbane. He has a record of successful strategic investments in emerging Australian resources companies based on his long experience in resources investment. Prior to joining the Conglin Group Mr. Cai had eight years' experience with The China Investment Bank.
Special responsibilities	Chief Financial Officer
Interest in Shares and Options	5,441,033 shares 80,000,000 performance rights
Directorships held in other listed entities	Director of Carpentaria Resources Limited (previously Carpentaria Exploration Limited), 15 May 2011 ~ 16 May 2018 Director of Northern Minerals Limited, appointed 29 August 2013 ~ continuing

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

1. THE DIRECTORS (Cont'd)

Company Secretary

<i>John Lemon</i>	Appointed 1 October 2022
Qualifications	BA, LLB (Hons), GDipAppFin (Finsia), Grad.Dip.AppCorpGov, MAICD
Experience	Mr Lemon is a professional company secretary and company director. He is a qualified and former practising solicitor who worked for Clayton Utz Lawyers and as an in-house lawyer for several companies. He provides company secretary, director and governance services to small and medium size companies.

2. PRINCIPAL ACTIVITIES OF THE CONSOLIDATED ENTITY

The principal activity of the consolidated entity was the exploration for Rare Earth Elements, including Heavy Rare Earth Elements, and gold. However, in December 2021 the remaining mining tenement interests were sold and the Company is currently looking to acquire new assets, with one of these opportunities well advanced.

3. OPERATING RESULTS

The net result of operations of the consolidated entity for the year ended 29 February 2024 was a loss of \$110,936 (2023 – loss of \$608,446) which included:

- personnel expenses of \$(84,351) (2023: \$427,864).

The consolidated entity's strategy for future years remains under review pending the Company's attempt to acquire new assets.

4. DIVIDENDS

The directors do not recommend the payment of a dividend and no amount has been paid or declared by way of a dividend since 29 February 2024 and to the date of this report.

5. REVIEW OF ACTIVITIES AND BUSINESS STRATEGIES

During the financial year ended 29 February 2024 the Company:

1. did not own any mining tenements and did not engage in exploration activities;
2. with the assistance of professional advisors engaged to advise on investment opportunities in mining or exploration assets that are in a more advanced or developed stage, continued to investigate the acquisition of new assets by the Company and sourcing new funding arrangements;
3. raised a total sum of \$1.5 million (before costs) to be used for working capital through the issue of a total of 326,086,957 shares to investors; and
4. issued a further:
 - (i) 38,043,478 shares to the Company's directors in lieu of the repayment of directors' fees owed; and
 - (ii) 48,913,044 shares to an entity associated with two of the Company's directors in lieu of the payment of loan sums owed,

in order to conserve funds for the Company.

During the financial year ended 29 February 2024 the Company's shares continued to be suspended from trading on the ASX.

The main risks for the Company are;

1. inability of the Company to acquire new mining or exploration assets on suitable terms; and

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

2. inability of the Company to raise further funding as and when required to aid in the purchase and development of mining or exploration assets.

The Company will continue to deal with these risks by:

1. seeking to acquire an interest in one or more mining projects on suitable terms;
2. seek to raise further funding as and when required; and
3. where necessary, continue to rely on financial support from its ultimate holding company, Excellence Holdings HK Ltd.

6. OUTLOOK

The Company is currently evaluating two overseas mining projects with a view to acquiring an interest in one or both of the projects. Negotiations in relation to one of the projects in particular are at an advanced stage. Whilst there can be no guarantee that the negotiations will lead to one or more legally binding acquisition agreements the Company is continuing to progress due diligence evaluation and negotiations in relation to both projects.

The Company's shares have been suspended from quotation on the ASX continuously since 16 June 2022 and the Company will be removed from the ASX Official List if its shares are still suspended from quotation on the ASX by 16 June 2024. The ASX's policy is that it will automatically remove a company from the Official List of the ASX if the company's shares have been suspended from trading for a continuous period of 2 years. However in very limited circumstances ASX may agree to a short extension no longer than 3 months from the deadline (16 June 2024 in the Company's case) for the automatic removal of a long-term suspended company if the company can demonstrate to ASX's satisfaction that it is in the final stages of implementing a transaction that will lead to the resumption of trading in securities within a reasonable period. For these purposes, "final stages" means:

1. having announced the transaction to the market;
2. having signed definitive legal agreements for the transaction (including for any financing required in respect of the transaction);
3. if the transaction requires a prospectus or product disclosure statement to be lodged with ASIC, having lodged that document with ASIC; and
4. if the transaction requires security holder approval or from a governmental agency or financier, having obtained that all such approval.

The Company believes that it is more likely than not that it will not meet the deadline to remain listed on the ASX. However, as stated above, the Company is continuing to progress due diligence evaluation and negotiations in relation to two mining projects. If the Company is able to enter into one or more legally binding agreements to acquire an interest in one or both of those projects the Company intends to re-apply to be admitted to the ASX Official List and undertake any necessary incidental steps to achieve that such as lodgement of a prospectus with ASIC and obtaining requisite shareholder approval.

7. SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Other than stated elsewhere in this report, there were no significant changes in the state of affairs of the consolidated entity during the financial year.

8. EVENTS SUBSEQUENT TO REPORTING DATE

There have been no matters or circumstances that have arisen since the end of the financial year which significantly affected or could significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the Consolidated Entity in future financial years.

9. LIKELY DEVELOPMENTS

See "6. Outlook" (above).

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

10. COMPANY HEALTH & SAFETY POLICY

Orion Metals places the health and safety of its people at work as the highest priority consideration above all others in the business environment. Orion's people are not only its staff and employees, but its various consultants and contractors from time to time.

Orion believes that a healthy workforce engaged in a safe and caring work environment, with a proactive safety culture will be a productive, and content workforce. We see this evolve towards improved business efficiency, and commercial success. We strive to create a culture where safety is a core value and where every individual takes responsibility for their own actions; and will act to prevent and stop unsafe occurrences or the actions of others.

In support of this policy, management accepts responsibility for the implementation of systems and processes to reduce safety risks in the workplace to as low as reasonably practicable. In order to achieve this goal, Orion has implemented an industry best practise HSE Management Plan. Where appropriate, complementary to this is a process of continued up-skilling of its workforce through industry and in-house education and training.

Orion's ultimate goal is the elimination of all incidents or events in the workplace which have the potential to produce injury, harm, or damage.

Orion encourages employee participation in all matters affecting the health and safety of our people and invites suggestions from our work force of ways in which health and safety can be improved.

11. ENVIRONMENTAL REGULATION AND PERFORMANCE

The consolidated entity's operations are not currently subject to any particular and significant environmental regulation under a law of the Commonwealth or of a State or Territory.

12. SHARES UNDER OPTION

No options were granted by the Company over unissued shares or unissued interests during or since the year ended 29 February 2024.

The Company has no unissued shares or interests under option as at the date of this report.

No shares or interests were issued by the Company during or since the year ended 29 February 2024 as a result of the exercise of an option over unissued shares or interests.

13. PERFORMANCE RIGHTS

At the Company's Annual General Meeting held on 29 July 2022 the Company's shareholders approved the issue of performance rights under the Company's Performance Rights Plan to Directors Mr. Yi Yang, Mr Feng Wu and Mr Bin Cai as follows:

Yi Yang - 1,000,000 Performance Rights;

Feng Wu – 1,000,000 Performance Rights;

Bin Cai – 32,000,000 Performance Rights.

However, to date those performance rights have not been issued.

At the Company's general meeting of members held on 21 December 2023 the Company's shareholders approved the issue of 80,000,000 performance rights under the Company's performance rights plan to the Company's director Bin Cai. For accounting purposes, these performance rights were considered granted at that

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

time.

14. DIRECTORS' MEETINGS

The number of directors' meetings held during the financial year and the number of meetings attended by each director whilst a director is as follows:

Directors	Meetings of Directors Held *	Meetings of Directors Attended
Dr Yi Yang	1	1
Dr Feng Wu	1	1
Mr Yu Zhou	1	1
Mr Bin Cai	1	1

** at which eligible to attend*

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

15. REMUNERATION REPORT – AUDITED

Remuneration Practices

The consolidated entity's policy for determining the nature and amount of remuneration of key management personnel, including Board members, is set out below.

The remuneration structure for key management personnel, excluding non-executive directors, is set by the Board of Directors and is based on a number of factors including, market remuneration for comparable companies, particular experience of the individual concerned and overall performance of the consolidated entity. The contracts for service between the consolidated entity and key management personnel are on a continuing basis the terms of which are not expected to change in the immediate future. The consolidated entity retains the right to terminate contracts immediately by making payment of an amount based on the employee's years of service. Upon retirement or termination key management personnel, excluding non-executive directors, are paid employee benefits accrued to date of retirement or termination. Compensation is determined in accordance with the general remuneration policy. The manner of payment is determined on a case by case basis and is generally cash but a mix of non-cash benefits may be considered appropriate by the Board of Directors.

The objective of the consolidated entity's executive reward framework is to ensure reward for performance is competitive and appropriate for the results delivered. The board ensures that director and executive rewards satisfy the following key criteria:

- competitiveness and reasonableness
- acceptability to shareholders
- transparency.

The consolidated entity has structured an executive remuneration framework that is market competitive and complementary to the reward strategy of the organisation.

Key management personnel covered in this report

The following persons held their position during the whole of the financial period and up to the date of this report, unless otherwise stated.

Non-executive and executive directors

Dr Yi Yang – non-executive Chairman of Directors

Dr Feng Wu – executive director

Mr Yu Zhou – non-executive director

Mr Bin Cai – executive director

Other Key Management Personnel

Mr John Lemon (Company Secretary)

The remuneration framework is aligned to shareholders' interests through:

- a focus on sustained growth in share price and key non-financial drivers of value
- attracting and retaining high calibre executives.

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

15. REMUNERATION REPORT – AUDITED (Cont'd)

The remuneration framework is aligned to employees' interests through:

- rewarding capability and experience
- reflecting competitive rates of remuneration in respect of skills and responsibility
- providing a clear structure for earning rewards
- providing recognition for contribution.

Relationship between remuneration and Company performance

Because the Company has no current projects and is in the process for finding new projects to invest in, there is no direct relationship between the Company's financial performance and the level of remuneration paid to key management personnel.

Given that the remuneration is commercially reasonable, the link between remuneration, Company performance and shareholder wealth generation is tenuous, particularly given the Company is at the stage of finding new projects to invest in. The Company may issue options to provide an incentive for key management personnel which, it is believed, is in line with industry standards and practice and is also believed to align the interests of key management personnel with those of the Company's shareholders.

Unless otherwise stated, service agreements do not provide for pre-determined compensation values or the manner of payment.

Except in so far as directors and other key management personnel hold options over shares in the Company, there is no relationship between the remuneration policy and the Company's performance. The Company's share price was 3 cents at 16 June 2022, the date it was suspended from trade on the ASX. During the year, the company has completed a \$1,500,000 capital raise from the issue of shares at 0.46 cents per share.

The table below sets out summary information about the Company's earnings and movements in shareholders' wealth for the five years to 29 February 2024:

Description	29 February 2024	28 February 2023	28 February 2022	28 February 2021	29 February 2020
Income	-	\$1,499	\$500,000	\$310,387	-
Net profit/(loss) before tax	(\$110,936)	(\$608,446)	(\$274,916)	(\$224,574)	(\$531,667)
Net profit(loss) after tax	(\$110,936)	(\$608,446)	(\$274,916)	(\$224,574)	(\$531,667)
Basic earnings/(loss) per share (cents)	(0.02)	(0.11)	(0.05)	(0.04)	(0.11)
Change in share price (cents)	0.00	0.09	0.2	3.7	0.6

There were no dividends paid or returns of capital by the Company during the year or previous 5 years.

Remuneration of the non-executive directors is approved by the Board and set in aggregate within the maximum amount approved by the shareholders from time to time. The fees have been determined by the Board having regard to industry practice and the need to obtain appropriately qualified independent persons. The aggregate pool of remuneration paid to non-executive Directors was last approved by shareholders in 2011 and is currently \$300,000 per annum. The amount paid to non-executive directors in directors' fees and consulting fees while acting as non-executive directors is included in the table following.

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

15. REMUNERATION REPORT – AUDITED (Cont'd)

The key management personnel of Orion Metals Limited and the consolidated entity includes the directors of the parent entity and the Company Secretary Mr John Lemon.

2024 Remuneration

	Short-term employee benefits		Share Based Remuneration	Post Employment Benefits	Total	Performance Related %	% consisting of options
	Salary & fees	Accrued director fees forgiven	Performance Rights	Superannuation			
	\$	\$	\$	\$	\$	%	%
Dr Yi Yang	48,000	(295,392)	-	-	(247,392)	-	-
Dr Feng Wu	40,000	(237,826)	-	-	(197,826)	-	-
Mr Yu Zhou	36,000	(41,924)	-	-	(5,924)	-	-
Mr Bin Cai	156,000	-	68,511	29,882	254,393	27%	-
Other Key Management Personnel							
J. Lemon (Company Secretary)	27,920	-	-	-	27,920		
Total	307,920	(575,142)	68,511	29,882	(168,829)	-	-

2023 Remuneration

	Short-term employee benefits		Share Based Remuneration	Post Employment Benefits	Total	Performance Related %	% consisting of options
	Salary & fees	Bonus	Performance Rights	Superannuation			
	\$	\$	\$	\$	\$	%	%
Directors							
Dr Yi Yang	48,000	-	-	-	48,000	-	-
Dr Feng Wu	40,000	-	-	-	40,000	-	-
Mr Yu Zhou	36,000	-	-	-	36,000	-	-
Mr Bin Cai	158,189	-	-	22,182	180,371	-	-
Other Key Management Personnel							
B. Lyne (Previous Company Secretary)	20,353	-	-	-	20,353		
J. Lemon (Company Secretary)	7,368	-	-	-	7,368	-	-
Total	309,910	-	-	22,182	332,092		

As at reporting date there was \$439,754 (2023: \$1,029,896) owing to directors for directors' fees. There were no other transactions with or loans outstanding to key management personnel and their related parties other than as follows:

- Loans from shareholder Australia Cayenne Holdings Pty Ltd (a related entity of Director Bin Cai), which at reporting date aggregated \$100,000 (2023: \$150,000)
This loan was provided with a zero interest rate and is unsecured and with no fixed term.

15. REMUNERATION REPORT – AUDITED (Cont'd)

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

Shareholdings of key management personnel

	Balance 1 March	Received as Remuneration	Options exercised	Net change other	Balance 29 February
Directors					
Dr Yi Yang	-	10,869,565	-	-	10,869,565
Dr Feng Wu	-	10,869,565	-	-	10,869,565
Mr Yu Zhou	-	10,869,565	-	-	10,869,565
Mr Bin Cai	6,250	5,434,783	-	-	5,441,033
Other Key Management Personnel					
J Lemon	-	-	-	-	-
	6,250	38,043,478	-	-	38,049,728

A related entity of directors Yang and Wu held 448,913,044 (2023: 400,000,000) shares at the reporting date.

Option holdings of key management personnel

There were no options held by key management personnel or their related entities at any time during the year. 80,000,000 performance rights were granted to Mr Bin Cai during the year.

Director Remuneration- Fees Foregone

Key Management Personnel entered into an agreement with the Company to receive ordinary shares (at an issue price of \$0.0046 per share) in lieu of unpaid remuneration. The total amounts owing and settled by shares issued were as follows:

Director	Remuneration owing at 1 March 2023	Director Fee	Share issued as consideration	Share issued as consideration	Director fees forgiven \$	Remuneration owing at 29 February 2024 \$
	\$	\$	#	\$		\$
Dr Yi Yang	317,392	48,000	10,869,565	(50,000)	(295,392)	20,000
Dr Feng Wu	264,493	40,000	10,869,565	(50,000)	(237,826)	16,667
Mr Yu Zhou	70,924	36,000	10,869,565	(50,000)	(41,924)	15,000
Mr Bin Cai	135,000	36,000	5,434,783	(25,000)	-	146,000
Other	242,087	-	-	-	-	242,087
	1,029,896	160,000	38,043,478	(175,000)	(575,142)	439,754

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

15. REMUNERATION REPORT – AUDITED (Cont'd)

Service Agreements

Remuneration and other terms of employment for key management personnel, other than the directors, are formalised in service agreements. Details of these agreements are as follows:

Name: Yi Yang

Title: Non-Executive Chairman

Agreement commenced: 22 July 2016

Term of agreement: Not specified

Details: The Company has entered into an agreement with Yi Yang. Compensation is based on market-related compensation and there is no agreement by Orion Metals Limited to pay pre-determined compensation. There is also no agreement to pay Yi Yang any pre-determined amounts in the event of termination.

Name: Feng Wu

Title: Executive Director (Compliance)

Agreement commenced: 22 July 2016

Term of agreement: Not specified

Details: The Company has entered into an agreement with Feng Wu. Compensation is based on market-related compensation and there is no agreement by Orion Metals Limited to pay pre-determined compensation. There is also no agreement to pay Feng Wu any pre-determined amounts in the event of termination.

Name: Yu Zhou

Title: Non-Executive Director

Agreement commenced: 11 March 2021

Term of agreement: Not specified

Details: The Company has entered into an agreement with Yu Zhou. Compensation is based on market-related compensation and there is no agreement by Orion Metals Limited to pay pre-determined compensation. There is also no agreement to pay Yu Zhou any pre-determined amounts in the event of termination.

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

15. REMUNERATION REPORT – AUDITED (Cont'd)

Name: Bin Cai
Title: Executive Director and CFO
Agreement commenced: 25 July 2012
Term of agreement: Not specified
Details: The company has entered into an agreement with Bin Cai to provide services on a fixed salary basis. There is no agreement by Orion Metals Limited to pay predetermined amounts in the event of termination other than statutory entitlements of long service leave and annual leave. No notice period has been specified.

Name: John Lemon
Title: Company Secretary
Agreement commenced: 1 October 2022
Term of agreement: Not specified
Details: The Company has entered into an agreement with John Lemon to provide services on an as required basis, and fees are paid to him on a reward for time basis with a minimum monthly retainer. A three months' notice period applies.

Remuneration Options – Performance Rights

The establishment of the Performance Rights Plan was approved by shareholders at the General Meeting held in July 2021. The Performance Rights Plan is designed to incentivise eligible participants to provide dedicated and ongoing commitment and effort to the Company and to align the interests of eligible participants with shareholders in order to increase shareholder value. Under the plan, eligible participants are granted performance rights which will only vest if certain performance conditions are met. Participation in the Performance Plan is at the boards' discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits. At a general meeting of the Company held on 21 December 2023, shareholders approved the issue of 80,000,000 performance rights to Mr. Bin Cai.

Each Performance Right issued will, upon exercise, convert to one share. The vesting conditions attached to the Performance Rights issued are as follows:

- Completion of a fundraising by the Company of at least \$1,000,000 (before costs) by 31 December 2024; and
- Completion by the Company of the acquisition of assets having a net value of at least \$2,000,000 by 31 December 2024.

The grant date fair value of the performance right issued is \$0.0046 per performance right, a total of \$368,000 for the 80,000,000 performance rights with expiry date (3 years from issue date).

Vesting Date	Expiry Date	Fair Value (\$/Performance Right)	Performance rights #	Value \$	Expense to 29 Feb 2024 \$
31 Dec 2024	21 Dec 2026	0.0046	80,000,000	368,000	68,511

\$68,511 has been counted as a pro rata basis from grant date to vesting date

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

No key management personnel options were granted as remuneration during the year (2023: nil). There were no cash bonuses or share based payment options granted during the year (2023: nil).

END OF REMUNERATION REPORT

16. NON-AUDIT SERVICES

No amounts were paid or payable to the auditor for non-audit services provided during the year by the auditor.

17. INDEMNIFICATION AND INSURANCE OF OFFICERS OR AUDITOR

Each of the Directors and the Secretary of the Company have entered into a Deed with the Company whereby the Company has provided certain contractual rights of access to books and records of the Company to those Directors and Secretary.

The Company had previously insured all of the Directors and Officers (D&O) of Orion Metals Limited. The contract of insurance prohibited the disclosure of the nature of the liabilities covered and amount of the premium paid; the Corporations Act 2001 does not require disclosure of the information in these circumstances. However, since the previous D&O insurance expired in August 2020 the Company has not been able to obtain continuance or replacement of the D&O cover and the Directors continue to try and effect such cover.

The Company has not indemnified or insured its auditor.

18. PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of court to bring proceedings on behalf of the Company or intervene in any proceedings to which the Company is a party for the purpose of taking responsibility on behalf of the Company for all or any part of those proceedings. The Company was not a party to any other such proceedings during the year.

19. AUDITOR'S INDEPENDENCE DECLARATION

The auditor's independence declaration for the year ended 29 February 2024 has been received and forms part of this directors' report and can be found on page 14.

This report is made in accordance with a resolution of the Directors.

Signed:



BIN CAI
Director

30 May 2024

ORION METALS LIMITED
ACN 096 142 737

AUDITOR'S INDEPENDENCE DECLARATION



Tel: +61 7 3237 5999
Fax: +61 7 3221 9227
www.bdo.com.au

Level 10, 12 Creek Street
Brisbane QLD 4000
GPO Box 457 Brisbane QLD 4001
Australia

DECLARATION OF INDEPENDENCE BY ANTHONY J WHYTE TO THE DIRECTORS OF ORION METALS LIMITED

As lead auditor of Orion Metals Limited for the year ended 29 February 2024, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Orion Metals Limited and the entities it controlled during the period.

A handwritten signature in black ink, appearing to be 'Anthony J Whyte', written over a circular scribble.

Anthony J Whyte

Director

BDO Audit Pty Ltd

Brisbane, 30 May 2024

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 29 FEBRUARY 2024

	Note	2024	2023
		\$	\$
Other income	5	-	1,499
Other expenses	6	(195,287)	(182,081)
Personnel expenses	6	84,351	(427,864)
Loss from operating activities		(110,936)	(608,446)
<hr/>			
Loss before income tax		(110,936)	(608,446)
Income tax	7	-	-
Loss after income tax		(110,936)	(608,446)
<hr/>			
Other comprehensive income		-	-
Total comprehensive income		(110,936)	(608,446)
<hr/>			
Loss attributable to: the owners of the company		(110,936)	(608,446)
<hr/>			
Total comprehensive loss attributable to: the owners of the company		(110,936)	(608,446)
<hr/>			
Basic loss per share (cents per share)	14	(0.02)	(0.11)
Diluted loss per share (cents per share)	14	(0.02)	(0.11)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Notes to the Financial Statements

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 29 FEBRUARY 2024

	Note	2024 \$	2023 \$
Current Assets			
Cash and cash equivalents	8	1,172,199	46,185
Other assets	9	12,594	16,149
Total Current Assets		1,184,793	62,334
TOTAL ASSETS		1,184,793	62,334
Current Liabilities			
Trade and other payables	10	814,685	1,573,955
Employee benefits		228,124	203,970
Total Current Liabilities		1,042,809	1,777,925
TOTAL LIABILITIES		1,042,809	1,777,925
Net assets		141,984	(1,715,591)
Deficit			
Issued capital	11	17,447,717	15,547,717
Reserves	12	536,349	467,838
Accumulated losses		(17,842,082)	(17,731,146)
Total deficit		141,984	(1,715,591)

The Consolidated Statement of Financial Position should be read in conjunction with the Notes to the Financial Statements

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 29 FEBRUARY 2024

	Issued Capital \$	Reserve \$	Accumulated losses \$	Total Deficit \$
Balance at 1 March 2022	15,547,717	467,838	(17,122,700)	(1,107,145)
Loss after income tax	-	-	(608,446)	(608,446)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(608,446)	(608,446)
Transactions with owners in their capacity as owners				
Shares issued during the year	-	-	-	-
Share issue costs	-	-	-	-
Balance at 28 February 2023	15,547,717	467,838	(17,731,146)	(1,715,591)
Balance at 1 March 2023	15,547,717	467,838	(17,731,146)	(1,715,591)
Loss after income tax	-	-	(110,936)	(110,936)
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	(110,936)	(110,936)
Transactions with owners in their capacity as owners				
Performance rights issued during the year	-	68,511	-	68,511
Shares issued during the year	1,900,000	-	-	1,900,000
Balance at 29 February 2024	17,447,717	536,349	(17,842,082)	141,984

ORION METALS LIMITED
ACN 096 142 737

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 29 FEBRUARY 2024

	Note	2024 \$	2023 \$
Cash Flows From Operating Activities			
Receipts from government subsidies		-	-
Receipts from GST		21,841	24,175
Payments to suppliers and employees		(345,827)	(407,971)
Exploration and evaluation expense		-	-
Interest received		-	1,499
Net Cash Used In Operating Activities	19	<u>(323,986)</u>	<u>(382,297)</u>
Cash Flows From Financing Activities			
Proceeds from issues of equity securities		1,500,000	-
Proceeds from related party		-	100,000
Net Cash Provided By Financing Activities		<u>1,500,000</u>	<u>100,000</u>
Cash Flows From Investing Activities			
Repayment of loan from a related party		(50,000)	-
Net Cash Provided By/ (Used In) Investing Activities		<u>(50,000)</u>	<u>-</u>
Net Increase/(Decrease) In Cash and Cash Equivalents		1,126,014	(282,297)
Cash and Cash Equivalents opening balance		<u>46,185</u>	<u>328,482</u>
Cash and Cash Equivalents closing balance	8	1,172,199	46,185

The Consolidated Statement of Cash Flows should be read in conjunction with the Notes to the Financial Statements

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

1 REPORTING ENTITY

The financial statements of Orion Metals Limited for the year ended 29 February 2024 were authorised for issue in accordance with a resolution of the directors on 30 May 2024 and covers the Consolidated Entity consisting of Orion Metals Limited and its subsidiaries as required by the Corporations Act 2001. Orion Metals Limited (the Consolidated Entity) is a for-profit entity for the purpose of preparing these financial statements.

The financial statements are presented in Australian dollars.

The address of the registered office and principal place of business is 221 Jesmond Road, Fig Tree Pocket, Qld 4069.

2 BASIS OF PREPARATION

A. Statement of compliance

The financial statements are a general purpose financial report which has been prepared in accordance with Australian Accounting Standards (AASBs) and other authoritative pronouncements by the Australian Accounting Standards Board (AASB) and the Corporations Act 2001. The consolidated financial statements of the Consolidated Entity comply with the International Financial Reporting Standards (IFRSs) and interpretations adopted by the International Accounting Standards Board (IASB).

B. Basis of measurement

The financial statements have been prepared on the historical cost basis.

C. Use of estimates and judgements

The preparation of financial statements in conformity with AASBs requires management to make judgements, estimates and assumptions that effect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. There have been no critical estimates and judgements in applying accounting policies during the period that had a significant effect on the amounts recognised in the financial statements.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

2 BASIS OF PREPARATION (Cont'd)

Going concern

As at 29 February 2024 the Consolidated Entity had cash reserves of \$1,172,199. The Consolidated Entity has incurred a net loss after tax for the year ended 29 February 2024 of \$110,936. The net cash outflow from operations for the year was \$323,896. At 29 February 2024, the Consolidated Entity's current assets exceeded its current liabilities by \$141,984. This includes \$439,754 owing to directors.

The ability of the Consolidated Entity to maintain continuity of normal business activities and to pay its debts as and when they fall due is dependent on its ability to successfully raise additional capital and continued support from the Ultimate Holding Company, Excellence Holdings HK Ltd. These circumstances give rise to the existence of a material uncertainty that may cast significant doubt on the consolidated entity's ability to continue as a going concern.

The directors believe that the going concern basis of preparation is appropriate due to the following factors:

- Major shareholder, Excellence Holdings HK Ltd (the Ultimate Holding Company of the Consolidated Entity), has pledged its continuing support for a minimum of 12 months from the date of issuing these financial statements.
- \$439,754 of the payable balances relate to outstanding amounts owing to directors. The directors have pledged to not call upon directors fees owed for the next 12 months or until such time that the company has sufficient funds to pay the directors fees.
- During the year ended 29 February 2024 the Company raised \$1.5 million through the issue of shares to new investors in the Company. Those funds are being used by the Company to finance the evaluation of and negotiation of acquisition of interests in mining projects and for working capital generally.
- If the Company's current due diligence evaluation and negotiations lead to the Company entering into one or more legally binding agreements to acquire an interest in one or both of the projects currently under consideration by the Company the Company intends to undertake a further capital raising to assist in funding the Company's obligations under the legally binding agreement(s) and to raise further working capital generally.

Should the Consolidated Entity be unable to continue as a going concern, it may be required to realise its assets and extinguish its liabilities other than in the ordinary course of business, and at amounts that differ from those stated in the financial statements. This financial report does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts or classification of liabilities and appropriate disclosures that may be necessary should the Consolidated Entity be unable to continue as a going concern.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements, and have been applied by all entities in the Consolidated Entity.

A. Basis of consolidation

The consolidated financial statements comprise the financial statements of Orion Metals Limited and its subsidiaries for the year ended 29 February 2024 ("the Consolidated Entity"). Subsidiaries are entities (including structured entities) over which the Consolidated Entity has control. The Consolidated Entity has control over an entity when the Consolidated Entity is exposed to, or has rights to, variable returns from its involvement with the entity, and has the ability to use its power to affect those returns. Subsidiaries are consolidated from the date on which control is transferred to the Consolidated Entity and are deconsolidated from the date that control ceases.

All intercompany balances and transactions, including unrealised profits arising from intragroup transactions have been eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Income tax

The charge for current income tax expense is based on the profit/loss for the year adjusted for any non-assessable or disallowed items. It is calculated using tax rates that have been enacted or are substantively enacted by the reporting date

Deferred tax is accounted for in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or liability is settled. Current and deferred tax is recognised in the profit or loss, except where it relates to items recognised in the other comprehensive income or directly in equity. In this case the tax is recognised in the other comprehensive income or directly in equity respectively.

Deferred income tax assets are recognised to the extent that it is probable that future tax profits will be available against which deductible temporary differences or tax losses can be utilised.

C. Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Consolidated Entity prior to the year end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms. They are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

D. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

E. Other Income

Interest revenue is recognised using the effective interest rates applicable to the financial assets.

Government subsidies are recognised where there is reasonable assurance that the Consolidated Entity will comply with the conditions attached to the grant and the grant will be received.

F. Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of expense. Receivables and payables in the Statement of Financial Position are shown inclusive of GST. Cash flows are presented in the statement of cash flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

flows.

3 SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

G. Earnings per share

The Consolidated Entity presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for the effects of all dilutive potential ordinary shares.

H. New, revised or amending Accounting Standards and Interpretations issued but not yet effective

Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the Consolidated Entity for the annual reporting period ended 29 February 2024. The adoption of these new or amended Accounting Standards and Interpretations will not have significant impact to the financial statements.

I. New, revised or amending Accounting Standards and Interpretations adopted during the year

The accounting policies adopted are consistent with those of the previous financial year. Other amendments and interpretations applied for the first time during the year, however these changes did not have an impact on the financial statements of the Consolidated Entity.

4 SEGMENT REPORTING

The Consolidated Entity has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources. Operating segments are determined on the basis of financial information reported to the Board which is at the Consolidated Entity level. The Consolidated Entity does not have any products/services it derives revenue from.

Accordingly, management currently identifies the Consolidated Entity as having only one operating segment, being exploration. There have been no changes in the operating segments during the year. Accordingly, all significant operating decisions are based upon analysis of the Consolidated Entity as one segment. The financial results from the segment are equivalent to the financial statements of the Consolidated Entity as a whole.

5 OTHER INCOME

	Consolidated 2024	Consolidated 2023
	\$	\$
Finance income	-	1,499
	-	1,499

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

6 EXPENSES	Consolidated 2024	Consolidated 2023
	\$	\$
Profit/(loss) before income tax expense has been determined after: <i>Other expenses</i>		
Audit and accountancy fees	88,593	50,789
Legal fees	15,874	70,366
Share registry expenses and listing fees	62,635	48,961
Travel & Meeting Costs	23,301	-
Other miscellaneous costs	4,884	11,965
	<hr/> 195,287	<hr/> 182,081
 <i>Personnel expenses:</i>		
Salaries and on-costs	204,808	205,091
Superannuation expense	19,503	19,348
Directors fees and consultancy fees	197,969	203,425
Accrued director fees forgiven	(575,142)	-
Share based payments	68,511	-
	<hr/> (84,351)	<hr/> 427,864
 7 INCOME TAX		
Components of tax expense/(benefit) comprise:		
Current tax	-	-
Deferred tax	-	-
Income Tax Expense/(Benefit)	<hr/> -	<hr/> -
 <i>Numerical reconciliation of income tax benefit to prima facie tax payable</i>		
Loss from operations for the year	(110,936)	(608,446)
The prima facie income tax benefit on loss before income tax at a tax rate of 25% (2023: 25%)	27,734	152,111
 Tax effect amounts which are not taxable/(deductible) in calculating taxable income:		
Share based payments	(17,128)	-
Deferred tax asset not recognised on current year loss	(10,606)	(152,111)
Total income tax benefit	<hr/> -	<hr/> -

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

	Consolidated	Consolidated
	2024	2023
	\$	\$
7 INCOME TAX (Cont'd)		
<i>Net unrecognised deferred tax assets</i>		
Net Deductible temporary differences	64,024	58,520
Unused tax losses	5,039,206	5,028,600
Net unrecognised deferred tax asset	5,103,230	5,087,120
 <i>Gross amounts of items in net unrecognised deferred tax assets</i>		
Net Deductible temporary differences	256,094	234,079
Unused tax losses	20,156,823	20,114,400
Total unrecognised deferred tax assets	20,412,917	20,348,479
 The above potential tax benefit for tax losses has not been recognised in the statement of financial position. These tax losses can only be utilised in the future if the continuity of ownership test is passed, or failing that, the same business test is passed.		
The above potential tax benefit, which excludes tax losses, for deductible temporary differences has not been recognised in the statement of financial position as the recovery of this benefit is uncertain. The Consolidated Entity has no franking credits.		
 8 CASH AND CASH EQUIVALENTS		
Cash at bank	1,172,199	46,185
 9 OTHER ASSETS		
Current		
Deposits	2,578	2,578
Prepayments	10,016	13,571
	12,594	16,149
 10 TRADE AND OTHER PAYABLES		
Directors' fees payable	439,754	1,029,896
Related party payables	100,000	375,000
Other	274,931	169,059
	814,685	1,573,955

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

10 TRADE AND OTHER PAYABLES (Cont'd)

During the prior year and up until 29 February 2024, the below Key Management Personnel and other employees entered into an agreement with the company to receive ordinary shares (at an issue price of \$0.0046 per share) in lieu of unpaid remuneration. The total amounts owing, settled by shares issued, and forgiven:

Director	Remuneration		Share issued as consideration	Share issued as consideration	Director fees payable forgiven	Remuneration owing at 29 February 2024
	owing at 1 March 2023	Director Fee				
	\$	\$	#	\$	\$	\$
Dr Yi Yang	317,392	48,000	10,869,565	50,000	295,392	20,000
Dr Feng Wu	264,493	40,000	10,869,565	50,000	237,826	16,667
Mr. Yu Zhou	70,924	36,000	10,869,565	50,000	41,924	15,000
Mr. Bin Cai	135,000	36,000	5,434,783	25,000	-	146,000
Other	242,087	-	-	-	-	242,087
	1,029,896	160,000	38,043,478	175,000	575,142	439,754

	Consolidated 2024 \$	Consolidated 2023 \$
Related party payables		
Opening Balance	375,000	275,000
Repaid during the period	50,000	-
Converted to share capital during the period	225,000	-
Drawdowns during the period	-	100,000
Closing Balance	100,000	375,000

11 ISSUED CAPITAL

958,140,922 (2023: 545,097,443) fully paid ordinary shares	17,684,719	15,784,719
Transaction costs relating to share issues (net of tax)	(237,002)	(237,002)
	17,447,717	15,547,717

	Consolidated 2024		Consolidated 2023	
	#	\$	#	\$
Ordinary shares				
Balance at the beginning of the year	545,097,443	15,547,717	545,097,443	15,547,717
Share issues	413,043,479	1,900,000	-	-
Share issue costs	-	-	-	-
Balance at the end of the year	958,140,922	17,447,717	545,097,443	15,547,717

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

11 ISSUED CAPITAL (Cont'd)

	2024		2023	
	#	\$	#	\$
<i>Share issues</i>				
Balance at the beginning of the year	545,097,443	15,547,717	545,097,443	15,547,717
Director shares ¹	38,043,478	175,000	-	-
Share issued	326,086,957	1,500,000	-	-
Excellence Holding HK Ltd Loan ²	48,913,044	225,000	-	-
Closing balance at the end of the year	958,140,922	17,447,717	545,097,443	15,547,717

1. 38,043,478 shares to settle a portion of unpaid remuneration. Ref to Note 10.

2. 48,913,044 shares issued to settle a portion of unpaid loan monies. Ref to Note 10

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Ordinary shares have no par value and the Company does not have a limited amount of authorised capital.

Share buy-back

There is no current on-market share buy-back.

Capital risk management

The Consolidated Entity's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can provide returns for shareholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

In common with many other exploration companies, the parent raises finance for the Consolidated Entity's exploration and appraisal activities in discrete tranches. The Consolidated Entity's overall strategy remains unchanged for 2024.

The Consolidated Entity is not subject to externally imposed capital requirements.

12 RESERVES

	Consolidated 2024 \$	Consolidated 2023 \$
Options reserve		
Opening balance	467,838	467,838
Options issued	-	-
Closing balance	467,838	467,838

The option reserve account is to account for share based payments.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

12 RESERVES (Cont'd)

	Consolidated 2024 \$	Consolidated 2023 \$
Performance rights reserve		
Opening Balance	-	-
Performance rights issued	68,511	-
Closing Balance	68,511	-
The performance rights reserve account is to account for share based payments.		
	536,349	467,838

13 SHARE BASED PAYMENTS

The establishment of the Performance Rights Plan was approved by shareholders at the General Meeting held in July 2021. The Performance Rights Plan is designed to incentivise eligible participants to provide dedicated and ongoing commitment and effort to the Consolidated Entity and to align the interests of eligible participants with shareholders in order to increase shareholder value. Under the plan, eligible participants are granted performance rights which will only vest if certain performance conditions are met. Participation in the Performance Plan is at the boards discretion and no individual has a contractual right to participate in the plan or to receive any guaranteed benefits.

When exercisable, each right is convertible into one ordinary share.

Set out below are summaries of options granted under the plan:

	Average exercise price per right	Number of rights
As at 1 March	-	-
Granted during the year	\$0.00	80,000,000
Exercised during the year	-	-
Forfeited during the year	-	-
As at 29 February	\$0.00	80,000,000
Vested and exercisable at 29 February	-	-

The weighted average share price during the financial year was \$nil (2023: n/a).

The weighted average remaining contractual life of rights outstanding at the end of the financial year was 2.81 years (2023: n/a).

Fair value of performance rights granted

The assessed fair value at grant date of performance rights issued was determined using the Black-Scholes Model that takes into account the exercise price, the underlying share price at the time of issue, the term of the rights, the underlying share's expected volatility, expected dividends and the risk-free interest rate for the expected term of the rights.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

13 SHARE BASED PAYMENTS (Cont'd)

The model inputs for performance rights granted during the year ended 29 February 2024 included:

Grant date	21/12/23
Exercise price	\$0.00
Expiry date	21/12/2026
Vesting conditions	<ul style="list-style-type: none"> • Completion of a fundraising by the company of at least \$1,000,000 (before costs), and • Completion of the acquisition of assets by the company having net value of at least \$2,000,000
Share price at grant date	\$0.0046
Underlying share price volatility	100%
Expected dividend yield	Nil
Risk-free interest rate	3.67%
Fair value per option	\$0.0046

Total expenses arising from share-based payment transactions recognised during the period as part of the employee benefit expenses were as follows:

	Consolidated 2024	Consolidated 2023
	\$	\$
Share based payments expense	68,511	-

14 EARNINGS PER SHARE

	Consolidated 2024	Consolidated 2023
	#	#
Weighted average number of shares used as the denominator in calculating basic and diluted earnings per share	577,824,932	545,097,443
	Consolidated 2024	Consolidated 2023
	\$	\$
Net loss after tax used in calculating basic earnings per share	110,936	608,446
Net loss after tax used in calculating diluted earnings per share	110,936	608,446
Basic and diluted loss per share – cents	(0.02)	(0.11)

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

15 CONTROLLED ENTITIES

Investments in controlled entities

	Country of incorporation	Ownership 2024	Ownership 2023	Class of shares
Rich Resources Investments Pty Ltd	Australia	100%	100%	Ord
Broughton Orion Pty Ltd	Australia	100%	100%	Ord

16 COMMITMENTS FOR EXPENDITURE

The Consolidated Entity have no material commitments for expenditure as at 29 February 2024 (2023: nil).

17 CONTINGENT LIABILITIES AND ASSETS

The Directors are not aware of any contingent liabilities or contingent assets that are likely to have a material effect on the results of the Consolidated Entity as disclosed in these financial statements.

18 RELATED PARTIES

	2024 \$	2023 \$
Key management personnel compensation		
Short term employee benefits	376,431	309,910
Director fees payable forgiven	(575,142)	-
Post-employment benefits	29,882	22,182
	(168,829)	332,092

Amounts owing to related parties

As at 29 February 2024, \$439,754 of trade and other payables related to unpaid fees is owed to directors and \$1,908 is owed to related parties. During the year the directors entered into an agreement with the Company to receive ordinary shares (at an issue price of \$0.0046 per share) in lieu of unpaid remuneration. The unpaid remuneration settled via the issue of shares was \$175,000 with 38,043,478 shares being issued. Yi Yang, Feng Wu and Yu Zhou have agreed to waive their right to the outstanding directors' fee which is \$575,142 in total. The outstanding fees owed to Bin Cai will remain outstanding and will not be waived.

As at 29 February 2024, \$100,000 (2023: \$150,000) is payable to shareholder Australia Cayenne Holdings Pty Ltd. These loans was provided at zero interest rate and is unsecured with no fixed term.

Substantial shareholder transactions

As at the reporting date Excellence Holdings HK Limited held 448,913,044 shares (2023:400,000,000) in the Company and nil options (2023: Nil). During the year 48,913,044 shares were issued to Excellence Holdings HK Limited settle \$225,000 of the loan owing to Excellence Holdings HK Limited.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

19 CASH FLOW INFORMATION

	Consolidated	Consolidated
	2024	2023
	\$	\$
<i>Reconciliation of cash flow from operations with profit / (loss) after tax</i>		
Profit / (loss) after tax	(110,936)	(608,446)
Non-cash items in profit / (loss) after income tax		
Share based payments	68,511	-
Changes in operating assets and liabilities		
Decrease/(increase) in other assets	3,555	5,862
(Decrease)/increase in creditors and payables	(309,270)	200,232
(Decrease)/Increase in employee entitlements	24,154	20,055
	<hr/>	<hr/>
Net cash used in operating activities	(323,986)	(382,297)

20 FINANCIAL INSTRUMENTS

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expense are recognised, in respect of each class of financial asset, financial liability, and equity instrument are disclosed in Note 3 to the financial statements.

Financial risk management objectives

The financial risks of the Consolidated Entity include market risk (including currency risk and price risk), credit risk and liquidity risk. The consolidated entity does not hedge these risk exposures. The Consolidated Entity does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes.

Market risk

Market risk is the risk that changes in market prices such as interest rates and equity prices will affect the Consolidated Entity's income and value of its holdings.

The Consolidated Entity's activities expose it primarily to the financial risks of changes in interest rates on its cash and cash equivalents. It is the policy of the Consolidated Entity to manage their risks by continuously monitoring interest rates. There has been no change to the Consolidated Entity's exposure to market risks or the manner in which it manages and measures the risk from the previous period.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

20 FINANCIAL INSTRUMENTS (Cont'd)

(i) Interest risk management

Interest rate risks are caused by fluctuations in interest rates which, in turn, are due to market factors.

Interest rate sensitivity

The Consolidated Entity's main interest rate risk arises from cash and cash equivalents. The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the consolidated entity's profit/loss before taxes through the impact on cash and cash equivalents and held to maturity investments with a decrease or an increase of 0.25% in interest rates.

	Consolidated 2024 \$	Consolidated 2023 \$
Sensitivity		
Cash and cash equivalents and other financial assets	1,172,199	46,185
Effect on profit or loss before taxes		
Increase 0.25%	2,931	115
Decrease 0.25%	(2,931)	(115)

(ii) Price risk management

The Consolidated Entity did not hold any listed equity securities at reporting date.

Liquidity risk management

Liquidity risks are caused by the inability to raise the money needed to meet payment of liabilities as and when they fall due. The Consolidated Entity manages liquidity risk by maintaining of reserves and by continually monitoring forecast and actual cash flows and cash balances. The parent entity raises equity for the Consolidated Entity's exploration and appraisal activities in discrete tranches.

At 29 February 2024 and 28 February 2023, the only financial liabilities of the Consolidated Entity were trade payables and accruals. All trade payables and accruals have a contractual maturity of 6 months or less.

Credit risk management

In relation to financial assets, credit risk arises from the potential failure of counterparties to meet their obligations under a contract or arrangements. Credit risk for the Consolidated Entity arises from cash and cash equivalents. The Consolidated Entity is not exposed to any material credit risks and only trades with credit worthy third parties, outside of cash and cash equivalents which are all held with Australian regulated banks. The maximum exposure to credit risk is the carrying amount of the financial assets recognised in the statement of financial position.

Fair values

The carrying amounts of all financial assets and liabilities primarily comprising cash and cash equivalents, trade and other receivables, and trade and other payables are stated at approximate their fair value due to their short-term nature.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

Consolidated 2024 \$	Consolidated 2023 \$
----------------------------	----------------------------

21 AUDITORS REMUNERATION

Amounts paid/payable for audit or review of the financial statements

48,240	40,100
48,240	40,100

No other services were provided by the auditors during the year.

22 SUBSEQUENT EVENTS

There have been no matters or circumstances that have arisen since 29 February 2024 that have significantly affected, or may significantly affect the Consolidated Entity's operations, the results of those operations, or the Consolidated Entity's state of affairs in future years.

ORION METALS LIMITED
ACN 096 142 737

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 29 FEBRUARY 2024

23 PARENT ENTITY DISCLOSURES

The parent entity of the Consolidated Entity is Orion Metals Limited.

	2024	2023
	\$	\$
Results of parent entity		
Profit/loss for the year	(110,816)	(468,479)
Other comprehensive income/(loss) for the year	-	-
Total comprehensive income	(110,816)	(468,479)
Financial position of parent entity at year end		
Current Assets	1,184,184	75,930
Total assets	1,184,184	75,930
Current Liabilities	527,965	1,277,403
Total liabilities	527,965	1,277,403
Net Assets	656,219	(1,201,473)
Total equity of the parent entity comprising :		
Issued capital	17,447,717	15,547,717
Reserves	536,346	467,838
Accumulated losses	(17,327,844)	(17,217,028)
Total equity	656,219	(1,201,473)

The exploration and commitment schedule shows nil balances. The Company now has no Queensland tenure.

The Company has not entered into any guarantees.

24 COMPANY DETAILS

The Company's registered office and principal place of business is located at:

221 Jesmond Road, Fig Tree Pocket, Qld 4069

Company Secretary: John Lemon

ORION METALS LIMITED

ACN 096 142 737

DIRECTORS' DECLARATION

The Directors of the Company declare that:

1. The attached financial statements and notes are in accordance with the Corporations Act 2001, including:
 - (a) complying with Australian Accounting Standards (including Australian Accounting Interpretations) and the Corporations Regulations 2001; and
 - (b) giving a true and fair view of the financial position as at 29 February 2024 and performance for the year ended on that date of the consolidated entity,
2. The financial statements also comply with International Financial Reporting Standards as disclosed in note 2.
3. The Remuneration Report as set out in the Directors' Report complies with Section 300A of The Corporations Act 2001.
4. The Chief Executive Officer and Chief Financial Officer have declared that:
 - (a) the financial records of the company for the financial year have been properly maintained in accordance with Section 286 of the Corporations Act 2001;
 - (b) the financial statements and notes for the financial year comply with the Australian Accounting Standards (including Australian Accounting Interpretations); and
 - (c) the financial statements and notes for the financial year give a true and fair view.
5. In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



BIN CAI
Director

30 May 2024

INDEPENDENT AUDITOR'S REPORT

To the members of Orion Metals Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Orion Metals Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 29 February 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including material accounting policy information and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

- (i) Giving a true and fair view of the Group's financial position as at 29 February 2024 and of its financial performance for the year ended on that date; and
- (ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material uncertainty related to going concern

We draw attention to Note 2 in the financial report which describes the events and/or conditions which give rise to the existence of a material uncertainty that may cast significant doubt about the group's ability to continue as a going concern and therefore the group may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. Except for the matter described in the *Material uncertainty related to going concern* section, we have determined that there are no other key audit matters to communicate in our report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's directors' report for the year ended 29 February 2024, which we obtained prior to the date of this auditor's report, and the information contained in the annual report, but does not include the financial report and the auditor's report thereon, which is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and will request that it is corrected. If it is not corrected, we will seek to have the matter appropriately brought to the attention of users for whom our report is prepared.

Responsibilities of the directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material

misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in section 15 of the directors' report for the year ended 29 February 2024.

In our opinion, the Remuneration Report of Orion Metals Limited, for the year ended 29 February 2024, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd



Anthony J Whyte
Director

Brisbane, 30 May 2024